



### **Mission**

The Property Services Regulatory Authority's (PSRA) mission is to protect the interests of the public in their interaction with Property Services Providers by ensuring that high standards are maintained and delivered, through the licensing, supervision and regulation of Property Services Providers\*.

\*Property Services Providers include Auctioneers, Estate Agents, Letting Agents and Management Agents.

### **VALUES**

#### **PUBLIC INTEREST**

We work to ensure that the best interests of the public are protected, while enhancing confidence in the property services sector.

#### **REGULATION**

We regulate to ensure consumers are protected and high standards are maintained in the sector.

#### **GOVERNANCE**

We operate with integrity and ensure that appropriate governance policies, systems and procedures are in place and operating effectively in the discharge of our role.

#### **PROFESSIONALISM**

We adopt and promote the professional standards that the public expect from property services providers.

#### **TRANSPARENCY**

We operate in an open manner that provides the public with information through our registers and engage with consumers to improve awareness of property services regulation.

#### **COMMITMENT TO PEOPLE**

We commit to the promotion of equality, prevention of discrimination and protection of the consumers who engage with the sector. We support our staff and aim to maintain a positive environment that enables them to develop and work together effectively.

## COMMITMENT TO THE PUBLIC SECTOR DUTY

We are committed to promoting equality, preventing discrimination and protecting the human rights of employees, customers, service users and everyone affected by our policies and plans. Our approach is grounded in, but not limited to, our responsibilities under the "Public Sector Equality and Rights Duty" contained in Section 42 of the Irish Human Rights and Equality Commission Act. In line with our values we are committed to creating an environment which promotes positive engagement and places equality, diversity and inclusion at its core.



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### **Chairperson and Chief Executive Statement**

We are pleased to present the Annual Report of the Property Services Regulatory Authority (the Authority) for the year 2023. This report provides an overview of the activities and outputs of the Authority during the year.

Throughout the year, the Authority continued to deliver on its statutory remit and progress matters to strengthen and enhance the organisation. In September, the Authority published its **Strategic Plan 2023-2026**, detailing its strategic goals and objectives for the next three years. The goals outlined in the Strategic Plan are focused on maintaining the operation of a comprehensive and modern licensing system, ensuring effective regulation, promoting professional standards, reinforcing our position within the sector, and efficiently organising and resourcing our workforce, processes, technology and systems.

We continued to proactively engage with the property services sector and developed new channels of engagement. In early 2023, the Authority held regional face to face seminars for livestock marts to assist and support them in their understanding of their statutory obligations under the Property Services (Regulation) Act 2011 and Client Moneys Regulations 2012. These were very well attended and engagement between both parties was positive.

During 2023, the Authority effectively processed a total of 6,160 licence applications, covering new applications, renewals, and additional licence categories, demonstrating continued efficiency in the licensing process. In September 2023, Ms. Helen McEntee, the Minister for Justice, signed SI 475 of 2023, also known as the Property Services (Regulation) Act 2011 (Renewal of Certain Licences) Regulation 2023. This regulation aimed to address the disproportionately high number of license renewals expiring on November 5th, ensuring a more streamlined renewal process going forward.

The Authority also, in 2023, carried nearly 300 compliance audits, 270 anti-money laundering audits, and concluded 182 complaint investigations. This demonstrates the Authority's continued determination and proactive approach to utilising its statutory powers

as required to ensure consumer protection and the ongoing professionalism of the property services sector.

In the course of the year, the Board experienced changes in its composition. The Minister's nominee, who had served on the Board since March 2021, concluded their tenure in 2023. Additionally, a member of the Authority's Board, with over seven years of service, resigned due to other commitments. We extend our gratitude to both for their vision, commitment, and dedicated service.

We also express appreciation to our current Board members for their ongoing commitment and valuable contributions. Your efforts continue to play a crucial role in achieving the goals of the Authority.

The positive engagement and ongoing contribution from PSRA Forum members, staff of the Department of Justice, external Committee members, Property Services Providers and all of our stakeholders is also highly valued and appreciated.

Finally, we wish to acknowledge and thank the staff of the Authority for their on-going commitment in ensuring the completion of pivotal projects and consistently delivering high-quality outputs for the organisation.



Michael Quinlan
Chairperson

Maere Stoge

Maeve Hogan Chief Executive

## **Glossary**

Act	Property Services (Regulation) Act 2011
AML	Anti-Money Laundering
CPD	Continuous Professional Development
IM&T	Information Management and Technology
IPAV	Institute of Professional Auctioneers and Valuers
OMC	Owners Management Company
PII	Professional Indemnity Insurance
PSAB	Property Services Appeal Board
PSRA	Property Services Regulatory Authority
SCSI	Society of Chartered Surveyors Ireland
SEAI	Sustainable Energy Authority of Ireland
SI	Statutory Instrument

# 2023 A Year in Review



Launch of 2023 – 2026 PSRA Strategic Plan



5,540
Licence Renewals
Processed



389
New Licences
Issued



293
Compliance Audit
Investigations
Completed



182
Complaints
Concluded



Anti-Money
Laundering Audits
completed



More than
1.5 million
visitors to the

visitors to the Property Price Register



10,158

Returns published during 2023, with 62,598 published since 2012



Commencement of SI 475 (Renewal of Certain Licences)

## About Us



### **About Us**

The Property Services Regulatory Authority (the Authority), an agency of the Department of Justice, was established on 3 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 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 Owner Management Companies (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 2023, in addition to the Chief Executive of the Authority, the PSRA had 36.3 full-time equivalent staff members.

## What We Do



### **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:

0	To supervise and regulate Property Services Providers (i.e. Auctioneers, Estate Agents, Letting Agents and Management Agents);
0	To operate a comprehensive licensing system covering all Property Services Providers;
0	To specify and enforce standards for the granting of licences to Property Services Providers (e.g. educational/training standards; levels of professional indemnity insurance), and; standards to be observed in the provision of property services by Property Services Providers (e.g. technical standards; appropriate ethical standards);
0	To administer a system of investigation and adjudication of complaints against Property Services Providers;
0	To administer a system of investigation of standards in the provision of property services;
0	To promote increased consumer protection and public awareness in the provision of property services;
0	To maintain and administer a Compensation Fund;
0	To maintain a Code of Practice for Property Services Providers;
0	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;
0	To assist the Minister in the development of policy in regulating the sector;
0	To undertake or commission research projects.

## Board and Committees of the Authority



### **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 is chaired by Mr. Michael Quinlan, Solicitor, following his appointment as Chairperson on 24 March 2021. The Board comprises of members from within the property services sector, consumer interest representatives and an officer of the Minister.

Four Board members, Ms. Emer Byrne, Ms. Ella Dunphy, Mr. Gordon Hughes and Ms. Orla Moran were reappointed for a second term on 15 April 2023. The Minister's nominee, Mr. Seamus Clifford concluded his tenure on the Board of the Authority on 27 October 2023. Ms. Hilary Griffey resigned from the Board on 31 December 2023.

The Board of the Authority met on five occasions during 2023 for four statutory Board meetings and a further meeting to focus on strategic matters. **Table 1** details the member's role, appointment information and the number of Board meetings each member attended during the year.

Table 1: Board Member Information

Board Member	Role	Term of Appointment	Board Meetings Attended
Mr. Michael Quinlan	Chairperson	24/03/2021 – 23/03/2025	5
Ms. Emer Byrne	Member	15/04/2019 – 14/04/2027*	5
Ms. Geraldine Hynes	Member	24/03/2021 – 23/03/2025	5
Ms. Ella Dunphy	Member	15/04/2019 - 14/04/2027*	5
Ms. Hilary Griffey	Member	28/11/2016 - 31/12/2023**	5
Dr. Aideen Hayden	Member	28/11/2016 – 27/11/2024	5
Mr. Gordon Hughes	Member	15/04/2019 - 14/04/2027*	5
Mr. Seamus Clifford	Member	24/03/2021 - 27/10/2023***	1
Ms. Áine Myler	Member	24/03/2021 – 23/03/2025	5
Ms. Orla Moran	Member	15/04/2019 – 14/04/2023*	5
Dr. Muiris O'Ceidigh	Member	28/11/2016 – 27/11/2024	2

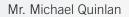
<sup>\*</sup> Reappointed with effect from 15 April 2023

<sup>\*\*</sup> Resigned from Board 31 December 2023

<sup>\*\*\*</sup> Tenure concluded 27 October 2023

## **Board Members**







Ms. Emer Byrne



Mr. Seamus Clifford



Ms. Ella Dunphy



Ms. Hilary Griffey



Dr. Aideen Hayden



Mr. Gordon Hughes



Ms. Geraldine Hynes



Ms. Orla Moran



Ms. Áine Myler



Dr. Muiris O'Ceidigh

#### **Consideration of Final Investigation Reports**

In addition to the meetings detailed in **Table 1**, a further 10 Board meetings were convened to consider Final Investigation Reports in respect of four cases. The consideration of Final Investigation Reports meetings were attended by a quorum of the Board in each case. Due to the complexity of some of the cases, the Board met on 10 occasions to review the Final Investigation Reports, seek necessary legal guidance, and consider the appropriate sanctions. In light of this, the number of meetings attended were higher than the number of Final Investigation Report cases considered by the Board. In the four cases, where the Board found improper conduct had occurred under part (a) of the definition of improper conduct – no longer fit and proper to provide property services, these cases are required to be confirmed by the High Court. As of 31 December 2023, two cases were confirmed by the High Court and the Authority was awaiting confirmation of the sanctions in the other two cases. **Table 2** details the number of Final Investigation Report cases considered by each member and the number of related meetings attended by members, with **Table 3** summarising the number of Final Investigation Report meetings held during 2023 and the outcome of the Board's consideration of each report at year end.

