



RTB

Bord um Thionóntachtaí Cónaithe
Residential Tenancies Board

RTB ANNUAL **REPORT** 2017

A YEAR OF CHANGE

ABOUT US

The Residential Tenancies Board (RTB) is a public body established to support and develop a well-functioning rental housing sector. In operation since 2004, the RTB is one of the only rental housing regulators in Europe and plays a significant role in the provision of services and information to support those who live and work in the sector and to the public.

The RTB provides the following services to support and develop a well-functioning rental housing sector.



Maintaining a published register of rented tenancies. Registration of a tenancy is an essential part of tenancy management, and a key element in regulating and supporting the rental sector.



The provision of information and education on the rights and responsibilities to support those living and working in the rental sector is an important role of the RTB.



Dispute Resolution Service offers options of resolution – mediation and adjudication – to those with issues relating to a rented tenancy.



Registration compliance and Determination Order Enforcement to ensure compliance with legal obligations.



Research conducted by the RTB provides accurate and authoritative data and information on the rental sector, which assists in policy decision making.

CONTENTS

Chairperson and Director's Message	2
2017 at a glance	6
01 Delivering our Services – Connecting with our customers	7
02 Policy and Legislative Change	15
03 A picture of the Rental Sector	21
04 Registration and Compliance	27
05 Dispute Resolution Services and Enforcement	33
06 Rent Tribunal	59
07 RTB Governance	65
08 Report and Financial Statements	83

CHAIRPERSON AND DIRECTOR'S MESSAGE

2017 was another year of change for the rental sector and those living and working within it. For many, affordability pressures will have been a significant issue as demand for rental accommodation continued to grow, supply has remained restricted and rents have increased.

In December 2016, with the publication of the Strategy for the Rental Sector, the regulatory framework evolved and expanded further. One of the most significant policy and legislative changes was the introduction of Rent Pressure Zones which, by the end of 2017, covered Dublin, Cork city and 16 local electoral areas affecting 57% of tenancies and an estimated 95,000 landlords. One of the key priorities for the RTB in 2017 was on education, awareness and dispute prevention through supporting people to understand these complex changes and what is required of them.

By April 2017, Approved Housing Bodies, who came under the remit of the RTB in 2016 were required to register their tenancies. This is an important step in breaking down the traditional distinction in the rental sector between social and private rented housing. The RTB worked closely with the sector to support AHBs through the process resulting in nearly 27,000 tenancies being registered by year end.

At the end of 2017 there were approximately 340,000 tenancies registered with the RTB which encompassed over 714,000 occupants. Of these 313,000 were private tenancies with the remainder made up of tenancies managed by Approved Housing Bodies. Our data showed a slight contraction of the number of private rental tenancies from 319,000 in 2016 to 313,000 tenancies in 2017 indicating that some landlords may be leaving the market. The overall landlord profile has remained relatively stable with the majority of the 174,000 landlords (86%) owning 1-2 properties.

These figures show that despite a small decline in the number of private tenancies, the overall size and scale of the sector is still larger than ever before and makes up a significant component of housing tenures in Ireland. With the rate of home ownership at 67.6%, a level last seen in 1971, more than a third of the population are now renting. With the rental sector now being home to so many of the population, demand for our services has never been higher.

Against this backdrop, the RTB received nearly 170,000 calls in 2017 which is an increase of 30% since 2016. The volume of queries was driven mainly by calls relating to the introduction of Rent Pressure Zones measures and other legislative change. The continued increase in queries reflects the need and appetite for information on what is a very complex regulatory framework with fast paced developments that both landlords and tenants can at times find difficult to understand and keep up with.

We are responding to this increasing demand for our services by changing the way we engage with our customers through new initiatives and technology to deliver a more flexible and responsive service. The RTB established a Communications and Research unit in 2017 under which a range of initiatives were rolled out throughout the year. An important milestone was the development of the RTB One Stop Shop which as well as a new user-friendly website, incorporated a new webchat service, extended opening hours and a new partnership with Citizens Information to host clinics for people and to train staff.

A core part of the work in 2017 was to improve how we listen, promote awareness and improve understanding of rights and responsibilities with the aim of empowering landlords and tenants with knowledge and preventing disputes.

In 2017, there were nearly 6,000 applications for our dispute resolution service, which is a 20% increase on the number of applications since 2016, and the most received since the establishment of the RTB in 2004. However, it is important to note that the majority of landlord/tenant relationships are working well, with only 1-2% of tenancies accessing our dispute resolution service.

“ One of the most significant policy and legislative changes was the introduction of Rent Pressure Zones which, by the end of 2017, affected 57% tenancies. ”

The RTB plays an important role in compliance, whether this is ensuring that landlords register their tenancies, or where determination orders have issued following the dispute resolution process. In 2017 we contacted 20,400 landlords who had not registered their tenancies after which the majority registered.

Enforcement was a key focus of the debate on the rental sector throughout 2017. In September 2017, the Minister for Housing announced changes to give the RTB new powers to take action directly and investigate and sanction contraventions to the law. The development of a structure and systems to implement these new changes will be a priority for the RTB throughout 2018.

A strategic priority of the RTB is to deepen our understanding of the sector through monitoring trends and providing evidence based research. The RTB continued to develop the Quarterly Rent Index which is the most accurate and authoritative rental report in Ireland. It is based on actual rents and provides information at a Local Electoral Area level as well as analysing trends by county and in our cities. The Rent Index has taken on a more critical role as it is now used by the RTB to confirm if an area qualifies as a Rent Pressure Zone.

In 2017, work began on a major digital transformation project from an infrastructure and systems perspective and is a significant investment for the RTB. These projects will fundamentally change how we work as an organisation, how we interact with our customers and how they can interact with us. These systems will be designed from a smart regulation perspective, and will concentrate on data analytics and auto-reporting as key tools in allowing for more effective and efficient regulation.

The RTB is committed to the highest standards of governance, consistent with our position as a public body and our important mandate. Efforts continued in 2017 to progress to full compliance with the 2016 Code of Practice for the Governance of State Bodies. This annual report includes our Governance Statement for 2017 and full compliance with the Code of Practice is expected in 2018.

“ A core part of the work in 2017 was to improve how we listen, promote awareness and improve understanding of rights and responsibilities with the aim of empowering landlords and tenants with knowledge and preventing disputes. ”

We would like to acknowledge and thank landlords, tenants, their advocates and all our stakeholders for their ongoing input and engagement. We would also like to thank our Board members, committee members, staff, independent adjudicators, mediators, and tribunal members for their continued hard work and dedication in what has been another busy year.

We began 2017 with a new Strategy for the Rental Sector and significant legislative change with the introduction of Rent Pressure Zones, changes to security of tenure and other important amendments. The RTB played a significant role in the development of the Strategy and will be critical to its implementation. The pace of change is fast and we are conscious of the need to support the sector through information, education and awareness. What has not changed is our strong commitment to what we were set up to do which is to support the development of a well functioning rental sector that is fair and beneficial to all.



A handwritten signature in blue ink that reads "Catriona Walsh".

Catriona Walsh

Chairperson

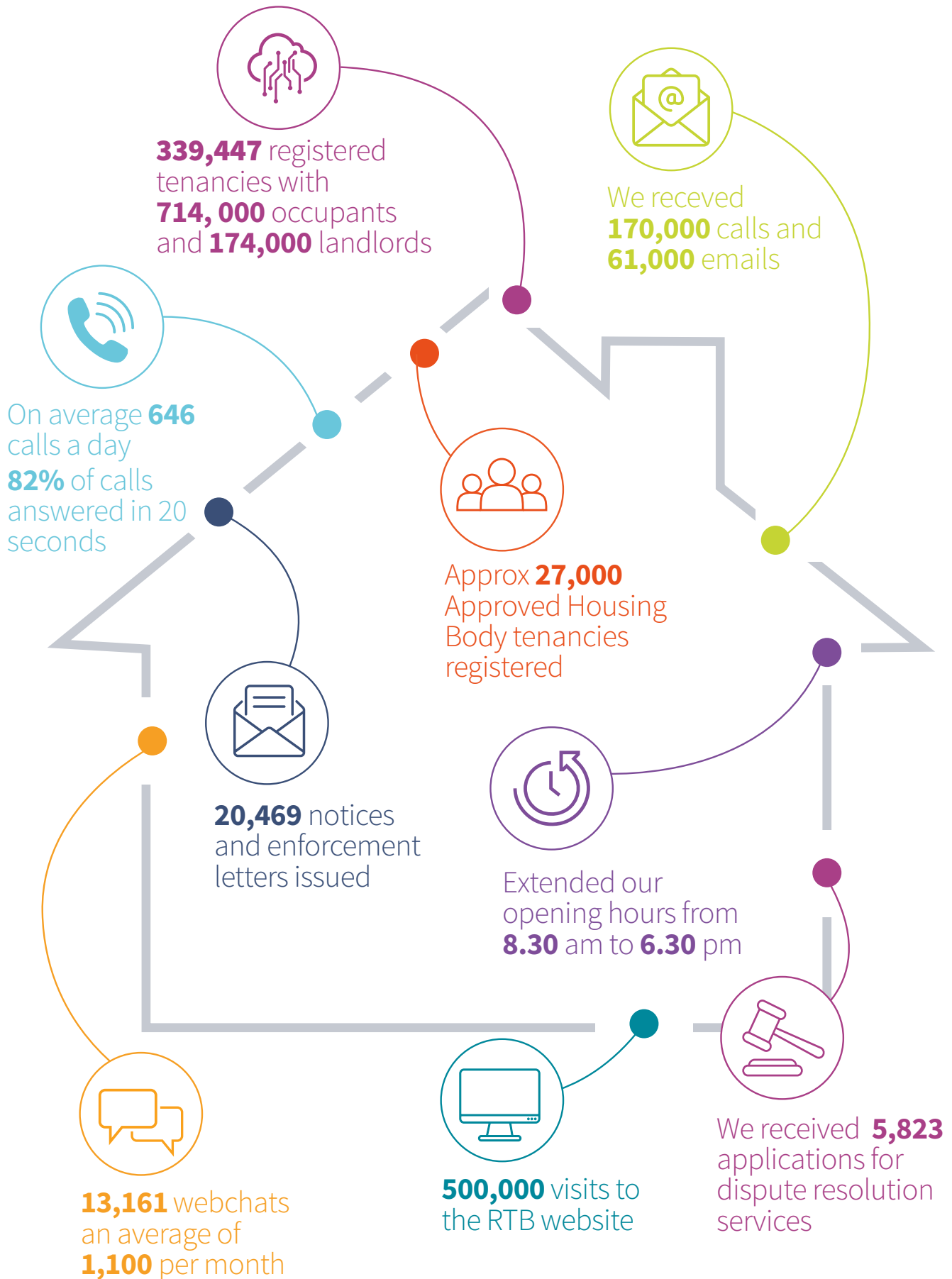


A handwritten signature in blue ink that reads "Rosalind Carroll".

Rosalind Carroll

Director

2017 AT A GLANCE



The image features a dark blue background. In the upper right, there are two overlapping circles: a larger orange one and a smaller light blue one. The number '01' is centered within the light blue circle. At the bottom, there is a row of five overlapping, upward-pointing geometric shapes in various colors: light blue, orange, lime green, teal, and light blue.

01

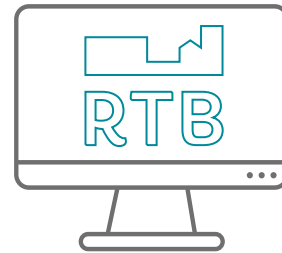
**DELIVERING
OUR SERVICES
CONNECTING WITH
OUR CUSTOMERS**



Call volume increased from **130,000** to **170,000**



Email queries increased from **51,777** to **61,000**



New **website and webchat** service

In 2017, nearly 170,000 calls were received by our customer service centre which is an increase of 31% since 2016.

Many of these calls in the first quarter of the year were driven by the changes in legislation commenced in late 2016 with both landlords and tenants seeking information on the new Rent Pressure Zones. In addition, Approved Housing Bodies (AHBs) which came under the remit of the RTB in April 2016, increased our customer base and further expanded the demand for our services. In 2017, as well as responding to a record number of calls, we extended our opening hours from 8.30am – 6.30pm and introduced the RTB One Stop Shop.

The rental sector is now home to so many of the population and we have a large and diverse group of landlords. A core part of our focus in 2017 was on improving how we listen to and engage with our customers and also trying to promote awareness and improve access to information on rights, obligations and our services.

Engaging with our customers

In 2017, we made significant changes to our services for customers to improve and expand the channels available for customers so that information is more accessible. Throughout 2017, new initiatives and technology were introduced to deliver a more flexible and responsive service to landlords, tenants, agents and the public.

The development of the RTB One Stop Shop was an important milestone in improving and expanding our services for customers. This encompassed the launch of a new user-friendly website with a webchat service, and the extension of our opening hours. This is reflective of the society we live in where many people are working or want to communicate in different ways. The RTB are aware of the importance of using plain english to ensure information is clear and easy to understand. Staff were trained in the use of plain english in 2017 to improve customer communications and our resources were reviewed and improvements made.

We also formed a new partnership with Citizens Information to host clinics in their offices where people can come in and discuss any queries as well as accessing information on rights and responsibilities.

Our callers and queries

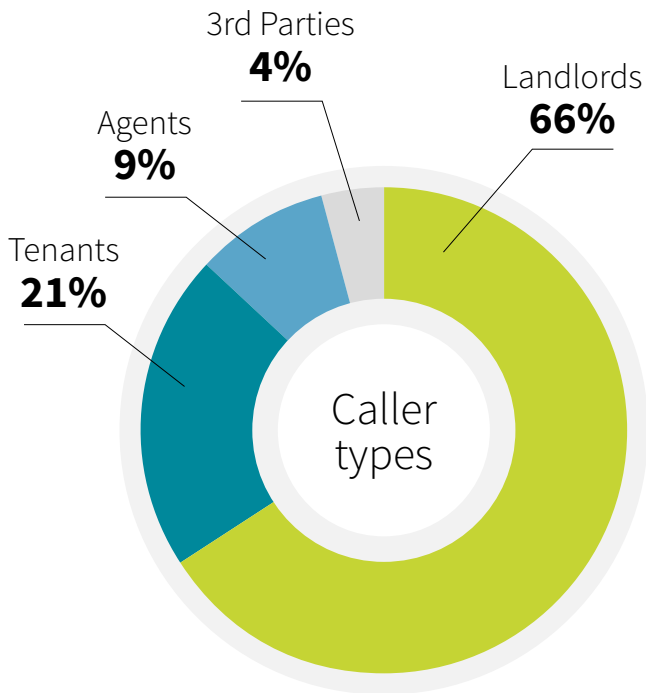
Call volumes in general continue to increase year on year with a 76% increase in calls since 2013. In 2017, the average number of calls a day was 646, with an annual total of nearly 170,000. 82% of these calls were answered within 20 seconds. Email queries also increased to over 60,000, an increase of 18% from 2016. Online registration activity increased as did our engagement with the webchat service.



Of the calls made, 54% related to registration queries such as landlords registering new tenancies or updating information on existing tenancies. A further 44% related to our dispute resolution services and would include people seeking information on their rights and responsibilities, as well as queries relating to cases submitted to the RTB. Part of the strategy for dispute prevention is to ensure that those contacting the RTB at this point have all the information they need to understand their rights and responsibilities before they submit a dispute.

Calls relating to registration enforcement and determination order enforcement include queries relating to referrals for unregistered tenancies, responses to official notices and queries on court proceedings and enforcement policy. In 2017, an average of 125 calls per week were received by the Registration Enforcement section with an estimated total of 6,500 per year and the Determination Order section received 76 per week, an estimated 3,900 per year. These calls are in addition to those received by the customer service centre.

Who called us?



In 2017, 66% of our calls were from landlords, down slightly from 67% in 2016, and 21% were from tenants which was up by 1% from 2016. The calls from agents and third parties remained consistent at 9% and 4%, respectively.

Online services

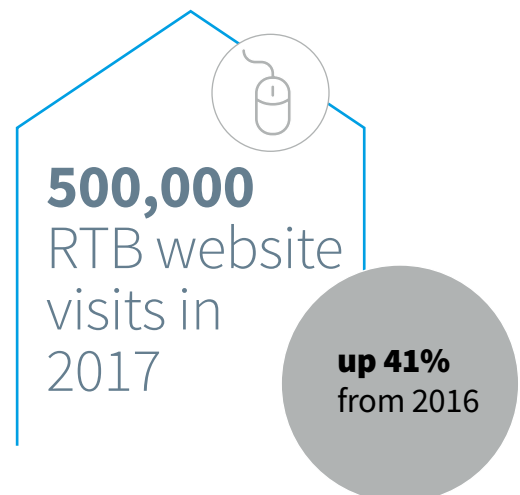
Online support for our customers is an important element of our service to assist with tenancy registration, submissions for dispute resolution services and other general queries. The web chat facility allows customers to communicate in real time with agents who can access and assist with the online portal. Online engagement increased by 11% in 2017 with 13,161 webchats, an average of 1,097 per month. This has resulted in an increase in online registrations.

A new website

The RTB website is the primary source of up-to-date information on renting in Ireland, and in 2017 had nearly 500,000 visitors, which is up 41% from 2016. In September 2017, the RTB launched the One Stop Shop. A significant part of this was the launch of a new, easy to navigate website with all the forms, tools and templates that customers need in one place to access information on their rights and responsibilities.

Since the launch of the One Stop Shop, there have been over 24,000 visitors to the website. A full transition from www.rtb.ie will conclude in 2018.

Following the launch of the new One Stop Shop website, in November an additional general webchat service was introduced for customers who have a query or are looking for information on the main website. For the six weeks until the end of 2017, over 900 webchats were initiated, averaging about 35 per day. In this period, customers were happy with the facility, which received a 75% satisfaction rating. This is a useful rating to work with and we will continue to work on improving our services. The majority of queries related to tenancy renewal or registration, with the second most frequent relating to rent reviews, notices of termination, and rights and responsibilities.



Measuring customer satisfaction

Putting our customer first starts with listening to what they think about their interactions with us. The RTB has a robust quality assurance process and reporting structure to monitor and review customer engagement and ensure that the service to customers is supportive, efficient and respectful. In August 2017, the RTB introduced a new initiative to allow us to proactively engage with customers. The 'Voice of the Customer' is a new regular customer survey that allows customers to provide feedback to the RTB. It was introduced to encourage feedback from customers which the RTB can review and respond to with a view to improving our services.

