



Bord Um Thionóntachtaí Cónaithe Príobháideacha
Private Residential Tenancies Board

Annual Report & Accounts 2007



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“There was significant progress made in the registration area with a total of 202,078 tenancies registered by the end of 2007.”

Chairman's Statement



I am delighted to present the third Annual Report of the Private Residential Tenancies Board (PRTB) which covers the year ending 31 December, 2007. The PRTB has continued to make a considerable impact in the development of a modern well regulated private rental sector in Ireland.

There was significant progress made in the registration area with a total of 202,078 tenancies registered by the end of 2007. A number of final warning letters have been issued by the PRTB's solicitors, as a follow up to notices generated and served by the PRTB on landlords. The final warning letters have proved to be very effective in that many landlords have made contact with the PRTB and subsequently registered their tenancies. This has significantly reduced the number of cases that can potentially be prosecuted.

There was a 15% increase on 2006 in the number of cases referred to the PRTB's Dispute Resolution Service during 2007, with almost 1,500 disputes applications received by the PRTB. This represents less than 1% of the tenancies registered with the PRTB. Deposit retention complaints were again the single largest overall category of cases (35%) submitted to the PRTB for resolution and represented over 52% of tenants' cases during 2007. In 74% of such cases during 2007, it was determined that landlords should refund to the tenant part or all of the deposits which they had retained. The PRTB has emphasised repeatedly that deposits are the tenants' and not the landlords' property and must be returned to tenants, unless

there is a clear breach of their legal obligations which could be established before an adjudicator or a tribunal. A decrease in unnecessary disputes involving the refund of deposit would free up a significant amount of PRTB resources to progress other categories of cases.

Disputes cases, either solely or partially, involving rent arrears by tenants was the second largest category of cases submitted to the PRTB during 2007 (19%) and the largest category of cases submitted by landlords (62%). The PRTB is concerned that a minority of tenants may be abusing the PRTB's dispute resolutions mechanisms in order to remain in their rental accommodation without paying rent, while their case is being processed through the PRTB. It is not acceptable for tenants to abuse their legal protections in this manner. The PRTB will continue to pursue tenants through the courts if necessary in order to recoup rent arrears if its Determination Orders are not fully complied with. Tenants should understand clearly that not paying rent can result in a Determination Order from the PRTB which if not complied with can in turn result in a criminal conviction. Therefore not paying rent and running up arrears can have very serious consequences for tenants.

Our new legislative sub-committee will also consider if changes are required to the Residential Tenancies Act in order to prevent such abuses recurring.

It became increasingly apparent during 2007 that the PRTB was understaffed given the unanticipated levels of registrations, dispute applications and, crucially, a very high volume of telephone queries that the agency has received since its establishment in 2004. Consequently this has resulted in a substantial increase in the backlog of cases and in dispute case processing times during 2007. Both landlords and tenants should understand that as a dispute resolution body the PRTB is not able to give them individual advice and a reduction in calls seeking this would assist the staff of the PRTB in processing dispute cases. The PRTB successfully sought sanction from the Department of Finance for the recruitment of additional staff early in 2008, which resulted in new staff joining the PRTB in the second half of 2008.

After three years in existence, it is now timely for the PRTB to move from its foundation phase to develop a more strategic approach to its operations. Work commenced on the preparation of the PRTB's first Corporate Plan during 2007. The Corporate Plan will provide an overarching strategic framework for all other initiatives such as the ICT Strategy to ensure that the PRTB develops its various policies and areas of operations in an efficient, coherent and sustainable manner. As a newly established and modestly resourced organisation, the PRTB has had to face many challenges in its formative years. However, by insisting on best practice in the private rental industry and demonstrating its determination to enforce its orders where necessary, the PRTB will ensure that standards in the sector will improve and increasingly errant landlords and tenants will be dealt with.

On behalf of the Board, I would like to extend my thanks to the Department for the Environment, Heritage and Local Government, our other stakeholders and of course our customers for their continuing support of the work of the PRTB. Personally, I would also like to thank my colleagues on the Board for their invaluable contribution to its development and equally to our fellow adjudicators and mediators working, on the PRTB's behalf, around the country. Finally, I would like to extend my thanks to the work and commitment of the staff of the PRTB, who have to face the daily challenges of working in a new organisation in often difficult circumstances. The PRTB will continue to progress reform of the private rented sector in Ireland and demonstrate the public sector's ability to serve the needs of a changing society.



Tom Dunne, Chairman



Membership of the Board

Tom Dunne (Chairperson)	Head of School of Real Estate and Construction Economics, Dublin Institute of Technology
James Bridgeman	Barrister-at-Law, Lecturer in Law, ITT Dublin
Anne Colley	Solicitor
Orla Coyne	Solicitor
Liam Gleeson	Assistant Principal Officer, Department of the Environment, Heritage and Local Government
Aideen Hayden	Solicitor and Chairperson of Threshold
Mary Heaslip	Auctioneer and Valuer
Fintan McNamara	Property Professional
*Conn Murray	City Manager, Waterford City Council
Liam O'Donnell	Auctioneer and Valuer and CEO of the Institute of Professional Auctioneers and Valuers
Dr Eoin O'Sullivan	Lecturer in Social Policy, School of Social Work and Social Policy, Trinity College Dublin
Dervla Quinn	Solicitor
Dr Bairbre Redmond	Vice Principal, College of Human Sciences, University College Dublin
Pat Riney	Chartered Surveyor, Auctioneer and Valuer
Tony Taaffe	Solicitor

*Mr Conn Murray resigned in June 2007.

Functions of the Board

Responsibilities

The Private Residential Tenancies Board (PRTB) is a statutory body responsible for the operation of a national registration system for all private residential tenancies; the operation of a dispute resolution service; the provision of information; carrying out of research; the provision of policy advice regarding the private rented sector.

The PRTB's principal functions include:

- the resolution of disputes between tenants and landlords in accordance with the provisions of Part 6 of the Residential Tenancies Act 2004;
- the registration of particulars in respect of tenancies in accordance with the provisions of Part 7 of the Residential Tenancies Act 2004;
- the provision to the Minister of advice concerning policy in relation to the private rented sector;
- the development and publication of guidelines for good practice by those involved in the private rented sector;
- the collection and provision of information relating to the private rented sector, including information concerning prevailing rent levels;
- where the Board considers it appropriate, the conducting of research into the private rented sector and monitoring the operation of various aspects of the private rented sector or arranging for such research and monitoring to be done;
- the review of the operation of the Residential Tenancies Act 2004 and any related enactments and the making of recommendations to the Minister for the amendment of the Act or those enactments; and
- the performance of any additional functions conferred on the Board by the Minister.

Committees

In accordance with Section 157 of the Residential Tenancies Act 2004 the Board has established a number of committees, detailed below, to assist in the discharge of its responsibilities. Under Section 158(4) of the Act all of the Committees operate under terms of reference and procedures determined by the Board.

Dispute Resolution Committee

The Dispute Resolution Committee was established in December 2004 and comprises members of the Board and other individuals (see page 11). Tenancy Tribunals that are established to hold hearings into disputes consist of 3 persons drawn from this committee. The rules and procedures for the conduct of the Dispute Resolution Committee meetings and the performance of its functions have been agreed by the Board in consultation with the Minister for the Environment, Heritage and Local Government. They may be amended at any time with the approval of the Board and the Minister. The Dispute Resolution Committee and any Tenancy Tribunal established by it will at all times act in accordance with the provisions of the Act. The findings of a Tribunal are legally binding and may only be appealed on a point of law to the High Court. The Committee met once in 2007.

Section 189 Committee

The Board established a Section 189 Committee in May 2005. The Committee meets whenever called upon to meet by the Director on foot of a request received by the Board for an application under Section 189 of the Act. Section 189 provides for the Board to apply to the Circuit Court for interim or

interlocutory relief where the Board considers it appropriate to do so, for example in cases of serious anti-social behaviour or illegal evictions. The function of the Committee is to decide whether or not the Board should make an application to the Circuit Court under Section 189 of the Act. Decisions of the Committee are not subject to further confirmation by the Board. The Committee was not required to meet in 2007.

Research Committee

The Board established a Research Committee in June 2005. The functions of the Committee are to decide what research would be appropriate, necessary or desirable for the Board to undertake having regard to the information that is available to the Board, to make arrangements for the carrying out of such research and to consider the research findings when available and report thereon to the Board. The Committee met twice in 2007. For more information, see the Section on 'Information and Research' on Page 30 of this report.

