



An tÚdarás Rialála Seirbhísí Maoine
Property Services Regulatory Authority



Annual Report 2020



An tÚdarás Rialála Seirbhísí Maoine Property Services Regulatory Authority

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 statutory functions.

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.

Contents

Chairperson and Chief Executive Statement	2
2020 A Year in Review	3
About Us	4
What We Do	4
Board and Committees of the Authority.....	5
Board Members	7
Consideration of Final Investigations Reports	8
Audit and Risk Committee	8
Compensation Fund Advisory Committee	8
Strategic Plan.....	9
Progress on Strategic Goals	11
Goal 1 - Maintain an Effective Licensing System.....	11
Goal 2 - Maintain a System of Investigation and Adjudication.....	15
Goal 3 - Promote Sector Engagement and Public Awareness of the Authority.....	27
Goal 4 - Maintain Public Registers	29
Goal 5 - Deliver an Effective and Efficient Organisation	31
Appendix 1 - Financial Statements - Property Services Regulatory Authority	39
Appendix 2 - Financial Statements - Property Services Compensation Fund	60

Chairperson and Chief Executive Statement

We are pleased to present the 2020 annual report of the Property Services Regulatory Authority (the Authority). This report presents an overview of the activities and outputs of the Authority during the year.

The year 2020 will be remembered as the year Covid-19 impacted on all our lives, bringing with it many challenges, including changing the way we work and the manner in which the Authority delivered its statutory functions.

Following a direction of Government stipulating that where possible, those who can work remotely, should be facilitated, the Authority successfully organised remote working for all staff members. This achievement ensured that staff remained safe and were equipped with the necessary tools to continue to deliver our services and engage with licensed PSPs (Property Services Providers) and the public.

To ensure the seamless delivery of our statutory functions during the pandemic, a number of changes were introduced which necessitated legislative amendments including amendments to the Professional Indemnity Insurance (PII) and Licensing Regulations to allow for the extension of the licensing renewal dates by four months. Continuous Professional Development (CPD) regulations were also amended to provide for delivery of CPD fully online. The Authority also moved to an online remote audit process, ensuring its oversight of the sector as well as continued engagement with licensed PSPs.

In addition to effectively managing work processes throughout the pandemic, the Authority continued to deliver on its day-to-day role as well as addressing its strategic objectives. The Authority completed the implementation of its Strategic Plan 2017-2020 in September 2020. Key achievements of the Plan included hosting of the Authority's inaugural conference, the publication of an independent research report "The Impact of Regulation on the Property Services Sector in Ireland", commencement of CPD for licensed PSPs and the implementation of an online end to end licensing system for all licence application types. Following on from the completion of this Strategic Plan, the Authority published its third Strategic Plan 2020-2023 setting out ambitious strategic objectives in continuing to enhance the professionalism of the sector and protect consumers and the public.

Of particular note for the Authority in 2020 was the commencement of the Property Services (Regulation) Act 2011 (Minimum Standards) Regulations 2020, signed by the Minister for Justice, Ms. Helen McEntee in November. These Regulations provide additional standards to be observed by licensed PSPs in the provision of property services, extending the definition of 'improper conduct' and the matters that may be formally investigated by the Authority. As a further development in the promotion of professional standards, the Board approved a principled based Code of Practice for PSPs. The principles addressed in this Code support the delivery of professional services by all PSPs.

2020 saw the conclusion of the terms of Chairperson and two members of the Board of the Authority who had served on the Board since its inception in April 2012. In addition, the Minister's nominee on the Board, resigned to avail of a new work opportunity. We would like to take this opportunity to sincerely thank them for their service, vision and commitment.

The contribution of external Committee members, members of the Forum, Licensed PSPs 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. This year has been difficult for all staff. However, without their fortitude, resilience and can do attitude, the Authority would not have been able to meet the additional work demands presented by Covid-19.



A handwritten signature in black ink that reads "Michael Quinlan".

Michael Quinlan
Chairperson



A handwritten signature in black ink that reads "Maeve Hogan".

Maeve Hogan
Chief Executive

Over
40,000
Commercial Lease
Returns Published

Commencement of
**Minimum
Standards S.I.**

Publication of
Joint Sector Protocol
for Property Services
Providers

384
New
Licences
Issued



2020
**A Year in
Review**

2
Successful
Prosecution
Proceedings
against
Unlicensed
Operators



More than
**1.9
million**
visitors to the
Property
Price Register



Successful
High Court
appeal
on a point
of law



125
Complaints
Concluded



281
Compliance Audit
Investigations
Completed



5,318
Licence Renewals
Processed



About Us

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:

- o **Auctioneers**
 - Persons engaged in the auction of property other than land (Licence Category A)
- o **Estate Agents**
 - Persons engaged in the purchase or sale of land by whatever means (Licence Category B)
- o **Letting Agents**
 - Persons engaged in the letting of land (Licence Category C)

- o **Management Agents**

- Persons engaged in the provision of property management services on behalf of Management Bodies (Licence Category D).

The Authority's Chief Executive is Ms Maeve Hogan and its headquarters are based in Navan, Co Meath, with a second office in Bishop's Square, Dublin 2. At the end of 2020, in addition to the Chief Executive of the Authority, the Property Services Regulatory Authority (PSRA) had 30.8 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:

- o To supervise and regulate Property Services Providers (i.e. Auctioneers, Estate Agents, Letting Agents and Management Agents);
- o To operate a comprehensive licensing system covering all Property Services Providers;
- o To specify and enforce standards for the granting of license's 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);
- o To administer a system of investigation and adjudication of complaints against Property Services Providers;
- o To administer a system of investigation of standards in the provision of property services;
- o To promote increased consumer protection and public awareness in the provision of property services;
- o To maintain and administer a Compensation Fund;
- o To develop a Code of Practice for Property Services Providers;
- o To maintain a Public Register of Residential Property Sales Prices; a Commercial Leases Database; a Public Register of Licensed Property Services Providers;
- o To act as the State Competent Authority for Money Laundering for the property services sector;
- o To assist the Minister in the development of policy in regulating the sector;
- o To undertake or commission research projects.

A close-up photograph of a hand holding a wooden gavel. The hand is wearing a dark blue suit sleeve with a gold cufflink. The background is a blurred crowd of people in a courtroom or public hearing. A blue speech bubble is overlaid on the right side of the image, containing text.

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.

Board of the Authority

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

The Board provides effective oversight of the delivery of the statutory functions of the Authority.

In appointing members to the Authority under the Act, the Minister for Justice 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 Minister must also, in so far as is practicable, ensure an appropriate balance between men and women in the composition of the Authority. The promotion of diversity and inclusion, including with regard to gender is a key consideration for the Minister in appointing members to the Board.

The Authority is independent in the exercise of its functions and was chaired by Ms. Geraldine Clarke, Solicitor, until her term of office ceased on 27 November 2020. The Board comprises of members from within the property services sector, consumer interest representatives and an officer of the Minister.

On 27 November 2020, a total of three of the Authority's members' terms of office ceased.

These members Ms. Geraldine Clarke, Mr. Paul Mooney and Mr. Edward Carey had served on the Board of the Authority since its inception in 2012. Three other Board members, Dr. Muiris O'Ceidigh, Dr. Aideen Hayden and Ms. Hilary Griffey were reappointed for a second term on 28 November 2020. Mr. Martin McDermott resigned from the Board on 24 June 2020.

An appropriate balance between men and women was in place on the Board of the Authority until the cessation of the terms of office of three members of the Board in late 2020. Gender balance will be a factor for consideration for the Minister in determining new appointments to these positions as well as that vacated by the Ministers representative during 2020. At year end four appointments to the Board of the Authority were awaited.

The Board of the Authority met on six occasions during 2020. The table below outlines the members, 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	6
Edward Carey	Member	28/11/2016 - 27/11/2020	6
Ella Dunphy	Member	15/04/2019 – 14/04/2023	6
Hilary Griffey	Member	28/11/2020 - 27/11/2024**	5
Aideen Hayden, Dr.	Member	28/11/2020 - 27/11/2024**	6
Gordon Hughes	Member	15/04/2019 – 14/04/2023	5
Martin McDermott	Member	04/06/2019 – 24/06/2020*	3
Paul Mooney	Member	28/11/2016 - 27/11/2020	6
Orla Moran	Member	15/04/2019 – 14/04/2023	6
Muiris O'Ceidigh, Dr.	Member	28/11/2020 - 27/11/2024**	6

*Resigned from Board 24 June 2020

** Reappointed by Minister

BOARD MEMBERS



Ms. Geraldine Clarke



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 Final Investigations Reports

During 2020, two final investigation reports were referred by the Executive to the Authority for adjudication. In relation to the first report, a quorum of the Board, chaired by Ms Emer Byrne met on one occasion to adjudicate on the report. The matter was ongoing at year end. In relation to the second report a quorum of the Board, chaired by Dr Muiris O’Ceidigh met on two occasions to adjudicate on the report. This matter was also ongoing at year end. Details of member’s attendance at these respective meetings are provided below.

Members of the Authority	Meetings Attended
Emer Byrne (Chair)	1
Edward Carey	1
Orla Moran	1
Mr. Gordon Hughes	1
Dr. Muiris O’Ceidigh	1

Members of the Authority	Meetings Attended
Dr. Muiris O’Ceidigh (Chair)	2
Mr. Paul Mooney	2
Ms. Ella Dunphy	2
Ms. Hilary Griffey	2
Dr. Aideen Hayden	2

Committees of the Authority

Audit and Risk Committee

The Audit and Risk Committee is comprised of two Authority members: Dr Muiris O’Ceidigh (Chairperson) and Ms. Hilary Griffey along with two independent members: Ms. Therese Carolan and Mr. David Salter. Mr. Salter was appointed to the Committee on 26 May 2020 for a two-year term following the cessation of Mr. Myles O’Reilly’s term on 14 May 2020. There were four Audit and Risk Committee meetings in 2020.

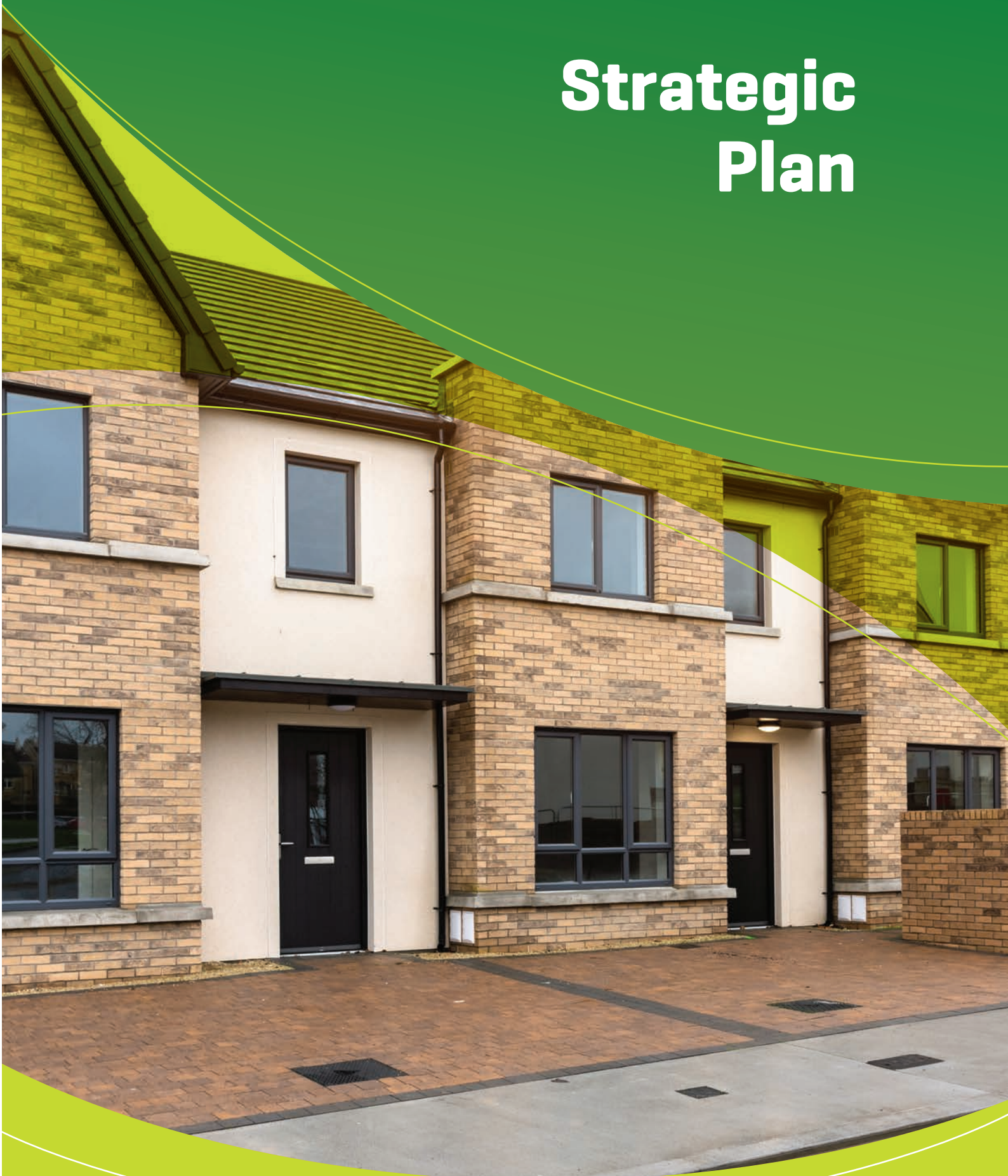
Committee Member	Type of Member	Meetings Attended
Muiris O’Ceidigh, Dr.	Authority Member (Chairperson)	4
Hilary Griffey	Authority Member	4
Therese Carolan	Independent Member	2
Myles O’Reilly	Independent Member	1
Dave Salter	Independent Member	3

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 2020.