**Table 2: Board Member Final Investigation Report Meetings** 

Board Member	Final Investigation Report Cases Considered	Final Investigation Report Meetings Attended
Mr. Michael Quinlan	2	6
Ms. Emer Byrne	1	2
Ms. Geraldine Hynes	1	2
Ms. Ella Dunphy	3	7
Ms. Hilary Griffey	3	8
Dr. Aideen Hayden	3	8
Mr. Gordon Hughes	1	2
Mr. Seamus Clifford	-	-
Ms. Áine Myler	1	2
Ms. Orla Moran	1	2
Dr. Muiris O'Ceidigh	1	2

**Table 3: Board Member Final Investigation Report Meetings** 

Board Member	Final Investigation Report Cases Considered	Final Investigation Report Meetings Attended
Final Investigation Report 1	2	Major Sanction Imposed Confirmed by High Court Matter under Appeal
Final Investigation Report 2	2	Concluded - Major Sanction Imposed Confirmed by High Court
Final Investigation Report 3	3	Ongoing - Decision by the Board to Impose Major Sanction Awaiting Confirmation by High Court
Final Investigation Report 4	3	Ongoing - Decision by the Board to Impose Major Sanction Awaiting Confirmation by High Court

In relation to all four Final Investigation Reports, the respective committees found improper conduct under part (a) had occurred and imposed a major sanction. Confirmation of sanction in two cases was confirmed by the High Court at year end with the remaining two cases awaiting High Court sanction confirmation.

#### **Committees of the Authority**

#### Audit and Risk Committee

The Audit and Risk Committee is comprised of two Authority members: Ms. Ella Dunphy (Chairperson) and Ms. Orla Moran along with two independent members: Mr. Brian Wickham and Mr. Michael Walsh. Mr. Brian Wickham and Ms. Ella Dunphy were re-appointed to the Audit and Risk Committee on 28 June 2023. There were four Audit and Risk Committee meetings in 2023. **Table 4** details the member's attendance at these meetings.

Table 4: Audit and Risk Committee - Meetings Attended

Committee Member	Type of Member	Meetings Attended
Ms. Ella Dunphy	Authority Member (Chairperson)	4
Ms. Orla Moran	Authority Member	4
Mr. Brian Wickham	Independent Member	4
Mr. Michael Walsh	Independent Member	4

#### Compensation Fund Advisory Committee

On 1 January 2023, the Compensation Fund Advisory Committee comprised of three Authority members: Dr. Muiris O'Ceidigh (Chairperson), Ms Geraldine Hynes and Ms Emer Byrne. Dr. Muiris O'Ceidigh's term on the Committee concluded at the end of August 2023.

Ms Áine Myler was appointed as a member of the Compensation Fund Advisory Committee on 1 September 2023. The Advisory Committee was then comprised of Authority members: Ms Geraldine Hynes (Chairperson), Ms Emer Byrne and Ms Áine Myler. The Advisory Committee considers applications for grants on the Compensation Fund and makes recommendations to grant, part-grant or refuse to grant claims to the Board of the Authority.

In 2023, seven compensation claims came before the Compensation Fund Advisory Committee for their consideration and recommendation. Four Compensation Fund Advisory Committee meetings took place in 2023. **Table 5** below details the members' attendance at these meetings.

**Table 5: Compensation Fund Advisory Committee - Meetings Attended** 

Committee Member	Meeting Attended
Dr. Muiris O'Ceidigh	2
Ms. Geraldine Hynes	4
Ms. Emer Byrne	4
Ms. Áine Myler	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 PSRA published its Strategic Plan 2023-2026 in September 2023, detailing its goals and objectives for the next three years. The Plan sets out four goals that the PSRA will focus on for the next three years.

These include:



The operation of a comprehensive and modern licensing system and effective regulation of the property services sector;



The promotion of professional standards, specifying and enforcing qualification requirements, addressing unlicensed activity and the operation of an effective complaint and investigation process;



Further establishing our position within the sector, through effective engagement with stakeholders, broader brand awareness and providing comprehensive publicly available registers;



The organisation and resourcing of the PSRA workforce, as well as its processes, technology, and systems, to efficiently meet the current and future needs of the organisation and the sector.

Following extensive engagement with stakeholders, the goals and objectives identified in the Strategic Plan 2023-2026 are aligned with the statutory remit of the Authority. The implementation of these goals and objectives during the lifetime of the Plan are in addition to the normal day-to-day operations of the Authority and provide a clear direction for the Authority in continuing to fulfil its statutory remit.

## Licensing



#### Licensing

The Property Services (Regulation) Act 2011 (the Act) provides that any person providing property services in Ireland must be licensed by the Authority and defines such services as:

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

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

The Authority's licensing process continues to operate in an efficient manner with a total of 6,160 licence applications (new, renewal and additional licence category) processed in 2023. This compares to 5,775 licence applications (new, renewal and additional licence category) processed in 2022.

All licence applications, including licence fees and compensation fund payments, are submitted online to the Authority.

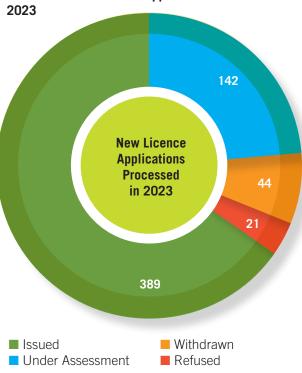
#### **New Licence Applications**

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 2023, some 596 new licence applications were submitted for consideration of which:

- 389 licences issued;
- 142 applications under assessment at 31 December 2023;
- 44 withdrawn; and
- o 21 refused.

**Chart 1** illustrates the new licence applications processed in 2023.

Chart 1: New Licence Applications Processed in



All new licence applications are assessed by the Authority in accordance with the minimum qualification requirements under the Property Services (Regulation) Act 2011 (Qualifications) Regulations 2012 SI 181 of 2012 and as amended by SI 456/2015 - Property Services (Regulation) 2011 (Qualifications) (Amendment) Act Regulations 2015. Where an application does not meet the minimum requirements the Authority advises the applicant of this and affords them the opportunity to submit additional information in support of their application. It is for this reason that there were 142 licence applications at assessment stage at year end in 2023. A total of 21 new licence applications were refused in 2023, with the most common reason for refusal identified as the applicant failing to meet the minimum qualification requirements.

#### **Licence Renewals**

The total number of licence renewal applications processed in 2023 was 5,540.

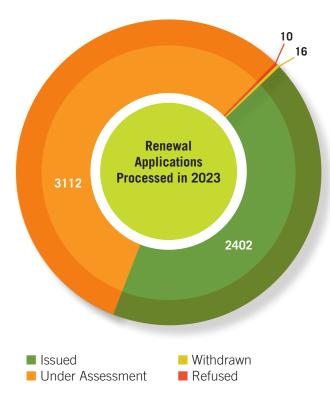
**Chart 2** provides a breakdown of licence renewal applications processed by the Authority which includes:

- 2,402 renewal licences issued;
- 3,112 renewals under assessment;
- 10 renewals withdrawn by the applicant; and
- 16 renewal applications refused by the Authority.

Of the 16 renewal applications refused, 12 individual (employee) licence holders were refused renewal due to non-compliance with Section 31(3) (c) of the Act as they did not have the required level of PII coverage. This was because they were not affiliated with a licensed Property Services Employer, as mandated by Section 4(2)(a) and 4(2)(b) of the Act.