From its introduction in August until December 2017, a total of 1,895 responses were received, a response rate of 9%, which is within industry norms. A total of 74% of customers surveyed reported that their query was resolved to their satisfaction. Through the verbatim responses, the RTB also gained useful insight into areas for improvement and requests for additional guidance and information.

Customer complaints

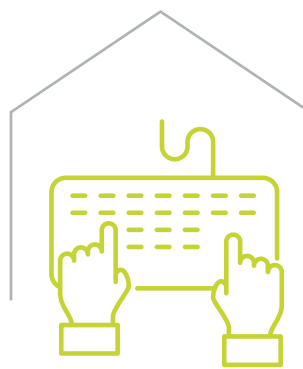
The RTB makes every effort to ensure that the services provided to our customers fully meets their needs and expectations and are delivered in a courteous, fair and efficient manner. However, we accept that on occasion a customer may feel dissatisfied with the level of service provision and delivery they have received. If any customer feels dissatisfied, they can complain directly to the RTB where we hope that any problems can be investigated and resolved. The Customer Charter available on the RTB website sets out how to make a complaint. In 2017, the RTB received 93 complaints.

Information, education and awareness

An important role of the RTB is to improve access to information for landlords and tenants on their rights and responsibilities, and the services we provide. A section dedicated to communications and research was established in March 2017. Its work is underpinned by the objective of expanding provision of information to tenants, landlords, people working in the sector and the wider public to improve understanding of the sector and create a culture of knowledge around rights and responsibilities.

The RTB had a strong media presence throughout 2017, responding to media queries as well as proactively creating opportunities to provide information to the public. The launch of the quarterly Rent Index reports, the 2016 Annual Report and guidance on substantial change were reported extensively across national and regional media.

“A section dedicated to Communications and Research was established in March 2017.”



We had **13,161 webchats** in 2017 – an **increase of 11%**

Four advertising campaigns were run in 2017 across print, broadcast and social media. The aims of the campaigns were to share information on Rent Pressure Zone rent restrictions for landlords and tenants, raise awareness of the RTB and publicise the services offered. Significantly, in August 2017 following the tragic fire in Grenfell Tower in London, the RTB issued correspondence to 175,000 landlords to remind them of their responsibilities in relation to Fire Safety and the updated Minimum Standards for Rented Accommodation.

The RTB is committed to meaningful engagement with our stakeholders to improve our understanding, gain insights through consultation and disseminate information. A programme of stakeholder events was undertaken throughout the year, which involved information sessions, presentations, contributions to conferences and the roll-out of partnership events with Citizens Information.

A strategic priority for the RTB is to use data and research to promote a better understanding of the rental sector, monitor trends, assess their impact, and inform policy. Throughout 2017 work progressed on expanding and improving the RTB Rent Index and developing a programme for research. One of the central pillars of this will be the introduction of annual surveys of landlords and tenants which was set out in 'Rebuilding Ireland'. This will be significant in creating a better understanding of the profile of the sector, changes to supply and the impact of new policy. The annual survey will be a vehicle for enhancing the knowledge of the sector, hearing from stakeholders and understanding the changing profile of the sector. It will be a central pillar of the research programme and a major project for the RTB from 2018.

RTB Publications

In 2017 we continued to produce information, updates and publications to assist landlords and tenants. The Good Landlord / Tenant guide is sent to all landlords and tenants when a tenancy is registered and includes important information on rights and responsibilities, as well as how to prevent disputes throughout a tenancy. This was updated in 2017.

For the first time, the RTB produced guidelines for good practice on the substantial change exemption in Rent Pressure Zone areas. The aim of this guide was to support landlords, tenants, agents and other stakeholders in understanding the requirements:

- if a landlord is intending to rely on an exemption from a Rent Pressure Zone 4% rent cap by reason of a substantial change to the nature of the rental property, or
- if a landlord intends to terminate a tenancy for the purpose of a substantial refurbishment or renovation of a rental property.

The RTB also supported the Union of Students in Ireland to produce an information guide to renting.



A Digital Transformation

In 2017, following a detailed procurement process, the RTB embarked on a significant digital transformation programme which involves the innovative use of technology to radically change the way we work and how we interact with our customers. The RTB is a relatively small organisation comparative to the population it serves with nearly 340,000 tenancies and 174,000 landlords as well as supporting those working in the sector. The size and scale of the sector has been a challenge with an ageing ICT infrastructure and a key priority for the organisation has been replacing this. The RTB undertook two major ICT procurements which will enable the delivery of new services.

The strategy behind the programme has a number of components, which include:

- Moving all RTB ICT services into the Cloud. This means that the RTB applications, data, and other systems will move from ageing and 'one size fits all' onsite servers and computers to the Cloud where there are no such limitations and a more flexible model can be implemented. This is underpinned by new security models, systems and networks to drive and support this change. Ultimately over 80 servers are being replaced or migrated so this is a substantial and ambitious project.
- The replacement of the existing Tenancy Management System with a more customer friendly and intuitive system which will improve delivery of our services. This will be known as RTB360 and will be the core system for the organisation. It will incorporate integrated registration and case management systems with a huge emphasis being placed on the online aspects to leverage a better interaction for customers with the RTB. Key in this implementation is the capture of accurate data to inform critical statistical reporting and ultimately national housing policy.

The new support model was implemented in Q4 2017. Phase 1 of the Cloud Project also commenced in Q4. This phase is scheduled for completion in Q3 2018. Phase 2, which is currently aspirational, will be costed and a business case made in late 2018. Phase 2 will comprise new applications that sit in the Cloud which can complement and enhance the RTB360 application.

The RTB360 application should begin development in 2018 with an implementation in Quarter 2 2019. This is a major undertaking and investment by the RTB, involving many stakeholders and cross linkages between a range of systems in other Government departments and external services.

By reshaping the RTB's approach to technology, connectivity and access to information and systems will improve across the organisation. Communication and consultation with our stakeholders on the development of RTB360 will be critical to the development of a system that will be structured around the needs of our customers.

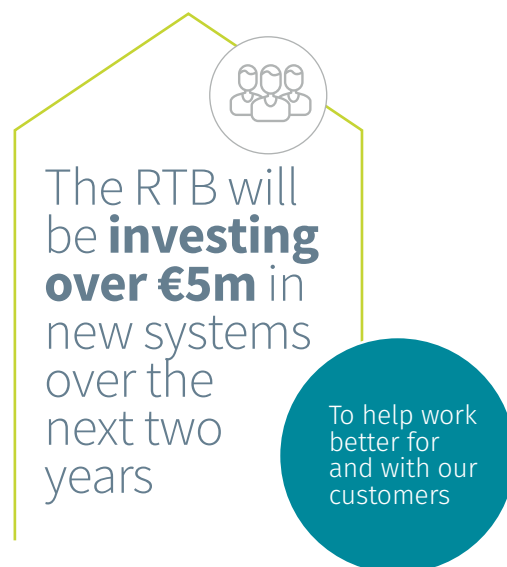
Looking ahead, new digital platforms, data sources and analytics, integrated with existing systems, will reduce inefficiencies and duplication. The envisioned digital workplace and data architecture will incorporate, transform, store, archive, share and ensure the quality of internal administrative data. The new systems allow connectivity and access to information and systems, regardless of location, and create opportunities to build and strengthen our digital engagement.

Overall the RTB will be investing over €5 million over the next two years to help work better for and with our customers.

Resources and External support

The number of RTB staff has increased from 35 in 2013 to 53 in 2017. This reflects the organisational supports required to support delivery of the day-to-day services of the RTB and carry out its functions. The RTB engages external legal, ICT and customer service supports, which provide the flexibility to respond to increasing demand for services and additional expertise where required. A total of 74 independent panel members are contracted by the RTB for Dispute Resolutions Services which include mediations, adjudications and tribunals.

In 2017, the Minister for Housing announced that the RTB would move to a more proactive, regulatory role for the rental sector. This is to include investigatory and enforcement powers with a focus in the first instance on rent pressure zone rent restrictions. In order to ensure that the RTB has the appropriate staff, structures, systems and resources required, a two year change management plan is underway which will include a detailed workforce plan.



The RTB will be **investing over €5m** in new systems over the next two years

To help work better for and with our customers

“ In 2017, the Minister for Housing announced that the RTB would move to a more proactive, regulatory role for the rental sector. This is to include investigatory and enforcement powers. ”

02

POLICY AND LEGISLATIVE CHANGE





At the end of 2017 **57% of tenancies were in Rent Pressure Zones**



The **Strategy for the Rental Sector** sets out a road map for long term development



RTB wrote to **175,000 landlords** in relation to Minimum Standards and Fire Safety

The publication of the Strategy for the Rental Sector in December 2016 provided the backdrop to the work of the RTB throughout 2017. The Strategy signalled a step change in moving to a rental sector that is fit for purpose and attractive to both landlords and tenants.

The Strategy is a significant milestone and sets out a road map for the long-term development of a well-functioning rental sector through the introduction of a range of short-, medium-, and long-term measures relating to supply, security, services and standards. The RTB played a critical role in the development of the Strategy and will be key in its implementation.

One of the most significant legislative changes enacted by Government on 26th December 2016 through the Planning and Development (Housing) and Residential Tenancies Act (2016) was the introduction of Rent Pressure Zones. Under this system, those areas that have experienced the most significant increases in rent can be designated as Rent Pressure Zones, the effect of which is to limit rental increases, both within existing tenancies and between tenancies, to 4% per annum for a specified period. Properties new to the rental market or those that have not been let in the previous two years and properties that have undergone a substantial change in the nature of the accommodation may be exempt from this measure.

This, combined with changes introduced in 2015, are intended to make rent more predictable and limit increases for tenants, while landlords will have a predictable return in respect of any rental property within a Rent Pressure Zone.

With the enactment of the legislation, Dublin and Cork City and a further 12 local electoral areas (LEAs) were designated in January, with the measure further extended to Maynooth and Cobh local LEAs in March 2017 and to Drogheda and Greystones LEAs in September 2017. The RTB, following a request from the Minister for Housing confirms to the Minister, whether an area meets the criteria to become a Rent Pressure Zone. The RTB Rent Index plays a critical role in this confirmation by verifying data for rent pressure zones.

The annual average rent for new tenancies in quarter 4 2017 had increased by 6.4%. This is down from the equivalent 2016 figure of 7.3% and the 2015 year end figure of 9.3%. Within the national numbers for 2017, the figure for Dublin was 5.3%, the lowest such figure since 2013, and outside the Greater Dublin Area (GDA) the level of annualised increase at the end of 2017 was the lowest since Q1 2016.

This could suggest that one of the major policy interventions implemented in 2017 has started to have a modifying effect on new tenancies. However, it is still too early for the policy impact to be fully assessed. It is important to note that the RPZs apply to new registrations in designated locations but not to new properties that come on the market or ones where there has been a substantial change. For 2018 the continuing impact of this, and other policy measures will be monitored closely.

The introduction of Rent Pressure Zones was a prominent feature of the discussion and debate on the sector throughout 2017 however there were several other important legislative changes and measures in the Strategy that have not had the same level of discussion. These measures included:

The Tyrellstown amendment – this changes the obligations of landlords who are selling multiple units in a development at the same time. The change means that if a landlord is selling 10 or more units in a single development within a six month period, they will be restricted to selling with tenants in situ. This enhances the security of tenure and protections in place for existing tenants.

Improved security of tenure – through the extension of the Part 4 tenancy cycle from four years to six years (with effect from 24 December 2016).

Encouraging longer-term renting by amending standards regulations to allow for unfurnished lettings – this is an important option for both landlords and tenants who sign up to long-term leases. For many tenants the accommodation they rent will be their long term home and this measure allows them more flexibility in their rented home; on the other hand, providing unfurnished accommodation reduces the costs for landlords.

“ The RTB Rent Index plays a critical role in this confirmation by verifying data for Rent Pressure Zones. ”

Structural changes aimed at streamlining dispute resolution for landlords, tenants and third parties – reducing the appeal period on an Adjudication report from 21 days to 10 days, introducing One Person Tribunals and moving the issuing of Determination Orders to the Director of the RTB rather than the Board.

Guidance on ‘Substantial Refurbishment’ and ‘Substantial Change’ – the RTB published a comprehensive set of guidelines during the year for landlords and tenants as to what constitutes substantial change and substantial refurbishment. The rationale for this was an increase in disputes relating to landlords increasing the rent on a property above the 4% threshold that applies to the Rent Pressure Zones.

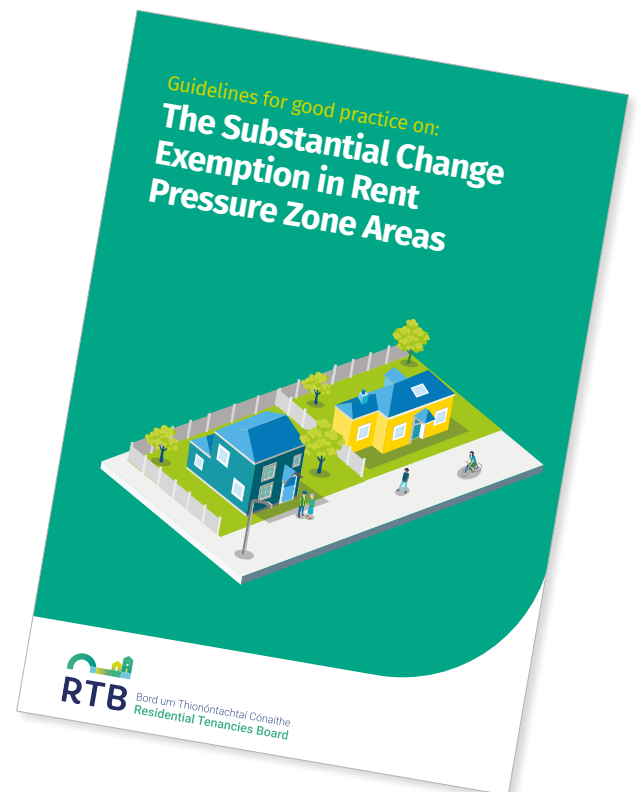
New Minimum Standards for Rented

Accommodation – there was increased focus on the minimum standards required in rental properties following on from several high profile articles and TV news reports on the rental market. The reports highlighted the different roles of the local authorities and the RTB - with inspections of minimum standards in rental accommodation the responsibility of the local authority. The RTB undertook a comprehensive communications campaign in August 2017 by writing to 175,000 landlords to remind them of their responsibilities in relation to Fire Safety and Minimum Standards.

By the end of 2017, the RTB had implemented and started work on a wide range of measures from the Strategy. Along with the smooth roll out of the legislative measures, a central focus was on supporting both landlords, tenants, agents and the public in understanding the complex regulatory framework, the range of changes and how this affects them.

Throughout 2017 the RTB focussed on improving access to information for landlords, tenants and other interested parties through education and awareness campaigns, stakeholder engagement and the development of the online solutions to help make it easier to comply with responsibilities.

Progress was also made on the development of the Voluntary Landlord Accreditation Scheme. As the rental sector continues to change and develop, the RTB recognises the important role landlords have in providing homes to tenants. In order to best support landlords the RTB will offer a mechanism through an accreditation scheme which will be rolled out in 2018.



Research

A strategic priority for the RTB is to use data and research to promote a better understanding of the rental sector, monitor trends, assess their impact, and influence policy and outcomes. In 2017, the RTB established a communications and research team, which will focus on delivery of a comprehensive research programme. To support this, a decision was taken to establish a Research Committee to provide strategic direction and oversight of the research programme.

One of the key roles that the RTB plays in housing policy in Ireland is providing an ‘understanding of the rental market’. On foot of this there is a commitment in ‘Rebuilding Ireland’ that the RTB will introduce annual surveys of tenants and landlords to understand better the profile of the sector, changes to supply and the impact of new policy.

The annual survey will be a vehicle for enhancing the knowledge of the sector, hearing from stakeholders and understanding the changing profile of the sector. It will be a cornerstone of the research programme and a major project for the RTB.

The RTB Quarterly Rent Index was expanded and improved in 2017, with new geographical divisions including counties and cities, making the data more accessible to readers. To further enhance the geographic presentation of rental data for Ireland, this report provides a further breakdown of standardised average rents by county as well as presenting a number of higher level aggregation indices which present rents for major cities (see Chapter 4 for more detail).



2018 and beyond

In September 2017, the Minister for Housing, Eoghan Murphy TD, announced a two-year change management plan that would see the RTB move to become a proactive rental sector regulator with new powers and resources to take on this new regulatory responsibility.

The RTB continues to work closely with the Department of Housing to plan the roll-out and effective implementation of new measures with appropriate resources and systems to support the new functions. Some of the measures announced include:

- proactive investigation and enforcement of Rent Pressure Zone rent restrictions by the RTB.
- a move towards annual registration, rather than one-off registration when a tenancy is registered.



In 2017 the Minister for Housing announced a two year change management plan that would see the RTB move to become a proactive rental sector regulator with new powers and resources to take on this responsibility.



03

A PICTURE OF THE RENTAL SECTOR



Registration trends in the sector

Apart from a small decrease in 2010, the number of new tenancies and the overall number of tenancies has continued to grow since 2008. Although there has been more fluctuation in the number of landlords, there has nevertheless been a 75% increase in the number of landlords since 2008.

