



PROPERTY SERVICES
REGULATORY AUTHORITY

Executive Summary and Key Findings

The Impact of Regulation on the
Property Services Sector in Ireland

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EXECUTIVE SUMMARY

This Report was commissioned by the Property Services Regulatory Authority (PSRA) as an independent investigation into the impact of regulation on Property Service Providers (PSPs) in Ireland.

Since 2012, all PSPs operating in Ireland are obliged to obtain a licence from the PSRA (referred to as “the Authority”) for which they are entitled to apply based on a specified minimum standard of education and/or experience. There are currently four licence categories, and at present there are 5,860 licences issued (as at 31st December 2018).

The number of licensees has increased on an annual basis since the establishment of the Authority; however until now the impact of regulation on PSPs in Ireland is unexplored thus prompting this research.

Data was collected from licensees nationwide in two phases; an online survey administered in August 2018 yielding a 25% response rate (1,207 usable responses received) and a number of semi-structured interviews with PSPs representing each category of licence holder. A large proportion of participants have in excess of a decade of experience within the sector, consequently a wealth of knowledge and experience has informed the research.

The Report presents findings from the largest known sample size of PSPs in Ireland, thus findings herein are considered authoritative on the issue.

This Report confirms widespread agreement that the property services sector requires regulation to ensure a high standard of service provision is maintained. Furthermore, the current regulation for the most part sufficiently addresses the key functions of the PSP. However, in a small number of instances the criteria for licence eligibility could be reconsidered, particularly for those operating solely in livestock or fine art auctions.

The overwhelming majority of PSPs who participated in this research perceive the establishment of the Authority as a positive development for the sector. Furthermore, respondents believe the Authority to be effective in discharging its statutory responsibility. The minimum standard of education required to become eligible to apply for a licence is considered moderately difficult to achieve, however, rather than acting as a barrier to entry, it serves to uphold the standard required to operate within the sector. Some challenges remain in the recruitment of suitably qualified personnel given the shortage of qualified licensed professionals nationwide.

All licensed businesses are subject to audit by the Authority to ensure compliance with statutory requirements, which has the dual benefit of ensuring practitioners are operating within the regulatory requirements, but also to ensure consistency in standards across businesses nationwide. Over 70% of participants in this research have been audited to date, the majority of whom found the experience beneficial to their business.

Going forward, there is a need to continue to roll-out the newly implemented Continuous Professional Development (CPD) programme nationwide. This is important not only for ensuring that licensees remain up to date with current developments within the sector, but particularly for smaller businesses that benefit greatly from the knowledge and networking gained from attendance.

An ongoing public awareness campaign should be prioritised to ensure the public are fully aware of the licensing requirements of PSPs and the role of the Authority in licensing, auditing and setting standards for the delivery of property services in Ireland. This is critical in order to raise the profile of the sector while protecting the public interest when engaging a property service professional. As part of this campaign, the use of the Authority’s logo by PSPs should be considered such that the public can clearly identify licensed businesses.

KEY FINDINGS

82%

agree that Property Service Providers (PSPs) need to be regulated



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75%

confirm that the PSRA audit process is of value to the business. 70% of respondents have been audited

87%

confirm that the PSRA has been a positive development for PSPs

51%

confirm that holding a PSRA licence brings added value to the business

1,207

licenses across four licence categories nationwide participated in the survey

52%

entered the sector due to a general interest in property. 19% are involved in a family business

44%

of respondents have in excess of 20 years' experience. 85% of respondents have more than 10 years' experience



68%

of respondents are a member of a professional body



36%

of respondents believe that Brexit will have a negative impact



52%

believe the current minimum level of educational attainment is appropriate for the purposes of becoming licensed, 28% believe it is difficult to achieve, but not deterring



91%

confirm that the online licensing process is effective

80%

of respondents would consider employing an apprentice



Údarás Rialála Seirbhísí Maoine
Property Services Regulatory Authority