The remaining four refusals were business applications.

Chart 2: Renewal Applications Processed in 2023



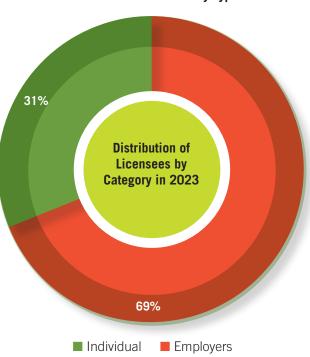
#### **Licence Expiry Date Extensions**

The Authority's peak period for licence renewals is from September to November, during which the Authority receives approximately 3,000 licence renewal applications. Minister Helen McEntee signed Statutory Instrument (SI) number SI 475 of 2023 on the 26 September 2023. This SI enabled the Authority to grant licence expiry date extensions to certain licensees who have a 5th of November 2023 expiry date which resulted in a proportional distribution of licence renewal date.

#### **Overall Licensing Numbers**

At the end of 2023, there was a total of 5,830 licence holders. This compares to 5,827 at year end 2022. **Chart 3** illustrates the distribution of licensees by type in 2023.

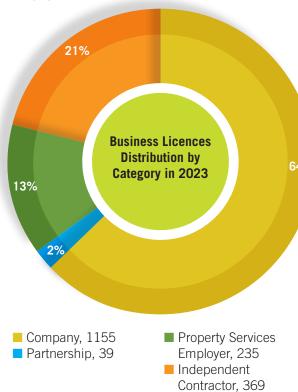
Chart 3: Distribution of Licensees by Type in 2023



An analysis of the distribution of the 1,798 business licences active at the end of 2023 illustrated in **Chart 4** demonstrates that:

- 64% of business licences were held by Companies;
- 21% were held by Independent Contractors;
- 13% were held by Property Services Employers; and
- 2% were held by Partnerships.

Chart 4: Business Licences Distribution by Category in 2023



#### **Licence Category**

As previously stated, at the end of 2023, there was a total of 5,830 active licences compared to 5,827 licences at the end of 2022. Some 1,798 of these were business licences and **Table 6** illustrates the licence categories associated with current business licences at the end of 2022 compared to those at the end of 2023. Licensees may be licensed for a single licence category or a combination licence categories.

**Table 6: Business Licence Categories Issued** 

Licence Categories Issued*	2022	2023
[A]	83	85
[A], [B]	19	19
[A], [B], [C]	880	856
[A], [B], [C], [D]	344	346
[A], [B], [D]	1	1
[A], [C]	3	2
[A], [C], [D]	1	1
[B]	20	21
[B], [C]	189	186
[B], [D]	1	0
[B], [C], [D]	76	77
[C]	82	81
[C], [D]	51	50
[D]	76	73

<sup>\*</sup> Licence Category Types include:

- Category A Auctioneers: Persons engaged in the auction of property other than land;
- Category B Estate Agents: Persons engaged in the purchase or sale of land by whatever means;
- Category C Letting Agents: Persons engaged in the letting of land; and
- Category D Management Agents: Persons engaged in the provision of property management services on behalf of Management Bodies.

**Table 7** provides a breakdown of the licence categories held by 4,032 employees at the end of 2023 as compared with 2022.

**Table 7: Employee Licence Categories Issued** 

Employee Licence Categories Issued	2022	2023
[A]	142	149
[A],[B]	37	36
[A],[B],[C]	1335	1328
[A],[B],[C],[D]	834	869
[A],[B],[D]	0	1
[A],[C]	10	8
[A],[C],[D]	2	1
[A],[D]	1	1
[B]	147	150
[B],[C]	647	648
[B],[C],[D]	281	272
[B],[D]	1	1
[C]	148	150
[C],[D]	180	183
[D]	236	235

## Non-Renewal of Licence by Employers and Employees

In 2023, some 434 licensees did not renew their licence, which compares with 429 in 2022, representing an increase of 1.15%.

The reasons for non-renewal vary, but include retirement, closing of business, emigration and in some cases changing from one legal entity to another.

The non-renewals of licences for 2023 are broken down between 88 businesses and 346 employees.

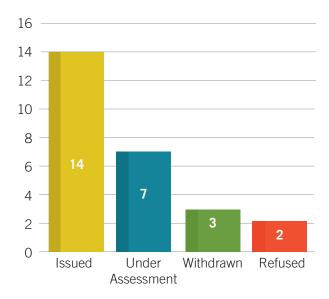
#### **Additional Licence Category Applications**

In 2023 the Authority processed 26 Additional Licence Category applications. These applications relate to Property Services Providers seeking to

add additional licence categories to their current licences.

**Chart 5** illustrates the position of these 26 applications at year end.

Chart 5: Additional Category Applications Processed in 2023



## Change of Property Services Employer Applications

The Authority receives applications for 'Change of Employer' where an employee licensed under one business wishes to move their licence to another licensed business. In 2023, the Authority processed 184 Change of Property Services Employer applications.

## Register of Licensed Property Services Providers

The Register of Licensed Property Services Providers is a public Register which lists the Property Services Providers licensed by the PSRA who are legally entitled to provide property services. In using a licensed property services provider, the client has protections afforded to them under the Act. The Register is published weekly and available at psr.ie.

## Investigations



#### **Investigations**

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

- The investigation and adjudication of complaints made against licensed Property Services Providers or own volition investigations;
- 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 Property Services Provider;
- 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 when imposing sanctions.

On completion of an investigation and where improper conduct is found, there are a number of sanctions that the Authority can impose, which fall under two categories:

#### 1) Major Sanctions, which include;

- (a) the revocation of the licence of the licensed Property Services Provider and a prohibition (which may be a permanent prohibition, a prohibition for a specified period or a prohibition subject to specified conditions) against the former licensed Property Services Provider applying for a new licence or a particular class of licence,
- **(b)** the suspension for a specified period of the licence of the licensed Property Services Provider or, in the case, where the period of

such suspension (in this paragraph referred to as "the relevant period") sought to be imposed is longer than the period of validity of the licence left to run, the suspension of the licence during that period and a prohibition for a specified period against the former licensed Property Services Provider applying for a new licence or a particular class of new licence, which periods, added together, are equivalent to the relevant period,

- (c) a direction to the licensed Property Services Provider that they pay a sum, as specified in the direction but not exceeding €50,000, into the Compensation Fund,
- (d) a direction to the licensed Property Services Provider that they pay a sum, as specified in the direction but not exceeding €50,000, to the Authority, being the whole or part of the cost to the Authority of an investigation of the licensed Property Services Provider,
- (e) a direction to the licensed Property Services Provider that they pay a sum, as specified in the direction but not exceeding €250,000, to the Authority by way of a financial penalty for an act by the licensed Property Services Provider specified in the direction, or
- **(f)** any combination of any of the sanctions specified in paragraphs (a) to (e).

#### 2) Minor Sanctions, which include;

- (a) the issue, to the licensed Property Services Provider, of—
  - (i) advice (including advice relating to participation in a professional competence scheme).
  - (ii) a caution,
  - (iii) a warning, or
  - (iv) a reprimand,

or

**(b)** any combination of any of the sanctions specified in paragraph (a).

## Investigations and Adjudication of Complaints

Complaints against licensed Property Services Providers can be made in writing to the Authority by members of the public for investigation. During 2023, the Authority received 255 complaints. This represents a 24.39% increase on the 205 complaints received in 2022.

#### End of Year Status of Complaints

At 1 January 2023, there were 95 complaints on hand.

Of the 255 complaints received in 2023, following initial enquiries and ongoing correspondence between the complainant and licensed Property Services Provider, 182 (71.37%) complaints were concluded without the requirement for the appointment of an Inspector to conduct an investigation. Eight of these concluded files are currently with the Property Services Appeals Board (PSAB). In all such cases, the Authority explained to the complainant and the licensed Property Services Providers, the reasons as to why an investigation was not carried out. The most common reason for declining to investigate a complaint was that the subject matter of the complaint did not fall within the definition of "improper conduct" as defined in the Act.

At 31 December 2023, there were 69 open complaint files on hand. Of these, 62 were at inspection phase and 7 were at initial assessment awaiting a decision on whether they were to be investigated. Out of the 62 files at inspection phase, 17 of these cases were under investigation based on a potential breach of the Property Services (Regulation) Act 2011 (Minimum Standards) Regulations 2020.

**Table 8** below provides an outline of all the complaints dealt with by the Authority in 2023 and the status of those complaints at year end.