Table 1: Tenancy Registration 2008-2017

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
New Tenancies	85,904	95,969	101,888	99,914	97,181	111,778	109,162	105,566	106,075	124,732
Total Registered	206,054	234,582	231,818	260,144	264,434	282,918	303,574	319,609	325,372	339,447
% Change	2%	13.8%	-1.2%	12.2%	1.6%	7%	7.3%	5.3%	1.8%	4.3%
Number of landlords registered	100,819	116,577	145,021	182,800	212,306	179,026	160,160	170,282	175,250	174,001
% Change	9.2%	15.6%	24.4%	26.1%	16.1%	-15.7%	-10.5%	6.3%	2.9%	-0.7%

Profile of the sector

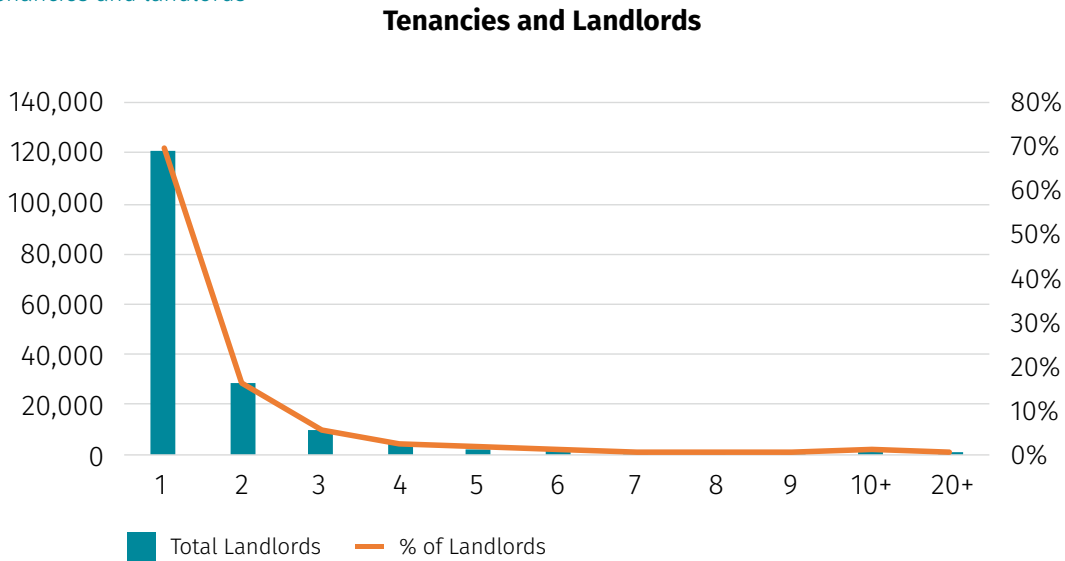
The profile of landlords has remained consistent with 2016 trends, with the majority of tenancies being managed by landlords with only one property. While landlords managing between one and five tenancies account for the vast majority, it is worth noting that, as was the case in 2016, the data shows a small spike in landlords managing between 10 and 20 properties, which could indicate that more large-scale, professional landlords are entering the sector.

Table 2: Landlords and Tenancies (2017)

Number of Tenancies	Total Landlords	% of Landlords
1	121,420	70%
2	28,205	16%
3	10,028	6%
4	4,723	3%
5	2,658	2%
6	1,660	1%
7	1,059	0.6%
8	686	0.4%
9	597	0.3%
10 - 20	2,070	1%
20+	895	0.6%
Total	174,001	100%

“70% of landlords manage one tenancy.”

Chart 1: Tenancies and landlords



The year in Rents

Rents across the country, particularly in Dublin, the Greater Dublin Area (GDA), and other cities continued to increase, however the rate of increase slowed down compared to 2016.

The RTB Quarterly Rent Index showed rents rising steadily in 2017, with the national standardized average rent increasing from €988 in Q1 to €1054 in Q4.

The Rent Index report is produced in association with the Economic and Social Research Institute (ESRI) and provides rental indicators generated to track price developments in the Irish rental sector. It is the most accurate and authoritative rent report of its kind as it is based on actual rents for new tenancies in a particular quarter. The introduction of legislation to set Rent Pressure Zones and the requirement for the RTB to confirm if an area qualifies using the Rent Index figures highlights the critical role it plays.

Since Q4 of 2016, the Rent Index report has grown extensively in scope and content to provide new and additional insight across areas in Ireland. A range of new geographic indicators provide standardised rents at the regional, county and local electoral area level so that

renters, landlords and other stakeholders can follow trends in local markets. New individual level data with Eircode mapping for nearly 1,000,000 registrations has increased the possible scope of analysis and guided the development of new material.

The standardised average rent for 2017 was €1025 per month; this compares to €954 in 2016.

While rents remained high, growth rates have begun to moderate, with 6.4% annual growth in Q2 and Q4 2017 representing the lowest growth rate since Q4 2014.

Average rent for 2017 was **€1,025** per month

This compares to **€954** in 2016

Dublin

In Dublin the standardised average monthly rent for 2017 was €1,470, compared to €1,381 in 2016, representing an increase of over 6.4%. Rents in Dublin increased from €1,416 in Q1 to €1,511 in Q4, which is over 9% above 2007 peak levels. In the period since Q4 2012 rents in Dublin increased by over 46%.

Greater Dublin Area Excluding Dublin (GDA excl Dublin)

The standardised average monthly rent for the GDA excluding Dublin was €1,066, compared to €1,005 in 2016, which represents an increase of 6% year on year. Rents in the GDA excluding Dublin increased from €1,035 in Q1 to €1,103 in Q4, which is 6% above 2007 peak levels. In the period since Q4 2012 rents have increased by over 46% in GDA excluding Dublin. This level of growth suggests that rent pressures are spilling outwards from Dublin to surrounding counties.

Ireland excluding the Greater Dublin Area (GDA)

In the rest of the country outside the Greater Dublin Area rents have also been increasing, from a standardised average of €731 per month in 2016 to €777 per month in 2017, which represents an increase of 6%. During the year, rents increased from €744 to €793 per month between Q1 and Q4 2017. At €803 in quarter 2 2017, rents outside the GDA surpassed their previous peak of €802 in Q4 2007

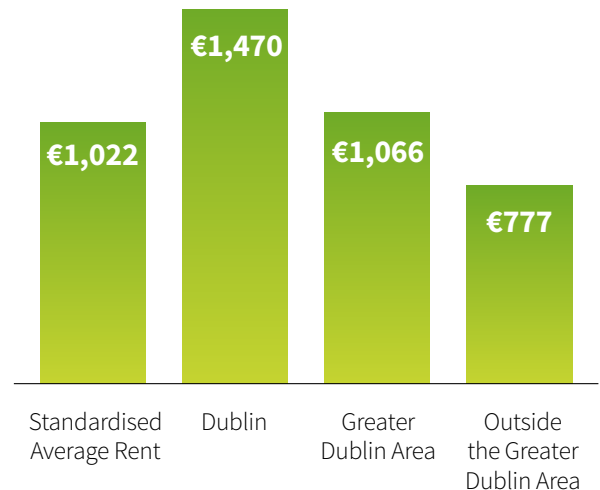
Overview of growth rates

An overview of data from 2017, shows that rents in Dublin and surrounding commuter counties were among the highest relative to the national average, with Cork City and Galway City also above average. However, data from 2017 compared to 2016 shows a reversal in terms of annualised growth rates.

Growth in Dublin fell from an annualised average of 7.5% in 2016 to 6.8% in 2017, while growth in the GDA excluding Dublin fell from 9.3% in 2016 to 6.1% in 2017. Conversely, outside the GDA growth rates saw a small increase from 7.6% in 2016 to 7.7% in 2017.

Overall annual data for 2017 showed that growth in rents outside the GDA outpaced growth in the GDA as demand for rented accommodation increased in the commuter regions around other cities. However, in Q4 2017, this trend was changing with growth in the GDA excluding Dublin rents exceeding growth in rents both in Dublin and outside the GDA. The ongoing volatility in growth between regions suggests that it would be premature to identify trends. The RTB Rent Index will therefore be instrumental in monitoring whether these trends continue during 2018.

Chart 2: Quarter 4 2017 Rent Index



Developing the Rent Index

The RTB, through its registration data, has unique access to the most comprehensive data set on the rental sector in Ireland. The use of this data is crucial to understanding and planning for the rental sector.

New divisions

To further enhance the geographic presentation of our rental data, as of Q3 2017 the Rent Index provides a further breakdown of standardised average rents by county as well as presenting several higher level aggregation indices showing rents for major cities (Dublin, Cork, Galway, Limerick and Waterford). These estimates further enhance the scope and accessibility of the information provided in the Rent Index.

The RTB will continue to develop the Rent Index so that it gives a comprehensive overview of not just rents on a quarterly basis, but the evolving profile of the sector.

Location

Based on 2017 data, Dublin was the largest rental market accounting for around 38% of the total market. At the previous peak of the market, this number was closer to 41% of the total.

Annual Growth Rates

While standardised average rents are on an upward trend throughout the country, the annual growth rates of rents displayed considerable volatility in 2017, with many areas seeing a reduction in growth compared to 2016.

Dublin

The annualised growth rate for Dublin rents decreased from an average of 7.5% in 2016 to 6.8% in 2017.

GDA excluding Dublin

In the GDA (excluding Dublin), annualised growth rates for rents decreased from an average of 9.3% in 2016 to 6.1% in 2017.

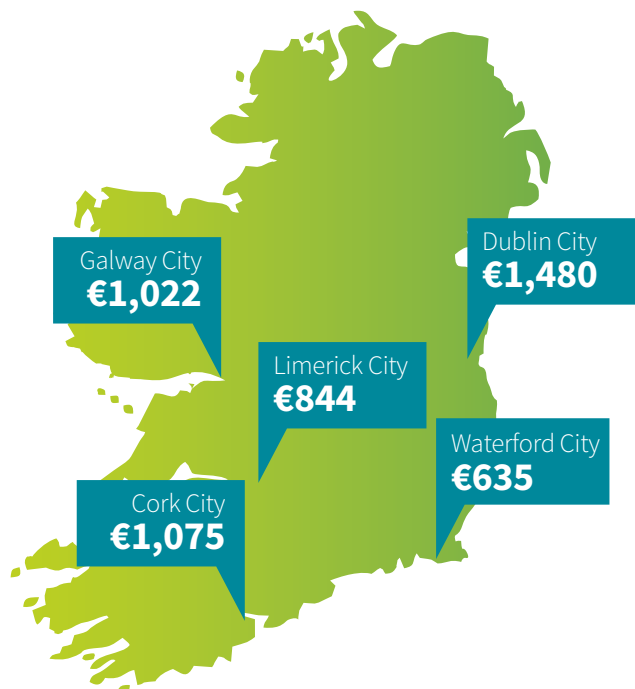
Ireland outside the GDA

Outside the GDA, the annualised growth rate for rents saw a marginal increase from 7.6% in 2016 to 7.7% in 2017.

Cities Section

Many Irish renters live in urban centres and demand accommodation close to jobs and amenities. To provide more insight into rental developments across cities in Ireland, from Q3 2017 a new cities model was introduced which provides for standardisation of rents for each of the cities.

Chart 3: Quarter 4 2017 Rent Index



In Q4 2017, of all the cities presented, rents are highest in Dublin City and stood at €1,474.

- Galway City standardised average rents stood at €1,022;
- Cork City rents were €1,083;
- Limerick City rents were €869; and
- Waterford City rents were €633.

On an annualised basis from Q4 2017 rents in Dublin City grew at 5.9% year-on-year, with a similar 5.2% change for Cork City. Galway City rents were up 8.5% on an annualised basis but this area displays a high degree of seasonality which must be considered when interpreting this trend. Limerick City rents increased by 10% on an annualised basis while Waterford City rents increased by 7.4%.

Rental Developments Across Counties

To provide a much more granular disaggregation of rental data across Ireland, from Q3 2017 we presented standardised average rents, indices and percentage changes for each county.

Rents are highest in Dublin, the surrounding counties and larger urban counties such as Cork, Galway and Limerick. As of Q4 2017, there were four counties where the average rent exceeds €1,000 per month (Dublin, Kildare, Meath and Wicklow). Relative to Q3 2017, Galway and Cork rents have tipped back under €1,000. However, strong seasonal factors often lead to third quarter spikes in Galway from which some pull back is to be expected. The highest standardised average rents were in Dublin at €1,511. The county with the lowest standardised average rent was Leitrim at €476 per month. The rate of rental growth on an annualised basis was fastest in Sligo at 29.1% per annum, followed by Louth and Meath at 11% and 10.6% respectively. No other counties registered double digit annual growth rates. Strong annual growth was also found in Laois, Roscommon, Wicklow, Wexford and Waterford. The slowest

growing rents were in Carlow which grew at 0.6% on an annualised basis. Rents in Monaghan also grew relatively slowly at 2.2% per annum.

Average Rent Dataset

The RTB also produces an average rent dataset which reports on the average rent in several locations around the country. Users can select up to five different property types and any quarter from the end of 2007 onwards to see the average rent for a selected location.

The Average Rents Dataset contains average rents being paid for time periods for five different categories of dwelling types in 446 locations throughout the country. The dataset is useful for checking the actual rent being paid for, say, a semi-detached house or a two-bed apartment in an area. However average rent changes if the mix of properties rented changes, therefore there is a need to mix-adjust to get a standardised rent.

04

REGISTRATION AND COMPLIANCE





339,447
tenancies
registered at the
end of 2017



**124,732 new
tenancy
agreements**
were registered
in 2017



**20,409 notices
and enforcement
letters** were
issued to landlords
in 2017

The registration of tenancies enables the RTB to collect accurate and authoritative data on the rental sector, while registration fees fund the majority of activities of the RTB. Ultimately, the registration process is crucial in allowing the RTB to regulate and support the sector and ensure that landlords and tenants are aware of their rights and responsibilities.

The total number of registered tenancies at the end of 2017 was 339,447. This encompassed nearly 715,000 occupants and some 174,000 landlords. This compares with 325,372 tenancies registered at the end of 2016, comprising approximately 705,000 occupants and 175,000 landlords. This represents a 4.3% increase in the total number of tenancies in the rental sector, and a 6.2% increase compared with 2015.

However, it is important to note that with Approved Housing Bodies coming under the remit of the RTB, these tenancies will have accounted for all of the growth in tenancy numbers in 2017. Apart from new AHB tenancies registered for the first time, the number of private rental tenancies actually reduced slightly compared to 2016. This represents the first annual reduction in the total number of private rental tenancies registered with the RTB since 2010. It is too early to say that these figures point to an overall trend in the reduction of the number of tenancies in the private rental sector however, it would be confirmation of a discernible trend of stabilisation; representing a reversal of a trend of rapid growth in the private rental sector from the middle of the last decade.

Approved housing bodies

From 7th April 2016, Approved Housing Bodies, also known as housing associations, came under the remit of the RTB. There are an estimated 32,000 homes owned and managed by Housing Associations.

AHBs had one year to register their tenancies following commencement of the legislation in April 2016 at a reduced fee of €45. Since April 2017 the standard fee for each tenancy of €90 has applied. Housing associations were required to register all their tenancies within 12 months of 7th April 2017. The RTB worked closely with representative bodies and the sector throughout year to communicate the requirements of the legislation and ensure a smooth transition for the registration of tenancies. From Q4 2016 and Q1 2017, before the April deadline, tenancy registrations increased from 902 to 17,236.

Bringing housing associations under the remit of the RTB aligns the rights of Approved Housing Body tenants and tenants in the private rented sector. The move also provides housing

associations and their tenants with access to RTB's services including independent dispute resolution services such as free mediation services. By the end of 2017, over 28,000 AHB tenancies had been registered with the RTB.

About tenancy registration

Registration lasts for the length of the tenancy but is subject to a maximum duration of six years. Registration lasts the length of the tenancy but it is subject to a maximum duration of 6 years.

The information on the RTB's register of tenancies is used to provide aggregate data on the private rented sector, and the RTB Quarterly Rent Index is built from data on the register.

The RTB also maintains a published register, which is available to view on the RTB website. The published register lists the addresses of all tenancies registered with the RTB. Personal details such as the tenant name, landlord name and rent amount are not made public.

Table 3: 2017 Tenancy Registration activity

	2016	2017	Variance
Total number of tenancies	325,372	339,447	+4.3%
Number of AHB tenancies	5,550	26,445	+376%
Number of private rented tenancies	319,822	313,002	-2.1%
Number of landlords	175,250	174,001	-0.7%
Number of occupants	705,465	714,364	+1.3%
Total number of new tenancy agreements registered	106,075	124,732	+17.6%
Average number of new applications received daily	423	499	+18.0%
Funds paid to Local Authorities to conduct minimum Standard inspections	€1.0m	€1.7m	+70%

The number of new tenancies registered with the RTB also increased in 2017. However, again this increase was a result of new AHB tenancy registrations. In fact excluding AHBs, there was a reduction in new private rental tenancies registered with the RTB. This continues the trend in reduction in new registrations since the peak number of registrations in 2013. The reduction in new tenancies registered reflects the limited supply of new properties and also indicates that tenants are staying longer in existing tenancies.

Improving customer experience

The marked growth of the rental sector brings challenges in terms of providing quality customer service to almost a million tenants and landlords. In order to meet this challenge the RTB embraces a variety of media to support our interaction with customers.

Improving customer interaction by enhancing our technology infrastructure has always been a key organisational goal and was prioritised in 2017. The award of a contract to our new system development partners represents significant progress in delivering a new tenancy management software system, which will allow for a more user friendly and effective service, as well as more accurate gathering of data.

Development work has already commenced on the new tenancy management system (RTB360) and over the next 12-18 months, our customers will experience much improved web enabled and user-friendly tenancy registrations and tenancy management. Significant investment will also improve the quality, reliability and validity of RTB data, and increase the reporting capabilities and capacity of the system.

The role of registration in financing the RTB

The work of the RTB to regulate the rental sector is primarily financed through registration fees. As seen in Table 4 the value of tenancy registrations income has been stabilising or reducing since 2013. The total value of registration applications received in 2017 amounted to just over €11.9 million, representing an increase on 2016 income of approximately €900k. However, this increase was due completely to the contribution from AHBs, without which income would have remained at a similar level to 2016.

It is expected that the underlying trend of decreasing registration income will continue as more and more tenants are staying in their properties for longer and there are fewer new registrations each year. This combined with restricted supply will result in a decrease in registration fees. As a result, RTB financing is now made up of a combination of registration fees and funding from the Department of Housing, Planning and Local Government.

Table 4: Total Value of Registrations

Year	Value applic. (millions)	% Change in Year
2009	8.4	6.3%
2010	8.3	-1.2%
2011	9.6	15.7%
2012	9.3	-3.1%
2013	11.8	26.9%
2014	11.8	0.0%
2015	11.2	-5.1%
2016	11.0	-1.8%
2017	11.9	8.2%

1 | The requirement to set aside 20% of registration fees for this purpose was suspended from 1 July 2016. However, the RTB set aside funding from previous years and through this was in a position to provide just over €1.7 million in funding for the local authority inspection programme in 2017.

RTB funding of local authorities to enforce minimum standards

The Minister for Housing, Planning and Local Government has previously directed that one-fifth of RTB registration fee income should be allocated to local authorities to enable them to meet the cost of inspections of private rented residential accommodation. However, this was suspended from 1 July 2016 in light of the RTB's decreasing registration income.

Despite this suspension the RTB had already set aside funding from previous years in a trustee capacity for inspections, through which just over €1.7 million funding for the local authority inspection programme was provided in 2017. This brings the total distributed to local authorities by the RTB to enforce minimum standards to over €34.5 million since 2004. The RTB holds another €1.2 million available to be drawn down for this purpose in 2018 as required.

Registration Compliance

In 2017, a total of 20,409 notices and enforcement letters were issued to landlords, which is slightly higher than the 2016 figure of 20,131.