Audit Committee

The Board established an Audit Committee in March 2006. The role of the Audit Committee is to advise and make recommendations to the Board and senior management on any matter pertaining to the Internal Audit function within the Board as the Committee considers necessary or appropriate; and to consider whether processes are in place to manage risks in accordance with organisational guidelines and business plans. The Committee met three times in 2007. Crowleys DFK Chartered Accountants were appointed as Internal Auditors during this time and they completed the following reports:

- Internal Audit: Income
- Internal Audit: Purchasing and Invoice Procession
- Internal Audit: IT Systems
- Risk Assessment and Internal Audit Plan 2006 to 2009

Finance Committee

The Board established a Finance Committee in May 2006. The terms of reference and procedures of the Finance Committee of the Private Residential Tenancies Board are made under Section 158(4) of the Residential Tenancies Act 2004 and are subject to the provisions of the Act. The functions of the Committee are to assist the Board in discharging the individual and collective legal responsibilities that arise principally in the areas of financial reporting and control. The Committee met fourteen times during 2007.

Legislative Committee

The Board established a Legislative Committee in 2006 which met for the first time on 1 February 2007. The Legislative Committee which is a Sub-Group of the Board was established to examine and propose amendments to the Residential Tenancies Act 2004. The committee met 9 times in 2007 and progressed a range of legislative proposals which were finally submitted to the Department of the Environment, Heritage and Local Government in 2008.

Adjudicator/Mediator Panel Review Committee

The PRTB appoints independent adjudicators and mediators to resolve tenancy disputes. As the first panel of mediators and adjudicators was due to

expire in December 2007, the selection procedure for the next panel was considered by the Board early in 2007. The board appointed a committee to review and report on plans to recruit, assess and train members of panels of adjudicators and mediators in 2007.

List of Committees and their Membership

Dispute Resolution Committee

Tom Dunne (C)
 James Bridgeman
 Anne Colley
 Charlie Corcoran
 Orla Coyne
 Tom Dowling
 John C. Elliott
 Michael Farry
 Liam Gleeson
 Aideen Hayden
 Mary Heaslip
 Bill Holohan
 Paulyn Marrinan-Quinn
 Bernard McDonagh
 Fintan McNamara
 Conn Murray*
 Liam Nolan
 Liam O'Donnell
 Dr Eoin O'Sullivan
 Dervla Quinn
 Dr Bairbre Redmond
 Pat Riney
 Tony Taaffe
 *Resigned in June 2007

Section 189 Committee

Tom Dunne (C)
 James Bridgeman
 Anne Colley
 Fintan McNamara
 Dr Eoin O'Sullivan

Research Committee

Dr Eoin O'Sullivan (C)
 Tom Dunne
 Aideen Hayden

Mary Heaslip
 Fintan McNamara
 Dr Bairbre Redmond
 Pat Riney

Audit Committee

Noel O'Connell (C)
 Dermot Byrne*
 Denis Conlan
 Aideen Hayden
 Conn Murray**
 * Joined in June 2007
 ** Resigned in 2007

Legislative Committee

Tom Dunne (C)
 Anne Colley
 Liam Gleeson
 Dervla Quinn
 Orla Coyne

Finance Committee

Conn Murray (C)*
 Jim Bridgeman
 Aideen Hayden
 Liam Gleeson**
 Fintan McNamara
 Eoin O'Sullivan
 *Resigned in June 2007
 **Joined in 2007

Adjudicator/Mediator Panel Review Committee

James Bridgeman
 Dr Bairbre Redmond
 Dr Eoin O'Sullivan
 Liam O'Donnell

(C – Chairperson)

Board Members Attendance at Board Meetings and Details of Fees Paid (1 January 2007 - 31 December 2007)

Board member	Board Meetings attended			Tribunals attended		Payment
	Policy	Disputes	Committee	Chair	Member	Total
Tom Dunne, Chairperson	15	10	11	6	4	€21,257
James Bridgeman	11	7	11	8	7	€22,190
Anne Colley	11	10	12	9	6	€21,854
Aideen Hayden	13	12	15	10	11	€29,282
Mary Heaslip	10	11	2	6	1	€18,634
Fintan McNamara	12	11	12	9	9	€26,001
Conn Murray (resigned in June 07)	2	1	2	1	0	0
Liam O'Donnell (resigned in Dec 07)	8	9	2	0	6	€8,959
Dr Eoin O'Sullivan	13	11	15	7	13	€26,356
Dervla Quinn	11	8	11	10	9	€25,495
Dr Bairbre Redmond	8	9	5	4	12	€18,376
Pat Riney	6	7	1	2	9	€12,974
Tony Taaffe	14	9	2	8	19	€29,829
Orla Coyne	13	10	5	4	10	€20,905
Liam Gleeson	14	11	12	0	0	0
Total	161	136	118	84	116	€282,112

There were 28 Board Meetings (includes both Policy & Disputes) and 26 Committee Meetings. Total fees paid to Board Members amount to €282,112 – of this €142,260 is in respect of attendances at Board Meetings.

Attendance at	Fees paid effective from	
	1 December, 2006	1 June, 2007
Board Meetings/Committee Meetings/Training	€204 (€225 for Chair)	€208 (€230 for Chair)
Dispute Meetings / Tribunal Hearings	€361 (€563 for Chair)	€368 (€574 for Chair)

Activities

Tenancy Registrations

Under the Residential Tenancies Act 2004, landlords are required to register tenancies with the PRTB within one month of their commencement. Landlords who do not register a tenancy are precluded from referring a dispute to the PRTB. Non-registration does not affect tenant rights and tenants will have access to the dispute resolution service irrespective of whether or not the tenancy is registered.

The requirement on landlords to register details of their tenancies with the PRTB is necessary for a number of reasons. In particular, the tenancy details are relevant to disputes relating to rents, rent reviews, terminations, security of tenure and other matters. There is also a need to systematically capture relevant information required to understand more fully the operation of the market for rented residential property.

Tenancy Registration Fees

The following fees are applicable to the registration of tenancies;

- **€70** per tenancy provided it is registered within 1 month after the commencement of the tenancy or
- **€300** for multiple tenancies in the one building being registered at the same time by the one landlord within one month of the commencement date of the 1st tenancy (i.e. 1st tenant moved in on 01/01/07, then all forms must be submitted by 01/02/07). If, in the 12 months following the payment of a composite fee, one of the tenancies included in the set of multiple tenancies ends and a new tenancy is

created, the application to register the new tenancy does not have to be accompanied by a fee provided it is made within one month of the commencement of the tenancy.

- Where a tenancy is being registered more than 1 month after the commencement of the tenancy, an additional fee of €70 (i.e. **€140** in total) is payable for these late registrations. There are no exceptions to the late fee and the composite fee is not available to late registrations of multiple tenancies within the one building.

No fee is payable where 2 payments in respect of the tenancy have been made to the Private Residential Tenancies Board in the previous 12 months. No fee is payable for an update of details of a tenancy already registered.

Registration lasts the length of the tenancy, which is up to a maximum of 4 years. If the same tenant is in occupation after 4 years the new tenancy that then comes into existence must be registered anew with the PRTB.

Finance Act 2006

The Finance Act provides that compliance with the registration provisions contained in the Residential Tenancies Act is a condition of eligibility for mortgage interest relief on residential properties. It is a matter for individual landlords to satisfy themselves that they are in compliance with the Residential Tenancies Act.

Statistics on Tenancy Registration

At the end of 2007, the total number of registrations was 202,078. Over 81,000 tenancies registered in 2007. The average number of tenancy applications received on a daily basis in 2007 was 338 which is a 30% reduction on the daily average for 2006. While the Board is very pleased with the relatively high level of compliance by landlords they are concerned that the number of applications being returned as incomplete still remain high at 31%. Applications are routinely returned as incomplete where the PPS number is missing or invalid, incorrect fee is submitted, landlord or tenant signature or both are missing, or the tenancy commencement date not inserted. The Board once again asks that both landlords and their agents take greater care when filling out the PRTB1 Registration Form.

Registration Statistics as at 31 December 2007

Number of tenancies registered	202,078
Number of landlords	92,311
Number of tenants	340,223
Average number of applications received daily	338
Average number of applications received daily that are complete	233 (69%)
Average number of applications returned daily as being incomplete	105 (31%)
Average number of updates received daily	19

Enforcement of registration requirement and action plan on non-compliance

Under the Residential Tenancies Act 2004, the PRTB has powers to enforce the requirement to register tenancies. The PRTB follows up information received in relation to tenancies, which are not registered with the PRTB. This information comes from a number of sources including the Department of Social & Family Affairs, local authorities, public representatives, members of the public, residents associations and from tenants referring disputes to the PRTB or otherwise contacting the PRTB.