**Table 8: End of Year Status of Complaints** 

End of Year Status of Complaints	Total
Complaints on hand at 1 January 2023	95
Total complaints received in 2023	255
Total complaints concluded at year end	281
• Complaints concluded without requirement for investigation 189	
• Complaints concluded after investigation 67	
• Withdrawn 16	
• Under appeal at year end 9	
Open complaints at year end	69

#### **Nature of Complaints**

The nature of complaints cover a broad range of issues. **Table 9** below illustrates the general breakdown of complaint categories received in 2023.

This Table shows the most common categories into which complaints were placed, based on the nature of the complaint. In interpreting the numbers in **Table 9**, it is important to bear in mind that a complaint may be multi-faceted and therefore, may fall into more than one category. Accordingly, there may be a greater number of complaint issues contained within any one complaint received. This is evident in **Table 9**, which relates to the total of 255 complaints received in 2023, however, the issues contained within these complaints totals 348. The Table is a good indicator of the expansive nature of the complaints, which the Authority must assess and investigate.

Table 9: Nature of Complaints Received in 2023

Nature of Complaint	Complaints Broken Down by Grounds
Service Provision (Complainant dissatisfied with service provided)	147
OMC Matters	75
Advertising	18
Bidding	17
Retention of Money by licensed Property Services Providers	15
Tenancy Matters	12
Ethical Conduct	12
Other	52
Total:	348

The behaviours or omissions complained of in some of the categories, for example, service provision or duty to a client are open to interpretation. The complainant may genuinely feel dissatisfied or aggrieved at what transpired in their dealings with the licensed Property Services Provider, but it may not fall under the definition of "improper conduct" under 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. It should also be noted that these are allegations made by complainants and it cannot be stated that improper conduct has occurred until an investigation has been completed and improper conduct found.

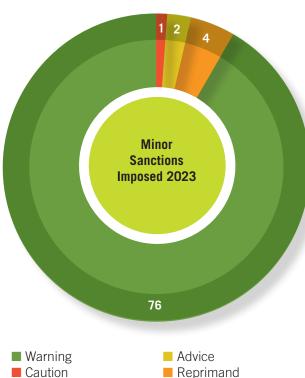
#### **Overview of Complaint Sanctions Imposed**

In 2023, some 67 complaints were concluded after an investigation. In 22 of these cases (32.84%), no improper conduct was found to have occurred. In 44 cases (65.67%) improper conduct was found and a minor sanction was imposed and in 1 case improper conduct was found and a major sanction was imposed. Out of the 67 complaints concluded after an investigation, 28 were brought to investigation due to a potential breach of the Property Services (Regulation) Act 2011 (Minimum Standards) Regulations 2020. Of these 28 cases, improper conduct was found in 15 cases where a minor sanction was imposed and in 13 cases, no improper conduct was found.

#### **Minor Sanction**

**Chart 6** below illustrates the category of minor sanctions imposed on Licensed Property Services Providers in 2023, following the conclusion of complaint cases after an investigation. It is important to note that while there was 44 complaint cases concluded after an investigation where improper conduct was found and a minor sanction imposed, 83 sanctions were imposed due to a combination of breaches in 22 cases.

Chart 6: Minor Sanctions Imposed in 2023 – Complaint Investigations



In 4 instances, a minor sanction of a **Reprimand** was imposed relating to matters including:

- Part (a) of the definition of "improper conduct" in the Act:
- Non-provision of a letter of engagement;
- Failure to act in the best interest of the client at all times; and
- Facilitating an individual, who is not licensed, to provide a property service.

In 76 instances, a minor sanction of a **Warning** was imposed relating to matters, including but not limited to:

- Non-provision of a letter of engagement;
- Failure to notify the Authority of a "material matter";
- Facilitating an individual, who is not licensed, to provide a property service;
- Failure to retain records for 6 years;
- Failure to act in the best interest of the client at all times;
- Exceeding the authority granted to them by the client;
- Breaching the terms of the letter of engagement;
- Failure to refund a booking deposit within a certain time;
- Holding more than one booking deposit in relation to the sale of the same land at any given time;
- Implying that a fee in respect of the sale or letting, are to be borne by a person other than the client; and
- Failure to complete their Continuous Professional Development (CPD).

In 1 instance, a minor sanction of a  ${\bf Caution}$  was imposed in relation to:

• Non-provision of a letter of engagement.

In 2 instances, a minor sanction of **Advice** was imposed in relation to:

- Non-provision of a letter of engagement; and
- Failure to complete their Failure to complete their CPD.

#### **Publication of Minor Sanctions**

Due to the number of minor sanctions that some licensed Property Services Providers were receiving, the Authority decided that it would publish minor sanctions on its website, where a licensed Property Services Provider receives three or more minor sanctions in respect of three separate, independent complaint investigations within an 18 month period. The Authority will publish the details of the licensed Property Services Provider involved and matters relating to the imposition of the minor sanction(s) imposed. This came into effect from 1 July 2023 and to date no minor sanctions have been published on the Authority's website. Publications of minor sanctions will remain on the Authority's website for twelve months.

#### **Major Sanction**

Following the investigation of a complaint case, which related to the misappropriation of client funds by a Property Services Provider, the Authority imposed a major sanction, whereby the Property Services Provider was prohibited from applying for a new licence for a period of six months. The sanction was confirmed by the President of the High Court on 23 October 2023.

#### **Case Studies of Investigations**

By way of providing a general overview of the kind of investigations which the Authority routinely undertakes, three anonymised summaries of investigations into complaints, which were concluded in 2023 are outlined:

#### Case Study No 1:

#### **Retention of Booking Deposit**

The Authority received a complaint from a member of the public where they stated that they were the winning bidder of an online auction that had been hosted by the licensed Property Services Provider. They further stated that prior to bidding on the property, the licensed Property Services Provider sought a deposit of €4,000. Once it was confirmed that the complainant was the winning bidder a further €6,000 was paid over to make up the full booking deposit.

Following this, the sale of the property did not go ahead and the complainant attempted on numerous occasions to retrieve the booking deposit of €10,000, with no success. At the time of receiving the complaint, the deposit had been held by the licensed Property Services Provider for over 10 months. It was also apparent that upon notification of

the complaint to the licensed business, it took steps to return the deposit to the complainant's solicitors.

The investigation found there was insufficient evidence of attempts to return the deposit within the prescribed timeframe of 10 working days and therefore, the licensed Property Services Provider had breached Regulation 16(3) of the Minimum Standards Regulations and a sanction of warning was imposed.

Further, the licensed Property Services Provider confirmed that it always accepts multiple booking deposits, on each occasion an online auction is hosted. In this instance, two deposits were collected which breached Regulation 16(4) of Minimum Standards Regulations, where a licensed Property Services Provider cannot hold more than one booking deposit and a sanction of warning was imposed.

#### Case Study No 2:

#### Case Study No. 2 – Non-Refundable Deposits

Following the receipt of a complaint from a member of the public involving a licensed Property Services Provider seeking to charge house hunters a €2,000 deposit in exchange for a place on a priority waiting list for a new housing development, the Authority carried out an investigation into the activities of the licensed Property Services Provider regarding the incident.

Following the investigation, the Authority was satisfied that the licensed Property Services Provider, did not charge any prospective purchaser

a deposit to secure an allocation of a property in the next phase of the development. The Authority found that by requesting a deposit of €2,000 from house hunters, the licensed Property Services Provider sought a monetary reward for placing their name on the priority waiting list. In the Authority's view, this was improper conduct as it constituted a form of inducement within the meaning of the Minimum Standards Regulations.

The Authority made a finding of improper conduct, and imposed a minor sanction of a warning on the licensed Property Services Provider.

#### Case Study No 3:

## Case Study No. 3 — Failure to complete Continuous Professional Development

Following a compliance audit investigation undertaken by the Authority in November 2022, it was identified that a licensed Property Services Provider failed to complete its Continuous Professional Development in 2021. Based on this information, the Authority initiated an investigation

of its own volition against the licensed Property Services Provider to determine whether the licensed Property Services Provider was in compliance with Section 81(1) of the Property Services (Regulation) Act 2011 (the Act). Following an investigation, the Inspector was satisfied that the licensed Property Services Provider had breached Section 81(1) of the Act. The Authority agreed with the Inspector's findings and imposed a minor sanction of Advice.

#### Case Study No 4:

## Case Study No. 4 — Misappropriation of Client Moneys

The Authority received a report from a licensed business stating that a licensed employee had misappropriated funds from the client account.