Failure to register a tenancy is a very serious matter and may result in a criminal conviction, something the RTB would like to avoid where possible. If convicted, a landlord faces a fine and/or imprisonment, along with a daily fine of €250 for a continuing offence. The current fine is up to €4,000 and/or six months imprisonment. In addition, where a tenancy is not registered, the landlord cannot avail of the dispute resolution services of the RTB should an issue arise in the tenancy.

To pursue non-compliant landlords, the RTB receives information on residential rented dwellings from several sources named below. Where non-compliance is identified, notice and warning letters are sent to the landlord. If the landlord still fails to register, enforcement action is taken through the courts.

The RTB continues to work closely with landlords to facilitate the registration of tenancies, and we have seen a decrease in prosecutions in 2017, with just three criminal convictions as opposed to 20 in 2016. This is an indication that despite sending out more first notices, landlords are engaging and complying with us at this stage.

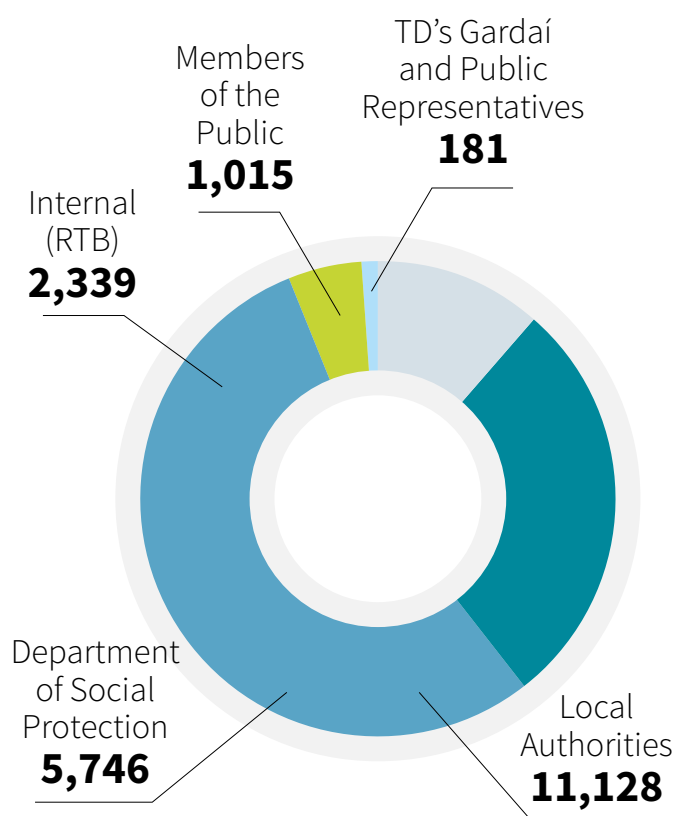
Summary of registration enforcement activities in 2017	
14,191	General information notices (informing landlords of their legal obligation to register under the Act, and the penalties for non-compliance)
20,409	Notices and enforcement letters were issued to landlords in 2017
5,606	Official enforcement notices (informing landlords that the RTB intends to prosecute if the tenancy is not registered)
667	Solicitors warning letters
10	Cases prepared for prosecution were issued against non-compliant landlords for failing to register
7	District Court summonses issued
3	Criminal Convictions

Sources of information

The RTB receives information on rental properties from several sources as outlined in the chart below.

The following chart shows the breakdown of the 20,409 enforcement notices and solicitor’s letters issued to non-compliant landlords in 2017 by source of information.

Chart 4: Sources of information on rental properties



The large increase in referrals from the Local Authorities and corresponding decrease in referrals from the Department of Social Protection is directly linked with the move of some tenants in receipt of Rent Supplement from the Department of Social Protection to the Housing Assistance Payment (HAP), which is administered by the Local Authorities.

Cases enforced through the courts

In 2017, 10 cases were prepared for the prosecution of landlords who had failed to register their tenancies. This resulted in seven District Court summonses being issued. In addition, 10 cases were carried forward for hearing/sentencing from 2016. Of the 17 cases for hearing/sentencing in 2017, the outcomes at year-end are as follows:

Case Outcomes	2016	2017
Summons issued	14	7
Cases carried over from previous year	5	10
Cases for hearing or sentencing (not including appeals)	19	17
Struck out	1	9
Probation Act applied	8	2
Convictions	5	3
Awaiting hearing or sentencing (cases to be carried forward)	5	3

The RTB does its utmost to facilitate landlords to register their tenancies and give several warnings of the consequences of non-registration.

The RTB made 34 appearances in court in 2017 in relation to the enforcement of tenancy registrations (most cases require more than one appearance). In addition to receiving a conviction, or in some cases the Probation Act and being ordered to make a contribution to a charity, the landlords involved were also ordered to pay court fines and the legal costs of the RTB. These costs, contributions and fines came to more than €32,000, which demonstrates both the courts’ attitude to non-registration of tenancies and the very serious consequences to landlords of failing to register.

Court Action – Appeals

All convictions can be appealed in the Circuit Court. In 2017 we dealt with seven appeals, including one case that was carried forward from 2016.

05

**DISPUTE
RESOLUTION
SERVICES AND
ENFORCEMENT**





In 2017, **5,823 new applications** for dispute resolution services were received



Only 1-2% of registered tenancies access our Dispute Resolution Service



Almost half of all cases are **processed and closed within 4-8 weeks**

With nearly 340,000 registered tenancies in Ireland, there will be times when an issue or problem arises within a tenancy. In the majority of cases, these issues will be resolved by the landlord, tenants or third parties themselves. However, in some cases, a more formal resolution service, offered by the RTB, will be required.

The percentage of applications received for dispute resolution has remained steady at 1-2% of the total number of registered tenancies. This shows that the majority of tenancies are working well, and that when issues arise within a tenancy, landlords, tenants and third parties are able to resolve them informally through open lines of communication.

Empowering landlords and tenants with information on their rights and responsibilities in the rental sector is also a significant contributory factor to the overall low number of applications for dispute resolution that the RTB receives. Ensuring that those living and working in the sector have access to this information is also important for them to determine if their rights in the tenancy have been breached.

Dispute Resolution Process

The dispute resolution service offers an informal method of resolving issues that have arisen within a tenancy. The dispute resolution service offers resolution via mediation or adjudication, and an appeal process by tribunal. In 2013, the RTB introduced a telephone mediation option in addition to the mediation meetings already offered, to provide a more convenient option for those using the mediation service. Mediation is a confidential, non-adversarial method of dispute resolution which aims to assist those involved in gaining a shared understanding of the issue in order to work towards reaching a mutually satisfactory outcome and agreement.

Those applying for dispute resolution can choose to enter into the mediation process or request an adjudication hearing. Mediation involves parties working together to resolve an issue, whereas adjudication is a formal process where an independent decision-maker makes a determination on the issue based on the evidence presented. The outcomes of both mediation and adjudication are binding and result in a Determination Order being issued to those involved. Either side can appeal the outcome of the mediation process or the determination of an adjudicator. An appeal involves a complete re-hearing of the case by a three-person tenancy tribunal, which offers both sides the opportunity to present their case again. Tenancy tribunals are more formal than mediation or adjudication and are public hearings. The outcomes of adjudication and tribunal hearings are made public, whereas the outcomes reached in mediation are confidential between parties involved.

Telephone mediation is a free, convenient and efficient dispute resolution option offered by the RTB. An independent and trained mediator works with both parties separately to reach a mutually acceptable agreement. Most issues are resolved quickly and without hassle in the telephone mediation process.

All those who apply for dispute resolution are offered telephone mediation in the first instance. Where both parties are agreeable to telephone mediation, an appointed mediator facilitates the parties coming to an agreed resolution in a non-adversarial way. Both parties are contacted individually and are not in direct communication with each other. Mediation is completely confidential between parties.

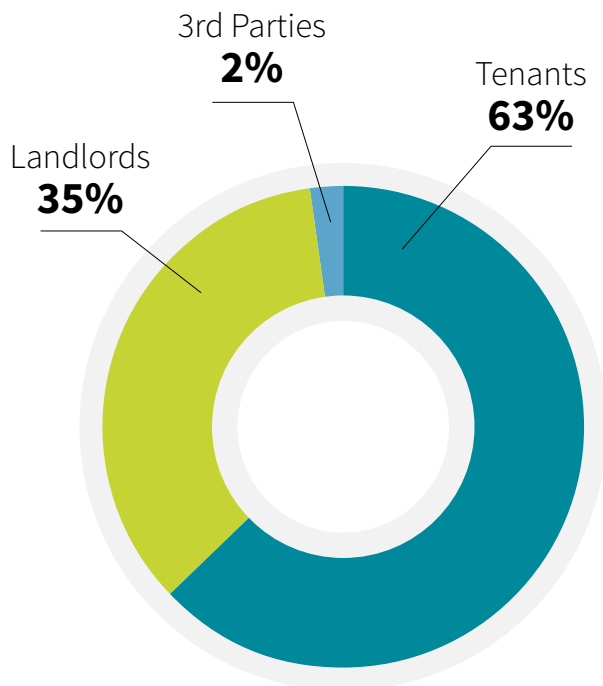
Trends in 2017

Applications

In 2017, the RTB received 5,823 new applications for our dispute resolution services. This is a 20% (986) increase on the number of applications received in 2016, which is the highest amount of applications the RTB has received in a given year since it was established in 2004.

In 2017, 63% of cases were taken by tenants, followed by 35% by landlords. Third parties, who are generally neighbours, or persons affected by a tenancy, accounted for just 2% of all cases.

Chart 5: Dispute Application Breakdown

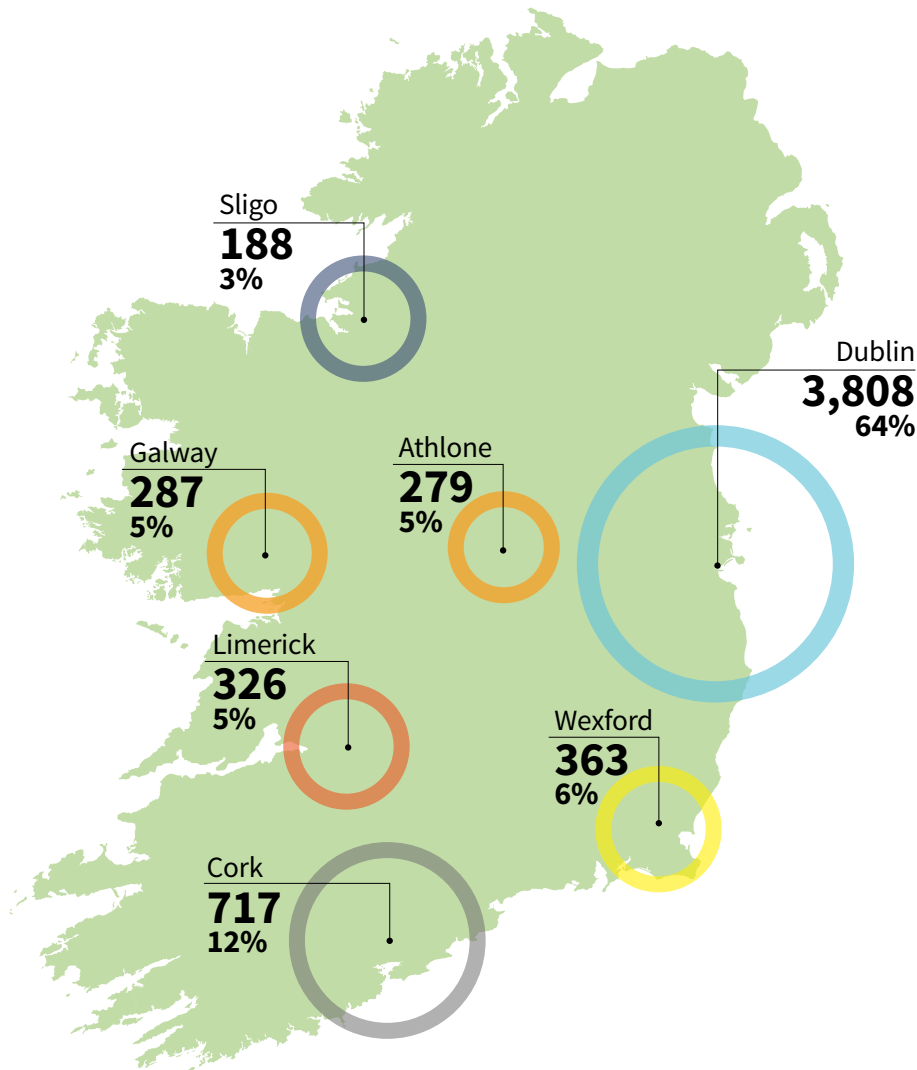


As demonstrated in Table 5, a significant number of applications are settled or withdrawn before ever reaching a hearing stage. It is often the case that through the engagement with the RTB, parties learn more about their rights and responsibilities which allows them to resolve the dispute without the formal hearing. Receiving a confirmation letter with a hearing date can also prompt parties to engage with each other and resolve the issue, resulting in the case being withdrawn.

Table 5: Breakdown of disputes 2015-2017

	2015	2016	2017
Adjudication and Mediation applications	4,023	4,837	5,823
Adjudication and Mediation hearings	2,704	3,324	4,638
Applications withdrawn or settled	1,775	2,026	2,527
Tribunal applications	575	630	627
Tribunal hearings	436	513	457

Figure 1: Application submitted: by region where RTB hearings are held.



Processing Times

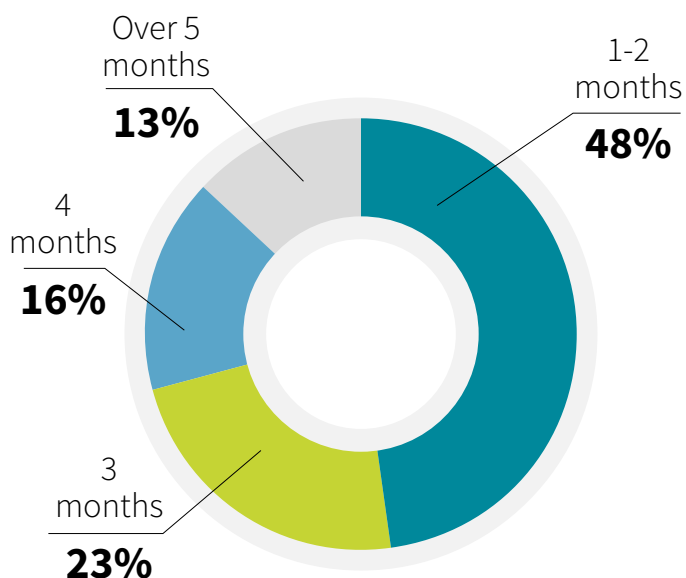
The average processing times for RTB dispute resolution adjudication services in 2017 was 14 weeks, and eight weeks for mediation. This is a slight increase on processing times from 2016, mainly due to an increasing workload for the organisation as a result of legislative change at the end of 2016. However, processing times are still at a low level in comparison to the years prior to 2016, and it is a priority for the RTB to ensure that processing times are kept to a minimum.

Table 6: Average processing times

Year	Adjudication: Weeks	Telephone mediation: Weeks
2008	72	–
2009	50	–
2010	34	–
2011	44	–
2012	52	–
2013	28	*
2014	24	11
2015	16	7.5
2016	12	5.5
2017	14	8

*Mediation was introduced by the RTB at the end of 2013.

Chart 6: Timeline from application received until case closed



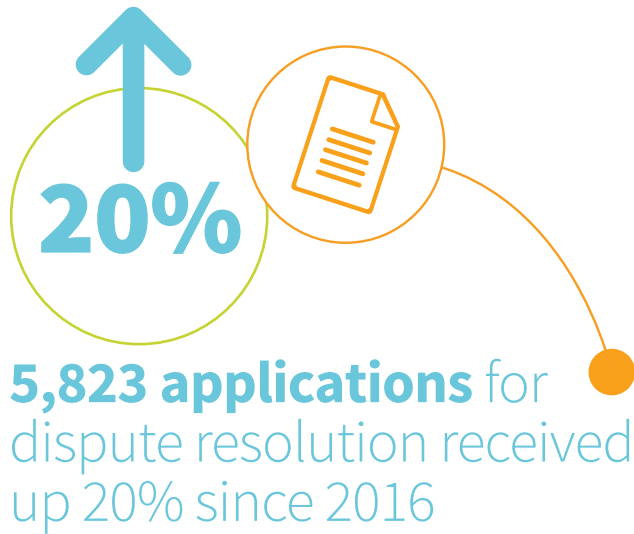
Dispute Type

When submitting an application for dispute resolution, applicants can list multiple issues that are in dispute within the tenancy. Of the 5,823 applications received for dispute resolution in 2017, there were 9,921 different issues of dispute listed, as many applications will often address more than one issue. As seen in recent years, the most common cases being referred to dispute resolution were: rent arrears/rent arrears and overholding, invalid notice of termination, and deposit retention.