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

Strategic Plan



Strategic Plan

The Strategic Plan outlines the strategic objectives and direction of the PSRA. It identifies what the Authority expects to achieve for the period of the plan.

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



The three year Strategic Plan 2017-2020 ended in September 2020. The objectives of this Plan were successfully implemented. Early in 2020, the Authority commenced focussing on developing its new Strategic Plan 2020-2023, building on consultations with the Board, stakeholders and staff during 2019. The plan was approved by the Minister for Justice in early October 2020 and covers the period September 2020 – August 2023. The Plan outlines five ambitious goals, namely:

- 1) Develop an enhanced register and effective system of regulation to support professional practice
- 2) Continuously enhance the Authority's processes and arrangements to deliver targeted inspections on a cost effective basis

- 3) Promote professional standards, address unlicensed activity and operate an effective complaints management process
- 4) Promote engagement, awareness and continuous professional development to the benefit of all stakeholders
- 5) Resource and manage the Authority to optimise organisational efficiency and effectiveness

The Annual Report 2020 sets out the Authority's progress in relation to its goals as set out in the Strategic Plan 2017 – 2020.

Progress on Strategic Goals



Maintain an Effective Licensing System

The Act provides that any person providing property services in Ireland must be licensed by the Authority. The Authority issues four different categories of licence, which correspond with the four categories of property services defined in the Act. Applications may be made for one or more licence category. Licences are renewable annually. The Authority's licensing process continues to operate in an efficient manner with a total of 5,947 licence applications (new, renewal and additional category) processed in 2020.

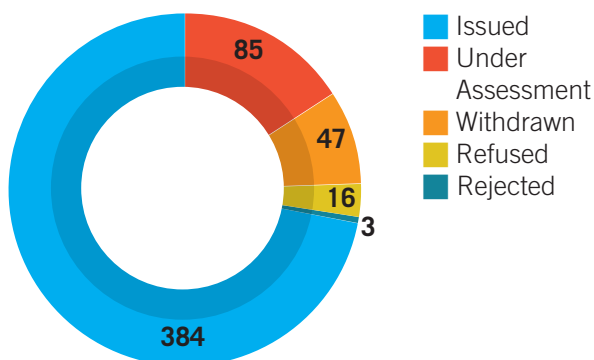
As a result of the development of the online licence application system in recent years, the Authority was able to continue to process licence applications throughout 2020 despite the impact of Covid-19 on work processes.

New Licence Applications

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 2020, a total of 535 new licence applications were submitted to the Authority for consideration. Chart 1 provides a breakdown of applications processed throughout 2020.

Chart 1 New Licence Applications Processed in 2020



The Authority independently assesses each licence application within the requirements of the Act and advises the applicant where their application falls short of a qualification or other required standard. Applicants are provided with every opportunity to submit appropriate evidence of qualification in support of their application prior to the Authority making a final decision. A small number of new

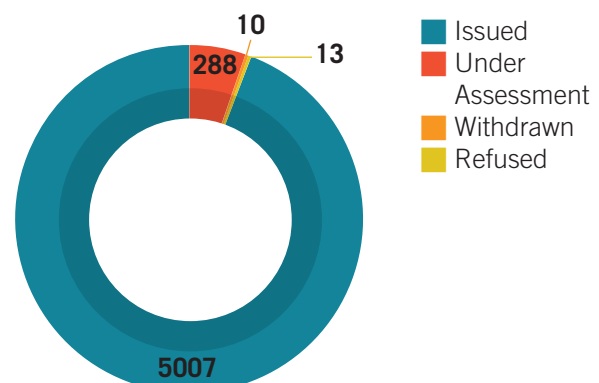
licence applications were refused in 2020, with the most common reason for refusal identified as the applicant failing to meet the minimum qualification requirements.

Licence Renewals

Licensed PSPs are required to renew their licences annually.

The total number of licence renewal applications processed in 2020 was 5,318. Chart 2 provides a breakdown of licence renewal applications processed by the Authority during the year. 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 Licence Renewal Applications Processed in 2020



Extension of Licence Period

In May 2020, the Authority announced the commencement of S.I. No. 162 of 2020, Property Services (Regulation) Act 2011 (Section 95) (Extension of Licences) Regulations 2020. The introduction of the Regulations granted a four month extension to licences due to expire between 7 May 2020 and 31 August 2020. The Authority

sought the emergency measure in response to the practical difficulties faced both by licensed PSPs and the Authority as a result of the global pandemic that occurred in 2020. This measure was sanctioned by the Department of Public Expenditure and Reform. The licence extension was granted upon confirmation that the licensed PSP held the required level of PII in accordance with the amended Professional Indemnity Insurance Regulations.

Prior to the granting of the four month licence extension a significant proportion of licences, approximately 2,800, had an expiry date of 5 July. As a result of the four month licence extension these licences now expire on 5 November. This resulted in a peak renewal period from September to November during which the Authority received over 3,000 renewal applications.

Overall Licensing Numbers

At the end of 2020, there was a total of 5,698 licence holders which compares to 5,840 at year end 2019. This represents a 2% decrease in licence holders, or 142 overall. Over 75% of the decrease is accounted for by a reduction of 107 licensed employees.

Chart 3 illustrates the distribution of licences in 2020 by Employees, Companies, Partnerships, Independent Contractors and Sole Traders.

Chart 3 Distribution by Licensee Type in 2020

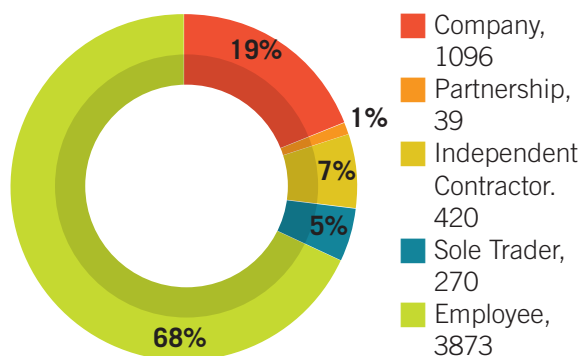
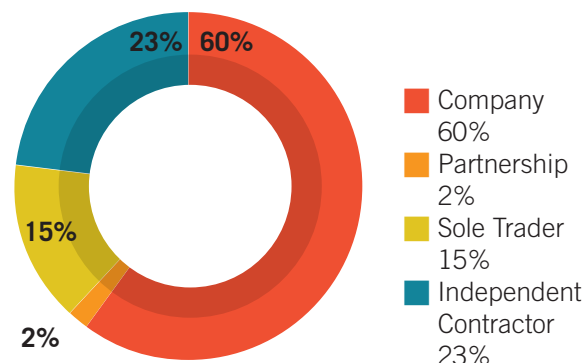


Chart 4 provides an analysis of the distribution of the 1,825 business licences active at the end of 2020.

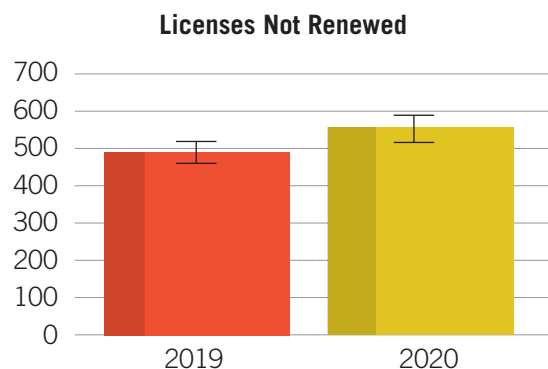
Chart 4 Business Licences Distribution by Business Type in 2020



Non-Renewal of Licence by Employers and Employees

The level of non-renewal of licences is outlined in Chart 5 for 2020 and 2019. In 2020, 556 licensed PSPs did not renew their licence, compared to 491 in 2019. This is an increase of 13%. The reasons for non-renewal vary but include retirement, closing of business, emigrating and in some cases changing from one legal entity to another. The non-renewals for 2020 is broken down into 125 businesses and 431 employees.

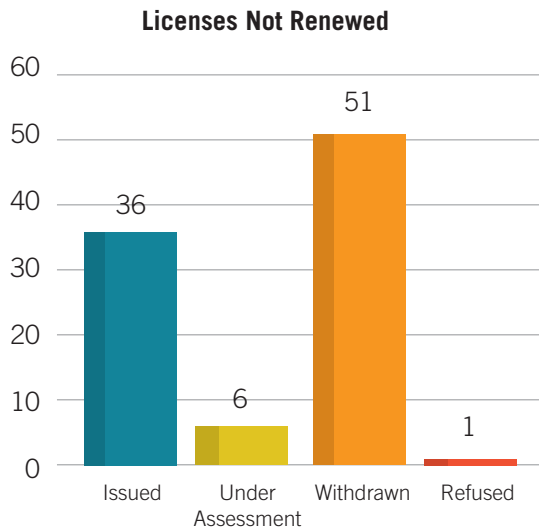
Chart 5 Licences Not Renewed



Additional Licence Category and Change of Property Services Employer Applications

In 2020 the Authority processed 94 applications from licensed PSPs who applied to have additional licence categories added to their licence. Chart 6 illustrates the position of these 94 applications at year end.

Chart 6 Online Additional Category Applications Processed in 2020



The high level of applications withdrawn can be accounted for by applications submitted in error.

Change of Property Services Employer applications are submitted when an employee licensed under one business wishes to move their licence to another licensed business. In 2020, the Authority processed 180 Change of Property Services Employer applications.

Licence Application Appeals

There were 3 licence application appeals in 2020 made to the Property Services Appeal Board (PSAB). The first appeal application was withdrawn by the appellant, the PSAB upheld the decision of the Authority in the second case and in the third case the PSAB referred the application back to the Authority for further consideration.

Licence Category

As previously stated, at the end of 2020, there was a total of 5,698 active licences compared to 5,840 licences at the end of 2019. Chart 7 illustrates the distribution by licence category of 1,825 active business licences at year end with that of 2019. Categories of licence include single licence categories and a combination of some or all licence categories.

Chart 7 Business Licence Categories in 2020

Licence Category Issued	2020	2019
[A]	82	79
[A],[B]	19	20
[A],[B],[C]	917	947
[A],[B],[C],[D]	309	311
[A],[B],[D]	0	1
[A],[C]	3	4
[A],[C],[D]	1	1
[B]	18	14
[B],[C]	192	187
[B],[C],[D]	73	67
[C]	82	84
[C],[D]	54	63
[D]	75	82

Chart 8 provides a breakdown of the licence categories held by the 3,873 employees at the end of 2020.

Chart 8 Employee Licence Categories in 2020

Employee Licence Categories Issued	2020
[A]	148
[A],[B]	34
[A],[B],[C]	1314
[A],[B],[C],[D]	750
[A],[C]	8
[A],[C],[D]	3
[A],[D]	1
[B]	135
[B],[C]	617
[B],[C],[D]	285
[B],[D]	2
[C]	159
[C],[D]	169
[D]	248

Competent Authority for Anti-Money Laundering

The PSRA is the State Competent Authority 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.

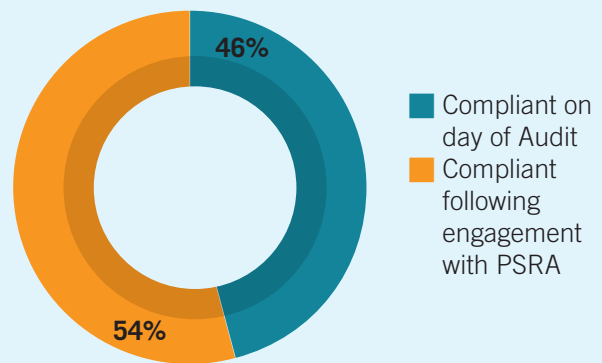
During audit, licensed businesses are assessed for compliance in the following areas;

- Business and Client Risk Assessment
- The completion of Customer Due Diligence
- Suspicious Transaction Reporting
- The implementation of Anti-Money Laundering Policies and Procedures
- The training of staff in Anti-Money Laundering and Countering Financial Terrorism
- The retention of relevant Anti-Money Laundering records

A total of 176 AML audits were completed by the Authority in 2020 of which 81 businesses demonstrated full compliance on the day of audit.

Areas of non-compliance were identified during the remaining 95 audits relating to Client Risk Assessment, Business Risk Assessment, Policies and Procedures and Customer Due Diligence. The Authority provided the necessary instruction and guidance to the 95 licensed businesses in order to assist the business to become compliant. Following this engagement, all 95 licensed businesses submitted evidence of subsequently becoming compliant.

