



# PROPERTY BYTES

JULY 2010

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## IAVI/SCS Merger Update

Members should note that the aim is to have the merger effective from 1<sup>st</sup> January 2011, although a lot of work has to be done to achieve that aim.

The transition of the 700 or so IAVI members who do not already have SCS or RICS membership, but who are entitled to same when the merger proceeds, is a matter in relation to which we will be holding early discussions with RICS, SCS and, indeed, RICS in Northern Ireland. An important aspect for discussion is how these members are allocated to up to four of the seventeen Professional Groups, which must be based on the RICS model, suitably adapted for the Republic of Ireland/Northern Ireland markets.

Following further consultation with SCS and RICS, we will be writing to members who must take Route 4 to Chartered status in relation to their undertaking elements of the Fourth Year of the IAVI/DIT Honours BSc. in Property Studies programme or elements from other suitable programmes, depending on their choice of APC Pathway based on the offer made to them by RICS. IAVI members who were entitled to vote at the EGM on 2<sup>nd</sup> June 2010 (i.e. those whose subscription had been paid by that date) will have one attempt at their Route to Charter paid for by IAVI. In respect of those requiring Route 4, one effort at securing the 20 European Credit Transfers they need as part of Route 4, will be paid for if they undertake relevant segments of the above mentioned course.

Following further consultation with SCS and RICS, we will also be writing to members facing Routes 1, 2 and 3 in relation to how they can engage with SCS and RICS Northern Ireland as regards the completion of those routes. There is at present no Residential Route to charter under SCS, whereas there are a number of residential routes under the RICS structure and a residential route now needs to be considered in the Republic of Ireland, as some IAVI members may prefer to undertake that particular route.

We will also be advising IAVI Associate Members entitled to become Associate Members of SCS and AssocRICS how their transition will be effected. In the interim, no one should call themselves a chartered surveyor or use designatory letters related to SCS / SCSi and/or RICS unless and until they are admitted as a member of the relevant body / bodies.

Alan Cooke  
CEO

## Emergency Legislation on CPO's

The President has signed into law the *Compulsory Purchase Orders (Extension of Time Limits) Act 2010*. The Act has immediate effect and was introduced as an emergency piece of legislation to deal with a significant flaw in the law regarding compulsory purchase orders. (CPO's). The Act amends section 217 (6) of the Planning and Development Act 2000. Under section 217(6), once An Bord Pleanála confirms a compulsory purchase order, the local authority has 18 months in which to serve notices to treat on any landowner affected. If they fail to do so, the CPO lapses. Where judicial review proceedings are taken the likely timeframe for reaching a conclusion means the CPO notices to treat may expire before the legal action concludes. The difficulty this presents is that the work undertaken and expense incurred by local authorities on schemes that go into judicial review but which are subsequently given the go-ahead, will then be redundant because the prescribed time period for the CPO has expired.

## Property Services Regulatory Authority Update

IAMI members will have been disappointed to see the Dáil go into its three month summer break without the passage of the Property Services (Regulation) Bill 2009. This legislation, which is now almost five years in gestation following the submission to the Minister for Justice of the Report of the Review Group on Auctioneering, will not be passed by both houses of the Oireachtas until the coming autumn, at the earliest.

The last minute decision to allow licences be renewed in 2010 under the old regime caught a number of licence holders on the hop and everyone had to act quickly to put the necessary paperwork in order. In the meantime, of course, totally unqualified practitioners continue to be granted and to renew licenses, although many who fall into this category have been worst affected by the economic downturn and are no longer in business.

The PSRA's role under the Multi Unit Development Bill and the new Anti Money Laundering legislation necessitated major changes to the Property Services (Regulation) Bill and, to be fair, its passage before the summer break was well nigh impossible in such circumstances. We hope that the summer months are used productively and that, come the early autumn, the Bill resumes its passage through both houses.

Those with a role to play in ensuring passage of the Bill might do well to heed the decision of the new Financial Regulators to phase out the existing grandfathering arrangement in that sector, ensuring that all those who give financial advice to the public must have secured an appropriate qualification.

Property is no less an investment than insurance policies and stocks. Surely a similar approach is needed for those who purport to advise the public in relation to the most important transactions of their lives. Grandfathering is a short term necessity but should be phased out within a reasonable timescale.

### Audit Exemption for auctioneers under the Companies (Amendment) (No 2) Act 1999

We periodically receive enquiries from members regarding whether auctioneers qualify for an audit exemption under the Companies (Amendment) (No.2) Act 1999. In an article provided by Deloitte in The Property Valuer in autumn 2005, members were informed that one of the criteria outlined (No. 7 of the Second Schedule to the Act) ie. "A company that is engaged in the business of accepting deposits or other repayable funds or granting credit for its own account" may prohibit auctioneers from qualifying "on the assumption that the company is engaged in the business of accepting deposits". The article further stated that "it is a matter for members and their advisors to determine if the member meets the criteria and whether it is subject to the criteria outlined above. It is recommended that members consult with their professional advisors before deciding on whether or not to avail of the exemption and to complete the necessary company secretarial steps necessary to avail of the exemption".