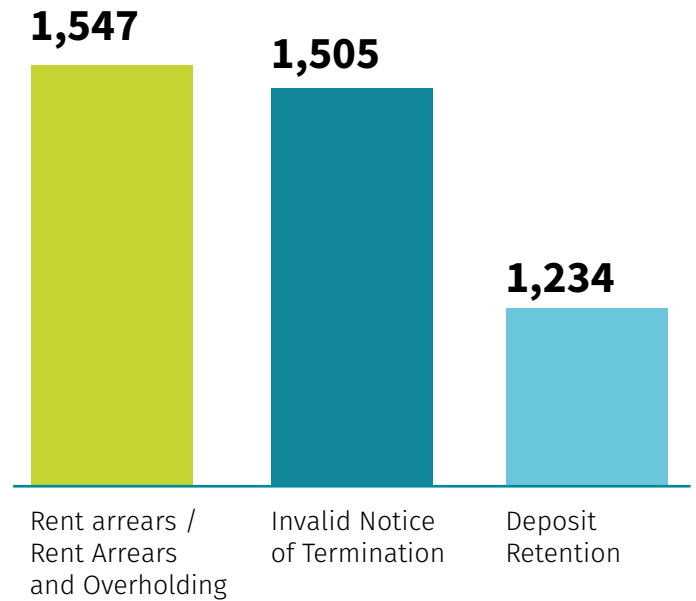
Table 7: Dispute applications by type

Type	Count
Rent arrears/Rent arrears and overholding	1,547
Invalid Notice of Termination	1,505
Deposit Retention	1,234
Breach of landlord obligations	1,011
Other	1,002
Overholding	738
Standard and maintenance of dwelling	603
Breach of tenant obligations	507
Unlawful termination of tenancy	491
Rent more than market rate	481
Anti-social behaviour	328
Damage in excess of normal wear and tear	253
Breach of fixed term lease	221
Total	9,921

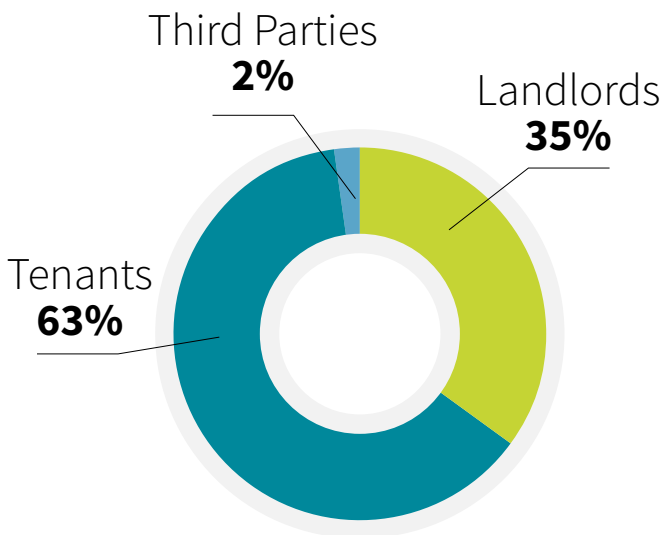
Dispute Resolution Service activity 2017



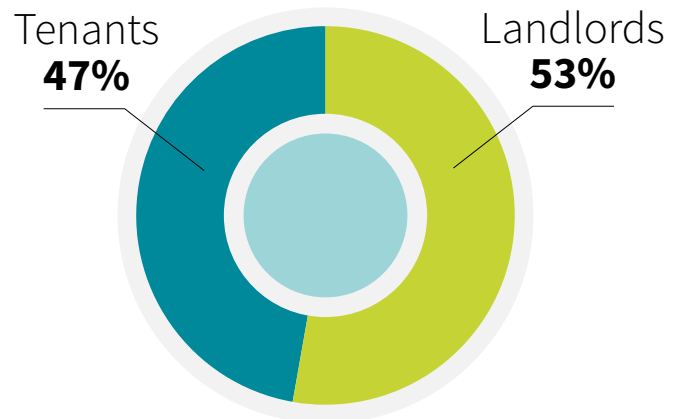
Most common dispute types



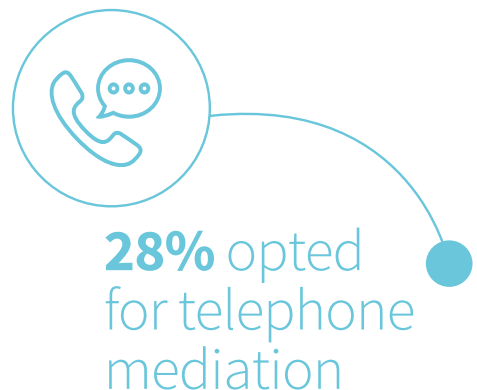
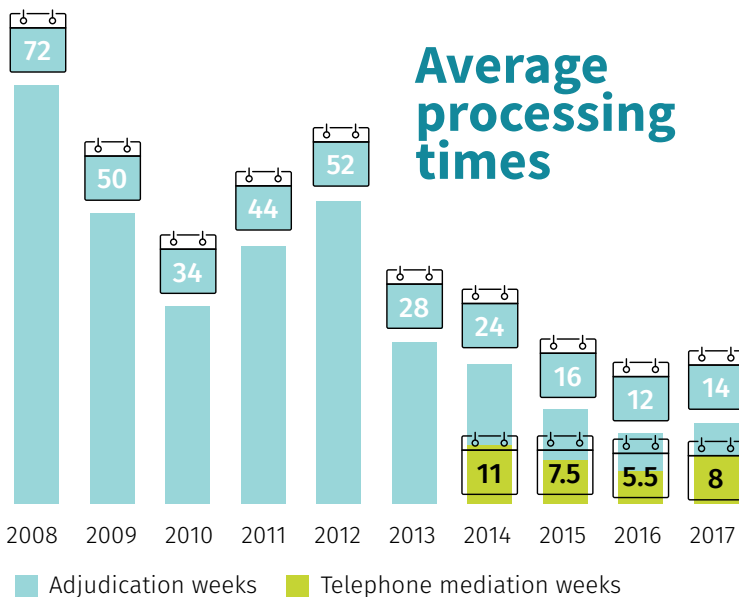
Who took cases?



Damages awarded



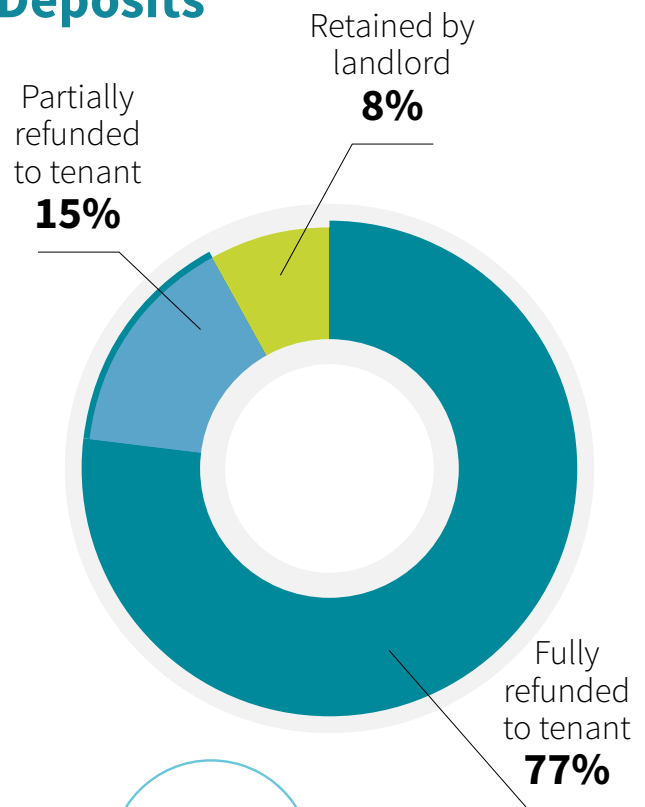
Average processing times



Notices of Termination



Deposits



Rent Reviews



77% of all Notices of Rent Review determined on were ruled invalid



Disputes relating to “rent more than market rate” have increased by **88%** from 2016.



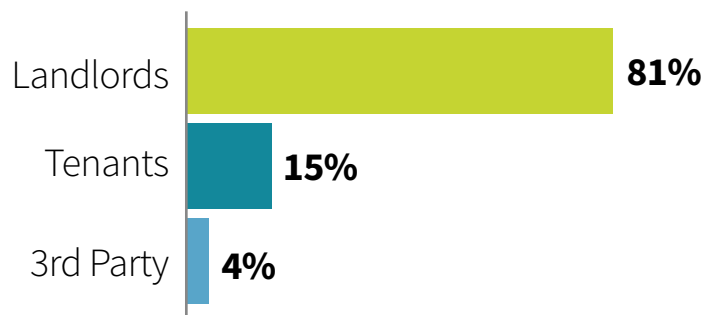
€1.6 in Rent Arrears awarded to Landlords
Average €3,408 per Landlord

Approved Housing Bodies



107 dispute applications received

Who took cases?



Top three dispute types



Rent arrears/
rent arrears and
overholding



Anti-social
behaviour



Overholding

What do case outcomes tell us?

In 2017 the RTB issued 1,875 determination orders. These are legally binding orders. It is important to note that some cases will still have been working their way through the system so their orders will not yet have been made. The section below gives an analysis from these orders on the types of cases presenting and the outcomes of these cases. This information is important in terms of learning about trends in the sector and where we may need to focus in terms of raising awareness and education.

Of the 1,875 cases where a Determination Order issued following an Adjudication or Mediation, 570 (30%) resulted in an agreement. Of these, 304 were agreements from mediation. It is important to note that a large number of mediation cases are withdrawn prior to a Determination Order issuing as the parties are happy with the settlement reached in mediation. The types of cases where agreements were successfully reached following mediation were deposit retention (108 cases) and validity of notice of termination (60 cases).

In 2017, 28% (1,655) of applications for dispute resolution opted for free telephone mediation. If parties cannot reach a mutually satisfactory outcome through mediation, they can refer their case to a Tenancy Tribunal where they will be offered the opportunity to present evidence of their case and receive a formal hearing.

Tenants in tenancies located in Rent Pressure Zones can submit an application for dispute resolution to the RTB if they believe their landlord has not correctly followed the rent review procedure. In 2017, the RTB saw an 88% increase in the number of dispute resolution applications from tenants querying their rent.

Rent arrears/Rent arrears and overholding

Rent arrears/rent arrears and overholding remains the most common issue referred to the RTB for dispute resolution. In 2017, applications for rent arrears/rent arrears and overholding accounted for 27% of all applications received for dispute resolution.

Rent arrears can be a significant problem for both landlords and tenants.

Overholding occurs when a tenant fails to leave the rented property where a landlord has issued a valid Notice of Termination. Where a tenant does not vacate the tenancy following receipt of a valid Notice of Termination, they must continue to pay rent, however, this does not imply a recognition of an ongoing tenancy.

In 2017, the RTB received 1,547 applications for dispute resolution that related to rent arrears, and rent arrears and overholding. There were 626 cases where determination orders were issued for rent arrears and rent arrears and overholding in 2017. Some 77% of Notices of Termination served for rent arrears, (or rent arrears and overholding,) were found to be valid.

The issue of rent arrears and overholding is significant in the sector. The total amount of awards in relation to arrears was over €1.6 million in 2017 with an average award of €3,400 per landlord.

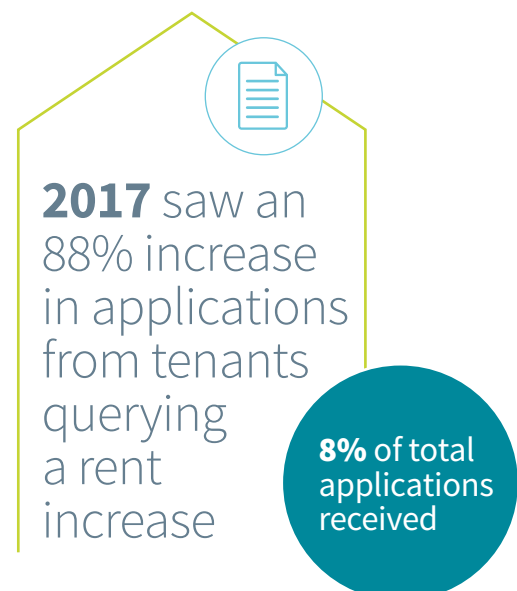


Table 8: Damages awarded for rent arrears / rent arrears and overholding

Number of cases	Average Award	Total Awarded
495	€3,407	€1,686,244

Validity of Notice of Termination

Upon receipt of a Notice of Termination tenants have 28 days to submit an application to the RTB if they want to check the validity of the Notice. In 2017, 26% of applications received were to determine the validity of a Notice of Termination. This has increased from 23% in 2015 and 2016.

Why are landlords serving notices?

In 2017, the RTB determined on the validity of 693 Notices of Termination. The most frequent type of notice was rent arrears with 44% of landlords serving notice for this reason. Some 20% of landlords served notice because they intended to sell their property while 8% served notice because they intended to use the property for their own or family use. A further 8% served notice as they intended to substantially refurbish the property.

Table 9: Breakdown of reason why Notice of Termination was issued

Type of Notice of Termination issued	%	Total
Termination for rent arrears	44%	304
Termination for when landlord intends to sell the dwelling	20%	142
Termination for when landlord requires dwelling for own or family use	8%	54
Termination when landlord intends to substantially refurbish or renovate	8%	53
Termination for breach of tenant obligations	5%	38
Terminating a tenancy before a Further Part 4 tenancy commences	4%	30
28 day notice of termination for anti-social behaviour	4%	25
Reason for notice of termination not specified	3%	24
Dwelling is no longer suitable to the accommodation needs of the tenant	1%	6
Termination by tenant – no reason required	1%	5
Terminating a tenancy in the first six months	1%	5
7 day notice of termination for anti-social behaviour	1%	5
Termination for breach of landlord obligations	0%	1
Termination for when landlord intends to change the use of the dwelling	0%	1

Were these notices valid?

In the case of rent arrears, the most common reason for serving notice, the majority, 78%, of notices served for this reason were found to be valid. The second most frequent notice reason determined on was where a landlord intends to sell the property and 50% of these notices were found to be invalid. A tenancy can be ended if the landlord intends to sell the property within three months of the termination date. A statutory declaration must accompany the Notice of Termination confirming the landlord's intention to sell the property. The most significant issue with notices of this type that were found to be invalid was due to them not being accompanied by a statutory declaration as required, or due to the statutory declaration being insufficient in some respect.

“Works undertaken on a property to ensure it meets minimum standards would not be considered as an eligible factor on their own to terminate a tenancy on the ground of substantial refurbishment.”

The third most common type of Notice of Termination that was determined on in 2017 related to the landlord requiring the property for personal or family use. Of the 54 notices of this type that were determined on, 52% (28) were found to be invalid. In order for these notices to be valid, a statutory declaration providing “specific details” must accompany the notice, and it is required to include: the intended occupant's identity, their relationship to the landlord, and the expected duration of their occupation.

The fourth most frequent type of notice determined on was where the landlord intends to substantially refurbish or renovate the property and requires vacant possession to complete these works. Of the 53 notices of this type determined on, 26% were found to be valid. For a landlord to end a tenancy using this ground, they must consider two important factors:

- *are the proposed works substantial,*
- *do the works require the property to be vacated.*

All landlords are required to ensure that their rented property meets minimum standards, and that any maintenance of the property to ensure it is kept in good condition must be carried out within a reasonable timeframe. Works undertaken on a property to ensure that it meets minimum standards would not be considered as an eligible factor on their own to terminate a tenancy on the ground of substantial refurbishment. An important consideration in determining if a notice of this kind is valid, is if a compromise could have been reached between the tenant and landlord, whereby they both agree that the tenant will vacate the property for a short period while the works are undertaken and will resume the tenancy when the works are complete.

The RTB provides guidance for landlords and tenants on the substantial change exemption for tenancies in Rent Pressure Zones. Where a landlord seeks to end a tenancy on foot of substantial refurbishment, the notice of termination must contain, or be accompanied by, a written statement specifying the nature of the intended works to be carried out and, where planning permission is required, a copy is to be provided. Where no planning permission is required, the statement must name the contractor (if any), the dates when the works are to be carried out, and the proposed duration of the works. The statement must also say the tenant will be offered first refusal to take up the tenancy of the property if it becomes available to rent again within a period of six months from the termination date.

Some 74% of notices of termination served citing the reason that the landlord intends to substantially refurbish or renovate the property were found to be invalid in 2017.

There can be many reasons why a notice is deemed invalid. The most common reason that notices are deemed invalid is because they do not give the adequate notice period. Some 24% of all notices are invalid for this reason.

Changes to the legislation in 2015/16, which introduced a 'slip rule', allow an RTB-appointed decision maker to overlook a minor error in a notice of termination, once the error does not prejudice the notice itself, and which would otherwise be valid. In 2017, of the 411 Notice of Termination deemed valid, the 'slip rule' was only applied in 26 cases.

Table 10: Reason for application of 'slip rule'

Reason Slip Rule was applied	Cases
Did not specify the date of service/ incorrect date of service	73%
Did not state that any issue as to the validity of the notice or the right of the landlord to serve it must be referred to the RTB within 28 days from the receipt of notice	11%
Did not specify the termination date	8%
Did not state the grounds for termination	4%
Was not accompanied by a statement/ statutory declaration where required	4%

Deposit Retention

Deposit retention remains the third most common type of application for dispute resolution received by the RTB. In 2017, 1,234 cases were related to deposit retention, a decrease of 1% from 2016. Deposit retention can cause serious hardship for tenants, as deposits often constitute a significant amount of money for many tenants. A deposit is considered as belonging to a tenant, however, a landlord can establish a right to keep a deposit in certain circumstances. A landlord may be entitled to retain some or all of the deposit where there has been damage to the property beyond normal wear and tear, or where there are rent arrears of unpaid bills or charges.

Reasons landlord may retain deposit:

- Damage to property above normal wear and tear
- Rent arrears
- Utility bills and other charges
- Where a tenant provides insufficient notice when terminating their tenancy or they terminate their fixed term tenancy before the end of the agreed term.

It is important to note that landlords who unlawfully withhold tenants’ deposits, either fully or partially, may be liable for damages awarded against them. In 2017, damages were awarded to tenants on the basis of a landlord unjustifiably retaining a deposit in 146 cases (26%).

Rent Reviews

There are certain rules that apply when setting or reviewing rent. Since the introduction of rent predictability measures in December 2016, rent reviews have been subject to certain rules depending on the location of the tenancy, where it is located in a Rent Pressure Zone. These are designated areas where rents can only rise by up to 4% annually, and can be no more than market rent. For an area to be designated as a Rent Pressure Zone, rents in the area must be at a high level and continuing to rise.

In tenancies located outside Rent Pressure Zones, rent can only be reviewed once in any 24 month period, and the review must be done in line with the current market rent. The rent can not be reviewed within 24 months of the start of the tenancy, unless there has been a “substantial change in the nature of the accommodation” that would result in a change in the letting value of the property.

Tenants who are unsure of the validity of a rent review notice can make an application to the RTB dispute resolution service to check its validity. This application must be made within 28 days of the tenant receiving the notice, or prior to the new rent coming into effect.

In 2017, applications to establish the validity of a notice of rent review accounted for 8% (481) of the total number of applications for dispute resolution received by the RTB. Of these 481 applications, 106 cases were determined on. Of these 77% (82) found that the rent review notice issued by the landlord was invalid, with 32% of landlords failing to provide three comparable properties in their rent review being the most cited reason for why the notice was invalid.

Table 11: Reason why rent review notice was deemed invalid

Did not show the rent for three properties of a similar size, type and character in a comparable area	32%
Landlord not legally entitled to serve the notice	32%
Minimum of 90 days notice was not provided	21%
Did not include that, in the opinion of the landlord, the new rent is not greater than the market rent of properties of a similar size, type and character in a comparable area	18%
Did not state that any dispute regarding the review must be referred to the RTB within 28 days of receiving the notice, or before the date the new rent starts	17%
Did not state date when the new rent starts	7%
Amount being sought higher than permitted under Rent Pressure Zone formula	6%
Did not state the new rent on the property	6%
Did not have a date on which the notice is signed	2%
Did not include calculations with regards to the Rent Pressure Zone formula	2%
Was not signed by the landlord or their authorised agent	2%
Not deemed substantial change	1%

Multiple reasons may be cited for why a rent review notice was deemed invalid.