Chart 9 Compliance with AML Audit 2020





Maintain a System of Investigation and Adjudication

A central element of the Authority's regulatory powers is the investigation of 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 traders;
- The inspection of 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 licensed PSP;
- 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

Property Services (Regulation) Act 2011 (Minimum Standards) Regulations 2020 – S.I 564 of 2020

In 2020, the Minister for Justice, Ms. Helen McEntee signed the Property Services (Regulation) Act 2011 (Minimum Standards) Regulations 2020 effective from 30 November 2020. These Regulations address additional standards to be observed in the provision of property services by property services providers.

Several of these standards, without being absolutely prescriptive, contain provisions that licensed PSPs act in a fair, reasonable and just manner and within the law. By way of some examples: licensed PSP's are obliged to act in the clients' interests; to return client funds within defined timeframes; advise clients in writing of any

conflict of interest and reply to queries within a reasonable timeframe.

The minimum standard regulations provide additional standards, a breach of which is now improper conduct under the Act. Up to the 30th of November 2020, a significant number of complaints received by the Authority were declined for investigation because the behaviour complained of did not fall under the definition of "improper conduct" as provided for in the Act. Many such cases involved allegations of poor service provision or breaches of the terms of the letter of engagement. Such complaints can now be formally investigated by Inspectors appointed by the Authority and, if the investigation proves improper conduct has occurred, sanctions may result for the licensed PSP.

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 2020, the Authority received 187 complaints. This represents a 7.43% decrease on the 202 complaints received in 2019 which may, in part, be attributable to increased compliance by property services providers and also the closure of the sector for part of the year in 2020 due to the Covid-19 pandemic.

End of Year Status of Complaints

At 1st January 2020, there were 28 complaints on hand of which 2 were regarded as historic complaints, relating to a period of more than two years from the current reporting year. In addition to the 187 complaints received in 2020, a total of 215 complaints were under consideration by the Authority in 2020. Of these files, 125 were concluded in 2020.

At year end, there were 90 open complaint files on hand. Of these, 45 were at inspection phase and the remaining 45 were at initial assessment stage

awaiting a decision on whether these complaints are for investigation.

The 45 cases at inspection phase relate to complaints where an Inspector was appointed and an investigation was ongoing at year end.

Chart 10 provides an outline of all the complaints processed by the Authority in 2020 and the status of those complaints at year end.

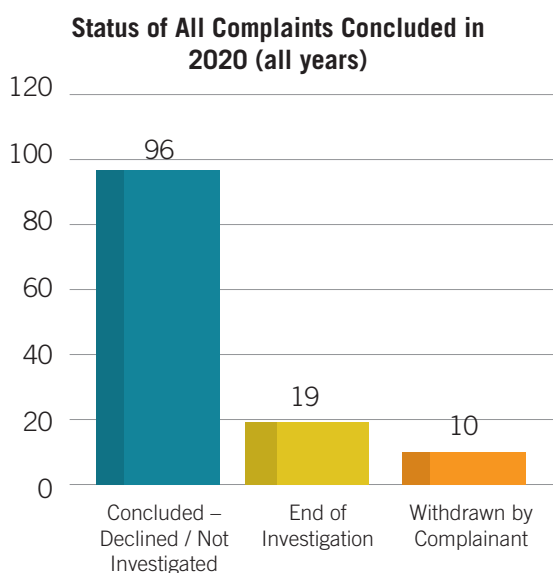
Chart 10 *End of Year Status of Complaints*

End of Year Status of Complaints	Total
Complaints on hand at 1/1/2020	28
Total complaints received in 2020	187
Total complaints concluded at year end	125
Open complaints at year end	90

Status of Complaints Concluded

Chart 11 provides details of all complaints concluded during 2020, broken down by status of conclusion.

Chart 11 *Status of All Complaints Concluded in 2020 (all years)*



Of the complaints concluded in 2020, 96 (76.8%) were declined for investigation and marked concluded following an initial assessment by the Authority. In some instances, this involved engagement with the complainant and or the licensed PSP to acquire the necessary information for the Authority to determine whether the matter complained of, if proven, would amount to improper conduct under the Act. In all cases where the Authority declined to investigate a complaint, the complainant was advised of the reasons why an investigation was not carried out and provided with the right of appeal to the PSAB. 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.

Case Studies of Complaints Declined for Investigation

Case Study No. 1

The Authority received a complaint from a landlord in relation to a licensed PSP she had engaged to manage her property. The complainant alleged that the licensed PSP did not respond to her emails or calls and was extremely poor at providing her with updates on the status of the tenancy. The complaint was assessed by an Inspector who declined it for investigation as the allegations in the complaint related to poor service provision and did not amount to improper conduct under the provisions of the Act. Both the complainant and the licensed PSP were notified of this decision and the reasons why the complaint was declined for investigation and provided with a right of appeal to the PSAB.

Since the enactment of the Property Services (Regulations) Act 2011 (Minimum Standards) Regulations 2020, a complaint of this nature would now be investigated. Section 5(1) of the Regulation provides that “A licensee shall respond to all communications from a client by whatever means agreed with the client and within a reasonable timeframe.”

Case Study No.2

The Authority received a complaint from an apartment owner against the property management agent of his housing estate. The complainant alleged that the licensed PSP did not look after the maintenance and upkeep of the housing estate and also alleged that the licensed PSP was unpleasant and that he had been reporting the same issues to the licensed PSP for years. The complaint was assessed by an Inspector who declined it for investigation as the allegations in the complaint were the responsibility of the Owners Management Company (OMC) and not the licensed PSP. This could not amount to improper conduct under the provisions of the Act. Both the complainant and the licensed PSP were notified of this decision including reasons why the complaint was declined for investigation and provided with a right of appeal to the PSAB.

Case Studies of Investigations

Below are two anonymised summaries of investigations into complaints, which were carried out by the Authority in 2020. These case studies are included to provide a general overview of the type of investigations which the Authority routinely undertakes.

Case Study No 1

The Authority received a complaint from a landlord (the complainant) in relation to a PSP that had been engaged to manage the tenancy of the landlord's property. The landlord's complaint outlined that the PSP had not transferred the rental income to the complainant for the month of March 2020. Despite many attempts by the complainant to engage the PSP to enquire why this money was not received, the PSP failed to engage or reply to the complainant. On eventually contacting the PSP, the complainant was informed that the PSP's office was closed in mid-March due to the coronavirus pandemic. The complainant was dissatisfied that they had not been informed that the office was closed and that alternate arrangements had not been put in place to allow services continue to be provided remotely. The complainant informed the PSP that they wished to terminate their contract for

services and sought a refund of the service fees for the remainder of the contract, as the fees had been paid in advance at the commencement of the contract. The complainant had not received a response to their request or given any indication if or when they could expect a refund of their service fees.

The Authority initiated an investigation into this complaint and an Inspector contacted the PSP on the matter. The PSP informed the Inspector that they had not received the complainant's correspondence in relation to the termination of the contract, as the office had been closed due to Covid-19 restrictions.

When the PSP returned to his office and received the complainant's correspondence he refunded the complainant for the service fees paid for the remainder of the contract.

In the report on the investigation into this complaint, the Inspector found that improper conduct had not occurred as the PSP on receipt of notification of the termination of the contract and request for refund of fees, refunded the complainant the outstanding service fees.

The aspects of the complaint which related to the PSP's failure to respond to emails or communicate with the complainant, were found to be 'poor service provision'. At the time the investigation took place poor service provision did not meet the definition of improper conduct as defined by the Act. As such, the inspector could not find that improper conduct had occurred in relation to poor communication.

However subsequent to this investigation S.I. No. 564/2020 - Property Services (Regulation) Act 2011 (Minimum Standards) Regulations 2020 was enacted. Under the provisions of this S.I., a licensed PSP failing to respond to communications from a client, within a reasonable timeframe without good reason, would meet the definition of improper conduct. Improper conduct cannot be applied retrospectively to any case prior to the enactment of the S.I., but provides a good example of how the S.I. has widened the scope of improper conduct under the Act and matters for investigation.

Case Study No 2

The complainant engaged the services of the PSP to sell their house. At the same time, the complainant also went sale agreed on another property, which was being sold by the same PSP. The allegations in the complaint were as follows:

- i. There was no letter of engagement in place for the sale of the complainant's property.
- ii. Misinformation by licensee of offers to the vendor.

An Inspector was appointed under section 65 of the Act to carry out an investigation into this complaint.

On completion of the investigation, the Inspector found that the PSP had not issued a letter of engagement to the complainant for the sale of their property. In this instance, the Inspector found that improper conduct had occurred under section 43(1) of the Act and the Authority imposed a minor sanction of warning.

In relation to the allegation of misinformation of offers, this matter related to offers received by the licensed PSP on the property which went sale agreed. The vendor at contract stage withdrew from the sale, as the sale price outlined in the contract was lower than what the vendor understood was the actual offer accepted on the property. The complainant (prospective purchaser) alleged that the licensed PSP misinformed the vendor of the price she had offered on the property. The PSP is required to record and maintain all offers and this record was reviewed as part of the investigation. The Inspector found no evidence of the licensed PSP informing the vendor of the alleged higher offer and made no finding of improper conduct against the licensed PSP.

Findings of Concluded Cases following Investigation:

In 2020, 19 complaints were concluded following completion of an investigation by inspectors of the Authority. Of these 19 cases, no improper conduct was found in 15 cases (79%). In 4 cases (21%) improper conduct was found and a minor sanction imposed by the Authority in relation to the non-provision of a letter of engagement.


Nature of Complaints

The nature of complaints cover a broad range of issues. Chart 12 illustrates the breakdown by category of complaints received in 2020 and provides a good indicator of the expansive nature of the complaints which the Authority must assess and investigate. It should be noted that a complaint may be multi-faceted and fall into more than one category. Chart 12 relates to the 187 complaints received in 2020 but where the issues contained within these complaints totals 223.

Chart 12 Nature of Complaints Received in 2020

Nature of Complaint	No. of Complaints Broken Down by Grounds
Service Provision (Complainant dissatisfied with service provided)	109
Retention of Money by Property Services Provider	49
Ethical Conduct (Complainant feels that the Property Services Providers behaviour was unethical)	20
Letter of Engagement (Letter of Engagement was either absent or deficient in some way)	9
Advertising	7
Fee or Outlays (Complainant disputes the amount of fees charged or expenses/ outlays incurred)	5
Other	24
Total:	223

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 what constitutes improper conduct largely explains the relatively high number of complaints, which the Authority declines to investigate as shown earlier in Chart 11



This difference between the perception of a wrongdoing and what constitutes improper conduct largely explains the relatively high number of complaints, which the Authority declines to investigate

Complaint Application Appeals

During 2020 the PSAB received 21 appeal cases of which 20 were brought by complainants and 1 by a licensed PSP. A total of 17 appeals were carried forward from 2019 giving a total of 38 appeals before the PSAB during 2020. By year end, 26 appeals had been considered by the PSAB, of which 25 appeal cases (96.2%) were disallowed, thereby affirming the decision of the Authority in each of these cases. The PSAB allowed an appeal in 1 complaint case (3.8%), where it agreed with the Authority's finding of improper conduct, where it imposed a sanction of Warning. In this instance, the PSAB increased the sanction and imposed a higher sanction of Reprimand.

At year end, 12 complaint appeals were awaiting a decision by the PSAB.

Chart 13 illustrates a summary of the outcomes in the various appeals considered and dealt with by the PSAB.

Chart 13 Summary of PSAB Decisions During 2020

Outcome	No. of Appeals	Percentage of Total
Appeal Disallowed – Authority's Decision Upheld	25	96.2%
Appeal Allowed – Authority's Decision Overturned	1	3.8%

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 High Court injunction directing the offending party to cease trading.

In 2020, the Authority successfully prosecuted two unlicensed traders as summarised in Chart 14.

Chart 14 Prosecutions undertaken by the Authority

Case No.	Entity	Nature of Offence	Court	Fine	Costs
1	Company	Unlicensed Trading	Dundalk District Court	€2,500	€3,382
2	Sole Trader	Unlicensed Trading	Thurles District Court	€15,000	€8,147.16

Outline of Investigations of Illegal Provision of Property Services:

Case No. 1

This case related to a, previously licensed PSP who did not renew his licence. The Authority as part of its monitoring and investigation of businesses which do not renew their annual licence, found this property services provider operating while unlicensed. Following an investigation of unlicensed trading, the former licensed PSP pleaded guilty to providing property services without a licence. The unlicensed property services provider was convicted by the District Court of providing property services between 10 May 2019 and 30 September 2019 at a time when the company was not licensed by the Authority. The Court imposed a fine of €2,500 and costs of €3,382.50. The PSP has since become licensed by the Authority to provide property services.

Case No. 2

The Authority received complaints of non-return of booking deposits in respect of an unlicensed provider. Following an investigation of unlicensed trading, the unlicensed services provider was convicted on all five counts relating to the provision of property services during 2017 and 2018 in circumstances where the provider was not at the time the holder of a PSRA licence. The District Court judge imposed a fine of €15,000 in respect of all five charges and costs of €8,147.16 in this matter. The unlicensed trader was not present in Court and was believed to be outside the jurisdiction.

Unlicensed Reports

At the start of 2020, the Authority had 9 files relating to unlicensed trading on hand. During 2020, 47 files in relation to reports received of unlicensed trading were opened. Chart 15 provides an overview of the status of all unlicensed files at year end.