The investigation concluded that the actions of the licensed employee was of the utmost seriousness and was entirely inconsistent with the position of trust occupied by licensed property services providers in respect of client funds.

The Authority found that the licensed employee had committed improper conduct under part (a) of the definition of improper conduct as defined in the Property Services (Regulation) Act 2011, which is at the high end of the scale.

The Authority decided that a major sanction was appropriate in this case and made a decision to prohibit the licensed employee from applying for a new licence for a defined period. This decision was confirmed by the High Court.

#### **Complaint Application Appeals**

During 2023, the Property Services Appeal Board (PSAB) received 38 appeal cases relating to complaints received by the Authority. There were also two appeals carried forward from 2022, giving a total of 40 appeals before the PSAB during 2023. By year end, 31 appeals had been considered by the PSAB, with 9 appeal cases awaiting a decision.

The PSAB disallowed appeals submitted in 27 complaint cases (87.1%), thereby affirming the decision of the Authority in each of these cases. The PSAB partially allowed the appeal in two complaint cases (6.45%), where it lessened the sanction imposed by the Authority and dismissed the appeal on the other sanction in each of the two cases. The PSAB allowed an appeal in two complaint cases (6.45%), and requested the Authority to investigate both complaints, which were ongoing at year end.

**Table 10** below illustrates a summary of the outcomes in the various appeals considered and dealt with by the PSAB in 2023.

Table 10: Summary of PSAB Decisions during 2023

Outcome	No. of Appeals	Percentage of Total
Appeal Disallowed – Authority's Decision Upheld	27	87.1%
Appeal Partially Allowed – Authority's Decision Partially Overturned	2	6.45%
Appeal Allowed – Authority's Decision Overturned	2	6.45%

## Investigation of the Illegal Provision of Property Services by Unlicensed Traders

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

#### Unlicensed Reports

At 1 January 2023, there were 14 open alleged reports of unlicensed trading and 52 reports were received during the year, giving a total of

66 reports. At 31 December 2023, 12 reports of alleged unlicensed trading remained open.

**Table 11** below provides an overview of the status of all unlicensed reports for 2023.

Table 11: Complaint Status of all Unlicensed Reports for 2023

Nature of Complaint	No. of Unlicensed Reports
Concluded after initial assessment as licence not required, not providing a property service	52
Concluded after Investigation	2
Inspection Phase	3
Initial Assessment Phase	9

On a monthly basis, the Authority also carried out searches where licences had recently expired and were not renewed, to ensure that the former licensed Property Services Providers were compliant with the Act.

## Inspection of Standards in the Provision of Property Services

In line with the Authority's Strategic Plans, targeted compliance investigations (compliance audits) were carried out on licensed businesses throughout 2023. Compliance audits ensure compliance with the statutory provisions of the Act and its regulations and instils trust for clients when availing of the services of licensed Property Services Providers. Compliance audit investigations are also a very effective means of engaging with licensed businesses, informing licensed businesses of the standards required when operating as a licensed Property Services Provider while also informing the Authority of issues at ground level.

The Authority operates a risk-based matrix to schedule compliance audits. The risk-based matrix prioritises licensed Property Services Provides based on a number of different risk factors and when applied those licensed Property Services Providers who score high are audited sooner than those considered to be low risk.

In addition to staff of the Authority conducting compliance audits, the Authority engages an outsourced company, IP Forensics Limited, to carry out compliance audits on its behalf. In 2023, the Authority carried out both remote and onsite compliance audits in order to meet its statutory obligations under the Act.

As at 31 December 2023, 181 compliance audits were ongoing.

#### **Audit Findings and Sanctions Imposed**

A total of 231 (78.8%) licensed businesses whose compliance audits were completed in 2023 were in compliance with the audited Sections of the Act and Regulations made under the Act. Breaches of the Act and Regulations occurred in 54 (18.5%) of the licensed businesses audited. These cases were broken down into one receiving a major sanction and 53 receiving minor sanctions. A total of 8 (2.7%) licensed Property Services Providers were found not to be providing property services at the time of the compliance audit.

#### **Major Sanction**

The President of the High Court confirmed the major sanction on 16 January 2023.

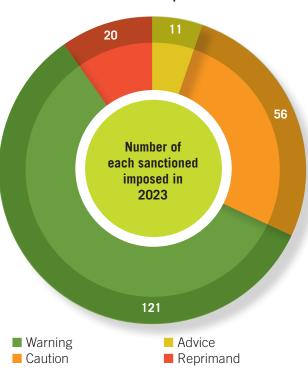
The major sanction was in respect of 20 findings of improper conduct. These findings were in respect of breaches of:

- Section 37 Possession, production and display of licence;
- Section 43 Letters of Engagement;
- Section 61 Retention of records of offer; and Client Money Regulations.

#### **Minor Sanctions Imposed**

**Chart 7** details the breakdown of minor sanctions imposed on the 54 licensed business, in total 208 minor sanctions were imposed.

Chart 7: Minor Sanctions imposed in 2023



It is important to note that due to the diverse nature of the Act, Client Moneys Regulations and the Minimum Standards Regulations, the sanctions imposed were varied depending on the severity/ type of the breach identified and/or taking into consideration evidence provided by the licensee to the Inspector after the draft report was issued.

In 20 instances, a minor sanction of a **Reprimand** was imposed relating to matters including, but not limited to:



- Licensee not maintaining proper books of account;
- Letters of Engagement not in place;
- Payment of non-client monies into the client account; and
- In the case of marts, a deficit evident on the client account despite a derogation in place.

In 121 instances, a minor sanction of a **Warning** was imposed relating to matters including, but not limited to:

- Licensee not maintaining proper books of account;
- Letters of Engagement incomplete;
- Letter of Engagement not signed within the required timeframe;
- Fees/Commission not withdrawn from client account;
- Withdrawal of non-client monies from the client account;
- Payment to contractors without permission from client; and
- CPD not completed.

In 56 instances, a minor sanction of a **Caution** was imposed relating to matters including, but not limited to:

- Withdrawal of non-client monies from the client account;
- Lodgement of client monies to the office account;
- Payment of direct debit from the client account;
- Withdrawal of bank charges and/or fees from the client account;
- Payment of non-client monies into the client account (e.g. valuations);
- Balancing statement not available at the time of audit; and
- No record of bids for the property examined at audit.

In 11 instances, a minor sanction of an **Advice** was imposed relating to matters including, but not limited to:

 Licensee did not have PSRA licence card available for inspection;

- Incorrect licence number on MyHome.ie advertisements;
- Licence number not on invoice;
- CPD not completed;
- No Bank Account Register in place; and
- Holding of client accounts in two different financial institutions without permission from the Authority.

Analysis or audit outcomes identified that in the majority of cases, more than one minor sanction was imposed on a licensed business and as a result, the number of minor sanctions exceeds the number of businesses sanctioned. **Table 12** identifies the number of minor sanctions imposed in respect of completed audits.

Table 12 – Breakdown of number of minor sanctions imposed per completed compliance audit

Number of Compliance Audits	Number of Minor Sanctions Imposed
14	1
14	2
6	3
5	4
5	5
3	7
2	8
1	9
1	10
1	13
1	16
1	18

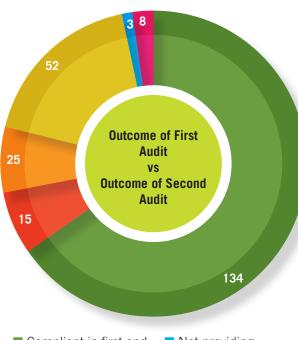
#### **Licensed Businesses Audited**

In 2023, 237 licensed businesses were audited for a second time. A small number of licensed businesses have been audited more than twice due to issues of concern identified by the Authority. 54 new licensed businesses were audited for the first time in 2023.

**Chart 8** indicates the outcome of the licensed businesses' second compliance audit in comparison to their first compliance audit. Of the 237 licensed businesses audited for a second time, 134 were found to be compliant on both occasions. 67 licensed businesses had sanctions

imposed at first compliance audit with 52 found compliant and 15 non-compliant following their second compliance audit. In the majority of cases, the breaches differed to those identified at their first compliance audit. 25 licensed businesses who were found compliant at first audit were found to be non-compliant at second audit on matters minor in nature. Of the 11 licensed businesses found not to be providing a property service at the time of their first compliance audit, 8 were not providing a property service within the meaning of the Act and 3 were found to be compliant at their second compliance audit.