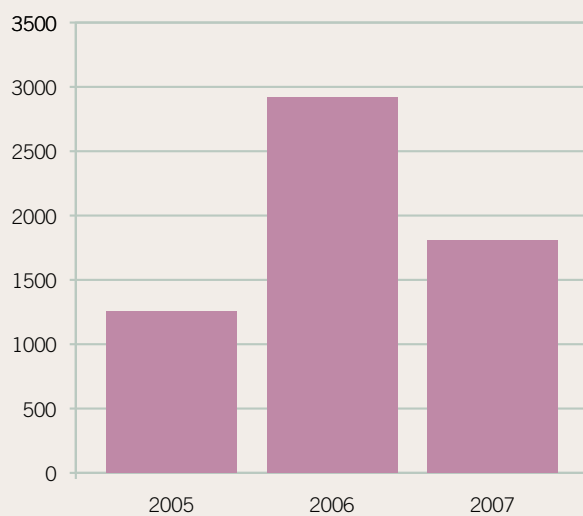
The Act, and accordingly the registration requirement, does not apply to:

- Business premises, even where partly residential to which Section 13(a) of the 1980 Landlord and Tenant Act applies;
- A dwelling to which Part II of the Housing (Private Rented Dwellings) Act 1982 applies (i.e. formerly rent controlled dwelling occupied by the "original tenant" or his/her spouse) or to which Section 13(b) of the 1980 Landlord and Tenant Act applies (i.e. long occupation equity lease tenancies);
- A dwelling let by or to a local authority or other public authority or a voluntary housing body as social housing;
- A dwelling occupied by the owner under a lease or a shared ownership lease;
- A holiday let;
- A dwelling in which the landlord is also resident;
- A dwelling in which the spouse, parent or child of the landlord is resident and there is no written lease or tenancy agreement; and
- A dwelling that is occupied rent free.

If a dwelling is available for renting but has not yet been let, there is no requirement to register.

The actions taken by the PRTB to pursue compliance with the registration requirement are in accordance with the provisions of the Residential Tenancies Act 2004 and, in particular, Sections 144 and 145. They include the issue of notices to landlords and/or occupiers of the dwellings in question, and the prosecution of offenders for non-compliance with the registration requirement. To date the Enforcement Section has received in excess of 6,000 (almost 1900 in 2007) referrals. Over 6,800 (2000 in 2007) enforcement notices have been served on landlords and/or occupiers.

Number of Referrals Received



Number of Enforcement Notices Issued



A number of final warning letters have been issued by the PRTB's solicitors, as a follow up to notices generated and served by the PRTB on landlords. The final warning letters have proved to be very effective in that many landlords have made contact with the PRTB and subsequently registered their tenancies. This has significantly reduced the number of cases that can potentially be prosecuted.

Published Register

The PRTB publishes the register of tenancies twice per annum, extracted from the registration details submitted to it by landlords. The published register is available on the PRTB's website at www.prtb.ie. The register does not contain any information that discloses the identity of the landlord(s) or the tenant(s) of the dwelling, or the amount of the rent payable under the tenancy of the dwelling.

Register for Local Authorities

In May and December 2007, the PRTB supplied to each local authority on a functional area basis, information from its register of tenancies that was reasonably necessary for the performance of the

authority's functions in relation to the enforcement of standards and rent book regulations in houses, dwellings or other structures.

Funding to Local Authorities

In accordance with the provisions of the Residential Tenancies Act 2004, funding was provided to the Local Authorities for their work in relation to enforcement of standards. The distribution was based on the number of registered tenancies at December 31st 2006 (50%) and the number of inspections carried out in each housing area (50%). The total amount of funding paid to local authorities in 2007 was €2,527,406. The payment was made in two installments, €1,016,649 in July 2007 which was the 2nd tranche of the 2006 allocation. An amount of €1,510,758 paid in October 2007 was the 1st tranche of the 2007 allocation.

Revised Tenancy Registration Form

During 2007, the PRTB consulted three of the bigger Estate Agents with a view to improving the tenancy registration form and reducing the incidence of incomplete applications. As a result a revised form was produced in 2007.

Dispute Resolution Service

The PRTB dispute resolution service replaces the courts in relation to the majority of landlord and tenant disputes. The Board operates a two-stage dispute resolution process (see explanatory flowchart in Appendix 1). The first stage consists of either mediation, if chosen by both parties, or adjudication. Both mediation and adjudication are confidential to the parties. Unregistered landlords are not permitted under the Act to make an application for dispute resolution but their tenants are. However, landlords are entitled to fully respond to a tenant's application at a disputes hearing and raise their own issues relevant to the case. Under Section 97 of the Act, an adjudicator shall enquire fully into each relevant aspect of the dispute concerned and provide to, and receive from, each party such information as is appropriate before making a determination on the case. A mediator, on the other hand, will facilitate both parties in coming to an agreement between themselves at a mediation hearing. Either party has the right to appeal their case to a second stage public Tribunal hearing, if the matter is not resolved at stage 1. The Board may also refer some cases directly to a Tribunal in certain circumstances.

Appointment of Panels of Mediators and Adjudicators

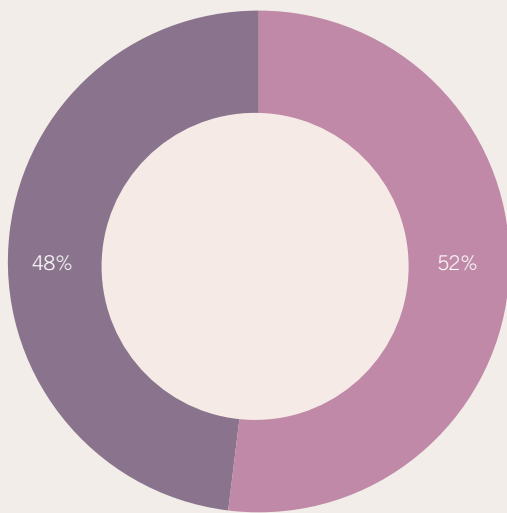
The PRTB appoints independent adjudicators and mediators to resolve tenancy disputes. As the first panel of mediators and adjudicators was due to expire in December 2007, the selection procedure for the next panel was considered by the Board early in 2007. The panel was appointed in December 2007 and the tenure is 3 years. The

Board appointed a committee to review and report on plans to recruit, assess and train members of panels of adjudicators and mediators in 2007. Applications received were shortlisted and an open book assessment was carried out to verify candidates' knowledge of the Residential Tenancies Act 2004. Group interviews facilitated by the Institute of Public Administration were held and a new panel of 65 adjudicators and 12 mediators was formed in December 2007. Adjudicators and mediators are paid a flat daily fee for all cases they hear on a day and are subject to a Code of Business Conduct.

Statistics on Dispute Resolution

During 2007, almost 1,500 applications for dispute resolution were received by the PRTB. The 2007 number received is an increase of almost 200 applications (15%) on the number received in 2006. 52% of cases received in 2007 relate to the Dublin area while 48% of cases relate to the rest of the country. In 2007 on average, 29 dispute applications were received on a weekly basis.

Dispute Cases by Region - 2007



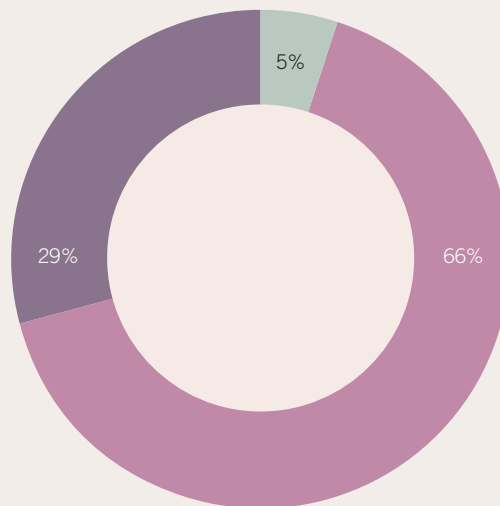
■ Rest of the Country 48% ■ Dublin 52%

The Board also publishes information on landlord and tenant rights and responsibilities under the Act on its website, in order to assist parties in resolving their dispute without recourse to the formal dispute resolution service. There will be a continued focus on educating landlord and tenant on good practice in the coming years in order to try and prevent disputes arising in the first place.

Types of cases received

Similar to 2006 almost 66% of 2007 cases were referred by the tenant, 29% by the landlord and the remainder by third parties.

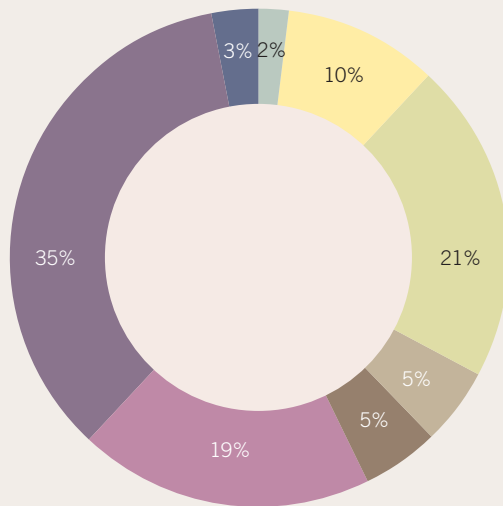
Dispute Cases by Category - 2007



■ Landlord 29%
 ■ Tenant 66%
 ■ Third Party 5%

The most common categories overall of dispute cases submitted by landlord and tenant are summarised in the following chart.