Chart 15 *Complaint Status of Unlicensed Files at Year End*

Unlicensed Files Status At Year End	Number of Unlicensed Files
Concluded files following initial assessment	17
Concluded files after Investigation in 2020	6
Inspection Phase	4
Initial Assessment Phase	29

Of the 17 files concluded following initial assessment, it was found that the trader did not require a licence, had ceased trading or was licensed by the Authority. In relation to the six cases concluded after investigation, two cases were successfully prosecuted, one case concluded following successful application to the High Court for an injunction. In the remaining three cases the investigation found that there was no evidence of trading.

Inspection of Standards in the Provision of Property Services

The Authority conducts compliance audit investigations (audits) on all licensed businesses. The audit process provides an important tool in educating and informing licensed businesses of standards required when operating as a licensed PSP. Conducting audit investigations ensures compliance with the statutory provisions of the Act and its regulations and instils trust for clients when availing of the services of Property Services Providers. Audit investigations are also an effective means of engaging with licensed businesses and informing the Authority of issues at ground level. A five year programme to complete sector audits which commenced in late 2016 is on target to be completed within the timeframe assigned.

In addition to staff of the Authority conducting audits, the Authority engages an outsourced company, IP Forensics Ltd, to carry out audits on its behalf.

The onset of the Covid 19 pandemic in March 2020 impacted on Inspector's ability to visit licensed PSP's business premises and the audit process was suspended. In order to continue to meet its statutory obligations under the Act the Authority introduced a system of conducting audits remotely. The Authority completed 281 audit investigations during the year and 293 investigations were ongoing at 31 December 2020.

Chart 16 outlines the total number of licensed businesses per county, and the number of audit investigations carried out in each county in 2020.

CHART 16 Number of Completed Compliance Audit Investigations by County in 2020

COUNTY	No. of Licensed Property Services Providers (Businesses)	Number of Audits Completed in 2020	Number of Audits On-going at 31 December 2020
Carlow	17	0	2
Cavan	37	0	8
Clare	40	0	4
Cork	203	35	46
Donegal	59	7	6
Dublin	557	85	102
Galway	113	24	10
Kerry	59	5	10
Kildare	73	30	4
Kilkenny	33	0	5
Laois	31	5	5
Leitrim	21	2	6
Limerick	59	8	6
Longford	25	2	4
Louth	46	7	8
Mayo	58	9	4
Meath	48	3	12
Monaghan	18	1	1
Offaly	24	4	2
Roscommon	32	4	5
Sligo	37	4	5
Tipperary	58	11	10
Waterford	47	8	9
Westmeath	43	10	6
Wexford	41	12	7
Wicklow	46	5	6
TOTAL	1825	281	293

Audits have been completed on 1,616 licensed businesses to date and the five year audit programme is on target to be completed by mid-2021. Some licensed PSPs have been audited more than once where issues of concern have been identified by the Authority.

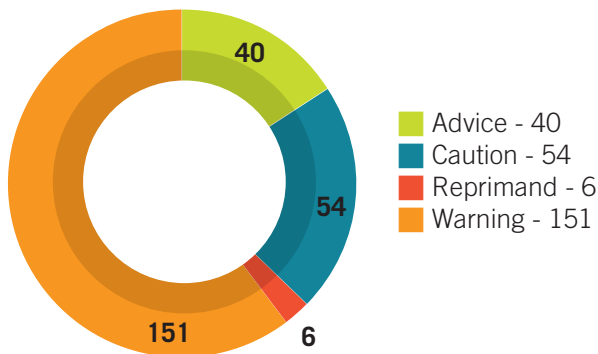
Audit Findings and Sanctions Imposed

Following the completion of 281 audits of licensed businesses in 2020, some 188 (67%) were in compliance with the audited sections of the Act. Breaches were identified in 88 cases (31%) and

minor sanctions were imposed in these cases. In 5 instances (2%), licensed PSP's were not providing property services.

Chart 17 details the breakdown of minor sanctions imposed on 88 licensed businesses. In some cases, more than one minor sanction was imposed and as a result, the number of minor sanctions exceeds the number of businesses sanctioned. Sanctions imposed related to breaches of the Act and the Client Money and Continuous Professional Development Regulations.

CHART 17 Audit Minor Sanctions Imposed in 2020

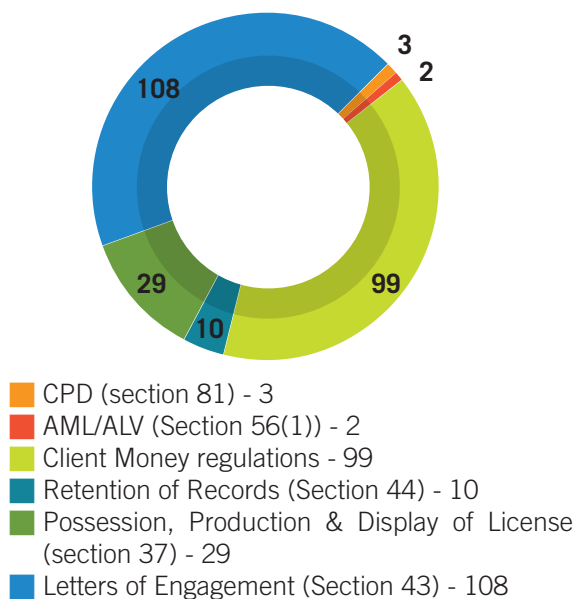


There were no major sanctions imposed in relation to compliance audit investigations carried out in 2020.

Breaches Identified

The compliance audit investigation findings for 2020 highlighted a number of breaches in the sector relating to Letters of Engagement, Client Money Regulations, Possession, Production and Display of a licence, Retention of Records, Advertising property lower than agreed amount with the Client and CPD not completed by licensees. Chart 18 further breaks down the instances of breaches found at audit. In some cases there were findings of more than one breach in respect of businesses audited

CHART 18 Compliance Audit Investigations in 2020 - Breaches Identified



Appeals against Sanctions Imposed

During 2020 the Property Services Appeal Board received 4 appeals against audit sanctions imposed by the Authority.

The PSAB considered three appeal cases in 2020. In one case the sanction of Warning imposed by the Authority concerning no letter of engagement in place, was overturned. The PSAB having considered the appeal, found a letter of engagement was not required in this instance as the property concerned was owned by the licensee. No breach of section 43(1) of the Act was found to have occurred.

In the second case a sanction of Warning imposed by the Authority relating to a breach of s.43(1)(a) of the Act, no letter of engagement in place, was reduced from Warning to Caution on consideration of section s.73 of the Act. The PSAB in overturning the Authority sanction of Warning, further determined that there could not be a finding of non-compliance of s.43(2)(b) of the Act as a prerequisite for a finding under this section is that the letter of engagement issues.

In the third case, on receipt of mitigating factors from the licensee, the PSAB overturned the sanction of Warning imposed by the Authority in respect of s.43(1) of the Act, no letter of engagement in place. It also reduced the sanction of Warning to Advice in respect of s.43(2)(b) as the Appeal Board took account of the efforts made by the licensee to have the letter of engagement signed. The fourth case is ongoing at year end.

Compensation Fund

The Authority administers the Property Services Compensation Fund (the 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 by 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 2020, the amount standing to the credit of the Fund was approximately €4 million.

Decisions of the Authority relating to claims on the Compensation Fund are subject to appeal to the Property Services Appeals Board (PSAB).

High Court appeal on a point of law

In late 2018, the Authority refused to grant a claim on the Compensation Fund relating to the actions of an unlicensed operator who was previously licensed. This decision was appealed to the PSAB who allowed the appeal and directed that a grant of €5,000 be made from the Fund.

The Board of the Authority having considered the appeal decision of the PSAB, and in considering the impact of the PSAB decision on the Fund, agreed to appeal the decision on a point of law to the High Court.

The appeal of the Authority was upheld by Mr. Justice Peter Kelly who, in considering the submission made by the Authority confirmed that as Section 78 of the Act (relating to the Fund) specifically refers to licensed PSP, and does not refer to former licensed PSP, Section 78 cannot apply to

former licensed PSP. The President took this view as section 2(5) of the Act specifically provides that the term licensed PSP can be construed to include former licensed PSP only in relation to Part 7 of the Act (Complaints, Investigations, Sanctions). Part 9 (Property Services Compensation Fund) is not included in this extension of the definition of a licensed PSP as provided for in section 2(5) of the Act.

Compensation Fund Claims 2020

On the 1st January 2020, the Authority had 79 claims on the Compensation Fund awaiting a decision of the Authority, and an additional 5 compensation fund claims were received during the year. In 2020, a decision of the Authority was reached on a total of 77 claims, with 7 awaiting a decision at the 31st December 2020.

Chart 19 outlines claims processed in 2020. Of the 77 claims in which a decision was reached, one claim was fully granted with 76 claims refused.



Chart 19 Summary of Claims on the Compensation Fund During 2020

Compensation Fund Claims	Number of Claims
Compensation Claims On Hand at 1st January 2020	79
Claims Received in 2020	5
Grants made in 2020	
Claims Fully Granted	1
Claims Refused	76
Claims on Hand 31st December 2020	7
Total Grants made from the Fund	1
Total amount of Grants made from the Fund	€3,900

One grant totalling €3,900 was made from the Fund by year end. A total of 76 claims on the fund were refused by the Authority in 2020. 74 of these claims related to one property services provider who was unlicensed at the time the loss occurred.

Appeals against Compensation Fund Decisions

Following decisions of the Authority declining to make grants to applicants from the Compensation

Fund during 2020, 6 cases were appealed to the PSAB in relation to decisions of the Authority reached in 2020. A total of 9 cases were before the PSAB for decision in 2020. The PSAB adjudicated on 3 appeal cases, upholding the decision of the Authority in all three cases. A total of 6 appeal cases were awaiting a decision by the PSAB at year end.

Case Study

The Authority received a claim for a grant from the Compensation Fund regarding the alleged retention of a booking deposit paid to a former licensee. The Property Services Providers licence had expired when the deposit was paid by the prospective purchaser. The decision of the Authority was to refuse the grant in full as the former licensed PSP was not licensed at the date the booking deposit was paid.

This decision was appealed to the PSAB who upheld the decision of the Authority in accordance with s. 78 of the Act and as adjudicated by the High Court in *The Property Services Regulatory Authority and Thady Kelly case* that the Authority was not empowered to grant the compensation sought where the property services provider was not licensed.



Insuring the Compensation Fund

The Authority re-insured the Compensation Fund in October 2020 to protect the Fund and ensure that claims on the Fund can be met.

Continuous Professional Development (CPD)

A PSRA CPD catch-up event was held in February 2020 to accommodate licensed PSPs who had not completed their mandatory 5 hours PSRA CPD in 2019. Attendance at this event brought the 2019 overall compliance rate to 98%.

The delivery of the 2020 PSRA CPD season commenced in early March with the Institute of Professional Auctioneers and Valuers (IPAV) hosting face to face events in Cork & Limerick. Shortly thereafter due to restrictions imposed as a result of the Covid-19 pandemic all face to face PSRA CPD events planned for 2020 had to be postponed and subsequently cancelled.

Amendment to PSRA CPD Legislation

Existing CPD legislation provided that two of the five hours PSRA CPD could be completed online. Due to the Covid 19 pandemic and in agreement with the providers to ensure that the full CPD requirement could be met by all licensed PSPs the Authority drafted amending Regulations Property Services (Regulation) Act 2011 (Maintenance Of Professional Competence Of Licensees) (Amendment) Regulations 2020 - SI 348 of 2020 The SI which commenced in September 2020 provides that all PSRA CPD can be completed online. Both accredited providers, IPAV & Society of Chartered Surveyors of Ireland (SCSI), provided a variety of webinars and on demand modules available to ensure licensed PSPs could fully comply with their CPD statutory requirement.

Compliance rate at 31st December 2020 was 77% with an extension granted to 31st January 2021 to accommodate licensed PSPs who had not completed PSRA CPD in the 2020 calendar year.





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 2020, the Authority organised three media information campaigns on national and local radio highlighting the consumer protection afforded by engaging a licensed PSP and the requirement for PSPs to be licensed. The Authority concentrated on media campaigns in 2020 due to the suspension of public events as result of the pandemic.

In March the Authority ran a week long radio campaign focusing on the importance of using a licensed 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.

The importance of using a licensed letting 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.

The third campaign was run for two weeks in November and December 2020, again focusing on the significance of using a licensed property services provider and the protections offered to clients when using a licensed provider.

Sector Engagement

The Authority continued to engage with the sector in 2020 through the publication of its newsletter, specific mailshots to licensed PSPs and updates to the website. The Authority also availed of opportunities to virtually attend sector events.

Publication of Joint Sector Protocol for the Property Services Sector

Ensuring the safety of employees and clients was a key priority for the property services sector in 2020. In March, like many other businesses, the sector was closed.

In preparation for the reopening of the sector, the PSRA in conjunction with IPAV and SCSi and their staff, developed a Joint Sector Protocol for Property Services Providers. The Protocol was intended to ensure strict precautions were taken to provide the highest standards of safety in the auction, sales, lettings, valuations and managements of properties for clients, consumers, employees and employers.