Chart 8: Comparison between first and second compliance audits



- Compliant in first and second audit
- Non compliant in first and second audit
- Compliant in first audit and non compliant in second audit
- Non compliant in first audit and compliant in second audit
- Not providing property service at the time of first audit and compliant at second audit
   Not providing a
- Not providing a property service at time of second audit

Of the 54 licensed businesses audited for the first time, 41 were found to be compliant, 12 were found non-compliant and 1 was found not to be providing a property service as shown in **Chart 9**.

Chart 9: Outcome of Licensed Businesses audited for the first time



#### **Appeals against Sanctions Imposed**

In 2023, the PSAB concluded two appeals against sanctions imposed following compliance audits.

Following a compliance audit carried out on one of the licensed businesses, sanctions of two Reprimands and a Warning were imposed due to breaches of the Client Moneys Regulations.

Having considered the submissions received from the Appellant and the Authority, the PSAB was satisfied that the sanctions levied by the Authority were appropriate and the Appeal was dismissed.

The second appeal received was in respect of imposition of a sanction of Caution due to a breach of Regulation 6(6)(ii) of the Client Moneys Regulations.

In evidence provided in the appeal, the Appellant outlined that the events occurred during Covid-19 and during periods of lockdown when the Appellant (licensee), along with their staff were working remotely.

The PSAB found there was not a failure by the Appellant to withdraw their fees from the client account in a timely manner and consequently there was no improper conduct on the licensee's part. The appeal was upheld and no sanction was imposed on the Appellant.

#### Case Study

#### **Mismanagement of Client Monies**

The Authority appointed Inspectors to conduct a compliance audit investigation on a licensed Property Services Provider who provided sales and letting services. The scope of the compliance audit centred on the handling of deposits and client funds.

The investigation found that the licensed Property Services Provider had breached various Sections of the Act and the Client Moneys Regulations including:

- The lodgment of non-client moneys to the client account.
- Cash withdrawals from the client account.
- The transfer of moneys from the client account to the office account to facilitate cash payments to persons other than clients.
- Inadequate books of account to appropriately vouch for clients moneys.

A total of 14 breaches of the Client Moneys Regulations 2012 were identified by inspectors.

The Inspectors were satisfied that improper conduct by the licensed Property Services Provider had occurred and fell within part (a) of the definition of improper conduct contained in the Act, which is that the licensed Property Services Provider is no longer a fit and proper person to provide property services.

In determining the appropriate sanction, the Authority took into account various factors and imposed a major sanction in two parts.

- A payment of €5,000 to the Authority in respect of costs for carrying out the investigation.
- A payment of €5,000 to the Authority by way of financial penalty in respect of the acts by the licensed Property Services Provider which resulting in 14 breaches of the Client Moneys Regulations 2012.

The sanction was unopposed by the licensed Property Services Provider. The sanctions were confirmed by the President of the High Court on 16 January 2023.

#### **Compensation Fund**

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

The Authority, where it is satisfied that a client of a licensed Property Services Provider has sustained a loss as a result of the dishonesty of the licensed Property Services Provider, and, subject to certain conditions specified in the Act, may make a grant from the Fund to the client.

At 31 December 2023, the credit amount of the Fund was €4,929,654.

On 1 January 2023, the Authority had seven claims on the Compensation Fund awaiting a decision. During the year an additional six Compensation Fund claims were received. A decision of the Authority was reached on seven claims, 2 of which were awarded a grant from the Compensation Fund. In addition, 1 grant awarded in 2022 was processed in 2023 resulting in a total

of 3 payments made from the Fund in 2023. Some 5 claims were awaiting a decision of the Authority as at 31 December 2023. **Table 13** below outlines claims processed in 2023.

Table 13: Summary of Claims on the Compensation Fund 2023

Compensation Fund Claims	Number of Claims
Compensation Claims On Hand at 1 January 2023	7
Claims Received in 2023	6
Claim Decisions in 2023	
Claims Fully Granted	4
Claims Partially	8
Claims Refused	8
Grants awarded in 2022 and processed in 2023	1
Total Grants made from the Fund 2023	3
Total paid from the Compensation Fund 2023	€8,299
Claims on hand at 31 December 2023	5

## Appeals against Compensation Fund Decisions

Decisions of the Authority relating to claims on the Compensation Fund are subject to appeal to the PSAB as provided by Section 13, Schedule 5 of the Property Services (Regulations) Act 2011. On 1 January 2023, there was one appeal case before the PSAB awaiting their decision. The Appeal Board declined to determine this appeal as it did not fall within its statutory jurisdiction. In 2023, one additional appeal was submitted to the PSAB, following a decision by the Authority not to make a grant to a claimant from the Compensation Fund.

On 31 December 2023, there was one appeal case before the PSAB awaiting a decision.

#### **Insuring the Compensation Fund**

The Authority re-insured the Compensation Fund in October 2023 to protect the Fund and to ensure that claims on the Fund can be met.

#### **Case Study of Compensation Fund**

By way of providing a general overview of the kind of compensation claims which the Authority routinely undertakes, one anonymised summary of a claim on the Fund, which was concluded in 2023 is outlined:

#### Case Study

#### **Misappropriation of Management Fees**

The Authority received a claim for a grant from the Compensation Fund from an owner of an apartment within a residential development in respect of the alleged misappropriation of management fees by a licensed Property Services Provider.

As part of the initial assessment of the claim, the Authority sought clarification from the licensed Property Services Provider and requested information from relevant third parties. Following the initial assessment, the Compensation Fund Advisory Committee considered the claim before being presented to the Board of the Authority. The Authority was satisfied that the claimant suffered the loss complained of as a result of the dishonestly of the former licensed Property Services Provider and directed that a grant be made from the Compensation Fund to the claimant.

## Competent Authority for Anti-Money Laundering

The Authority is the State Competent Authority for licensed Property Services Providers, for the purposes of Part 4 of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010.

It is the responsibility of licensed Property Services Providers to interpret and to act in accordance with all relevant anti-money laundering legislation that applies to them. As the competent authority, the Authority provides guidance to licensed Property Services Providers on developing and implementing the relevant policies and procedures necessary to ensure compliance with Anti-Money Laundering/Combatting the Financing of Terrorism (AML/CFT) legislation. In line with this, the Authority carries out Anti-Money Laundering (AML) compliance audits on licensed businesses. The AML compliance audit takes place alongside compliance investigations and therefore, like with compliance investigations, every licensed business will undergo an AML compliance audit at least once every five years.

During the AML compliance audit process, licensed businesses are assessed for compliance in the following areas:

- Section 30(A) Business Risk Assessment;
- Section 30(B) Client Risk Assessment;
- Section 33 Customer Due Diligence:
- Section 37 Politically Exposed Persons;
- Section 42 Suspicious Transaction Reporting;
- Section 54(1-5) Procedures;
- Section 54(6) Training; and
- Section 55 Retention of Records.

In 2023, the Authority completed 270 AML compliance audits, of which 242 licensees were found to be compliant on the day of audit. Areas of non-compliance were identified during 28 AML compliance audits. The Authority provided the necessary instruction and guidance to these licensed businesses in order to become compliant. Following this engagement, all licensed businesses submitted evidence of established compliance.

#### All Breaches Identified

In total, 85 areas of non-compliance were identified among the 28 licensed businesses that required instruction prior to being concluded compliant.

In the majority of cases, more than one area of non-compliance was identified and as a result, the number of breaches exceeds the number of businesses that required instruction from the Authority. **Chart 10** below outlines all areas of non-compliance among these 28 licensed businesses.

Chart 10: All areas of non-compliance identified in 2023



- Business Risk Assessment
- Client Risk Assessment
- Training
- Politically Exposed Persons
- Retention of Records
- Customer Due Diligence
- Procedures

Note: There were no breaches recorded under 'Suspicious Transactions Reports' in 2023

The Authority engaged with all businesses where breaches occurred and advised the licensed business of the importance of having up-to-date Anti-Money Laundering documents in place. Each licensed business was requested to submit the updated documents where breaches had been identified at compliance audit. Once received and the Authority was satisfied that the breaches were no longer occurring, licensed businesses were concluded compliant.

Where a licensed business does not submit the required documents, the Authority can issue a direction pursuant to Section 71(1)(b) to comply with the general provisions of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010. No such directions were issued in 2023.

## Engagement, Property Registers and Continuous Professional Development



#### **Engagement**

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

#### **Brand Awareness**

As part of the PSRA's Strategic Plan 2020-2023, a national brand recognition survey was conducted to ascertain public awareness of regulation of the property services sector and the PSRA as Regulator.

The findings of the survey found that those who engaged with the PSRA in relation to a query or complaint found the engagement to be impactful and that the PSRA provided an important outlet to consumers (with knowledge of the PSRA's responsibilities) through which they could seek information. The PSRA will continue to build on this engagement going forward.