Dispute Cases referred by Tenants & Landlords 2007



- Other/all breach of obligations 10%
- Validity of Notice / other 21%
- Standard, maintenance of dwelling 5%
- Overholding 5%
- Rent arrears (other breach of obligations) 19%
- Deposit Retention 35%
- Illegal eviction 3%
- Rent review 2%

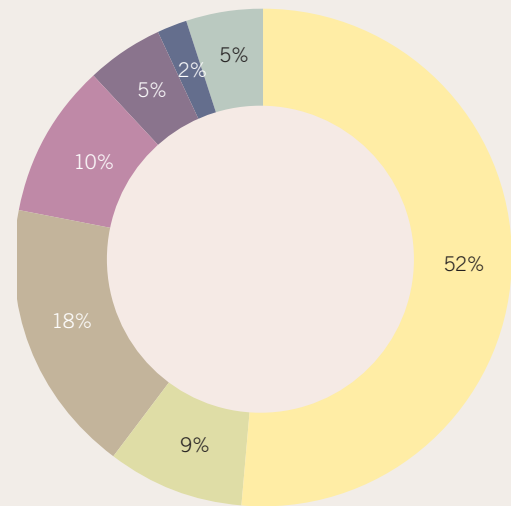
As can be seen, two of the largest categories of cases are deposit retention (35%) complaints by tenants and rent arrears complaints (19%) by landlords. These issues are discussed in more detail below.

Deposit Retention Cases

Deposit retention complaints have consistently been the single largest category of cases (35%) submitted

to the PRTB for resolution. They represented over 52% of tenants cases during 2007.

2007 Tenants Cases only by Category



- Deposit Retained 52%
- Breach of landlord Obligations 9%
- Invalid Notice 18%
- Invalid Notice/ Other Issues 10%
- Illegal Eviction 5%
- Rent Review 2%
- Standard of Dwelling 5%

In 74% of such cases during 2007, it was determined that landlords should refund part or all of the deposits which they had retained to the tenant. The PRTB has emphasised repeatedly that deposits are the tenants and not the landlords' property and must be returned to tenants in a timely manner. Deposits should only be retained, either

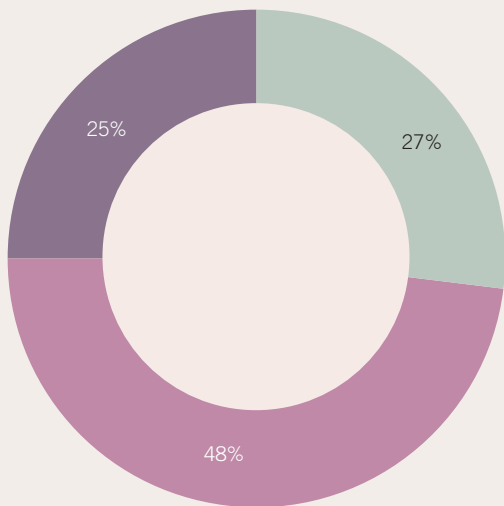
fully or partially, in circumstances and in a manner consistent with the Residential Tenancies Act 2004. Deposits should only be used to offset rent arrears where they may exist following the termination of the tenancy or to defray the cost of damage to the dwelling by the tenant that is beyond normal wear and tear. Landlords are advised to inspect the dwelling prior to the tenant vacating in order to resolve any issues in relation to damage.

Deposit retention cases also contribute to the workload of the PRTB. If landlords returned deposits in a timely manner, significant PRTB resources would be freed up to progress other categories of cases.

Rent Arrears and Overholding Cases

Disputes cases, either solely or partially, involving rent arrears by tenants was the second largest category of cases submitted to the PRTB during 2007 and the largest category of cases submitted by landlords (62%). See chart below.

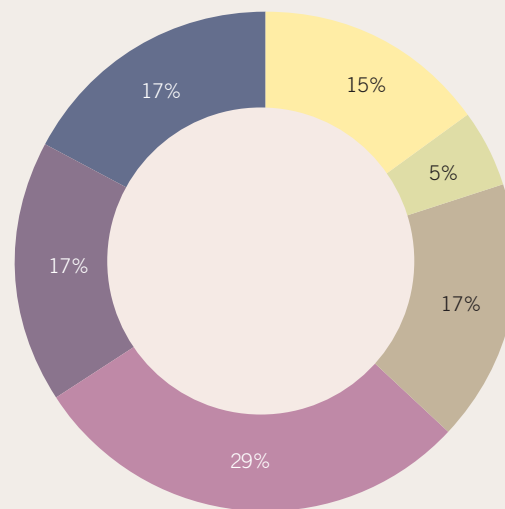
Deposit Retention Cases Completed in 2007



- Fully Refunded to Tenant 27%
- Partially Refunded to Tenant 48%
- Retained by Landlord 25%

The PRTB is concerned at the serious consequences for tenants, particularly for those on low incomes, of landlords not refunding deposits and the potential for increasing homelessness.

2007 Landlords Cases only by Category



- Breach of tenant Obligations/Other Issues 15%
- Validity of Termination Notice/Other Issues 5%
- Overholding Only 17%
- Rent Arrears Only 29%
- Rent Arrears/Overholding 17%
- Rent Arrears/Breach of Tenant Obligations 17%

Tenants are required under the Act to pay their rent in full and on time, even if there is an ongoing dispute with their landlord. The PRTB is aware that some tenants may be abusing the PRTB's dispute resolutions mechanisms in order to remain in their rental accommodation without paying rent, while their case is being processed through the PRTB. The downturn in the property market and increasing mortgage interest rates has created severe financial pressures for landlords, particularly for those who have purchased a second property for pension purposes, and it is not acceptable for tenants to abuse their legal rights to avoid paying their rent. The Board's Legislative Sub-Committee will consider whether an amendment is required to the Act in order to address this issue. In the meantime, the PRTB will continue to pursue tenants through the courts if necessary in order to recoup rent arrears if its Determination Orders are not fully complied with.

Dispute Case Processing Delays

It became increasingly apparent during 2007 that the PRTB was understaffed given the unanticipated levels of registrations, dispute applications and a very high volume of telephone queries that the agency has received since its establishment in 2004. This unfortunately resulted in an increase in backlogs and dispute case processing times during 2007. The PRTB sought sanction from the Department of Finance for the recruitment of additional staff early in 2008, which resulted in 14 new staff joining the PRTB in the second half of 2008. Some of these staff were subsequently assigned to the Disputes area to reduce case processing times. It should be noted though that the PRTB has always had a process in place for fast-

tracking serious disputes cases to adjudication or in some cases straight to a Tribunal. The process can be completed in a matter of weeks, where there is evidence of serious anti-social behaviour or an illegal eviction.

Determination Orders

By the end of 2007 the PRTB had issued final binding determination orders in respect of 886 cases (99 in 2005, 387 in 2006 and 400 in 2007), details of which are published on its website – the PRTB does not publish determination orders reflecting agreements reached at mediation although it does publish orders reflecting agreements reached between the parties at adjudication and at Tribunals.

Dispute Resolution Case Studies

The nature of the dispute cases referred to the PRTB so far include deposit retention, illegal evictions, invalid Notices of Termination, over-holding, rent arrears, other breaches of tenant obligations, breach of landlord obligations, and anti-social behaviour cases referred by third parties. Outlined below is a summary account of a selection of dispute resolution cases where determinations were made in 2007.

Case One – Unlawful Termination of Tenancy

A tenant submitted a dispute resolution application to the PRTB on July 30th 2007 alleging unlawful termination of his tenancy by his landlord. A Tribunal hearing was convened on August 20th 2007 and heard testimony from both the applicant tenant and respondent landlord.

The tenant stated that he originally occupied the dwelling with his partner and her sister. His partner and sister left the dwelling and the tenant sub-let rooms to help with the rent. The tenant informed the landlord that he was going to do this however the landlord was unhappy with this arrangement. On July 26th 2007, the tenant returned to the dwelling to discover that the locks had been changed and his belongings had been removed from the dwelling and placed on the front lawn. The tenant was forced to sleep rough for a number of days and was eventually accommodated in a hostel. The tenant claimed that he had not received a valid notice of termination, that he had been illegally evicted and that his deposit had been retained. A next door neighbour also testified on the tenant's behalf.