The document provided detailed guidelines, for example, on arrangements to be in place and tasks to be undertaken prior to, during and on completion of a viewing.

Publication of the Property Services Providers Guidance to Implementing a Plan for Living with Covid-19

In Autumn 2020, following on from the Governments publication of the Plan for Living with Covid-19, the PSRA in association with IPAV and SCSi published the Property Services Providers Guidance to implementing the Plan for Living with Covid-19 which set out additional measures to be undertaken at the different levels outlined within the Plan.

Both the Protocol and the Guidance documents were written in conjunction with the Government, HSE and Department of Health guidelines on these matters.

A photograph of a modern, multi-story building with a glass facade, illuminated from within at night. The building's lights create a warm glow against the dark blue twilight sky. A large, pink speech bubble is superimposed over the left side of the image, containing text. The building's architecture features a mix of glass panels and white or light-colored panels. The foreground shows a paved area with several vertical metal bollards.

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.



Maintain Public Registers

Public Registers

The Authority publishes three 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 2020 there were 1.91 million visits to the Property Price Register, making it the Authority's most visited register.

Register of Licensed Property Services Providers

The Register of Licensed 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. Using a licensed property services provider provides the client with protections under the Act. The particulars published on the Register of Licensed Property Services Providers includes:

- Licence Number;
- Name of Licensee;
- The employer's business address or the business address associated with the licensed entity/individual;
- Business Name, if applicable;
- Class of Provider i.e. 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 to the Authority 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.

Section 88 of the Act provides that those who take out a commercial lease are legally obliged to submit further lease details to the Authority commercial leases database within 30 days.

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

Chart 20 provides a breakdown of the compliance rate by county at the end of 2020 in comparison with the end of 2019.

Chart 20 Percentage Compliance Rate by County

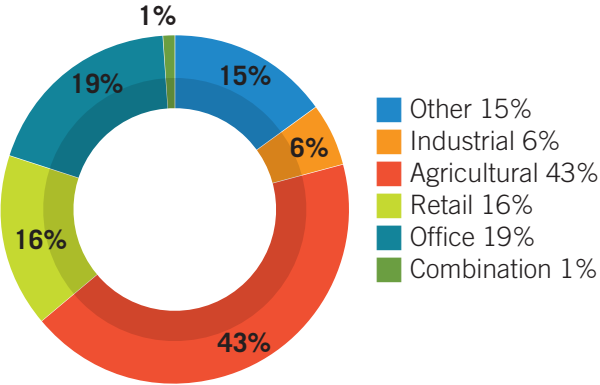
Percentage Compliance rate by County 2020 v 2019			
COUNTY	2020	2019	Change +/-
Carlow	62.95	65.29	-2.34
Cavan	61.17	62.03	-0.86
Clare	68.15	63.66	4.49
Cork	71.95	71.57	0.38
Donegal	65.82	64.28	1.54
Dublin	62.77	63.67	-0.90
Galway	63.38	63.69	-0.31
Kerry	68.06	64.9	3.16
Kildare	59.29	60.89	-1.60
Kilkenny	68.18	69.89	-1.71
Laois	67.00	69.18	-2.18
Leitrim	65.22	66.26	-1.04
Limerick	57.24	56.03	1.21
Longford	62.13	60.91	1.22
Louth	62.19	59.42	2.77
Mayo	65.98	64.48	1.50
Meath	60.14	61.51	-1.37
Monaghan	60.69	60.94	-0.25
Offaly	64.34	65.98	-1.64
Roscommon	62.31	60.57	1.74
Sligo	60.98	60.77	0.21
Tipperary	70.69	70.33	0.36
Waterford	66.46	67.89	-1.43
Westmeath	62.10	61.72	0.38
Wexford	66.83	65.8	1.03
Wicklow	60.60	59.86	0.74

The overall national compliance rate at the end of 2020 stood at 65.17% which was a slight reduction of 0.03% in comparison with the rate at the end of 2019. The COVID-19 restrictions posed significant challenges in ensuring that the compliance rate was maintained. During 2020, 4,063 lease returns were published bringing the overall figure of lease returns published on the Register since 3rd April 2012 to over 40,000.

Chart 21 provides a percentage breakdown of lease returns by property e.g. agricultural, office, retail, industrial, other and a combination of more than one property types for all lease returns made to the Authority in 2020. The property type with the most returns made in 2020 was agricultural land which accounts for almost 43% of returns made.

Chart 21 Lease Returns by Property Type in 2020

All Lease Returns by Property Type





Deliver an Efficient and Effective Organisation

Staffing Resources

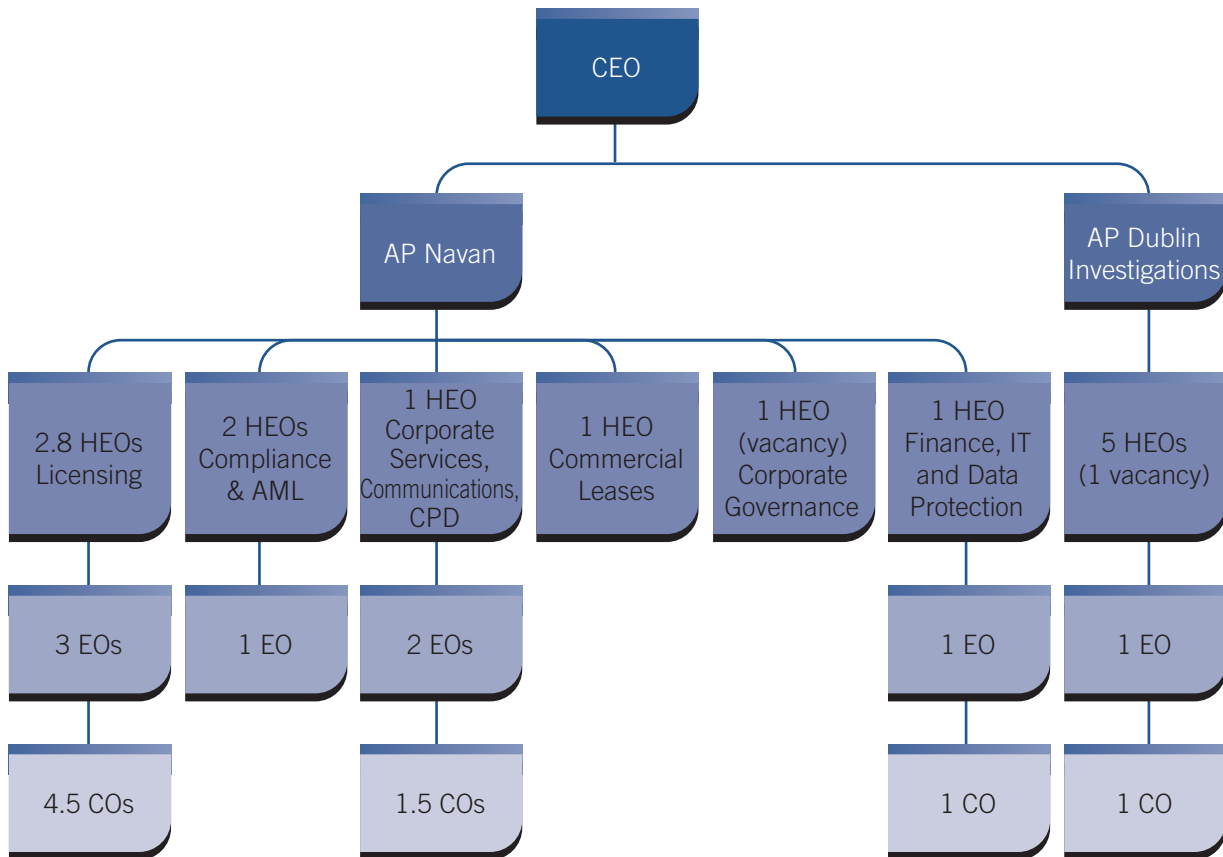
The organisational staffing structure is continuously monitored and benchmarked against stated goals and objectives.

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.

Additional staffing was allocated to the Authority in 2020 with the assignment of, 3 Executive Officers (EOs) and 1 Clerical Officer (CO). There were also internal promotions during the year where 1 EO was promoted to HEO and 1 CO was promoted to EO. These changes in staffing has resulted in the Authority's staffing structure as illustrated in

Chart 22. The Chart also takes into consideration, staff of the Authority who left during 2020 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 30.8 staff members. The Staffing Structure Chart displays the full time equivalent staff by grade - 2 AP's, 11.8 HEO's, 8 EO's and 8 CO's.



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

Outsourced Resources

IP Forensics Ltd. continued to undertake investigations on behalf of the Authority in 2020. In addition to the compliance audit investigations undertaken, the outsourced Inspectors assisted in the investigations of complaints.

Temporary Resources

Due to the Covid-19 pandemic, the Authority was unable to avail of the support of temporary clerical officers during 2020 to assist in processing renewal applications during the peak renewal period. Accordingly, licensing processes were reviewed and a number of measures introduced to address the unavailability of temporary resources, such as the early issue of renewal notifications to those with a peak renewal expiry date. Staff from other areas of the Authority were also assigned to the Licensing team and other roles within the Authority on a part-time, temporary basis for the duration of the peak licence renewal period to ensure the processing time of licence renewals was not impacted and the work of the Authority continued to be progressed in an efficient manner.

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 2020, the Authority transferred €2,210,000 licence fees 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, the Department of Public Expenditure and Reform and with any other Government Department. The Authority entered into a three-year Oversight Agreement with the Department of Justice in 2020

to cover the period 2020 – 2022. The Authority also entered into a Performance Delivery Agreement with the Department of Justice for the year 2020. Both agreements can be found on the Department of Justice and the PSRA websites. A copy of the Agreements 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. The Performance Delivery Agreement sets out the Authority's key targets for 2020 and defines the output and outcome indicators on which performance should be measured. Both agreements were reviewed during the year and the Authority met its requirements in relation to these agreements.

The Authority is also responsible for preparing the annual report and financial statements and consider that the financial statements for 2020 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, 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 for the Authority's performance of those functions as provided for under section 19 of the Property Services (Regulation) Act 2011, including providing such information as required, regarding the performance of those functions. At each meeting of the Authority, the CEO presents 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



Due to the Covid-19 pandemic, the Authority was unable to avail of the support of temporary clerical officers during 2020 to assist in processing renewal applications during the peak renewal period.

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. Due to the Covid 19 pandemic the Authority introduced a method of conducting Board meetings via video conferencing.

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
- Consideration of Final Investigation Reports

The Board confirmed and approved a schedule of functions delegated to the Chief Executive of the Authority at its meeting on 18 November 2020. These include:

- The issue and refusal of licenses 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.
- Right of the Authority to pursue licensed PSPs for moneys paid from the Compensation Fund (Subrogation)

Performance Evaluation of the Authority

The Authority's self-assessment performance evaluation as required under the Code of Practice for the Governance of State Bodies was undertaken

by members of the Authority in 2020. The self-assessment performance evaluations are annually reviewed by the Chairperson of the Board and the findings of these assessments were presented at a meeting of the Board on 18 November 2020.

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 23 details the principal potential risks identified by the organisation for 2020 and the mitigation measures in place to reduce these risks

Statement of Internal Control

The Statement of Internal Control of the Property Services Regulatory Authority for 2020 can be found in the Financial Statements in Appendix 1 and Appendix 2 of this report.

Freedom of Information (FOI)

The Authority comes under the remit of 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,

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.

Chart 23 *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 licence is not renewed ○ Outsourced Inspectors available for investigation of unlicensed operators. ○ Court Injunction process availed of when required ○ Prosecutions undertaken as required
Inability to process licence applications online	<ul style="list-style-type: none"> ○ Contract in place with An Post ○ An Assurance document received from An Post ○ SLA in place with An Post for Licences.ie
Dependence of Authority on DOJ 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 DoJ IM&T ○ Review meetings held with DoJ IM&T 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
PSRA unable to fulfil its functions due to impact of Covid-19 pandemic	<ul style="list-style-type: none"> ○ Capability of all staff to work remotely ○ Business continuity measures in place and regularly reviewed ○ Four month licence extension granted ○ Remote audits underway ○ CPD modules online ○ Reorganisation of staff roles and training provided to backup staff ○ Callback facility for licensed PSPs and public ○ Engagement with DoJ IM&T regarding reopening of phonelines

The Authority received thirteen FOI requests in 2020 from the following:

- members of the public (10);
- journalists (2); and
- licensed PSP (1).

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.

Of the thirteen requests received, six related to personal information and seven related to non-personal information.

As can be seen in Chart 24, one request was granted, one request was withdrawn, two requests were partially granted and six were refused. There were three requests outstanding at year end. In the cases which were not fully granted or refused, the Authority gave the requester a detailed explanation of its decision and the reasons for it.

FOI Appeals

There were three FOI appeals during 2020. In all three cases the CEO agreed with the original decision of the FOI Officer.

At year end, there were two FOI requests currently being reviewed by the Office of the Information Commissioner.

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.