If a landlord is making a substantial change to the nature of a rental property, and the property is located in a Rent Pressure Zone, they may be exempt from the prescribed 4% limit on rent increases. A rented property may be exempt from the Rent Pressure Zone rent increase restrictions if there has been a substantial change in the nature of the accommodation, and if it can be shown that the market rent for the property would be different as a result of this change than at the last time the rent was set or reviewed.

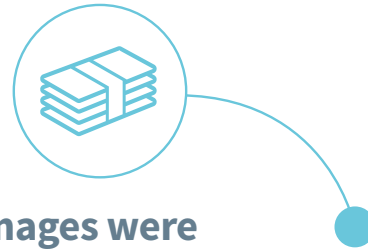
Agreements

Of the 1,875 cases where a Determination Order issued following an Adjudication or Mediation, 570 (30%) resulted in an agreement. It is interesting to note that agreements at Adjudication appear to be predominately around rent arrears/rent arrears and overholding, and determining the validity of a notice of termination, with these dispute types accounting for 42% of all agreements reached at Adjudication.

Damages

Of the 1,875 cases where a Determination Order issued following an Adjudication or Mediation, 30% (320) made an award of damages. As mediation agreements are confidential to case parties, the below figures are based on 320 adjudication cases.

It is important to note that RTB decision-makers do not have the power to award exemplary or punitive damages. They must consider the circumstances of each case and have regard to the loss and inconvenience suffered as this is the key element when determining an award of damages. If there has been a dramatic impact on those involved this will affect the amount of damages awarded.



Damages were awarded to landlords in 53% of cases

with €10,000 being the highest amount awarded



Damages were awarded to tenants in 47% of cases

with €15,000 being the highest amount awarded.

Table 12: Damages Breakdown

Damages awarded to	Minimum awarded	Maximum awarded	Total	% of cases
Landlord	€38	€10,000	€150,661	53%
Tenant	€28	€15,000	€177,641	47%
Third Party	€3,000	€3,000	€3,000	1%

Table 13: Breakdown of damages awarded

Damages awarded to	Frequency of Damages against Case Dispute Type	Maximum	Average
Deposit Retention	36%	€7,694	€559
Rent Arrears	36%	€10,000	€1,086
Breach of Landlord Obligations	30%	€7,694	€1,176
Validity of Notice of Termination	27%	€10,000	€1,224
Damage in Excess of Normal Wear & Tear	22%	€8,296	€777
Breach of Tenant Obligations	15%	€8,296	€1,262
Overholding	14%	€10,000	€1,249
Standard & Maintenance of Dwelling	13%	€7,403	€1,193
Unlawful Termination of Tenancy	12%	€15,000	€2,615
Validity of Notice of Rent Review	3%	€2,600	€713
Breach of Fixed Term Lease	3%	€3,500	€1,186
Other	2%	€6,275	€2,111
Anti-Social Behaviour	2%	€3,000	€1,371
Abuse of Section 34 termination procedures	1%	€3,000	€1,725
Rent More than Market Rate	1%	€2,600	€1,123

Unlawful termination of tenancy

An unlawful termination of tenancy, also known as an illegal eviction, may occur where a landlord, through force, intimidation or otherwise (such as cutting off utilities, changing the locks etc.) denies a tenant from accessing a rented dwelling or removes the tenant's belongings from the dwelling.

The RTB takes illegal eviction very seriously as it can potentially leave a tenant homeless. Landlords are urged to seek recourse through the RTB rather than taking the law into their own hands. A landlord found by the RTB to have carried out an unlawful termination may be directed to allow the tenant re-entry into the dwelling and / or required to pay substantial damages to the tenant depending on the circumstances of the case. Decision makers have discretion to award up to and including €20,000 in damages. Tenants should always continue to pay their rent. If there is a dispute about a rent increase then a tenant can bring a case but must continue to pay the uncontested amount of rent.

When a tenant contacts the RTB claiming an unlawful termination has taken place, they are asked to provide specific details of the alleged eviction, such as the sequence of events, if they wish to be re-instated in the tenancy and the landlord's name and contact details. We will then contact the landlord to advise them of the implications of unlawfully terminating a tenancy, and ask if they are willing to allow the tenant to regain entry to the dwelling.

In most cases, a tenant and landlord will reach an interim resolution whilst the dispute progresses to a hearing. This usually involves the tenant being permitted re-entry into the dwelling. However, where it is not possible to

reach an interim solution and if the tenant wishes to be reinstated in the property the RTB can apply to the Courts for an emergency injunction to direct a landlord to reinstate the tenant in the property. This is the priority for many tenants who contact the RTB.

In 2017, the maximum amount of damages awarded for an illegal eviction was €15,000. The average amount of damages awarded to tenants for unlawful termination of tenancy was €2,616.

Approved Housing Bodies

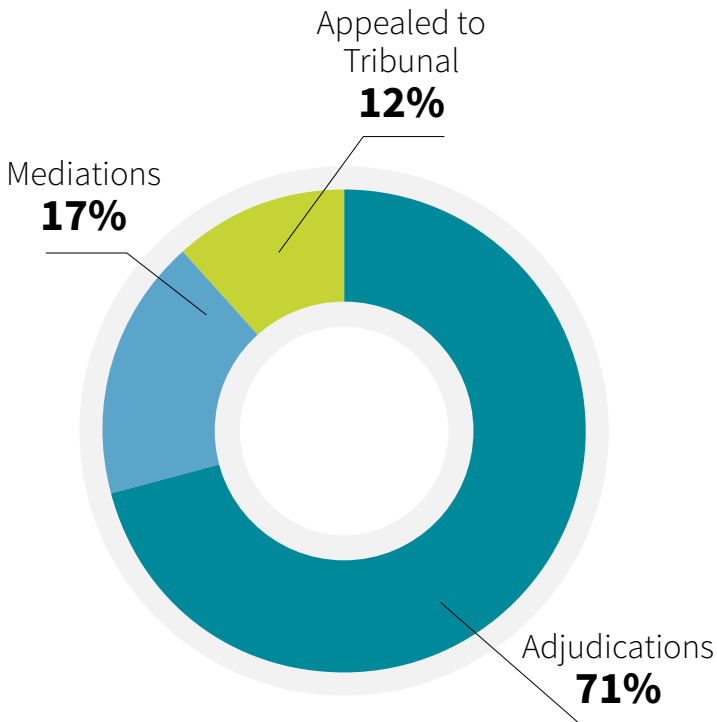
The successful inclusion of Approved Housing Bodies under the remit of the RTB in 2016 meant that all AHB tenancies were required to be registered with the RTB and gave AHB landlords and tenants access the same rights and responsibilities as tenants in the private rented sector and access to the RTB dispute resolution service. From their inclusion in April 2016 to the end of 2017, over 28,000 AHB tenancies had been registered with the RTB. Approved Housing Bodies work in partnership with Local Authorities and offer tenancies to individuals and families on the Local Authority housing list. The percentage of applications received from AHB landlords or tenants for dispute resolution has remained relatively low, at 0.46%, since their inclusion possibly as a result of the growing awareness of the RTB's services, how these tenancies are managed and the tenancy supports offered by AHB's e.g. housing officers.

In 2017, the RTB received 107 applications for dispute resolution in relation to Approved Housing Body tenancies. Of these, the majority of applications (81%) were submitted by the landlord, with 15% of application submitted by tenants, and 4% submitted by a third party.

“ The RTB received on average 5 calls a week alleging illegal eviction. ”

Approved Housing Bodies Summary

Chart 7: Resolution Type - Breakdown



“ AHB landlords and tenants have the same rights and responsibilities as those in the private rented sector. ”

Chart 8: Applicant Type – Adjudication / Mediation

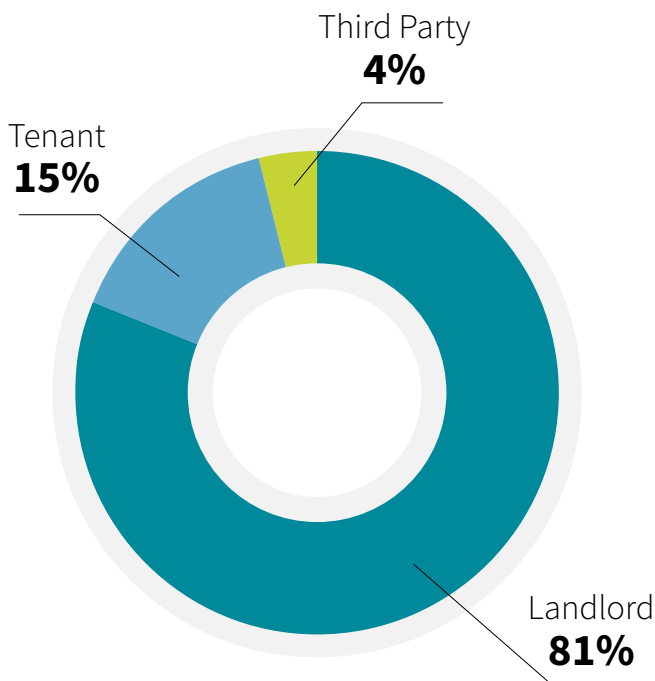


Chart 9: Applicant Type – Tribunal

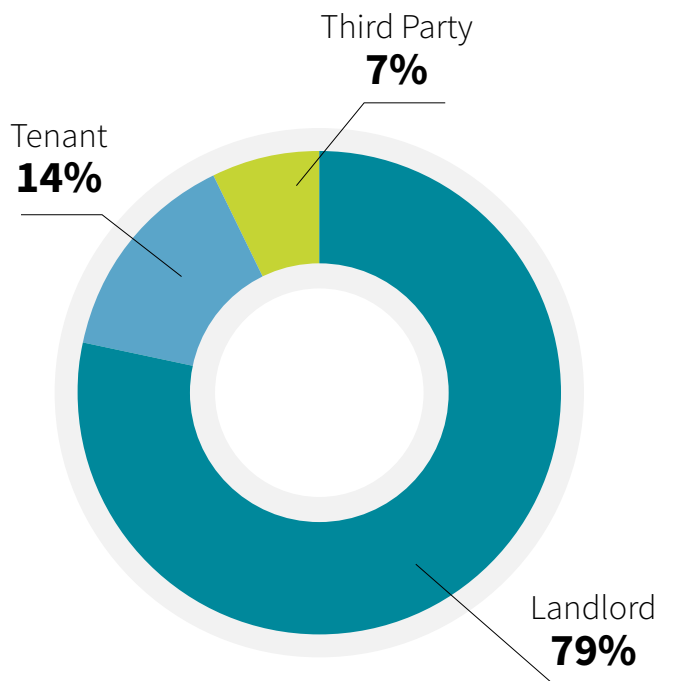


Table 14: Reason for dispute in relation to AHBs

Types of dispute	Number	%
Anti-social behaviour	21	15%
Breach of landlord obligations	6	4%
Validity of notice of termination	14	10%
Standard and maintenance of dwelling	4	3%
Breach of tenant obligations	9	6%
Rent arrears/rent arrears and overholding	54	38%
Damage in excess of normal wear and tear	1	1%
Overholding	20	14%
Other	9	6%
Deposit retention	1	1%
Unlawful termination of tenancy	1	1%
Total	140	100%

Table 15: Dispute outcomes in relation to AHBs

Outcomes/in favour of	Number	%
Abandoned	1	1%
Agreement	37	34%
Landlord	50	47%
Landlord/Tenant	4	4%
No jurisdiction	1	1%
Tenant	7	7%
Not upheld	6	5%
Third Party	1	1%
Total	107	

Tribunals

Context

Parties can appeal an outcome of a mediation or the decision of an adjudication to a Tenancy Tribunal. A Tribunal involves a full re-hearing of the case and allows parties the opportunity to present their case again. A Tribunal hearing is conducted by three independent decision-makers, who make a determination based on the evidence presented. Tribunals are more formal than mediation or adjudication. They are public hearings where both parties are required to take an oath or affirmation. The outcomes of a Tribunal, including the Tribunal’s report, are made public.

Applications for an appeal of a mediation outcome must be made within 10 calendar days from the date the mediation ends. Applications for an appeal of an adjudication outcome must be made within 10 working days of receipt of the report. Where an agreement is reached at an adjudication, there is a 10 calendar day cooling off period, within which an application for an appeal can be made if either party does not want to continue with the agreement.

A total of 627 appeal applications were received by the RTB in 2017. Of these 627 applications, 584 were granted, and 43 were refused. The reasons an appeal may be refused are if an application is received outside of the appeal period, where no fee was enclosed, or a combination of both. In 2017, a total of 457 Tribunal hearings took place, some of which would have been for appeal applications received in 2016. A total of 335 Determination Orders were made in respect of applications received in 2017.

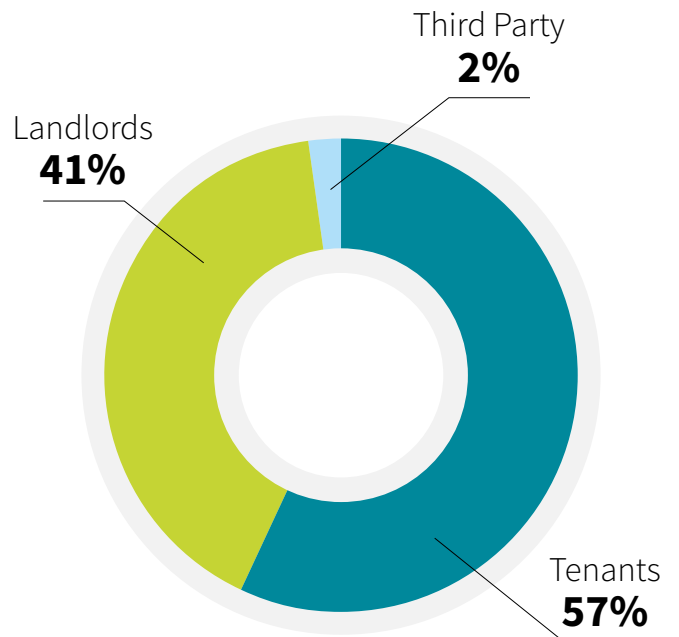
Table 16: Details of appeals

	2016	2017
Total applications for appeals received	536	627
Granted	471	584
Refused	65	43
Reason for refusal: late	37	19
Reason for refusal: no fee	25	23
Reason for refusal: late and no fee	3	12

Tribunal Trends in 2017

457 Tribunal hearings took place in 2017.

Chart 10: Who were tribunals brought by?



“ 627 appeal applications were received by the RTB in 2017. ”

Table 17: Dispute type on appeal applications

Types of dispute	Number	%
Anti-social Behaviour	91	6%
Breach of fixed-term Lease	51	3%
Breach of Landlord Obligations	181	11%
Breach of Tenant Obligations	99	6%
Damage in Excess of Normal Wear & Tear	43	3%
Deposit Retention	116	7%
Invalid Notice of Termination	215	13%
Other	198	12%
Overholding	96	6%
Rent Arrears	128	8%
Rent Arrears & Overholding	108	7%
Rent More than Market Rate	70	4%
Standard & Maintenance of Dwelling	135	8%
Unlawful Termination of Tenancy (Illegal Eviction)	84	5%
Total	1615	100%

Processing times

The average processing time for a Tribunal hearing in 2017 was 10.5 weeks, a slight increase from nine weeks in 2016 and 10 weeks in 2015.

Tribunals: Rent Arrears/Rent Arrears and Overholding

Rent arrears, and rent arrears and overholding continued to feature as the most cited dispute type in applications for an appeal. In 2017, they represented 15% of the reasons cited for an appeal, an increase on 13% in 2015 and 2016.

In 2017, of the 335 cases where a Determination Order issued following a Tribunal hearing, 24%

(79 cases) were in relation to rent arrears and rent arrears and overholding. The total amount of damages awarded in 2017 for rent arrears was €331,568.

Table 18: Damages awarded for rent arrears/rent arrears and overholding

Number of cases	Total rent awarded	Average award
79	€331,568	€4,197

Tribunals – Validity of Notice of Termination

The second most common reason for an appeal mirrors the trends in applications received for mediation or adjudication. Some 13% (215 applications) of applications cited determining the validity of a notice of termination as reason for appeal.

In 2017, of the 335 cases where a Determination Order issued following a Tribunal hearing, 112 cases (33%) were in relation to determining the validity of a notice of termination, with the notice of termination determined as valid in 80 (71%) of the cases.

Some 44 Determination Orders were issued following a Tribunal hearing in relation to notices of termination issued for rent arrears and overholding. Of these, 86% (36 cases) were found to be valid, and the notices of termination were upheld. This indicates that the majority of landlords are correctly following the two-step process to end a tenancy for rent arrears. This process involves the landlord issuing tenants with warning notices that provide a reasonable period of time to allow the tenant to bring their arrears up to date, ahead of issuing a notice of termination where the arrears have not been paid.

Tribunals – Deposit Retention

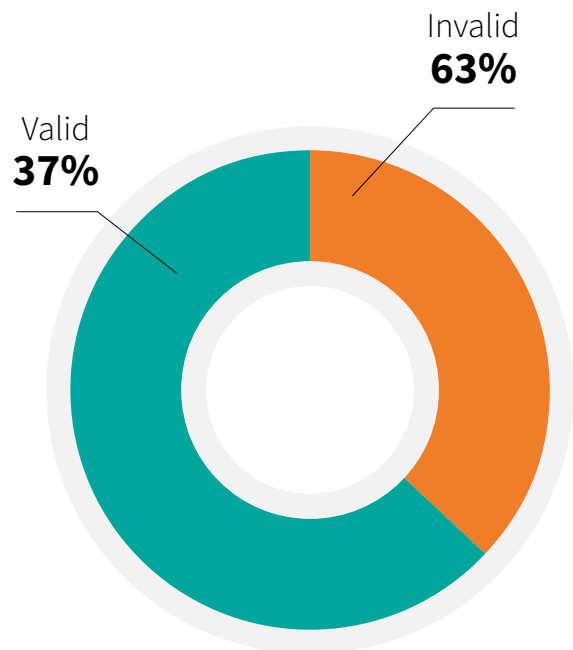
The number of appeal applications for cases relating to deposit retention has reduced significantly over the last number of years, and in 2017, this reason was only cited in 7% (116) of cases. This downward trend is reflected year on year, from 15% in 2014 to 8% in 2016.