The landlord alleged in his evidence that the tenant had threatened him. He also said that he had refunded part of the deposit to the sub-tenants who had taken the other rooms. The landlord had not maintained a rent book and had mislaid the rental agreement.

Having heard evidence from both sides, the Tribunal determined that:

- The tenant was illegally evicted from his home. The tenant was entitled to damages of €3,500 pursuant to Section 115 (2) (d) of the Act as well as €2,000 for lost goods and the balance of the deposit of €470.

The tenant received the sum of €5,970 from his former landlord in full and final settlement of his application.

Case Two – Deposit Retention

The (applicant) tenant lodged a dispute application for the refund of her deposit of €1,200 by her previous landlord. At the adjudication hearing, the tenant stated that the letting agent carried out an inspection of the property and took photographs, to advertise for prospective tenants, one week before she vacated. The agent commented that the apartment was in excellent condition and undertook to contact the landlord to have the deposit returned to the tenant within three days. After seven days, the tenant contacted the landlord's agent enquiring about the deposit, as she had yet to receive it. The agent promised to follow this up. Seven days later, the tenant again contacted the landlord's agent and she was then informed that the landlord was retaining the deposit because the sofa had been damaged and curtains were missing from the bedroom.

The (respondent) landlord alleged that the sofa could not be repaired and that he could not locate the curtains. The landlord said he was surprised that the missing curtains and damaged sofa had not been noticed by the agent, however, he was obliged to replace these items before re-letting the dwelling. The landlord estimated the cost to be €1,085. Having studied the relevant documentation on file and heard the evidence the adjudicator determined that the respondent landlord shall refund the deposit of €1,200 to the applicant tenant.

Case Three – Invalid Notice of Termination

The (applicant) tenant lodged a dispute application questioning the validity of a notice of termination served on the grounds that the landlord needed the

dwelling for his own personal use. The tenant was also alleging breach of landlord obligations. At the adjudication hearing, the tenant alleged that the landlord had really served him with notice of termination because he had complained about noise from other rooms in the dwelling. This noise interfered with the tenant's sleep and his health had apparently begun to suffer. Therefore, the tenant claimed the notice of termination was not valid. The landlord stated that he required the dwelling back for his own family use. The landlord had been residing abroad for some time and would be returning to the rented dwelling.

The Adjudicator heard evidence from all sides and determined that:

- The termination notice served was valid.
- The respondent landlord was not in breach of his obligations in respect of the dwelling.

The applicant tenant should vacate the dwelling.

Case Four – Overholding/Rent Arrears

A registered landlord submitted an application alleging that his (respondent) tenant was in rent arrears and was refusing to vacate the dwelling. At the adjudication hearing, the landlord stated that the tenant had been supplied with a rent book and alleged that the tenant had altered the entries in the book. The landlord gave evidence of cumulative arrears of rent of nearly €7,000. The landlord also provided photographic evidence of other breaches of the tenant's obligations relating to the care and maintenance of the property.

There was no defence offered by or on behalf of the tenant, who did not attend the adjudication hearing.

Having studied the relevant documentation on file and heard the evidence, the adjudicator determined:

- The notice of termination served was deemed valid.
- The (respondent) tenant was liable for payment of all rent arrears accruing from the first breach of the tenancy agreement to the date of hearing.
- The applicant landlord is entitled to possession of the property on foot of the valid notice of termination.

The adjudicator's report was then issued to both parties. The tenant submitted an appeal, within the statutory 21 day period, claiming he had not received notification of the dispute. A subsequent tenancy tribunal determined that:

- The notice of termination was valid and that the tenant must vacate the dwelling.
- The appellant tenant was liable for rent arrears until he vacated the dwelling.

The PRTB Determination Order was issued to both parties but the tenant did not comply with it. The PRTB proceeded to enforce its Order through the courts and the tenant vacated prior to the court hearing.

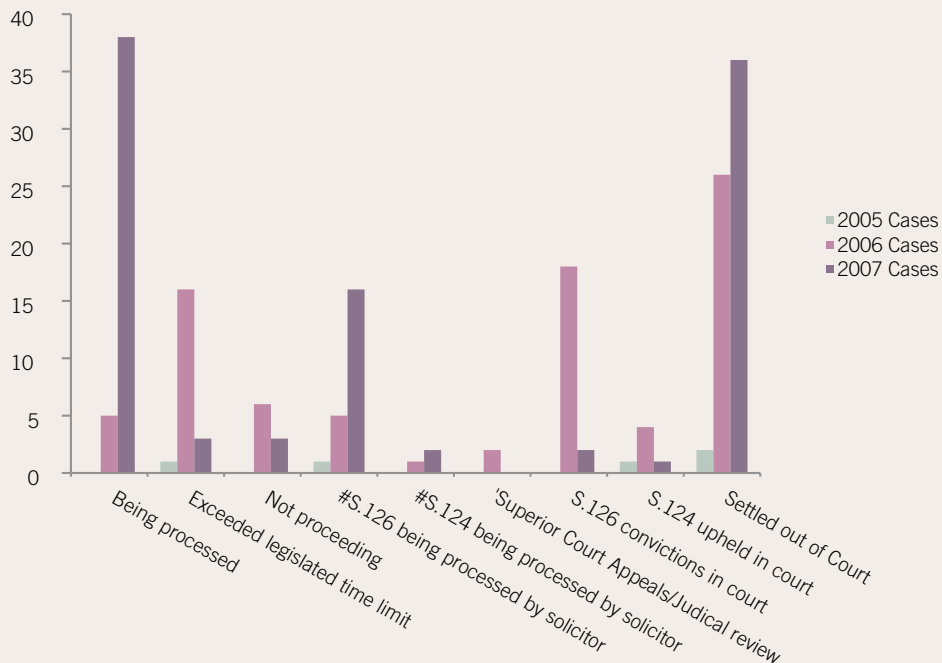
Disputes - Enforcement

Sections 9 and 126 of the Residential Tenancies Act 2004 empowers the Board to initiate a criminal prosecution in the District Court against a party who fails to comply with one or more terms of a Determination Order made by the PRTB. Section 124 of the Act permits the initiation of civil proceedings in the Circuit Court to obtain an Order directing the non-compliant party to comply with the terms of a Determination Order.

When informed that there has been a failure to comply with a Determination Order, the PRTB's policy, in the majority of such instances, is to pursue a criminal prosecution against the non-compliant party, the objective being to maximise the likelihood of compliance before Court proceedings are deemed necessary. However, in cases where there is overholding in a property it is the Board's policy in the first instance to initiate civil proceedings, the aim being to achieve vacant possession for the landlord as soon as possible, and thereafter (if appropriate) to initiate a criminal prosecution for the offence of non-compliance.

A total of 189 cases were dealt with by the Enforcement Section in 2007, and the status of these cases is outlined in the chart on the next page:

Status of Enforcement Cases dealt with in 2007 @ 31/12/07



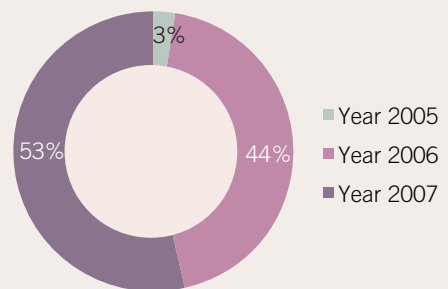
Notes:

S.124: Refers to civil proceedings in the Circuit Court
 S.126: Refers to criminal prosecutions in the District Court

Not proceeding: Includes cases, for example, where a party seeking enforcement was unwilling to testify in Court, or where the whereabouts of a non-compliant party could not be ascertained

Exceeding legislated time limit - The Residential Tenancies Act 2004 imposes a time limit of 1 year from the date of first offence, within which a party can be prosecuted for a failure to comply with a Determination Order

% Breakdown (by year) of Enforcement Cases dealt with in 2007



The status of the disputes enforcement cases dealt with in 2007 is outlined in the table below:

	2005 Carried over	2006 Carried over	2007	2005/ 2006/ 2007
Being processed	0	5	38	43
Exceeded legislated time limit	1	16	3	20
Not proceeding	0	6	3	9
S. 126 Criminal Prosecutions being processed by Solicitor	1	5	16	22
S. 124 Civil Proceedings being processed by Solicitor	0	1	2	3
Superior Court Appeals/Judicial review	0	2	0	2
S. 126 Convictions in Court	0	18	2	20
S. 124 Upheld in Court	1	4	1	6
Settled out of Court	2	26	36	64
Total Cases dealt with in 2007	5	83	101	189



Information and Research

In addition to the core functions of tenancy registration and dispute resolution, the PRTB also provides information, research and policy advice on the private rented sector. In order to pursue this role the Board has engaged in a partnership agreement with the Centre for Housing Research (CHR). The Centre commissioned (on behalf of the PRTB) consultants Candy Murphy & Associates to undertake two comparative literature reviews (on deposit retention and the other on anti-social behaviour) to examine how other jurisdictions with a private rented housing sector of a similar scale managed these issues. The two reports were produced in early 2007 and published as consultation papers. In July 2007 written submissions in relation to both topics were invited by the CHR from interested parties allowing three months for comments. The final report was produced by Candy Murphy & Associates in December 2007 and this will be reported on in further detail in 2008.