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

Chart 24 summarises the outcome of all FOI requests received in 2020

File Ref.	Requester Category	Granted	Part-Granted	Refused	Withdrawn	Awaiting Decision
1.	Journalist		X			
2.	Member of the Public			X		
3.	License PSP			X		
4.	Member of the Public				X	
5.	Member of the Public			X		
6.	Member of the Public			X		
7.	Member of the Public			X		
8.	Member of the Public			X		
9.	Member of the Public	X				
10.	Member of the Public					X
11.	Member of the Public		X			
12.	Member of the Public					X
13.	Journalist					X

In 2020 the Authority received two subject access requests. Both requests were dealt with in accordance with the requirements of the Data Protection Acts.

The Authority had four data protection breaches in 2020 which were all low level breaches. These breaches were dealt with in accordance with the Authority's data protection procedures.

Protected Disclosures Act 2014

There were no protected disclosures during 2020.

Amendments to the Act

Statutory Instruments

Four Statutory Instruments were enacted under the Property Services (Regulation) Act 2011 in 2020, three of which related to changes necessitated due to the Covid-19 pandemic, namely:

- Property Services (Regulation) Act 2011 (Section 95) (Extension of Licences) Regulations 2020 – SI 162 of 2020
- Property Services (Regulation) Act 2011 (Professional Indemnity Insurance) (Amendment) Regulations 2020 – SI 161 of 2020
- Property Services (Regulation) Act 2011 (Maintenance of Professional Competence of Licensees) (Amendment) Regulations 2020 – SI 348 of 2020

Information on the necessity for these changes is outlined in the Licensing and CPD sections of this report.

The fourth Statutory Instrument enacted related to standards to be observed in the provision of property services by licensed PSPS, which brought to a conclusion a substantial piece of work for the Authority, undertaken over a number of years, including an extensive consultation process with licensed PSPS. Further information in relation to the Property Services (Regulation) Act 2011 (Minimum Standards) Regulations 2020 – SI 564 of 2020 is outlined in the Complaints Investigation section of this report.

Code of Practice

The Authority, in accordance with Section 18 of the Act, developed a Code of Practice for Property Services Providers in 2020 establishing the

following key principles that PSPs should adhere to:

- Act Professionally
- Honesty
- Integrity
- Confidentiality
- Effective and Open Communication
- Professional Development

The principles established in this Code complement current legislative standards outlined in the Property Services (Regulation) Act 2011 and associated Regulations. A number of key stakeholders, from both the property services sector and public interest groups, were consulted in the drafting of this Code. The Code was approved by the Board of the Authority at its meeting on the 18th of November 2020 and will be published and circulated to PSPs in early 2021.

PII Review

The Authority undertook a review of the current Statutory Instrument (SI) in relation to PII during 2020, in conjunction with an insurance advisory consultant. At year end this review was complete and a number of issues identified required consideration and amending legislation.

EU Pilot

The Authority also engaged in 2020 with the EU Commission through the Civil Justice Legislation Division of the Department of Justice 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 2021.

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 2020, the Authority developed an action plan identifying a number of key areas to be addressed and work began in a number of areas.

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 64.7% in energy usage by the end of 2019 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 within the PSRA actively engage with the Energy Managers Forum and the Energy Performance Officers Forum of the Department of Justice.

Appendix 1

Financial Statements

Property Services Regulatory Authority

For the year ended 31 December 2020



LOT 18

Contents

	PAGE
General Information	41
Governance Statement and Board Members' Report	42 - 45
Statement of Internal Control	46 - 48
Auditor's Report	49
Statement of Income and Expenditure and Retained Revenue Reserves	50
Statement of Financial Position	51
Statement of Cash Flows	52
Notes to the Financial Statements	53 - 58

General Information

Head Office	Property Services Regulatory Authority Abbey Buildings Abbey Road Navan Co Meath C15 K7PY		
Board Members	Geraldine Clarke (Chairperson)		Appointment Ended 27/11/2020
	Paul Mooney		27/11/2020
	Edward Carey		27/11/2020
	Muiris O'Ceidigh		
	Aideen Hayden		
	Hilary Griffey		
	Ella Dunphy		
	Gordon Hughes		
	Emer Byrne		
	Orla Moran		
	Martin McDermott	Resigned	24/06/2020
	Michael Quinlan (Chairperson)		Appointment Date 24/03/2021
	Geraldine Hynes		24/03/2021
	Aine Myler		24/03/2021
	Seamus Clifford		24/03/2021
Senior Executive:	Maeve Hogan (Chief Executive Officer)		
Telephone Number:	(046) 903 3800		
Fax Number:	(046) 903 3888		
Website:	www.psr.ie		
Email:	info@psr.ie		
Auditors:	Office of the Comptroller and Auditor General 3A Mayor Street Upper Dublin D01 PF72		

Governance Statement And Board Members' Report

Governance

The Board of the Property Services Regulatory Authority was established under the Property Services (Regulation) Act 2011. The functions of the Authority are set out in Part 2 Section 10 of this Act. The Authority is accountable to the Minister for Justice and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of the Property Services Regulatory Authority are the responsibility of the Chief Executive Officer (CEO) and the senior management team. The CEO and the senior management team must follow the strategic direction set by the Authority and must ensure that all Authority members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The CEO acts as a direct liaison between the Authority and management of the Property Services Regulatory Authority.

Responsibilities of the Authority

The work and responsibilities of the Authority are set out in the Property Services (Regulation) Act 2011, which also contain the matters specifically reserved for Authority decision. Standing items considered by the Authority include:

- declaration of interests,
- reports from committees,
- financial reports/management accounts,
- performance reports (strategy statements),
- risk register,
- statistics.

Section 22(2) of the Property Services (Regulation) Act 2011 requires the Authority of Property Services Regulatory Authority to keep, in such form as may be approved by the Minister for Justice with consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Authority of Property Services Regulatory Authority is required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Authority is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with Section 22(2) of the Property Services (Regulation) Act 2011. The maintenance and integrity of the corporate and financial information on the Property Services Regulatory Authority's website is the responsibility of the Authority.

The Authority is responsible for approving the annual plan and budget. An evaluation of the performance of the Property Services Regulatory Authority by reference to the annual plan and budget was carried out on 18th November 2020.

The Authority is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Authority considers that the financial statements of the Property Services Regulatory Authority properly presents the financial performance and the financial position of the Property Services Regulatory Authority at 31 December 2020.

Authority Structure

The Authority consists of a Chairperson, and ten ordinary members, all of whom are appointed by the Minister for Justice. The members of the Authority were appointed for a period of four years and met 6 times in 2020. The table below details the appointment period for current members:

Authority Member	Role	Date Appointed / *Reappointed	Date Appointment Expired
Geraldine Clarke	Chairperson	*28/11/2016	27/11/2020
Paul Mooney	Member	*28/11/2016	27/11/2020
Edward Carey	Member	*28/11/2016	27/11/2020
Muiris O'Ceidigh	Member	*28/11/2020	-
Aideen Hayden	Member	*28/11/2020	-
Hilary Griffey	Member	*28/11/2020	-
Ella Dunphy	Member	15/04/2019	-
Gordon Hughes	Member	15/04/2019	-
Emer Byrne	Member	15/04/2019	-
Orla Moran	Member	15/04/2019	-
Martin McDermott	Member	04/06/2019	Resigned 24/06/2020

An internal review of the Authority was carried out in 2020.

The Authority has established two committees, as follows:

1. Audit and Risk Committee: comprises two Authority members and two independent members. The role of the Audit and Risk Committee (ARC) is to support the Authority in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARC is independent from the financial management of the organisation. In particular the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The ARC reports to the Authority after each meeting.

The members of the Audit and Risk Committee

are: Dr. Muiris O'Ceidigh (Chairperson), Ms. Hilary Griffey, Ms. Therese Carolan (independent) and Mr. David Salter (Appointed 26/05/2020) (independent) Mr. Myles O Reilly's term of appointment on the ARC ended on 13/05/2020. There were 4 meetings of the ARC in 2020.

2. Compensation Fund Advisory Committee: comprises three Authority members.

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. The Committee met on 2 occasions during the year, on 4 September, 2020 and 18 November, 2020, when three claims on the Fund were considered.

Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Board and Committee meetings for 2020 is set out below including the fees and expenses received by each member:

	Board 6	Compensation Fund Committee 2	Audit & Risk Committee 4	Fees 2020 €	Expenses 2020 €
Geraldine Clarke	6			8,230	-
Paul Mooney	6			5,486	-
Edward Carey	6			5,486	54
Muiris O'Ceidigh	6	2	4	-	-
Aideen Hayden	6	2		5,985	-
Hilary Griffey	5	2	4	5,985	-
Ella Dunphy	6			5,985	1,237
Gordon Hughes	5			5,985	-
Emer Byrne	6			-	-
Orla Moran	6			5,985	50
Martin McDermott	3			-	-
Therese Carolan			2	-	-
David Salter			3	1,132	-
Myles O Reilly			1	-	-
				50,259	1,341

There were three members of the Authority, Dr. Muiris O'Ceidigh, Ms. Emer Byrne and Mr. Martin McDermott, who did not receive Board fees under the One Person One Salary (OPOS) principle.

A quorum of the Board met on three additional occasions in 2020 to adjudicate on two Final Investigation Reports. Board members: Ms. Emer Byrne, Ms. Orla Moran, Mr. Edward Carey, Mr. Gordon Hughes and Dr. Muiris O'Ceidigh met on one occasion for consideration of one of the Final Investigation Reports. A further quorum of Board members: Dr. Muiris O'Ceidigh, Mr. Paul Mooney,

Ms. Ella Dunphy, Ms. Hilary Griffey and Dr. Aideen Hayden met to adjudicate on the second Final Investigation Report. The members met on two occasions for consideration of this Report. Both cases are ongoing.

Key Personnel Changes

One Authority member resigned from the Board in June 2020. The term of office of the Chairperson and two members of the Authority ceased in November 2020. These positions remained vacant at 31st December 2020.

Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

The Authority is responsible for ensuring that the Property Services Regulatory Authority has complied with the requirements of the Code of Practice for the Governance of State Bodies (“the Code”), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code:

Employee short term benefits breakdown

A table showing the breakdown of employee short term benefits is included in Note 4 (b) – Employee benefits breakdown.

Consultancy Costs

Consultancy costs include the cost of external advice to management and exclude outsourced ‘business-as-usual’ functions.

	2020	2019
	€	€
Legal advice	19,070	36,288
Total	19,070	36,288

Legal Costs and Settlements

The table below provides a breakdown of amounts recognised as expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by the Property Services Regulatory Authority which is disclosed in Consultancy costs above.

	2020	2019
	€	€
Legal fees - legal proceedings	165,018	133,070
Total	165,018	133,070

Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2020	2019
	€	€
Domestic		
- Board	1,341	1,066
- Employees	5,415	21,753
Total	6,756	22,819

Hospitality Expenditure

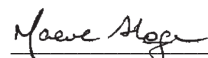
The Income and Expenditure Account includes the following hospitality expenditure:

	2020	2019
	€	€
Board hospitality	-	1,100
Total	-	1,100

Statement of Compliance


The Authority has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with the Code. The Property Services Regulatory Authority was in full compliance with the Code of Practice for the Governance of State Bodies for 2020.

On behalf of the Property Services Regulatory Authority:



Ms. Maeve Hogan, Chief Executive Officer:

Date: 28/05/2021



Mr. Michael Quinlan, Chairperson:

Date: 28/05/2021

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 2020 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 2020.

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

The Property Service's Regulatory Authority's Internal Audit function is carried out by the Department of Justice Internal Audit Unit under the oversight of the Audit Committee of Vote 24 (Justice). The role of Department of Justice 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 Department of Justice'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 provide the Property Services Regulatory Authority with ICT services. In February 2020 they provided an assurance statement outlining the control processes in place at that time. An internal audit of the ICT system provided to the Property Services Regulatory Authority by the Department of Justice carried out in 2018, identified issues of concern with the system in place and put forward recommendations for the ICT division to address. A number of these recommendations remain outstanding at the 31st December 2020, which is a cause of concern to the Authority. 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 2020 was received from An Post in February 2020. A service level agreement is in place with An Post.
- 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.

Certain aspects of the control environment within the organisation have been adapted to mitigate risks arising from the workplace restrictions imposed as a result of Covid-19.

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.
- 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 Internal Audit Unit. The Department of Justice 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. 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 Information Management and Technology regarding controls in place in 2020.

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 process. An assurance document has been received from An Post regarding the security and controls of the system in place. A service level agreement is in place with An Post.

Shared Financial Services

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

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 (SLA) 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 2020 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 2020. 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 2020 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 2020 that require disclosure in the financial statements.

Disclosures of Details of Material Losses or Fraud

There are no matters of fraud to report for 2020.



Mr. Michael Quinlan
Chairperson

Certificate Of The Comptroller And Auditor General



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Property Services Compensation Fund

Opinion on the financial statements

I have audited the financial statements of the Property Services Regulatory Authority for the year ended 31 December 2020 as required under the provisions of section 22 of the Property Services (Regulation) Act 2011. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of financial position
- the statement of cash flows and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements properly present

- the financial statements properly present moneys received and expended by the Property Services Regulatory Authority for 2020 and
- the financial position at 31 December 2020 is in accordance with the accounting policies set out in the financial statements.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Property Services Regulatory Authority and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

The Property Services Regulatory Authority has presented certain other information together with the financial statements. This comprises the governance statement and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Colette Drinan
For and on behalf of
Comptroller and Auditor General
31 May 2021

Appendix to the report

Responsibilities of the Authority

The governance statement and Authority members' report sets out the Authority members' responsibilities. The Authority members are responsible for

- the preparation of financial statements in the form prescribed under section 22 of the Property Services (Regulation) Act 2011
- ensuring that the financial statements properly present moneys received and expended for 2020 and its financial position at 31 December 2020 in accordance with the accounting policies set out in the financial statements
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 22 of the Act to audit the financial statements of the Property Services Regulatory Authority and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I conclude on the appropriateness of the use of the

going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Property Services Regulatory Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Property Services Regulatory Authority to cease to continue as a going concern.

- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

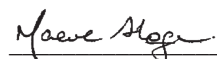
- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

Statement Of Income And Expenditure And Retained Revenue Reserves For The Year Ended 31 December 2020

	Notes	2020 €	2019 €
Income			
Oireachtas grant	2	2,400,860	2,558,359
Own resources	3	2,238,426	2,298,568
Total income		4,639,286	4,856,927
Expenditure			
Staff costs	4	1,451,543	1,470,059
Administration, operations and promotion	5	955,913	1,113,273
Audit fee		13,710	12,600
Depreciation	6	71,854	68,333
Total expenditure		2,493,020	2,664,265
Surplus for the year before appropriations		2,146,266	2,192,662
Transfer from capital account	7	71,854	68,333
Remitted to the Department of Justice	1(b)	(2,210,000)	(2,250,000)
Surplus for the year after Appropriations		8,120	10,995
Surplus brought forward at 1 January		105,404	94,409
Surplus carried forward at 31 December		113,524	105,404

The Statement of Income and Expenditure and Retained Revenue Reserves includes all gains and losses recognised in the year. The Statement of Cash Flows and notes 1 to 15 form an integral part of these financial statements.

On behalf of the Property Services Regulatory Authority



Ms. Maeve Hogan, Chief Executive Officer:

Date: 28/05/2021



Mr. Michael Quinlan, Chairperson:

Date: 28/05/2021

Statement Of Financial Position As At 31 December 2020

	Notes	2020 €	2019 €
Fixed assets			
Property plant and equipment	6	113,439	180,459
Current assets			
Cash and cash equivalents		128,658	123,433
Inventory	8	37,591	26,928
Receivables and prepayments	9	19,679	19,216
		185,928	169,577
Current liabilities			
Payables and accruals	10	72,404	64,173
Net current assets		113,524	105,404
Total net assets		226,963	285,863
Representing			
Capital account	7	113,439	180,459
Retained revenue reserves		113,524	105,404
		226,963	285,863

The Statement of Cash Flows and notes 1 to 15 form an integral part of these financial statements.

On behalf of the Property Services Regulatory Authority


Ms. Maeve Hogan, Chief Executive Officer:

Date: 28/05/2021


Mr. Michael Quinlan, Chairperson:

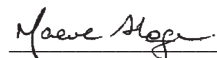
Date: 28/05/2021

Statement Of Cash Flows For The Year Ended 31 December 2020

Net Cash Flows from Operating Activities	2020 €	2019 €
Operating surplus for year	8,120	10,995
Depreciation of property, plant and equipment	71,854	68,333
Net Transfer to capital account	(67,020)	(56,247)
(Increase) in inventory	(10,663)	(10,756)
(Increase)/ Decrease in receivables and prepayments	(463)	11,430
Increase/ (Decrease) in payables and accruals	8,231	(521)
New cash inflows from Operating Activities	10,059	23,234
Cash Flows from investing activities		
Payments to acquire property, plant and equipment	(4,834)	(12,086)
Increase in Cash & Cash Equivalents	5,225	11,148
Statement of changes in net funds		
Net funds at 1 January 2020	123,433	112,285
Net funds at 31 December 2020	128,658	123,433
Net Surplus in cash and cash equivalents	5,225	11,148

Notes 1 to 15 form an integral part of these financial statements.

On behalf of the Property Services Regulatory Authority



Ms. Maeve Hogan, Chief Executive Officer:

Date: 28/05/2021



Mr. Michael Quinlan, Chairperson:

Date: 28/05/2021

Notes To The Financial Statements For The Year Ended 31 December 2020

1. Accounting Policies

a) The basis of accounting and significant accounting policies adopted by the Property Services Regulatory Authority are set out below. They have all been applied consistently throughout the year and for the preceding year.

b) General Information

The Property Services Regulatory Authority was established under the Property Services (Regulation) Act 2011, with a head office at Abbey Buildings, Abbey Road, Navan, Co. Meath, C15 K7PY. The Property Services Regulatory Authority's primary objectives as set out in Section 11 of the Property Services (Regulation) Act 2011 are as follows:

- o Issue and renew licences;
- o Maintain the Register of Licensees;
- o Enforce qualifications requirements and other requirements
- o Enforce standards including technical standards and appropriate ethical standards;
- o Administer the Fund;
- o Administer a system of investigation of licensees;
- o Impose minor sanctions or major sanctions on licensees;
- o Apply to the High Court for the confirmation of the imposition of major sanctions on licensees;
- o Promote public awareness and disseminate information to the public in respect of property services;
- o Promotion of the Codes of Practice;
- o Keep the Minister informed of developments in respect of the provision of property services by licensees and assist the Minister in co-ordinating and developing policy in that regard;
- o Publish particulars of residential property sales prices;
- o Maintain the Commercial Leases Database; and

- o Perform any other functions conferred on it by any other provision of the Act or any other enactment or by regulations made under the Act or any other enactment.

The Property Services Regulatory Authority is a Public Benefit Entity (PBE).

The licence fees generated by the Authority are paid to the Exchequer and financial provision is then made by the Exchequer to the Authority. Section 25(3) of the Act states that the total amount of the fees charged annually under this Act shall, as nearly as may be, taking one year with another, be equal to the total expenditure incurred annually in the administration of this Act. In 2020, the Authority paid €2,210,000 to the Exchequer and received a financial provision of €2,405,694 (see note 2).

Section 77(1) of the Act requires the Authority to establish, administer and maintain a fund to be known as the Property Services Compensation Fund. The accounts of the Fund are prepared and audited separately in accordance with Schedule 6 of the Act.

c) Basis of accounting

The financial statements of the Property Services Regulatory Authority for the year ended 31 December 2020 have been prepared in accordance with the accounting policies set out below and in the form approved by the Minister for Justice with the consent of the Minister for Public Expenditure and Reform.

d) Revenue

Income recognised in the financial statements under Oireachtas grant represents funding provided to the Authority through the Vote of the Department of Justice which makes all payments on behalf of the Authority. Oireachtas grant income and income applied to capital expenditure match the sum charged to the Appropriation account of the Department.

Licence fee income is recognised upon receipt of an application for a licence. Licence fee income is remitted on a quarterly basis to the Department of Justice. It is recorded as appropriations-in-aid in the Department's accounts. The Authority retains a balance in its accounts for refunding of fees.

e) Expenditure

All expenditure, including payroll, is processed by the Department of Public Expenditure and Reform and recorded on an accrual basis in the financial statements.

All of the Authority's staff have been seconded from the Department of Justice. Pension liabilities of such staff will be met out of Superannuation Vote 12 and no provision has been made in these financial statements in respect of these costs.

f) Property, Plant and Equipment

Property, plant and equipment is shown at the net book value at date of transfer to the Authority.

Property, plant and equipment is depreciated on a straight-line basis over their estimated useful life starting in the month the asset is placed in service.

Furniture	10% Straight Line
IT Hardware & Software	20% Straight Line
Office Equipment	20% Straight Line

g) Inventory

Inventory consists of goods not for resale, and is recognised at the lower of costs and net realisable value (NRV). Cost is calculated on a first-in-first out (FIFO) basis and includes all purchase costs. NRV is the selling price (actual or estimated) less all necessary completion costs.

h) Capital Account

The capital account represents the unamortised value of income applied for capital expenditure.

i) Employee Benefits

Short-term Benefits

Short term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year-end are included in the expenditure figures in the Statement of Financial Position.

Retirement Benefits

The employees of the Property Services Regulatory Authority are civil servants and are members of a defined benefit scheme which is unfunded and is administered by the Department of Public Expenditure and Reform.

The Public Service (Single Scheme and Other Provision) Act 2012 became law on 28th July 2012 and introduced the new Single Public Service Pension Scheme ('Single Scheme') which commenced with effect from 1st January 2013. All new staff members to the Property Services Regulatory Authority, who are new entrants to the Public Sector, on or after 1st January 2013 are members of the Single Scheme.

There is no charge in these financial statements for any liabilities which may arise in respect of the retirement benefits of the Property Services Regulatory Authority.

2 Oireachtas Grant

	2020	2019
	€	€
Subhead A11 of Vote 24 – Justice	2,400,860	2,558,359

In addition to the Oireachtas Grant an amount of €4,834 was provided to the Authority for the purposes of capital expenditure.

3 Own Resources

	2020	2019
	€	€
Licence fee income received	2,317,850	2,362,854
Less refunds	(82,867)	(75,000)
Miscellaneous Income	3,443	10,714.4
Total income	2,238,426	2,298,568

Auctioneers, estate agents, letting agents and property management agents must be licensed and regulated by the Authority. Licence fees are payable on an annual basis. The Authority in exercise of the powers conferred on it by section 95 of the Property Services (Regulation) Act 2011 with the consent of the Minister for Justice made regulations which came into operation on 30 May 2012. The Property Services (Regulation) Act 2011 (Licensing) Regulations 2012 sets out the fee for the issue or renewal of a licence: property services employer €1,000, independent contractor €1,000 and principal officer or employee €100.

4. Salaries

(a) Aggregate Employee Benefits

	2020	2019
	€	€
Wages and salaries	1,444,787	1,447,240
Travel and subsistence	6,756	22,819
Total	1,451,543	1,470,059

The Authority employed 30.8 whole time equivalent permanent staff in 2020 (2019: 29.8) and nil temporary staff in 2020 (2019: 6).

There were no salary overpayments at 31 December 2020 or at 31 December 2019.

(b) Employee Benefits breakdown

Range of Total Employee Benefits		Number of Employees	
From	To	2020	2019
€60,000	€69,999	1	1
€70,000	€79,999	1	1
€80,000	€89,999	-	-
€90,000	€99,999	-	-
€100,000	€109,999	1	1

Note: For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee but exclude employer's PRSI.

(c) Chief Executive Remuneration

The remuneration of the Chief Executive Officer for the year ended 31 December 2020 was €103,126 (€100,697 in 2019). Travel and Subsistence payments of €186 (€3,897 in 2019) were made to the Chief Executive Officer in accordance with Civil Service rates.

The Chief Executive Officer's pension entitlements do not extend beyond the standard entitlements in the public sector defined benefit superannuation scheme. No performance related payments were made in 2020 to the Chief Executive Officer.

5 Administration, Operations and Promotion

	2020 €	2019 €
Board member fees ¹	50,259	50,873
Postage and telecommunications	68,069	59,092
Office machinery and other office supplies	97,490	101,618
Office cleaning and maintenance	9,630	39,182
Light and Heat	8,548	11,816
Legal fees	184,088	169,358
Marketing and Promotion	183,048	180,806
Investigation Fees	240,597	336,266
Bank and licensing fees	35,650	37,502
Publications and Reports	6,579	33,272
General expenses	64,501	78,033
Accountancy fees	7,454	15,455
	955,913	1,113,273

Note: ¹The Property Services Regulatory Authority Board was set up on 3 April 2012. A Breakdown of the fees paid to individual board members in 2020 is included in the governance statement on these financial statements.

6 Property, Plant and Equipment

	IT	Office Equipment	Furniture	Total
Cost				
At 1 January 2020	348,925	31,843	25,325	406,093
Additions	-	4,834	-	4,834
Disposal	-	(13,909)	-	(13,909)
At 31 December 2020	348,925	22,768	25,325	397,018
Accumulated Depreciation				
At 1 January 2020	178,401	30,703	16,530	225,634
Charged in the year	69,785	470	1,599	71,854
Disposal	-	(13,909)	-	(13,909)
At 31 December 2020	248,186	17,264	18,129	283,579
Net Book Value				
At 31 December 2020	100,739	5,504	7,196	113,439
At 31 December 2019	170,524	1,140	8,795	180,459

7 Capital Account

	2020 €	2019 €
Balance at 1 January	180,459	232,616
Amortisation in line with depreciation	(71,854)	(68,333)
Additions	4,834	12,086
Other Movements	-	4,090
	113,439	180,459

8 Inventory

	2020 €	2019 €
Stationery	24,655	21,028
Photocopying / IT	10,332	4,288
Miscellaneous	2,604	1,612
	37,591	26,928

9 Receivables and Prepayments

	2020 €	2019 €
Prepayments	19,679	19,216
	19,679	19,216

All receivables are due within one year.

10 Payables and Accruals

	2020 €	2019 €
Payables and Accruals	72,404	64,173
	72,404	64,173

The terms of accruals are based on the underlying contracts.

11 Pension Levy

Salary costs included in this account are the gross costs to the Authority for the period. The Department of Justice pays salaries on behalf of the Authority. Pension levy deductions, as per Section 2(3) of the Financial Emergency Measures in the Public Interest Act 2009 (No. 5 of 2009), are made by the Department and are retained as Appropriations-in-Aid for that Department, amounted to €30,144 (2019: €35,985).