#### Public Awareness Campaigns

The Authority undertook a number of media campaigns during 2023 to raise public awareness of the regulation of the property services sector.

The importance of using a licensed letting agent was the key message of a radio, social and digital campaign in late summer, with a particular focus on raising awareness amongst college and university students seeking student accommodation for the upcoming academic year.

A further radio, social and digital campaign for 2023 aired during November and December. This focused on the importance of using a licensed Property Services Provider.

In line with the requirements of the Official Languages (Amendment) Act 2021, the PSRA placed print advertisements in the Irish language magazine Comhar and 20% of all radio, digital and social campaigns were conducted through the Irish language.

#### Sector Engagement

The Authority continued to engage with the sector throughout 2023 with the publication of its quarterly newsletter, specific mailshots to licensees, attendance at and participation in sector focussed events and updates to the PSRA website.

In addition, the Authority hosted a number of seminars nationwide which were specifically targeted at the livestock marts. The aim of these seminars was to assist and support marts in understanding their statutory obligations under the Property Services (Regulation) Act 2011 and Client Moneys Regulations 2012. These events were well attended and provided a great opportunity for engagement between mart personnel and the PSRA.

#### **PSRA Forum**

The PSRA Forum, comprising representatives from professional bodies, educational institutions, related sectoral bodies and consumer groups met twice during 2023 to discuss front-line, strategic and administrative matters related to the regulation of the sector. The Forum remains a valuable source of information and engagement.

### **Continuous Professional Development (CPD)**

The PSRA CPD scheme provides for five formal hours of PSRA accredited CPD to be undertaken by all PSRA licensees in each calendar year. The purpose of this mandatory programme is to maintain the professional competence of Property Services Providers which in turn will lead to greater public confidence in the sector.

The CPD programme for 2023 commenced in March with the availability of on-demand modules provided by both accredited providers of PSRA CPD, Institute of Professional Auctioneers and Valuers (IPAV) and the Society of Chartered Surveyors Ireland (SCSI).

Both IPAV and SCSI hosted live webinars during the year. PSRA staff attended the majority of these webinars which provided an opportunity for engagement with Licensees through a Q&A session and was very positively received.

At 31 December 2023, the compliance rate for 2023 was 89.7%.

Engagement between the PSRA and CPD providers around the findings of the 2022 review of the CPD programme continued in 2023. This has resulted in the availability of a wider choice of module topics for Licensees.

# **Property Registers**

The Authority publishes two property registers namely, the Residential Property Price Register and the Register of Commercial Leases.

#### Residential Property Price Register

The Residential Property Price Register publishes information relating to all residential property sales in the Republic of Ireland. The information published includes the price, the date of sale and the address of each residential property sold in the state since January 2010. The property price sales information is received from the E-Stamping section of the Revenue Commissioners, and updated on the Authority's website on a weekly basis. There were an estimated 1.69 million visits to the Property Price Register in 2023, making it the Authority's most visited register.

#### Register of Commercial Leases

The Commercial Lease Register publishes information relating to all commercial leases in the

Republic of Ireland. Section 88 of the Act requires tenants of commercial leases, to register specified information with the Authority pertaining to the lease.

As of 31 December 2023, the national compliance rate stood at 74.02%, which was an increase of 4.4% in comparison to the compliance rate at the end of 2022. The Authority continues its efforts to promote and encourage compliance in this area.

In the third quarter of 2023, the Authority undertook a targeted engagement exercise to try to increase the tenant returns compliance rate on the Commercial Leases register.

This exercise had a positive effect, leading to a year on year increase in the number of Commercial Lease returns submitted to the Authority.

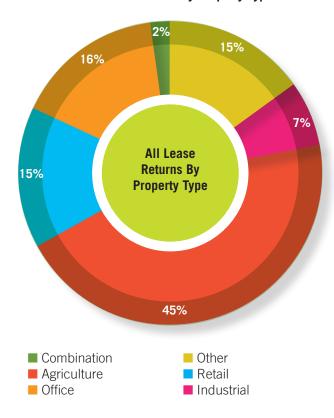
**Table 14** provides a breakdown of the compliance rate by county at the end of 2023 in comparison with the end of 2022.

**Table 14: Percentage Compliance Rate by County** 

Percentage Compliance rate by County 2023 v 2022									
COUNTY	2023	2022	Increase						
Carlow	77.71	70.79	6.92						
Cavan	70.12	65.71	4.41						
Clare	75.40	71.88	3.52						
Cork	79.78	76.40	3.38						
Donegal	74.99	71.63	3.36						
Dublin	71.05	66.27	4.78						
Galway	72.46	68.21	4.24						
Kerry	76.49	72.17	4.33						
Kildare	69.94	65.05	4.89						
Kilkenny	77.94	74.29	3.66						
Laois	76.50	71.85	4.66						
Leitrim	71.85	69.05	2.80						
Limerick	73.07	61.13	11.94						
Longford	71.08	66.93	4.15						
Louth	68.03	68.48	-0.45						
Mayo	74.49	70.27	4.22						
Meath	71.53	66.22	5.31						
Monaghan	72.04	66.98	5.06						
Offaly	72.57	67.33	5.24						
Roscommon	73.97	69.53	4.44						
Sligo	73.14	67.84	5.30						
Tipperary	75.98	72.82	3.16						
Waterford	75.39	70.44	4.94						
Westmeath	72.43	67.71	4.72						
Wexford	77.74	73.26	4.49						
Wicklow	70.75	66.30	4.45						

**Chart 11** provides a percentage breakdown of all lease returns by property type made to the Authority in 2023. The property type with the most returns made in 2023 was agricultural land, accounting for 45% of overall returns made.

Chart 11: All Lease Returns by Property Type



# **Corporate Affairs**



# **Corporate Affairs**

# **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.

The Authority's staffing structure is a four Unit structure led at Assistant Principal level to support the CEO with responsibility for:

- 1. Licensing
- 2. Strategic Development, Governance, Communications and CPD
- 3. Corporate Affairs and Property Registers
- 4. Investigations, AML and Compensation Fund

One Clerical Officer joined the Authority during the year. At year end, the Authority in addition to the Chief Executive had 36.3 full-time equivalent staff members including 4 Assistant Principals, 10 Higher Executive Officers, 1 Administrative Officer, 10.8 Executive Officers and 10.5 Clerical Officers. The Staffing Structure in **Chart 12** displays the structure of the organisation at senior management level.

#### **Outsourced Resources**

IP Forensics Ltd. continued to undertake investigations on behalf of the Authority during 2023. In addition to the compliance audit investigations undertaken, the outsourced Inspectors assisted in the investigations of complaints. The Authority reengaged IP Forensics Ltd for investigative support services during 2023 following a tender process.

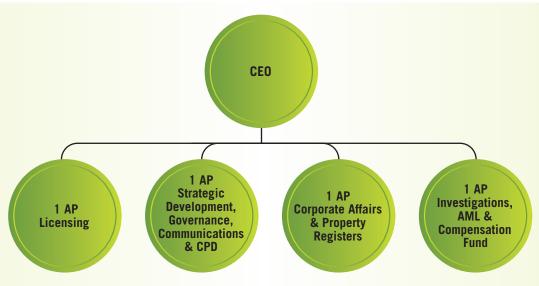
# **Temporary Resources**

During 2023, the Authority was supported by 3 temporary clerical officers, totalling 81 weeks work, to assist in the processing of licence renewal applications and administrative support work. The availability to the Authority of these additional resources contributed to the effective delivery of the PSRA's objectives.

# **Financing the Authority**

Each year the licence 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 2023, the Authority paid licence fees of €2,290,000.00 to the Exchequer.

Chart 12: Staffing Structure at 31 December 2023



**CEO** - Chief Executive Officer **AP** - Assistant Principal

# **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, NDP Delivery and Reform and with any other Government Department. The Authority entered into a three-year Oversight Agreement with the Department of Justice in 2022 to cover the period 2023 – 2025. The Authority also entered into a Performance Delivery Agreement with the Department of Justice for the year 2023. Both agreements can be found on the Department of Justice and the PSRA websites.

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 2023 and defines the output and outcome indicators on which performance will 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 considers that the financial statements for 2023 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 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 statutory Board 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 that 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 NDP Delivery and Reform throughout the year.