Post-Graduate Scholarship

The Private Residential Tenancies Board (PRTB) Scholarship programme provides funding for a masters or doctoral degree by research with a view to developing the knowledge area of the private residential housing sector. The value of the scholarship is €15,000 per annum for up to 3 years, plus college fees. A Scholarship was awarded in January 2007 for research into "Housing New Immigrant Communities in the Irish Private Rented Sector: Access, Choice and Integration". This research is carried out under the supervision of Dr Michelle Norris of UCD.

Improvements to PRTB Website

The PRTB's website www.prtb.ie provides accurate and practical information to landlords and tenants. Additions to the website in 2007 included information notes on the following:

- Leases and Licences
- Part 4 Updated Tenancy
- Wear and Tear in respect of Furniture
- Termination of Fixed Term Tenancies

Administration

Staff

All aspects of staffing, including the grades of staff, the numbers in each grade, the level of remuneration for each grade, and the terms and conditions of employment are subject to the consent of both the Minister for the Environment, Heritage and Local Government and the Minister for Finance. Section 167 of the 2004 Act allows the Minister to provide services to the Board including the services of staff. In accordance with this Section the Board has been primarily staffed by Departmental officials in a combination of formal assignments, and loaned and temporary staff.

In keeping to the move to a stand alone operation, open competitions were held in May 2007 to fill Clerical Officer and IT Administrator level vacancies. A confined competition to fill Executive Officer vacancies was held in June.

During the year the Board continued to use the services of agency staff to undertake specific duties mainly in relation to the registration system. The secondment of 2 staff from Dublin City Council continued during 2007 and has since been extended for a further period of 12 months.

At the end of December 2007 the permanent staff complement stood at 26. Sanction was sought and approval was granted by the Department of Finance for an additional 14 staff in early 2008. The additional staff will enable the PRTB to provide a better quality of service generally.

Safety, Health and Welfare

The well being of the PRTB's employees is safeguarded through adherence to health and safety standards. The Safety, Health and Welfare at Work Act 2005, imposes certain requirements on employers and the PRTB, in the transitional period of moving to a stand-alone position, has met these requirements in accordance with the Health and Safety Statement of its parent Department, the Department of Environment, Heritage and Local Government. Moving forward, the PRTB will be producing its own Health & Safety Statement in 2009.

Finance

An extract from the 2007 audited Financial Statements of the Board is appended to this report.

Data Protection

Under the Data Protection Acts, a person has a right to be given a copy of his/her personal data. A subject access request should be made in writing, by letter, signed and accompanied by a copy of a current identification document e.g. driving licence or passport. The PRTB currently do not charge for a subject access request, however we reserve the right to charge a fee not exceeding €6.35. The Private Residential Tenancies Board will undertake to reply to a request within 40 calendar days. Under the Data Protection Acts, a person has a right to have his/her personal data corrected if inaccurate, or erased if there is not a legitimate reason for retaining the data. A request for rectification or erasure should be made in writing, by letter, signed and accompanied by a copy of a

current identification document e.g. driving licence or passport. There is no charge for such a request.

Tenders Sought & Awarded

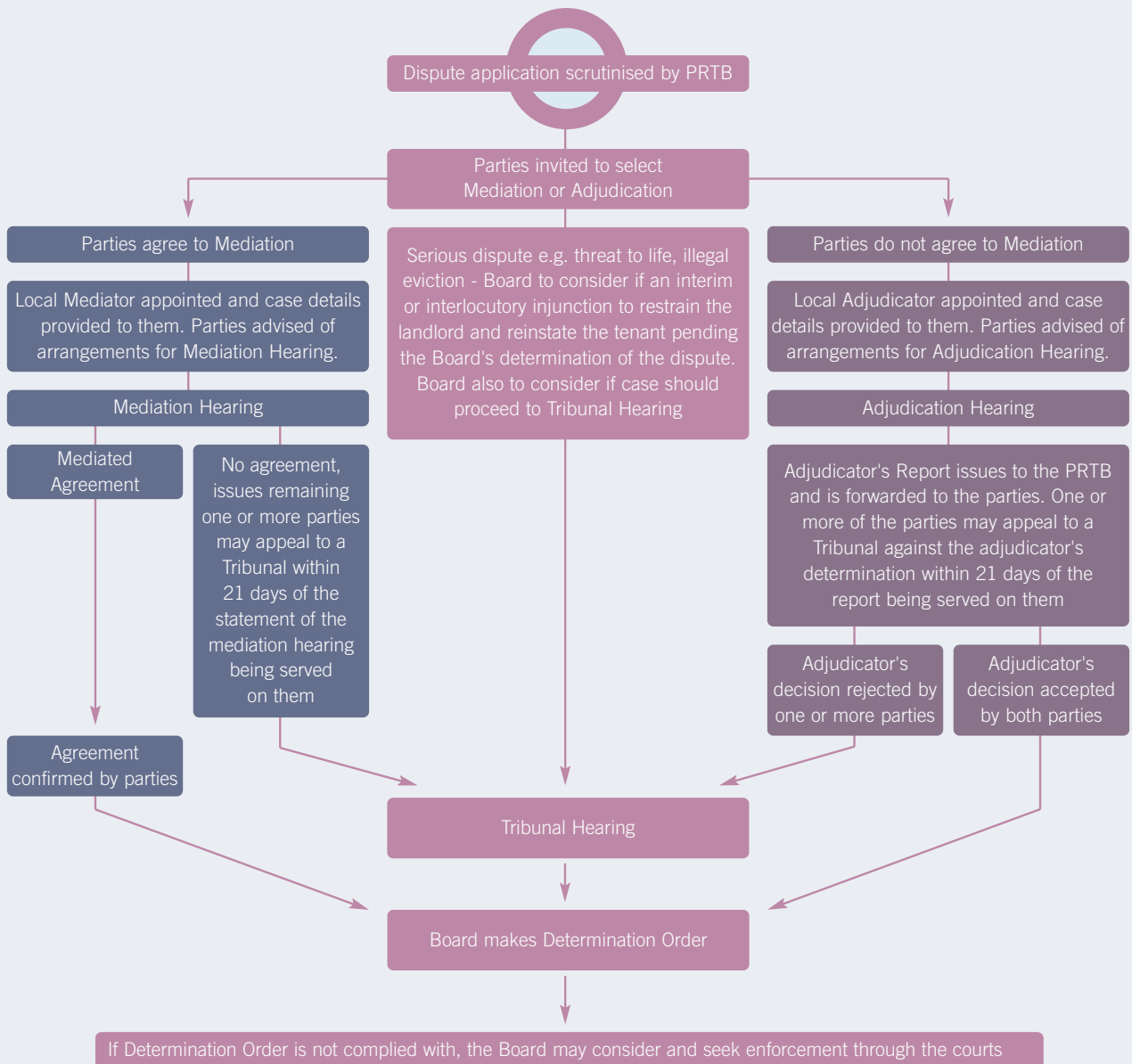
In accordance with procurement requirements, tenders were sought and approved by the Board for a number of key services in 2007 as outlined below:

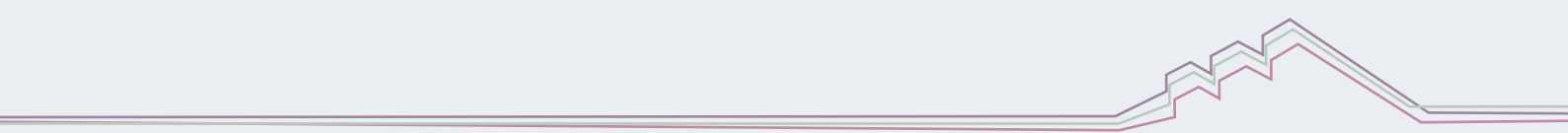
- Stenography Services - The contract for the provision of stenography services was awarded to Gwen Malone Company.
- IT Services - The contract for the provision of IT services was awarded to Calyx.
- Design & Print - The contract for design & print services was awarded to Catalysto.
- Architectural and Project Management Services - Brian Hogan Architects were awarded the tender for the fit out at O'Connell Bridge House (new PRTB Offices). Brian Hogan Architects were contracted to scrutinise and award various tenders such as Building Services Consulting Engineer, Builders, Partitions and Doors, Mechanical Services and Electrical Services.