It has recently come to our attention that the Companies Registration Office referred the matter to the Company Law Administration Section which is the policy section dealing with company law within the Department of Enterprise, Trade and Innovation. Their finding, which we have verified with the DETI, is as follows:

"In early February 2005, CRO received their (the Company Law Administration Section) view that auctioneers did **not** come within the scope of No. 7, Second Schedule to the Companies (Amendment)(No.2) Act 1999. All of the company types listed in the Second Schedule to that Act are either directly or indirectly supervised by the Central Bank/IFSRA. As they are regulated companies, it was considered appropriate that they should always have their accounts audited. The auctioneering profession is not regulated by the Central Bank/IFSRA. Company Law Administration Section was of the view that an auctioneering firm is NOT a company that is "engaged in the business of accepting deposits or other repayable funds or granting credit for its own account".

Therefore, in light of the above, auctioneers **may** apply for audit exemption if they fulfill all the criteria, one of which is that turnover does not exceed €3m. Please consult your accountant for advice.

### Housing and Sustainable Communities Agency

The Housing and Sustainable Communities Agency was established in May 2010 by the Department of the Environment, Heritage and Local Government. It is replacing a number of existing housing related agencies. The Agency will work with and assist local authorities, approved housing bodies and the Department in the delivery of housing, planning and related services.

The Agency has produced an information booklet, the purpose of which is to set out details of the opportunities for property owners and landlords in Ireland to engage with local authorities and approved housing bodies in leasing and renting arrangements for residential properties. This information may be of interest to property owners, developers, estate agents, investors etc.

The Government has allocated funding for local authorities and approved housing bodies to lease or rent residential properties from private owners. These properties will be used to provide accommodation to people who are currently unable to source suitable properties from their own resources. In addition to leasing/rental options there is an option for housing associations to purchase properties where there is a particularly attractive purchase price.

The Information Booklet can be downloaded on [www.housing.ie](http://www.housing.ie). For more information or to submit properties for consideration please visit [www.housing.ie/leasing](http://www.housing.ie/leasing).

# Apply now for IAVI Courses

Places are available on:

- Two year, part-time IAVI/DIT 'Higher Certificate' in property studies
- Four year, part-time IAVI/DIT BSc(Hons) in property studies.



Three good reasons to take these courses are:

**1) To enhance career opportunities:** students who start in Autumn 2010 will graduate in 2012 (for the Higher Certificate) and 2014 (for the degree course). Activity in the property market should have increased significantly by then. Qualified professionals will be well placed to take advantage of career and promotional opportunities.

**2) To secure professional accreditation:** the degree course is currently accredited by the IAVI and the SCS as providing the academic basis for application for membership. This will also be the case for the new merged body, the Society of Chartered Surveyors Ireland (SCSI). People who wish to become full members of the new body will normally need an accredited honours degree, (such as the IAVI/DIT BSc(Hons) in property studies), in order to apply for membership.

**3) To ensure the level of qualifications required by the Regulator:** it is understood that the minimum educational requirement required to obtain a licence as a **'Property Service Provider'** from the Property Services Regulatory Authority, will be a qualification at 'Level 6' on the National Framework of Qualifications. **The IAVI/DIT Higher Certificate in Property Studies is the only established property course at this level. But of course both courses meet that criterion.**

*For all these courses, students must be working full-time (at least 30 hours per week) in approved property related employment. To facilitate this, members may, if they wish, avail of an IAVI 'internship scheme'. This has been developed in the form of a template for a fixed term specific purpose contract of employment. It sets out the duties and rights of the employer and the employee where the employee is on an IAVI course.*

The courses run from October to May with exams in June. Lectures are presented approximately every second Saturday during term-time. There are also assignments and tutorial groups.

The fee for both courses is €2,950 p.a. Income tax relief is available at the standard rate.

## New rules on Energy Performance of Buildings

**New rules will soon apply to the energy performance of buildings throughout Europe. In May the European Parliament adopted the recast of the Energy Performance of Buildings Directive. CEPI and its member associations will closely follow its proper implementation throughout the EU. It is important that the means of its implementation promotes the use of energy performance certificates, the need to train professionals in energy efficient techniques and the putting in place of adequate finance schemes.**



The recast of the Directive has been the cause of much discussion and many changes were made to the final version by the European Parliament from the original draft presented by the Commission. Overall it will strengthen the regulations on energy efficiency of buildings. Specifically the recast provides that all buildings built after 31 December 2020 must have high energy-saving standards (nearly zero energy) and be powered to a large extent by renewable energy. Existing buildings will have to improve their energy performance after major renovation if feasible. Energy performance certificates will be required for any building constructed sold or rented and the certificates will have to provide recommendations for improvement. They may also include additional information as to the annual energy consumption and percentage of renewable energy. The energy performance indicator will have to be published in all commercial advertisements for property.