12 Premises

The Authority's head office is at Abbey Buildings, Abbey Road, Navan, Co Meath, C15 K7PY and, for investigating complaints, from an office in Bishop's Square, Dublin, D02 TD99. Both offices are provided free of charge by the Office of Public Works.

13 Contingent Liabilities

Property Services Regulatory Authority is involved in a number of legal cases at the financial year end. The Authority is unable to reliably estimate the potential financial impact of these cases.

14 Related Party Transactions/ Disclosure of interests

Key management personnel consist of the CEO and members of the Authority. Total compensation paid to key management personnel, including Authority members' fees and total CEO remuneration, amounted to €153,385 (2019: €151,562).

The Property Services Regulatory Authority complies with the Code of Practice for the Governance of State bodies issued by the Department of Finance in relation to the disclosure of interests by the Authority members and its staffs. Formal procedures exist to ensure adherence with this requirement of the code. No related party transactions took place in 2020.

15 Approved of financial statements

These accounts were approved by the Authority of Property Services Regulatory Authority on 24th May 2021.

Appendix 2

Financial Statements

Property Services Compensation Fund
For the year ended 31 December 2020



Contents

	PAGE
Statement Of Authority Members' Responsibilities	62
Statement of Internal Control	63 - 64
Auditor's Report	65
Statement Of Income And Expenditure And Retained Revenue Reserves	66
Statement of Financial Position	67
Statement of Cash Flows	68
Notes to the Financial Statements	69 - 70

Statement Of Authority Members' Responsibilities

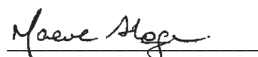
Section 22 (2) of the Property Services (Regulation) Act 2011 requires the Authority of Property Services Regulatory Authority to keep, in such form as may be approved by the Minister for Justice with consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Authority of Property Services Regulatory Authority is required to:

- o select suitable accounting policies and apply them consistently,
- o make judgements and estimates that are reasonable and prudent,
- o prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and
- o state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Authority is responsible for keeping proper and usual accounts of all moneys paid into the Compensation Fund and disbursements from the Compensation Fund, including an income and expenditure account, a cash-flow statement and a balance sheet, in accordance with Schedule 6 (7) of the Property Services (Regulation) Act 2011. The Authority is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Property Services Regulatory Authority



Ms. Maeve Hogan, Chief Executive Officer:

Date: 28/05/2021



Mr. Michael Quinlan, Chairperson:

Date: 28/05/2021

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 requirements 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 2020 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 2020.

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

The Property Service's Regulatory Authority's Internal Audit function is carried out by the Department of Justice's Internal Audit Unit under the oversight of the Audit Committee of Vote 24 (Justice). The role of Department of Justice 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 Department of Justice's Internal Audit Unit carry out 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,

- o there are systems aimed at ensuring the security of the information and communication technology systems. The ICT division of the Department of Justice provide the Property Services Regulatory Authority with ICT services. In February 2020 they provided an assurance statement outlining the control processes in place at that time. An internal audit of the ICT system provided to the Property Services Regulatory Authority by the Department of Justice carried out in 2018, identified issues of concern with the system in place and put forward recommendations for the ICT division to address. A number of these recommendations remain outstanding at the 31st December 2020, which is a cause of concern to the Authority. 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 2020 was received from An Post in February 2020 A service level agreement is in place with An Post.
- o there are systems in place to safeguard the Property Services Regulatory Authority's assets, and
- o there are control procedures in place regarding assessment and payments from the compensation fund.

Certain aspects of the control environment within the organisation have been adapted to mitigate risks arising from the workplace restrictions imposed as a result of Covid-19.

Compensation Fund

The Authority has insured the Compensation Fund to address the risk that the compensation fund could be significantly reduced by a single significant claim in any one year.

Procurement

I confirm that the Authority has procedures in place to ensure compliance with current procurement

rules and guidelines. Matters arising regarding controls over procurement are highlighted under internal control issues below.

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 2020.

The Authority is reasonably assured that the systems of internal financial control instituted and implemented in the Property Services Regulatory Authority for the financial year ended 31 December 2020 are effective.

Internal Control Issues

Non-Compliant Procurement

During 2020, expenditure of €141,960 was incurred in relation to insurance services where the procedures employed did not comply with procurement guidelines. This was due to the rollover of an existing contract. This contract was initially awarded in October 2017 following two requests for tenders which were unsuccessful in that no suitable tenders were received.

The Authority does not intend to carry out a new competition for insurance services in the immediate future.

On behalf of the members of the Authority



Mr. Michael Quinlan, Chairperson:

Date: 28/05/2021

Certificate Of The Comptroller And Auditor General



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Property Services Compensation Fund

Opinion on the financial statements

I have audited the financial statements of the Property Services Compensation Fund prepared by the Property Services Regulatory Authority for the year ended 31 December 2020 as required under the provisions of schedule 6 (8) of the Property Services (Regulation) Act 2011. The financial statements comprise

- the statement of income and expenditure
- the statement of financial position
- the statement of cash flows and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements properly present

- the transactions on the Property Services Compensation Fund for 2020, and
- the balance of the Fund at 31 December 2020.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Property Services Regulatory Authority and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

The Property Services Regulatory Authority has presented certain other information together with the financial statements of the Fund. This comprises the statement of Authority members' responsibilities and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Colette Drinan
For and on behalf of
Comptroller and Auditor General
31 May 2021

Appendix to the report

Responsibilities of the Property Services Regulatory Authority

The statement of responsibilities sets out the Authority members' responsibilities. The Authority members are responsible for

- the preparation of financial statements in the form prescribed under schedule 6 (7) of the Act
- ensuring that the financial statements properly present the Property Services Compensation Fund's transactions for the year and the balance of the Fund at year-end
- ensuring the regularity of transactions, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under schedule 6 (8) of the Act to audit the financial statements of the Fund and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the

effectiveness of the internal controls.

- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

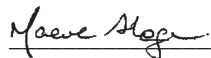
- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

Statement Of Income And Expenditure And Retained Revenue Reserves For The Year Ended 31 December 2020

	Notes	2020 €	2019 €
Income			
Contributions to the Fund	2	559,950	572,650
Deposit Interest received	2	4,726	4,712
Total Income		564,676	577,362
Expenditure			
Insurance		141,960	129,570
Deposit Interest retention tax		1,560	1,649
Compensation awards	3	3,900	23,373
Total Expenditure		147,420	154,592
Surplus for the year		417,256	422,770
Balance brought forward at 1 January 2020		3,935,528	3,512,758
Balance carried forward at 31 December 2020		4,352,784	3,935,528

The Statement of Income and Expenditure and Retained Revenue Reserves includes all gains and losses recognised in the year. The Statement of Cash Flows and notes 1 to 8 form an integral part of these financial statements.

On behalf of the Property Services Regulatory Authority



Ms. Maeve Hogan, Chief Executive Officer:

Date: 28/05/2021



Mr. Michael Quinlan, Chairperson:

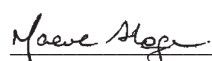
Date: 28/05/2021

Statement Of Financial Position As At 31 December 2020

	Notes	2020 €	2019 €
Current Assets	4	4,235,184	3,966,405
Cash and cash equivalents	5	117,600	112,560
Receivables and prepayments		4,352,784	4,078,965
Current liabilities			
Payables and accruals	6	-	143,437
		-	143,437
Net Current Assets		4,352,784	3,935,528
Total Net Assets		4,352,784	3,935,528
Representing			
Compensation Fund		4,352,784	3,935,528
		4,352,784	3,935,528

The Statement of Cash Flows and notes 1 to 8 form an integral part of these financial statements.

On behalf of the Property Services Regulatory Authority



Ms. Maeve Hogan, Chief Executive Officer:

Date: 28/05/2021



Mr. Michael Quinlan, Chairperson:

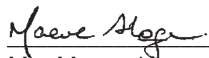
Date: 28/05/2021

Statement Of Cash Flows For The Year Ended 31 December 2020

Net Cash Flows from Operating Activities	2020 €	2019 €
Excess income over expenditure	417,256	422,770
(Increase) in receivables	(5,040)	(11,130)
(Decrease)/Increase in payables	(143,437)	133,596
Net cash inflow from operating activities	268,779	545,236
Increase in cash and cash equivalents	268,779	545,236
Cash and cash equivalents at 1 January 2020	3,966,405	3,421,169
Cash and cash equivalents at 31 December 2020	4,235,184	3,966,405

Notes 1 to 8 form an integral part of these financial statements.

On behalf of the Property Services Regulatory Authority



Ms. Maeve Hogan, Chief Executive Officer:

Date: 28/05/2021



Mr. Michael Quinlan, Chairperson:

Date: 28/05/2021

Notes To The Financial Statements For The Year Ended 31 December 2020

1. Accounting Policies

(a) The basis of accounting and significant accounting policies adopted by Property Services Compensation Fund are set out below. They have all been applied consistently throughout the year and for the preceding year.

(b) General Information

The Property Services Regulatory Authority was set up under the Property Services (Regulation) Act 2011, with a head office at Abbey Buildings, Abbey Road, Navan, Co. Meath, C15 K7PY.

The Property Services Regulatory Authority's primary objectives as set out in Section 11 of the Property Services (Regulation) Act 2011 are as follows:

- Issue and renew licences;
- Maintain the Register of Licensees;
- Enforce qualifications requirements and other requirements
- Enforce standards including technical standards and appropriate ethical standards;
- Administer the Fund;
- Administer a system of investigation of licensees;
- Impose minor sanctions or major sanctions on licensees;
- Apply to the High Court for the confirmation of the imposition of major sanctions on licensees;
- Promote public awareness and disseminate information to the public in respect of property services;
- Promotion of the Codes of Practice;
- Keep the Minister informed of developments in respect of the provision of property services by licensees and assist the Minister in co-ordinating and developing policy in that regard;
- Publish particulars of residential property sales prices;

- Maintain the Commercial Leases Database; and
- Perform any other functions conferred on it by any other provision of the Act or any other enactment or by regulations made under the Act or any other enactment

The Property Services Regulatory Authority is a Public Benefit Entity (PBE).

Section 77(1) of the Act requires the Authority to establish, administer and maintain a fund to be known as the Property Services Compensation Fund. The accounts of the Fund are prepared and audited separately in accordance with Schedule 6 of the Act.

(c) Basis of preparation

The financial statements of the Property Services Compensation Fund have been prepared in accordance with the accounting policies set out below, and in the form approved by the Minister for Justice with the consent of the Minister for Public Expenditure and Reform.

(d) Income Recognition

Contributions to the Fund, interest received on the Fund and court awards to the Fund are reported on a cash received basis.

(e) Surplus on the Fund

The Fund is required, in accordance with Section 77(3) of the Act, to have a balance of not less than €2 million on and after the fourth anniversary of the date of its establishment.

(f) Expenditure Recognition

Compensation awards are recognised as expenditure when the Authority is satisfied that a client of a licensee suffers a loss as a result of dishonesty on the part of that licensee, or any persons acting on his/her behalf, arising from the provision of property services.

Dirt charges are reported on a cash basis.

All other expenditure is accounted for on an accrual basis.

2. Compensation Fund Income

	2020	2019
	€	€
Contributions to the Fund	559,950	572,650
Deposit interest received	4,726	4,712
	564,676	577,362

The Property Services Regulatory Authority in exercise of the powers conferred on it by section 95 of the Property Services (Regulation) Act 2011 with the consent of the Minister for Justice made regulations which came into operation on 30 May 2012. The Property Services (Regulation) Act 2011 (Compensation Fund) Regulations 2012 sets out the contribution to be made to the Fund by a person making an application for a licence or the renewal of a licence: property services employer €200, independent contractor €200 and principal officer or employee €50.

3. Compensation awards

Awards totalling €3,900 were made out of the Fund for the year ended 31 December 2020 (2019: €20,636). In addition there were NIL unpaid outstanding awards at year end in 2020 (2019: €2,737), which are included in accruals in note 6 below.

4. Cash and cash equivalents

	2020	2019
	€	€
An Post	3,247,651	3,144,485
Commercial Bank Account	987,533	821,920
	4,235,184	3,966,405

5. Receivables and prepayments

	2020	2019
	€	€
Prepayments	117,600	112,560

6. Payables and accruals

	2020	2019
	€	€
Creditors	-	140,700
Accruals	-	2,737
	-	143,437

7. Awards – Contingency

At 31 December, 2020, the Authority had 7 compensation claims on hand for which no decision had been reached by the Authority (31 December 2019: 79 compensation claims on hand).

A total of 6 cases submitted to the Property Services Appeal Board (PSAB) were awaiting a decision by the PSAB at 31 December 2020.

The Authority is unable to reliably estimate the potential financial impact of these cases.

8. Approval of the financial statements

These financial statements were approved by the Authority of the Property Services Regulatory Authority on 24th May 2021.



An tÚdarás Rialála Seirbhísí Maoine
Property Services Regulatory Authority

Property Services Regulatory Authority

Abbey Buildings
Abbey Road
Navan
Co Meath
C15 K7PY

Telephone: (046) 9033800

Fax: (046) 9033888

E-mail: info@psr.ie

Web: www.psr.ie