Appendices

Appendices

Dispute Resolution Process Appendix 1





Report and Financial Statements for the year ended 31 December 2007

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Report of the Comptroller and Auditor General

Report of the Comptroller and Auditor General for presentation to the Houses of the Oireachtas

I have audited the financial statements of the Private Residential Tenancies Board for the year ended 31 December 2007 under the Residential Tenancies Act 2004.

The financial statements, which have been prepared under the accounting policies set out therein, comprise the Statement of Accounting Policies, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes.

Respective Responsibilities of the Board and the Comptroller and Auditor General

The Board is responsible for preparing the financial statements in accordance with the Residential Tenancies Act 2004 and for ensuring the regularity of transactions. The Board prepares the financial statements in accordance with Generally Accepted Accounting Practice in Ireland. The accounting responsibilities of the Members of the Board are set out in the Statement of Responsibilities of the Board.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report my opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland. I also report whether in my opinion proper books of account have been kept. In addition, I

state whether the financial statements are in agreement with the books of account.

I report any material instance where moneys have not been applied for the purposes intended or where the transactions do not conform to the authorities governing them.

I also report if I have not obtained all the information and explanations necessary for the purposes of my audit.

I review whether the Statement on Internal Financial Control reflects the Board's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and control procedures.

I read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of Audit Opinion

In the exercise of my function as Comptroller and Auditor General, I conducted my audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and

by reference to the special considerations which attach to State bodies in relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity of the financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgments made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Board's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations that I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the Board's affairs at 31 December 2007 and of its income and expenditure for the year then ended.

In my opinion, proper books of account have been kept by the Board. The financial statements are in agreement with the books of account.

Gerard Smyth

**For and on behalf of the
Comptroller and Auditor General
29 September 2008**

Statement of Responsibilities

Section 178 of the Residential Tenancies Act 2004, requires the Members of the Board, to prepare Financial Statements in such form as may be approved by the Minister for the Environment, Heritage and Local Government and in accordance with generally accepted accounting principles.

In preparing those financial statements, the Director and the Board are required to:

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

The Director, under the direction of the Board is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Board and which enable it to ensure that the financial statements comply with Section 178 of the Act. The Board is responsible for ensuring that the business of the Board is conducted in a proper and regular manner and for safeguarding all assets under its operational control and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Anne Marie Caulfield

Director

Tom Dunne

Chairperson

Statement on Internal Financial Controls

Responsibility for the system of Internal Financial Control

On behalf of the members of the Private Residential Tenancies Board, I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.

The system can only provide reasonable, and not absolute, assurance that the assets are safeguarded, transactions authorised and properly recorded, and that material error or other irregularities are either prevented or would be detected in a timely period.

Key control procedures

The Private Residential Tenancies Board was established under the Residential Tenancies Act 2004 and commenced on 1st September, 2004. Since then the Board has taken initial steps to ensure an appropriate control environment by:

- ensuring the Board complies with its Financial obligations under the Act
- ensuring that assets and liabilities of the Board are properly accounted for
- clearly defining management responsibilities in a defined organisational structure with clear segregation of duties; and
- the establishment of appropriate sub-committees of the Board to give greater focus on specific areas.

The members of the Board have agreed that the Director and staff of the Board, (subject to delegation by the Director), are responsible for operational matters.

The Board's monitoring and review of the effectiveness of the system of internal financial control is informed by the Director who has responsibility for the development and maintenance of the financial control framework.

Up to year end 31 December 2007 the Private Residential Tenancies Board was dependant on the accounting and payroll systems of the Department of the Environment, Heritage and Local Government. In that respect, the PRTB is required to comply with control procedures operating within the Department.

Payments made during 2007 by the Private Residential Tenancies Board were processed through the Department of the Environment, Heritage and Local Government's Oracle Financial Management System. The Private Residential Tenancies Board engaged an external consulting firm in respect of the provision of its payroll and accounting function. From 1 January 2008 the administration of the payroll for fulltime staff and the administration of the accounting function of the Private Residential Tenancies Board is fully outsourced.

In 2006 the Board appointed an audit committee, comprising 4 members, of which 2, including the Chair, are external. The role of the Committee forms part of the ongoing systematic review of the control environment and governance procedures within the Board, to oversee the internal audit function and advise the Board in relation to the operation and development of that function. The Committee also has a role in the oversight of the draft annual

financial statements before submission to the Board for approval.

The Board commissioned external consultants in 2006 to carry out a risk review to identify the key risk areas and control weaknesses of the organisation. A risk assessment and an initial review of the accounting and internal controls within the PRTB, which was carried out in June 2006, identified the need for internal audit reviews in a number of key areas. These reviews were carried out in early 2007 and recommendations were made to the Board. Based on the findings of the risk assessment a three year Internal Audit Plan was agreed by the Board in early 2007. Implementation of the recommendations outlined in the audit plan are ongoing.

Annual Review of Controls

While a formal review of the effectiveness of the internal controls was not carried out in 2007 a formal review of the effectiveness of internal controls will be carried out in September 2008. In the context of the development of its Corporate Plan for 2008 – 2010 the Board are currently reviewing its processes and procedures and other measures to promote efficiency.

Tom Dunne
Chairperson

Statement of accounting policies

The significant accounting policies adopted in these financial statements are as follows:

1. General

The general functions of the Board are: the operation of a national registration system for all private residential tenancies that come under the remit of the Residential Tenancies Act 2004; the operation of a dispute resolution service, the provision of information, and the carrying out of research and the provision of policy advice regarding the private rented sector.

2. Basis of Accounting

The financial statements have been prepared under the accruals basis of accounting in accordance with generally accepted accounting principles and under the historic cost convention. The statements are in a form approved by the Minister for the Environment, Heritage and Local Government. The accounts are stated in euro.

3. Income

State Funding

State funding represents expenditure incurred by the Private Residential Tenancies Board and funded by the Department of the Environment, Heritage, and Local Government in respect of the administrative and operational expenses of the Board plus the cost of staff seconded to the Board by the Department for the period.

Registration & Dispute Fees

Fees in respect of registrations and disputes are recognised at the point when a valid application is received.

Interest Income

Other income represents interest accruing on exchequer notes held currently with the National Treasury Management Agency.

4. Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided on a straight line basis at rates which are estimated to write off the cost of the assets over their expected useful lives as follows:

Leasehold Improvements	5%	Straight Line
Furniture & fittings	10%	Straight Line
Office equipment	20%	Straight Line
Computer equipment	20%	Straight Line

Leasehold improvements and furniture and fittings in respect of O'Connell Bridge House are not depreciated in the 2007 financial statements as they did not come into use until 18 January 2008.

5. Foreign Currencies

Transactions denominated in foreign currencies are translated into euro at the rates of exchange prevailing at the transaction date. Any difference arising on translation between transaction dates and payment dates are charged to the Income and Expenditure account.

6. Capital Account

The capital account represents the unamortised amount of income used to finance fixed assets.

7. Staff Pensions

In accordance with Section 163 of the Residential Tenancies Act 2004 a draft scheme for the granting of superannuation benefits to staff of the Board has been prepared and submitted to the Minister for approval but has not yet been approved.

Income and Expenditure account for the year ended 31 December 2007

	Notes	Year Ended 31 December 2007 €	Year Ended 31 December 2006 €
Income			
State Funding	1	5,739,940	2,973,787
Registration Fees	2	6,156,749	5,995,772
Less Recoupments due to local authorities	7	(4,397,678)	(4,282,694)
		7,499,011	4,686,865
Disputes Fees	3	36,181	38,340
Payments made by OPW on behalf of PRTB	10	279,461	280,854
		7,814,653	5,006,059
Transfer from / (to) Capital Account	8	(1,587,510)	35,965
		6,227,143	5,042,024
Interest Income		435,390	93,559
		6,662,533	5,135,583
Expenditure			
General Administration	4	(4,577,113)	(3,255,594)
Depreciation		(83,504)	(50,300)
		(4,660,617)	(3,305,894)
Excess of Income over Expenditure	9	2,001,916	1,829,689

The Statement of Accounting Policies and Notes 1 to 15 form part of these Financial Statements.

All income and expenditure for the year ended 31 December 2007 relate to continuing activities. The Board has no gains or losses in the financial period other than those dealt with in the Income and Expenditure Account.