Member States will have to state clearly what financial measures they have adopted and there will also be financial penalties for non-compliance. It is important to renovate the existing building stock which will mean putting in place adequate funding. Better use must also be made of energy performance certificates in encouraging energy efficient renovation. Most importantly property professionals must be properly trained and qualified to deal with the challenges of the new legislation. Member States have until the end of 2012 to transpose the Directive into national legislation.

# Golf Outing

## IAVI Golf Society Outing to Killeen Castle on 24<sup>th</sup> June

The day was a success with 25 people in total turning out to play. The weather was fantastic and the meal superb. The course was in excellent condition and Killeen Castle proved to be a great test of golf!

Our thanks once again to Independent Newspapers for their generous and continuous support and also to Geraldine Bell of the Independent who took time out to deliver the prizes. The singles stableford competition results were as follows:

### Men's:

- 1<sup>st</sup> – Paul G. Grimes 8 Handicap – 38 Pts
- 2<sup>nd</sup> – Sean Mason – 8 Handicap – 34 Pts
- 3<sup>rd</sup> – Paul Grimes (Snr) – 9 Handicap – 32 Pts

### Ladies:

- 1<sup>st</sup> - Sheila Mac Donald – 31 Pts
- 2<sup>nd</sup> - Sheila Grimes – 30 Pts
- 3<sup>rd</sup> Del Flynn – 29 Pts



Paddy Jordan (left); Jim Flynn and Liam Hargaden wait to tee off



Brian Farrell (left); Rory Crerar and Pat Riney with the impressive Killeen Castle in the background



Sheila Grimes (2nd place); Del Flynn (3rd place) and Sheila MacDonald (winner of the ladies competition)

**The next outing of the Golf Society** will take place on Thursday 23rd September to Carton House. Further details and an entry form will be posted on the IAVI website shortly. In the meantime, if you would like to join the Society or obtain further information on the outing contact Paul Grimes at [paul@grimes.ie](mailto:paul@grimes.ie).

# Tennis Tournament

## Tennis tournament

The tournament will take place on Wednesday 25<sup>th</sup> August at Lansdowne Tennis Club. Come along for an evening of tennis and fun. The entry form and rules are available on <http://www.iavi.ie/EventsDetail.aspx?rowid=263975>.



## CPD Notice

The **2010 National Construction Conference** will take place on Thursday 7<sup>th</sup> of October 2010, at the Four Seasons Hotel, Ballsbridge, Dublin 4. IAVI members may claim six hours of CPD in category 'A' for this event, (property related seminar or conference, travel time rules apply). For further details do not apply to the IAVI but go to [www.cmgevents.ie/page/34](http://www.cmgevents.ie/page/34).

**Also, please note that the CPD Cycle will end on 31st December 2010 at which time a random audit will be carried out.**

## Globrix.ie now available on Mobile

Globrix.ie are pleased to announce the launch of **m.globrix.ie** specifically designed for viewing on mobile phones. The mobile version of Ireland's best property search engine is perfect for keeping up to date with all properties to buy or rent while people are on the move.

A great geo-location feature allows people to find properties for sale or rent within a set distance from their current location.

Users of globrix.ie mobile can search and browse for properties by keyword such as street, town or county. Users can also filter results by price, bedrooms, property type, and a map for each property is also displayed allowing users to locate the property they want instantly. Globrix.ie mobile allows users to get in touch directly with estate agents to organise viewings and find further information.

Globrix.ie was launched into the Irish market in September 2009 and has revolutionised the way people search for properties and the way estate agents market their properties. It's completely free for estate agents to list their properties on [www.globrix.ie](http://www.globrix.ie). This is the first in a series of innovative initiatives that will be released into the Irish market over the coming months.



Using Globrix.ie on your mobile is easy:

Type: **m.globrix.ie** into your mobile's web browser and you are ready to start searching:

- Search and browse for property by street, town or county
- Search within a radius of your current location
- Filter results by price, location, bedrooms, type and more
- View multiple images and locate the property on map

Contact the agent directly via email or phone OR view the property on estate agents website

## Interested in reducing legal costs? - Brief Counsel Ltd



Legal services company Brief Counsel Ltd has launched a new, free and pioneering consultancy service to IAVI Members interested in accessing barristers direct under the Bar Council of Ireland's [Direct Professional Access Scheme](#). This new service may make it easier for IAVI Members, who are already entitled to gain direct access to Irish barristers, to do so, thereby significantly reducing costs.