Of these cases, the Tribunal determined that landlords should refund part or all of the deposit to their tenants in 65.5% of cases. In 39.3% of cases heard by a Tribunal, it was determined that that landlord would fully retain the deposit.

Tribunals – Notice of Rent Review

In 2017, the validity of a Notice of Rent Review accounted for the reason cited in 70 (4%) application forms for an appeal. Of the 335 cases where a Determination Order issued following a Tribunal, 35 (10%) dealt specifically with validity of a notice of rent review. Some 22 (63%) of these notices, on appeal, were deemed by the Tribunal to be invalid. Landlords were not legally entitled to serve the notice in eight cases, and in seven cases the landlord did not provide the rent for three comparable properties.

Chart 11: Notice of rent review



Tribunals – Damages

Damages were awarded in 73 (22%) of the Determination Orders that issued in 2017. Tenants were awarded damages in 36 cases (49%), landlords in 34 cases (47%), and third parties in three cases (4%). The total amount of damages awarded to landlords by the Tribunal was €63,941.84. The total amount of damages awarded to tenants by the Tribunal was €39,129.07.

Table 19: Damages awarded following appeal

Damages awarded to	Highest	Total	% of cases
Landlord	€10,000	€63,941	47%
Tenant	€6,000	€39,129	49%
Third Party	€3,000	€6,750	4%

Tribunals – Approved Housing Bodies

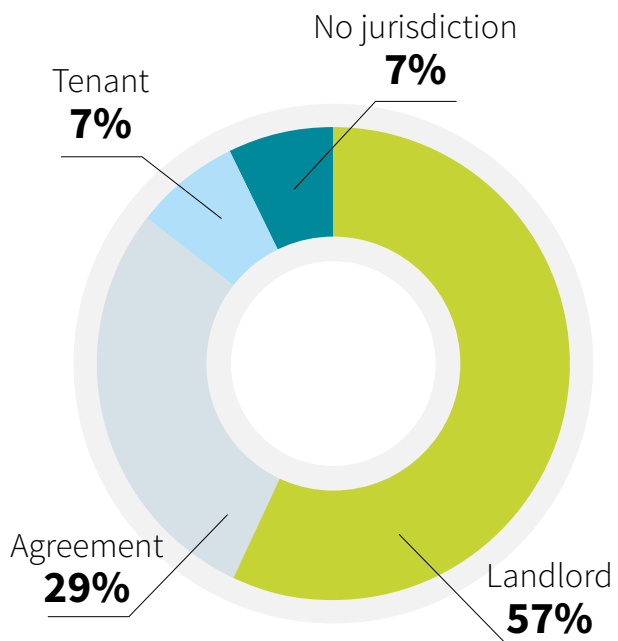
In 2017, 14 appeals to the Tribunal were made on which a Determination Order issued. 11 of the appeals were from landlords, two from tenants, and one appeal was received from a third party.

Table 20: Reasons for appeal

	Total	%
Anti-social behaviour	3	13%
Overholding	3	13%
Breach of landlord obligations	1	4%
Validity of notice of termination	3	13%
Breach of tenant obligations	3	13%
Rent arrears and overholding	8	33%
Other	1	4%
Unlawful termination of tenancy	2	8%
Total	24	100%

Of the 14 appeals heard in relation to AHB tenancies in 2017 on which a Determination Order issued, the Tribunal found in favour of the landlord in eight instances, the tenants in 1 instance, and agreements were reached between parties in four instances. In one case, the Tribunal determined that the RTB had no jurisdiction to hear the matters under dispute.

Chart 12: Tribunal outcomes – Approved Housing Bodies



Enforcement of Determination Orders

As a regulatory body, enforcement is an important function of the RTB and we take the issue of non-compliance with Determination Orders very seriously.

In the majority of cases landlords and tenants do comply with our Orders, however, where they don't the impact can be detrimental. If a tenant does not have their deposit returned to them, then they may have difficulty accessing another rental property. If a landlord has someone continuing to not pay rent, they may go into default on their mortgage. When landlords and tenants have resolved their disputes through mediation, adjudication or a Tenancy Tribunal, they will receive a Determination Order. A Determination Order is a legally binding document, which sets out the terms of the agreement and states when certain actions must take place. If this document is not complied with within the allocated timeframe, one of the parties or, in some cases the RTB on their behalf, may ask the Courts to compel the other party to comply.

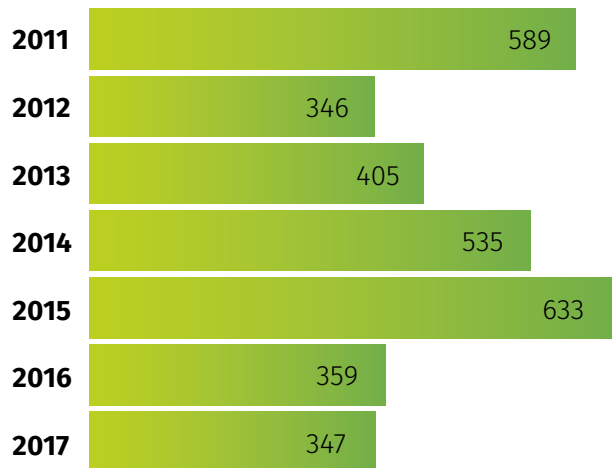
The issuing of such enforcement proceedings is an important power in the legislation and the RTB endeavours to take as many enforcement cases as we can where there are instances of non-compliance. However, enforcement is a discretionary function of the RTB and not all cases can be taken by the RTB from a resource perspective, but also in some cases because the parties may have left the country or cannot be found. In 2017, the RTB received 347 requests to enforce determination orders. We also played an important role in supporting parties to issue their own enforcement proceedings and providing them with the relevant papers to do so.

The movement of enforcement of RTB Determination Orders from the Circuit Court to the District Court will reduce expense and increase efficiency. In 2017 we continued to make important steps in establishing a new legal panel of solicitors, which will allow the RTB to approve more enforcement cases for more parties from early 2018 on.

Enforcement Proceedings

If a party fails to comply with a Determination Order, the other party or the RTB may issue civil proceedings in the Courts. If the court is satisfied that all proofs are in order, the judge will make an order affirming the terms of the Determination Order. The judge may also make an order for legal costs.

Chart 13: Requests to the RTB regarding the enforcement of Determination Orders



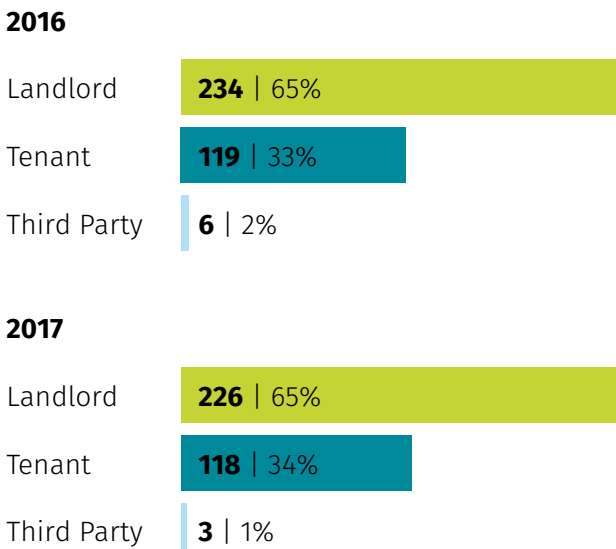
The RTB has been very successful in obtaining court orders. However, a court order does not always mean that a party will receive the monies awarded to them. If respondents persist in failing to comply with an order, execution of the order may be pursued by any of the means permitted by the Court. The RTB has registered many of the orders it obtained on behalf of case parties. This means they may be published in various trade periodicals and websites. This may have a negative effect on the non-compliant party's credit rating. If the court order confirms that a tenant is to vacate a dwelling, the RTB or the person seeking compliance may ask the Sheriff or County Registrar to carry out an eviction. However, if an order involves monetary awards only, it is a matter for the parties to arrange for a further enforcement of the court order.

Enforcement application to the RTB on behalf of case parties

In 2017, the RTB received 347 requests to initiate proceedings on behalf of a person seeking to have their determination order enforced.

Towards the end of 2015 the RTB developed a guide to assist parties in taking their own proceedings and noted an increase in the number of requests from parties seeking their own documentation to enable them to seek enforcement of their determination order in the Circuit court. This is likely to have had an impact on the number of requests received by the RTB.

Chart 14: Requests for enforcement of Determination Orders



The level of requests submitted by landlords remained high. A total of 266 (65%) of the 347 requests received by the RTB in 2017 were from landlords. Of these, nearly 80% of requests for enforcement were in relation to tenants in rent arrears, or in some cases, tenants in rent arrears who were also overholding (this is where the tenant does not vacate the rented dwelling on the date specified on the notice of termination). 12% of requests received were for overholding as a single issue.

Chart 15: Landlord requests by dispute type 2016

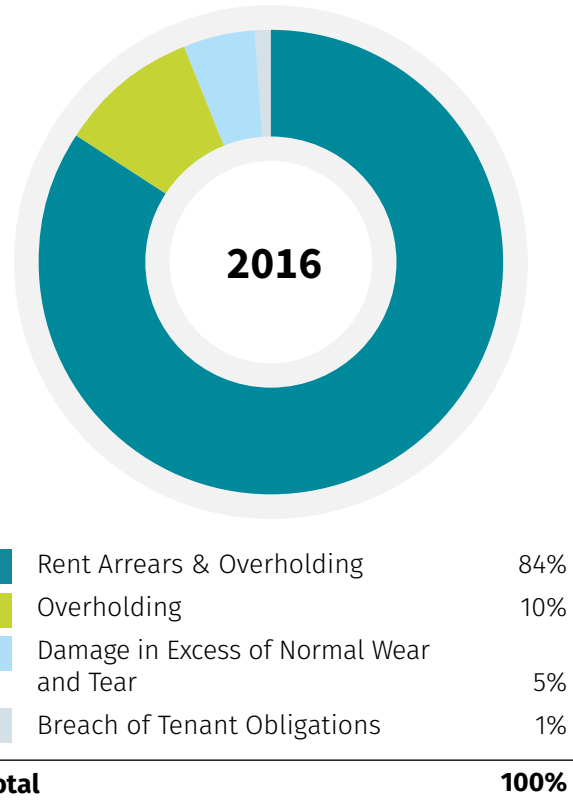


Chart 16: Landlord requests by dispute type 2017

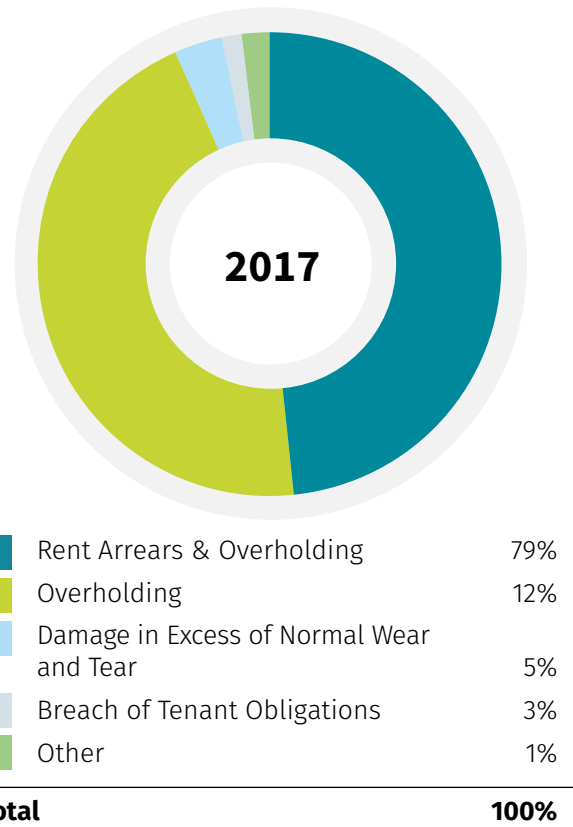
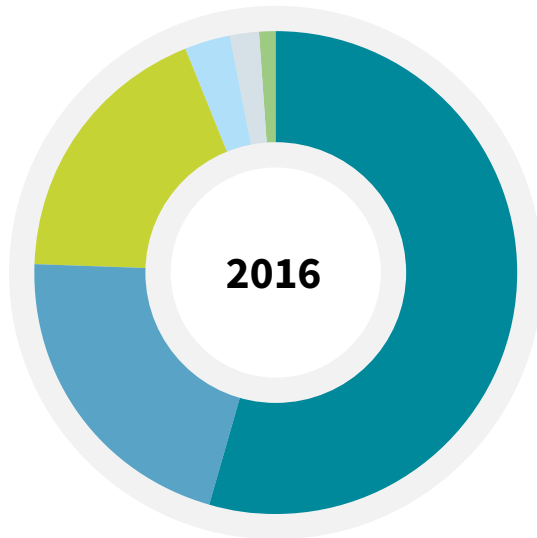
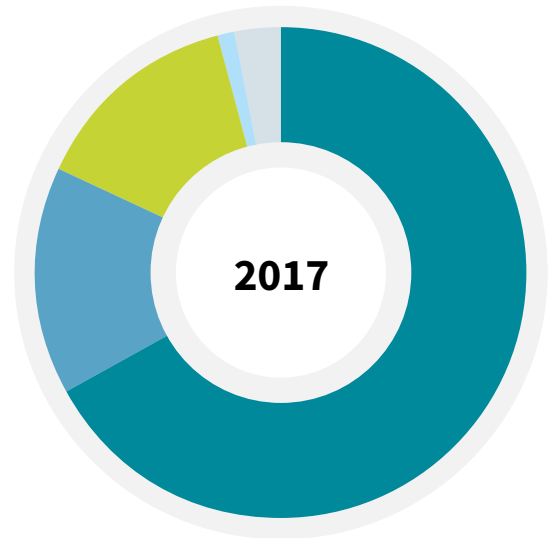


Chart 17: 2016 Tenant Dispute Type



Deposit Retention	54%
Breach of Landlord Obligations	21%
Unlawful termination of Tenancy	18%
Standards & Maintenance of Dwelling	3%
Other	2%
Notice of Termination	1%
Total	100%

Chart 18: 2017 Tenant Dispute Type



Deposit Retention	67%
Breach of Landlord Obligations	15%
Unlawful termination of Tenancy	14%
Standards & Maintenance of Dwelling	1%
Other	3%
Notice of Termination	0%
Total	100%

Tenants made 118 (34%) requests for enforcement. Most of these (67%) were for outstanding deposit refunds. Tenants also reported non-payment of awards for breaches of landlord obligations and unlawful termination of tenancy. Only three requests (less than 1%) were submitted by third parties. These related to the failure of landlords to enforce the obligations of their tenant(s) under their tenancies.

Enforcement and settlement activities carried out in 2017

As part of our assessment process, preliminary checks are carried out to identify urgent cases and cases concerning overholding and unlawful termination of a tenancy are prioritised. Along with the 347 new requests received in 2017 the RTB also continued to work on 364 cases that remained active at the end of 2016. As part of its work, the RTB:

- Referred 123 cases to the RTB’s legal advisors;
- assisted parties wishing to take their own enforcement proceedings in 143 cases by providing them with the required documentation;
- facilitated settlement agreements on 25 active enforcement files (there were a further 38 instances of matters withdrawn or not pursued without a specified reason);

Out of the total of 505 cases on which compliance was outstanding in 2017, 135 cases remained open at the end of 2017.

Court outcomes – proceedings issued by the RTB

The RTB obtained 107 Circuit Court Orders in 2017. In most of these cases, the RTB was awarded its costs, to be taxed in default of agreement. This refers to the process by which legal costs are reviewed/measured so as to ensure that they are valid costs. This independent review of the costs is carried out in cases where the respondents do not agree with the amount of costs sought by the RTB. Even where the RTB obtains a court order, the parties may still enter into a settlement plan. The RTB will not register the judgment with the Office of the High Court if the parties adhere to an agreed payment plan. Where payments cease, the RTB will register the outstanding debt with the Office of the High Court as a judgment debt.

Chart 19: Circuit Court Orders obtained by the RTB on behalf of case parties

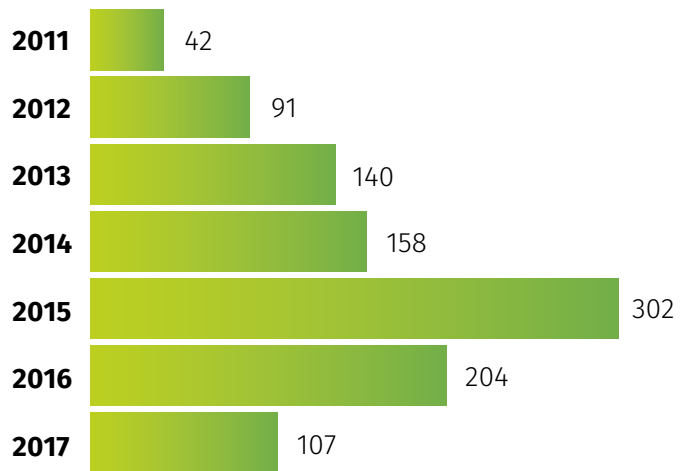
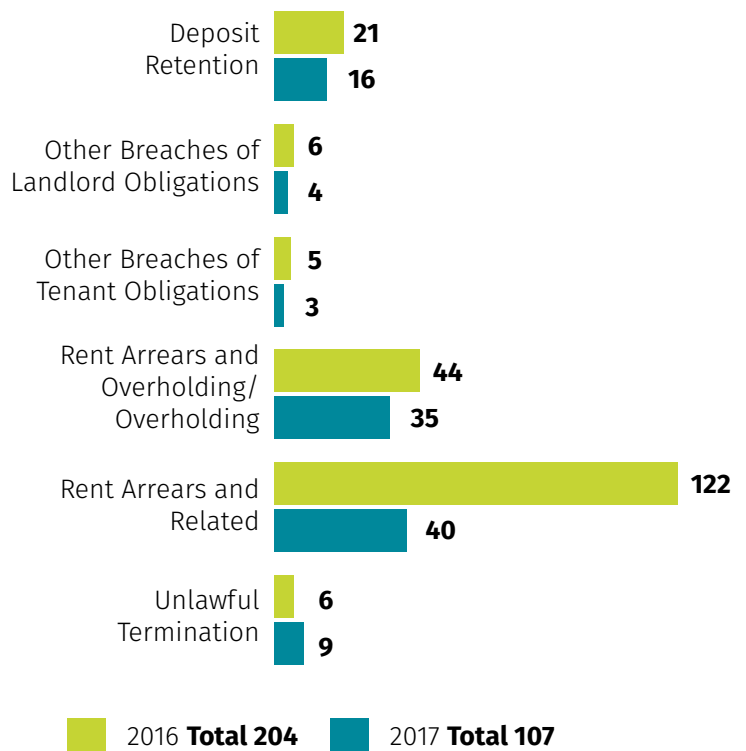


Chart 20: Breakdown of Circuit Court Orders obtained in 2016 and 2017



Changes to how the RTB will support parties in the future

The RTB finances its dispute resolution process from registration fees. The budget for all RTB activities is limited. To help lower the cost of enforcement, the RTB advertised in the latter part of 2016 its intention to create a panel of solicitors to provide an enforcement service to parties. This panel was convened in 2017 and will begin to take cases in 2018.