# **Operation of the Authority**

The Chairperson of the Authority leads the Board and ensures its effectiveness through the organisation of its business and by setting its agenda. In addition to the Chairperson, there are 10 other members of the Authority with a wide range of strong and complementary skills. Prior to each Authority meeting, the relevant reports and papers, including financial performance data and detailed updates on the progress and implementation of the Strategic Plan where appropriate, are circulated to members of the Authority. The Board has the opportunity to discuss these reports and to receive updates from the Chief Executive who attends the Board meetings.

The key responsibilities of the Board include:

- Approval and evaluation of the annual plan and budget of the Authority;
- Issues of policy, such as the development of Strategic Plans, review of areas of work and compliance with Codes of Practice;
- Appointment of advisory committees;
- The development and implementation of regulations;
- Consideration of grants from the Compensation Fund; and
- 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 4 December 2023. These include:

- The issue and refusal of licences and related matters:
- Investigation of complaints, including appointment of Inspectors to investigate;
- Establishment and maintenance of the Property Price Register and the Commercial Leases Register;
- Applications to the High Court; and
- Right of the Authority to pursue licensees 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 2023. 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 4 December 2023.

#### **Gender Balance in the Board membership**

As at 31 December 2023, the Board had 6 female and 3 male members.

Due to a number of vacancies at year end, the Board did not meet the Government target of a minimum of 40% representation of each gender in the membership of State Boards. This will be addressed in 2024 with the appointment of new members.

# **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 respective Agendas of each Board meeting and the Audit and Risk Committee meetings.

**Table 15** details the principal potential risks identified by the organisation for 2023 and the mitigation measures in place to reduce these risks.

Table 15: Principal Risks Identified

Principal Risk identified	Mitigation Measures in place
Risk to the protections inherent in licensing system due to unlicensed operators	<ul> <li>Inspectors available for appointment to investigate reported unlicensed operators in the State: immediate attention given to them</li> <li>Procedures in place to identify possible unlicensed operators who are trading who don't renew their licence</li> <li>Outsourced Inspectors available for investigation of unlicensed operators</li> <li>Injunction process available</li> <li>Secret shopper protocol in place</li> </ul>
Insolvency of the Compensation Fund	<ul> <li>Compensation fund insured</li> <li>Procedures in place to notify underwriter of claims on Fund</li> <li>Internal procedures in place for assessment of claims</li> <li>Compensation Fund Advisory Committee established for assessment of claims</li> <li>Seek legal advice regarding claims where precedents may be set</li> <li>Management of legal actions on the Compensation Fund</li> </ul>

Principal Risk identified	Mitigation Measures in place
Dependence of Authority on Department of Justice ICT	<ul> <li>IT Governance Weekly tracking and reporting in place</li> <li>Statement of assurance received from Department of Justice Information Management and Technology (IM&amp;T)</li> <li>Review meetings held with Department of Justice IM&amp;T in relation to Service Level Agreement</li> <li>PSRA has controls around procurement of Mobile Devices and IT assets</li> <li>IT User Access Controls - PSRA regularly review accesses</li> </ul>
Inadequate capacity to deliver an effective, efficient service due to staffing levels, knowledge, expertise and training (succession planning)	<ul> <li>Ongoing assessment and training of staff across multiple functions of the Authority</li> <li>Additional staff resources reallocated</li> <li>Workforce Planning review complete</li> <li>Additional staff trained and providing support in different areas of work</li> <li>Critical roles identified and back-up provision in place</li> <li>Detailed role procedures in place and updated regularly</li> <li>Monthly management and senior management meetings held to provide oversight of different areas</li> <li>Internal Controls reviewed regularly</li> <li>Staffing levels are supported (where possible) by external investigators and temporary staff assigned</li> <li>Ongoing continued engagement with HR</li> </ul>
EU Pilot compliance of legislation with EU Services Directive	<ul> <li>Scheme drafted by Civil Legislation for approval by EU Commission</li> <li>Engagement with Civil Legislation in drafting EU SI to bring legislation into compliance with EU Services Directive.</li> </ul>

#### **Statement of Internal Control**

The Statement of Internal Control of the PSRA for 2023 will be included in the Financial Statements later in the year. The Financial Statements will be published on the Authority's website when they have been finalised and signed off by the Comptroller and Auditor General.

# Freedom of Information (FOI)

The Authority comes under the remit of Freedom of Information (FOI) by virtue of the Freedom of Information Act 2014. The objective of the FOI Act is to ensure that official information is available to

the public to the greatest extent possible, consistent with the public interest and the right to privacy.

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

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

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

The Authority carried forward one FOI request received in 2022 into 2023 and this request was subsequently withdrawn in 2023. The Authority received ten FOI requests in 2023. 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 requests received, they were made by:

- Members of the public (7);
- Business/Interest Group (3).

Out of the ten requests received, three related to personal information, seven related to non-personal information.

**Chart 13** summarises the outcome of all FOI requests received in 2023.

Chart 13: FOI Requests in 2023

File Ref.	Requester Category	Granted	Part-Granted	Refused	Withdrawn	Awaiting Decision
1.	Member of the Public				×	
2.	Journalist			×		
3.	Journalist			×		
4.	Member of the Public			×		
5.	Member of the Public			×		
6.	Member of the Public		Х			
7.	Member of the Public				Х	
8.	Journalist			×		
9.	Member of the Public			×		
10.	Member of the Public					×

As can be seen in **Chart 13**, one request was partially granted, two requests were withdrawn and six were refused. There was one request outstanding at year end. In the cases that were not fully granted or were refused, the Authority gave the requester a detailed explanation of its decision and the reasons for it.

# **FOI Appeals**

There were no FOI appeals during 2023.

#### **Data Protection**

The Authority processes personal data in accordance with the principles of the General Data Protection Regulation.

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

In 2023 the Authority received two subject access request. These subject access requests were dealt with in accordance with the requirements of the Data Protection Act 2018.

The Authority had seven data protection breaches in 2023 which were all low level breaches. All breaches were dealt with in accordance with the Authority's data protection procedures.

#### **Protected Disclosures Act 2014**

The Chief Executive Officer of the Property Services Regulatory Authority (PSRA) is a prescribed person under section 7 of the Protected Disclosures Act 2014 and Statutory Instrument 367 of 2020. This means workers may make protected disclosures to the PSRA on matters relating to licensing, control and regulation of, and the investigation of complaints against property service providers.

In 2023, the PSRA received two reports via the external reporting channel established under section 7 of the Protected Disclosure Act 2014. The Authority publishes a stand-alone Protect Disclosures report on www.psr.ie.

#### **Amendments to the Act**

In September 2023, the Minister for Justice, Ms. Helen McEntee, signed SI 475 of 2023, Property Services (Regulation) Act 2011 (Renewal of Certain Licences) Regulation 2023. The introduction of the Regulation addressed the disproportionate level of licence renewals with an expiry date of 5 November. The Regulation provided for the granting of licences on a once off basis of between twelve and fifteen months duration to licensees whose licences expire on 5 November, 2023.

#### PII Review

Engagement between the PSRA and the Department of Justice in relation to proposed amendments to the current Statutory Instrument on PII remained ongoing in 2023.

# **EU** Pilot

The Authority continued to engage in 2023 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 2024.

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

The PSRA 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.

After a review of the Action Plan in 2023 the following progress was made during 2023:

- Protected Disclosure training rolled out to all staff:
- Induction training delivered by the Department of Justice for new starters includes information on HR policies and initiatives, including information on the Disability Liaison Officer;
- Staff of the PSRA were strongly encouraged to complete training on matters of equality and human rights during the year, to include, the Equality and Human Rights in the Public Service e-learning module and the JAM training e-learning module;.
- The PSRA has implemented the new provisions of the Official Languages (Amendment) Act 2021 relating to advertising in Irish.

# **Environmental and Energy Issues**

Operating under the Climate Action and Low Carbon Development (Amendment) Act 2021 and the Climate Action Plan 2023 (CAP 23), the PSRA produced its inaugural Climate Action Roadmap for 2023. The roadmap was developed with the guidance and support of the Sustainable Energy Authority of Ireland (SEAI). The Authority continues to fulfil obligations in relation to environmental and energy issues, submitting all required data online to the SEAI.

The PSRA is a member of the Department of Justice's Energy Performance Network and actively participates in the Optimising Power @ Work programme, administered by the Office of Public Works.

In a move towards digitisation of processes within the PSRA, the eDocs digital records management system was rolled out in 2023 in association with the Office of the Government Chief Information Officer. The PSRA also engages Green Public Procurement where possible ensuring that all paper procured is recycled, and proactively participates in the Department of Justice Smart travel promotions and activities.





# **Property Services Regulatory Authority**

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