Anne Marie Caulfield

Director

Tom Dunne

Chairperson

Balance Sheet as at 31 December 2007

		Year Ended 31 December 2007	Year Ended 31 December 2006
	Notes	€	€
Fixed assets			
Tangible assets	5	1,740,187	152,677
Current assets			
Debtors	6	133,474	17,036
Cash at Bank		12,590,257	8,591,846
		12,723,731	8,608,882
Creditors			
Amounts falling due within one year	7	(7,499,122)	(5,386,189)
Net current assets			
		5,224,609	3,222,693
Total assets less current liabilities		6,964,796	3,375,370
Financed by			
Income and Expenditure Account	9	5,224,609	3,222,693
Capital Account	8	1,740,187	152,677
		6,964,796	3,375,370

The Statement of Accounting Policies and Notes 1 to 15 form part of these Financial Statements.

Anne Marie Caulfield

Director

Tom Dunne

Chairperson

Cashflow Statement for the year ended 31 December 2007

	Notes	Year Ended 31 December 2007 €	Year Ended 31 December 2006 €
Reconciliation of operating surplus to net			
Cash inflow from operating activities			
Operating surplus for year		2,001,916	1,829,689
Depreciation	5	83,504	50,300
Interest Earned		(435,390)	(93,559)
Transfer from / (to) Capital Account	8	1,587,510	(35,965)
Increase in debtors	6	(116,438)	(17,036)
Increase in creditors		2,112,933	3,287,979
Net cash inflow from operating activities		5,234,035	5,021,408
Cashflow Statement			
Net cash inflow from operating activities		5,234,035	5,021,408
Returns on Investment and Servicing of Finance			
Interest Earned		435,390	93,559
Net Capital Expenditure			
Payments to acquire tangible fixed assets	8	(1,671,014)	(14,335)
Increase in cash		3,998,411	5,100,632
Reconciliation of net cashflow to movement in net funds			
Net funds at 31 December 2006		8,591,846	3,491,214
Net funds at 31 December 2007		12,590,257	8,591,846
Increase in cash		3,998,411	5,100,632

The Statement of Accounting Policies and Notes 1 to 15 form part of these Financial Statements.

Anne Marie Caulfield

Director

Tom Dunne

Chairperson

Notes (forming part of the financial statements)

1. STATE FUNDING

State funding was provided through the Office of the Minister for the Environment, Heritage and Local Government and amounted to €5,739,940 for the year ended 31st December 2007 (2006 -€2,973,787).

2. REGISTRATION FEES INCOME

Fees which were received from landlords as payment for the registration of their tenancies amounted to €6,156,749.

As per Ministerial direction, made under Section 176(5) of the Residential Tenancies Act, 2004, registration fee income received by the PRTB is dealt with in the following manner;

- 5/7ths to local authorities, which amounted to €4,397,678
- 2/7ths is retained by the PRTB towards its administration costs, which amounted to €1,759,071

3. DISPUTES FEES INCOME

Fees were received in respect of the operation of a dispute resolution service and the fees which were lodged to the Bank amounted to €36,181.

4. ADMINISTRATIVE EXPENDITURE

	Year Ended 31 December 2007 €	Year Ended 31 December 2006 €
Seconded & Board Staff	1,032,911	976,255
Agency Staff fees	982,444	664,858
Training of Staff	26,936	11,581
Board Members fees	142,260	134,982
Tribunal Members fees	216,294	136,199
Training of Adjudicator & Mediators	0	35,721
Adjudicators and Mediators fees	246,835	279,300
Meeting expenses	19,084	5,967
Advertising	23,191	14,235
Postage and Distribution costs	159,282	93,913
Printing and translation costs	64,993	74,501
Office supplies	66,343	46,040
Telephone expenses	4,985	6,955
Computer expenses and maintenance	61,673	95,177
Accommodation costs	279,461	280,854
Light & Heat	10,099	0
Cleaning services	12,600	12,742
Stenography costs	90,526	95,139
Legal and Professional fees	935,788	202,508
Audit fees	11,000	9,600
Accountancy fees	108,265	10,959
Research Studies	49,142	39,846
Miscellaneous	33,001	28,262
	4,577,113	3,255,594

5. TANGIBLE FIXED ASSETS

	Computer Equipment	Leasehold Improvements	Furniture and Fittings/Office Equipment	Total
Cost	€	€	€	€
Opening Balance	156,019	0	95,481	251,500
Additions during year	155,542	1,402,320	113,152	1,671,014
At 31 December 2007	311,561	1,402,320	208,633	1,922,514
Depreciation				
Opening Balance	60,749	0	38,074	98,823
Charge for year	62,312	0	21,192	83,504
At 31 December 2007	123,061	0	59,266	182,327
Net Book Value				
At 31 December 2006	95,270	0	57,407	152,677
At 31 December 2007	188,500	1,402,320	149,367	1,740,187

6. DEBTORS

Amounts falling due within one year

	31 December 2007	31 December 2006
	€	€
Prepaid expenses	13,158	9,186
Interest Receivable	18,835	7,850
Accrued Income	84,190	0
Sundry Debtors	17,291	0
	133,474	17,036

7. CREDITORS

Amounts falling due within one year

	31 December 2007	31 December 2006
	€	€
Creditors & Accruals	429,812	187,151
Amounts Due to Local Authorities	7,069,310	5,199,038
	7,499,122	5,386,189

Analysis of amounts due to Local authorities:

The table below sets out, fees received in the relevant financial year and amounts paid over to the particular Local authorities for the performance of their functions under the Housing Standards and Rent Book Regulations;

Fees allocated to Local authorities in 2005 financial year	3,507,944
Fees allocated to Local authorities in 2006 financial year	4,282,694
Fees allocated to Local authorities in 2007 financial year	4,397,678
	12,188,316
Fees disbursed in the 2005 financial year	1,582,350
Fees disbursed in the 2006 financial year	1,009,250
Fees disbursed in the 2007 financial year	2,527,406
	5,119,005
Amounts Due to Local Authorities	7,069,310

The amounts due to be paid over to particular Local authorities will be in accordance with the criteria set by and at the direction of the Minister for the Environment, Heritage and Local Government

8. CAPITAL ACCOUNT

	31 December 2007	31 December 2006
	€	€
Opening Balance	152,677	188,642
Transfer from / (to) Income and Expenditure Account		
Funding to acquire Assets	1,671,014	14,335
Amortisation in line with asset depreciation	(83,504)	(50,300)
	1,587,510	(35,965)
Closing Balance at 31 December	1,740,187	152,677

9. ACCUMULATED EXCESS INCOME OVER EXPENDITURE

	31 December 2007	31 December 2006
	€	€
Opening Balance	3,222,693	1,393,004
Excess of income over expenditure	2,001,916	1,829,689
Closing Balance at 31 December	5,224,609	3,222,693

10. STAFF COSTS, ACCOMMODATION AND OFFICE SERVICES

Staff costs consists of seconded and board staff costs totalling €1,032,911, external agency staffing costs of €982,444 and staff training costs of €26,936.

Accommodation and other services (rent, service charges and insurance) valued at €279,461 were provided by the Office of Public Works on a non-repayment basis. The cost of these services has been recorded in the accounts as both income and expenditure to properly reflect the nature of the transaction.

In October 2007 PRTB signed a 20 year leasehold agreement in respect of the second and third floors of O'Connell Bridge House D'Olier Street Dublin 2. The move to new premises took place on 18th January 2008.

11. SUPERANNUATION

Staff at the PRTB are Civil Servants on temporary transfer from the Department and are covered by Civil Service pension arrangements. The Civil Service Superannuation Schemes are defined benefit schemes which are unfunded and administered by the Department of Finance. There is no charge in the financial statements for any further superannuation liabilities which may arise in respect of these staff. In the latter half of 2007 the PRTB engaged 5 full time staff members. No provision for superannuation has been made in the 2007 financial statements for these employees as the amount involved is deemed immaterial.

12. LATE PAYMENTS IN COMMERCIAL TRANSACTIONS

The Board is aware of its responsibilities under the Late Payments in Commercial Transactions Regulations 2002 and has established appropriate procedures and processes to ensure that all payments are made in accordance with the Regulations. No late payment interest was paid by the Private Residential Tenancies Board during the year.

13. CONTINGENT LIABILITIES

The Board had approximately 1,500 dispute resolution proceedings on hands at 31 December 2007. As the cost of the dispute resolution process varies greatly from case to case no provision for these unresolved cases registered at 31 December 2007 is included in the Financial Statements. In addition in excess of 100 cases are at various stages of enforcement proceedings through the courts the costs of which are not yet known and no provision exists in the Financial Statements.

14. BOARD MEMBERS INTERESTS

The Board adopted procedures in accordance with guidelines issued by the Department of Finance in relation to the disclosure of interests by Board Members and these procedures have been adhered to in the year. There were no transactions in the period in relation to the Board's activities in which the Board Members had any beneficial interest.

15. APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements were approved by the Board on 21st May 2008.