The lower cost of enforcement proceedings will allow the RTB to provide legal assistance in a higher number of cases. The Government's Strategy for the Rental Sector also made a commitment and introduced legislation, to move the enforcement of the RTB's Determination Orders from the Circuit Court to the District Court in early 2018. This piece of legislation will commence in 2018 and will make taking enforcement proceedings, both for the RTB and for parties taking cases themselves, cheaper and quicker. On foot of this, the RTB expects that it will be able to take significantly more cases.

“The lower cost of enforcement proceedings will allow the RTB to provide legal assistance in a higher number of cases.”

06

RENT TRIBUNAL

Function

The Rent Tribunal, established in August 1983, is the arbitrating body in the determination of rent and other terms of tenancy of dwellings which were formerly rent controlled under the Rent Restrictions Acts 1960 – 1981. This role was carried out by the District Court in 1982 – 1983. The Tribunal may determine new cases or may review cases previously determined by the District Court or by the Tribunal itself.

On 7 January 2016 the Rent Tribunal was dissolved by the Minister for Housing, Planning, Community and Local Government and its functions were undertaken by the Residential Tenancies Board (RTB).

Mission statement

The mission of the Rent Tribunal is to determinate the terms of tenancy of dwellings which were formerly rent controlled under the Rent Restrictions Acts 1960 – 1981, in accordance with the statutory requirements and to do so in an equitable, efficient and expeditious manner.

Membership

The membership of the Tribunal in 2017 comprised a Chairperson and the Board of the RTB.

Funding

The overall costs of the Tribunal in 2017 were €6,390.

Activity

Background

Number of formerly rent controlled dwellings

Formerly rent controlled dwellings must be registered by the landlord with the appropriate housing authority. Following a survey carried out by local authorities on behalf of the Department of the Environment, Community and Local Government in early 2001, it was estimated that at that time there were upwards of 1,700

formerly rent controlled tenancies remaining, of which an estimated 1,300 are original tenants and the remaining 400 are successor tenants. The number of registered dwellings continues to decrease and definitive figures are very difficult to produce.

Applications

Applicants

An application to the RTB can be made by either the landlord or tenant. The fixing of the terms of tenancy of a formerly rent controlled dwelling involves the fixing of the rent and a determination of the division of responsibility for the care and maintenance of the dwelling as between landlord and tenant.

Review of Rent

An application for a review of rent may be made provided at least 4 years and 9 months have expired since the last determination was made. However, where a landlord carries out substantial improvements to a dwelling, he/she may apply for a review at any time before the expiry of that period.

Number of applications made

In 2017, two applications were made to the Rent Tribunal, both of which were rent reviews. In 2016, 8 applications were received.

Location of dwellings

Of the two applications received in 2017, one was located in Dublin, while the second was located in Cork.

Hearings

Cases are dealt with by the RTB consisting of three members and insofar as it is practicable, one member is a person who has knowledge of, or experience in, the valuation of property. The terms of tenancy are determined on the basis of written submissions, or orally as requested by either the landlord or tenant.

Number of hearings

There were four hearings in 2017. Two of the four cases determined were dealt with by written determination, while two applications resulted in an Oral Hearing.

Persons attending Oral Hearings

Both the landlord and the tenant may be present at an oral hearing. Both sides are entitled to have legal representation or to have assistance from, or be represented by, a property valuer, agent or other competent person.

Determinations

Number of determinations

In 2017, the Rent Tribunal determined on four applications, all of which related to a review of rent previously set.

Table 21: Determinations made in 2017.

Type	First time	Review	Total
Dublin	0	1	1
Cork	0	1	1
Westmeath	0	1	1
Wicklow	0	1	1
Total	0	4	4

Types of dwellings

Three of the four determinations in 2017 were in relation to a whole house. One was in respect of an apartment. The same figure was reflected in 2016.

Rents determined

The rents set by the Tribunal/Residential Tenancies Board in 2016 ranged from €69.23 to €250 per week. Of the cases determined in 2017 the rents ranged from €476.00 to €900.00 per month.

In determining rents, the Residential Tenancies Board is obliged to take into account the nature, character and location of the dwelling, the other terms of tenancy, the means of the landlord and of the tenant, the date of purchase of and the amount paid by the landlord for the property, the length of time a tenant has lived there, and the number and ages of the tenant's family living with the tenant. In addition, allowances may be made in certain cases for improvements carried out by the tenant.

Rents determined

A majority of tenants who live in formerly rent controlled dwellings are elderly people who are in receipt of either a pension or some form of payment from the Department of Social Protection. In the four cases determined in 2017, all tenants were in receipt of a pension or Department of Social Protection payment.

Rent allowance

In cases where tenants would suffer hardship by virtue of increases in the rents of their dwellings arising from a Board determination, a rent allowance may be paid by the Department of Social Protection. At the end of 2017 the total number of tenants, whose terms of tenancy had been determined by the Rent Tribunal and who were in receipt of the rent allowance was 77.

Annual Statistics

Tables 22, 23, and 24 contain summary statistics of applications received, determinations made and levels of rents set in each year since the Tribunal was established.

Table 22: Applications received

Year	Total	First Time	Review
2017	2	0	2
2016	8	0	8
2015	5	0	5
2014	25	0	25
2013	2	0	2
2012	5	0	5
2011	6	2	4
2010	9	3	6
2009	22	3	19
2008	42	5	37
2007	29	11	18
2006	20	11	9
2005	32	11	21
2004	67	4	63
2003	33	15	18
2002	93	16	77
2001	42	5	37
2000	44	17	27
1999	64	13	51
1998	100	23	77
1997	60	19	41
1996	128	15	113
1995	106	18	88
1994	130	21	109
1993	71	27	44
1992	126	29	97
1991	300	60	240
1990	205	44	161
1989	247	53	194
1988	187	78	109
1987	111	107	4
1986	134	134	0
1985	367	367	0
1983/4	1,073	1,073	0
TOTAL	3,895	2,184	1,711

Table 23: Determinations made

Year	Total	First Time	Review
2017	4	0	4
2016	4	0	4
2015	23	0	23
2014	8	0	8
2013	4	0	4
2012	2	0	2
2011	5	1	4
2010	9	3	6
2009	26	4	22
2008	42	8	34
2007	15	3	12
2006	24	8	16
2005	18	7	11
2004	59	6	53
2003	64	8	56
2002	45	11	34
2001	42	8	34
2000	56	13	43
1999	79	22	57
1998	78	19	59
1997	92	6	86
1996	84	15	69
1995	123	20	103
1994	61	20	41
1993	60	17	43
1992	172	57	115
1991	280	49	231
1990	193	25	168
1989	190	48	142
1988	119	61	58
1987	105	103	2
1986	151	151	0
1985	388	388	0
1983/4	792	792	0
TOTAL	3,417	1,873	1,544

Table 24: Levels of rents set

Euro	Below €55 %	€55 – 70 %	€70 – 84 %	€85 – 99 %	€100 – 114 %	Over €115 %
2017	0	0	0	0	25	75
2016	0	25	0	0	0	75
2015	0	0	0	10	10	80
2014	0	0	0	0	20	80
2013	0	0	0	0	0	100
2012	50	0	0	50	0	0
2011	20	0	0	40	20	20
2010	11.1	11.1	0	55.6	0	22.2
2009	4	18	12	12	27	27
2008	0	2	10	19	45	24
2007	6.7	6.7	13.3	20	26.7	26.6
2006	12.5	12.5	16.7	4.2	41.6	12.5
2005	11.1	22.2	11.1	22.2	0	33.4
2004	10.2	15.3	25.4	18.6	13.6	16.9
2003	14.0	4.7	29.7	34.4	7.8	9.4
2002	13.9	25.6	9.3	25.6	11.7	13.9
Euro (Pounds)	€0 - €13 (£0-£10) %	€13 - 26 (£10-£20) %	€26 - 38 (£20-£30) %	€38 - 51 (£30-40) %	€51 - 64 (£40-50) %	Over €64 (£50) %
2001	0.0	0.0	0.0	19.0	14.3	66.7
2000	1.8	0.0	7.1	12.5	7.1	71.5
1999	0.0	0.0	13.9	20.3	13.9	51.9
1998	0.0	9.0	37.2	23.1	17.9	12.8
1997	1.1	3.3	31.5	43.5	13.0	7.6
1996	1.2	15.5	41.7	21.4	13.1	7.1
1995	1.6	10.6	39.0	31.7	8.9	8.1
1994	6.6	8.2	31.1	16.4	21.3	16.4
1993	1.7	28.3	36.7	16.7	10.0	6.7
1992	12.2	30.2	20.9	27.9	4.1	4.7
1991	3.2	33.9	43.2	12.9	3.6	3.2
1990	2.6	18.6	47.1	19.2	4.7	7.8
1989	6.3	17.9	32.6	32.1	8.4	2.6
1988	5.0	52.9	23.5	6.7	8.4	3.4
1987	21.9	37.1	26.7	7.6	5.7	1.0
1986	28.5	25.8	39.7	4.0	2.0	-
1985	26.8	47.4	16.0	7.2	1.3	1.3
1983/4	20.5	62.2	10.9	3.3	1.8	1.4

Accounts

There is no longer a separate accounting statement for the Rent Tribunal since it was dissolved and transferred to the RTB. Therefore, the income and expenditure is reflected in the RTB financial statement. Rent Tribunal members are paid fees based on their attendance at Rent Tribunal hearings. The fee rates are set by the Department of Public Expenditure and Reform and the Department of Housing, Planning and Local Government.

The table below gives a breakdown of expenditure and payments to members in 2017 and refers to actual payments made to Rent Tribunal members during 2017.

Table 25: Rent Tribunal Members Payments

Name	Total
James Leahy	€340
John FitzGerald	€1,265
Mary O'Donovan	€1,020
Noel Merrick	€340
Patricia Sheehy Skeffington	€ 2,066
Thomas Reilly	€680
Tim Ryan	€680
Total	€ 6,391

07

RTB GOVERNANCE



RTB Governance

The RTB is committed to maintaining the highest standards of corporate governance and is fully compliant with the requirements set out in the Code of Practice for the Governance of State Bodies.

This section contains the RTB Governance Statement and Board members report and financial statements.

RTB Board



Catriona Walsh
Chairperson, Solicitor



James Leahy
Former member of Kilkenny
Borough Council & I.T. Technician



Mary O'Donovan
Operations & ICT
Management Professional



Paul Flood*
Estates Manager, Health
Service Executive



Gareth Robinson*
Barrister



Kathleen McKillion*
Head of Operations, Irish
Council for Social Housing



Noel Conroy*
Former Garda
Commissioner



Noel Merrick*
Property Professional



Joseph Meehan*
Civil Servant, Department of
Social Protection



Justin O'Brien**
Former Chief Executive of
Circle Voluntary Housing
Association



Paul White**
Director and Principal,
Governance Ireland Ltd



Paddy Gray**
Professor Emeritus of Housing,
Ulster University



Julia Carmichael**
Head of Compliance,
IPB Insurance



Tim Ryan
PR and Public Affairs
Consultant



**Trisha Sheehy
Skeffington**
Barrister



John Fitzgerald
Property Professional

***Members who left the Board or their terms expired in 2017**

The terms of Mr Paul Flood and Mr Noel Merrick expired on 31st March; the term of Mr Joseph Meehan expired on 30th November and the terms of Mr Noel Conroy and Mr Gareth Robinson expired on 31st December. Ms Kathleen McKillion resigned from the Board on 30th June.

****Members appointed to the Board in 2017**

Mr Justin O'Brien and Mr Paul White were appointed to the Board on 15th June. Mr Paddy Gray was appointed to the Board on 1st July and Ms Julia Carmichael was appointed on 1st December.

Senior Management Team



Rosalind Carroll
Director



Kathryn Ward
Assistant Director with
responsibility for Enforcement



Janette Fogarty
Assistant Director with
responsibility for Dispute
Resolution Services



Pádraig McGoldrick
Assistant Director with responsibility
for Registrations, Strategic Projects,
and Procurement



Carmel Diskin
Assistant Director with
responsibility for HR, Corporate
Governance, and the Rent Index



Brinsley Sheridan
Assistant Director with
responsibility for ICT



Caren Gallagher
Assistant Director with
responsibility for
Communications and Research



Bryan Kelly
Assistant Director with
responsibility for Finance,
Governance and Risk
Management

Procurement in 2017

The recently established Strategic Projects and Procurement Unit has developed public procurement policies and procedures which have been adopted by the RTB. The RTB have a specific procurement and policy document which ensures that all procurement is carried out in accordance with best practice. It also ensures consistency of application of the public procurement rules in relation to the purchase of goods and services while also adhering to compliance with both EU directives and with the Office of Government Procurement Public Procurement Guidelines. The Strategic Projects and Procurement Unit is primarily responsible for all national and European level tenders along with supporting all RTB business units in the purchase of goods and services and management of the procurement process if required. The Unit has completed and commenced a diverse number of tender procedures, including a six month procurement process using the competitive dialogue procedure along with managing several in-house procurements. The RTB has also engaged with the Office of Government Procurement, availing of its services to assist in the process of awarding numerous contracts where practicable.

To ensure compliance with procurement principles, the Strategic Projects and Procurement Unit has implemented a process of reviewing all procurement processes and procedures in the context of an annual review. This review informs the procurement team in general terms of overall expenditure by supplier, compliance with RTB policy and procedures, value for money achievements and the oversight of current and expiring contracts. This information feeds into the annual procurement strategy.

During 2017 a number of procurement processes were commenced including the Competitive Dialogue Procedure for the Application for

Tenancy Management System Replacement & Related Services, the establishment of a multi-party framework for the provision of ICT Support Personnel, and the Provision of Stenography Services to the Residential Tenancies Board. The Board and/or the Director approved the award of contract for the following services: ICT Infrastructure and In-house Support, Provision of Professional Consultancy Services [GDPR Related], Provision of Professional Procurement Consultancy Services in an ICT capacity and the provision of Professional Procurement Consultancy Services in a non-ICT capacity.

Freedom of Information and Access to Information on the Environment

The RTB came under the provisions of the Freedom of Information Act 2014 on 14 April 2015. We received 33 Freedom of Information requests in 2017. There were no requests received in 2017 under the Access to Information on the Environment (AIE) regulations.

Data Protection and GDPR

The RTB is a registered data controller under the Data Protection Acts and has a formal data protection policy agreed with the Office of the Data Protection Commissioner. This puts the RTB at the forefront of implementing data-protection procedures, thus protecting the individual's fundamental right to privacy and exercising control over how personal information may be made available under the Data Protection Acts.

In 2017, the RTB initiated a General Data Protection Regulation (GDPR) project. A GDPR Working Group was established with a Subject Matter Expert (SME) from each business unit. In addition to this, a Steering Committee was convened consisting of the Director and all members of Senior Management. Several workshops were held with the business units to complete a data processing inventory. These

were then reviewed by the GDPR Working Group and the Steering Committee.

GDPR is a critical project for the RTB given the nature of our services and the categories of personal data we hold on over a million records. Considering this, and the digital transformation the RTB is undergoing at present, this results in a sizeable body of work on an agency wide basis. As part of this journey to compliance, the solution will also rely on the technical support of SharePoint, Office365 and migration to the Cloud and these projects are due for completion in 2018. The RTB has prioritized work streams on a risk based approach and a gap analysis.

Record of Processing

As part of our risk based prioritisation, the RTB now has an inventory detailing the lifecycle of all personal data we hold. This is a requirement of the GDPR under Article 30. These records will act as live documents and a procedure has been put in place to ensure they are updated. As part of our Data Protection Policy they will be reviewed at least annually and presented to the Board.

Policies and Documentation

Workshops were held with the GDPR Working Group to develop a consistent set of policies and procedures across all business units that complement the GDPR. These were then reviewed and signed-off by the Steering Committee and the Board of the RTB.

Training and Communications

As stated above, the journey to compliance has been based on assessing risk and prioritisation. Implementing our new suite of policies and procedures depended on training and communicating to all staff, panel and board members. The RTB made the decision to reduce the risk of non-compliance by implementing a training programme for all. The training programme will be delivered by the May 25th

2018 deadline. Our data protection training and awareness is an on-going commitment.

Our project plan continues into 2018, when the RTB will concentrate on the areas of

- Data Classification and Disposal
- Updating contracts of Third Party Processors
- Data Protection Impact Assessment on any new system

Protected Disclosures

The Protected Disclosures Act, 2014, requires every public body to establish and maintain procedures for dealing with protected disclosures, and to provide written information relating to these procedures to employees. During 2017, no protected disclosures were made by any RTB employee under the terms of the legislation.

Ethics in Public Office

The RTB comes within the scope of the Ethics in Public Office Act 1995, and has adopted procedures to comply with the Act. Where required, board members and senior management have completed statements of interest in compliance with the provisions of the Act. Procedures are in place for ongoing disclosure of interests by Board members. This question is asked at the outset of every board meeting.

Taxation

Procedures are in place to ensure that the RTB is in its compliance with its obligations under tax law and that all tax liabilities are paid on or before the due dates.

Oireachtas Members Queries

The RTB processed a total of 46 queries from Oireachtas Members in 2017.

Prompt Payments

The RTB is aware of its responsibilities under the Prompt Payment of Accounts Act, 1997, and the Late Payment in Commercial Transactions Regulation, 2002, and has established appropriate procedures to make sure all payments are made in accordance with these regulations. There were no interest or penalties due for late payments of invoices in 2017 or 2016. The RTB confirms that it had procedures in place to ensure it adhered to all relevant aspects of the Public Spending Code during 2017.

Public Sector Equality and Human Rights Duty

Section 42 of the Irish Human Rights and Equality Act (2014) states that: "A public body shall, in the performance of its functions, have regard to the need to:

- A) eliminate discrimination
- B) promote equality of opportunity and treatment of its staff and the persons to whom it provides services
- C) protect the human rights of its members, staff and the persons to whom it provides services.

In 2017, the RTB undertook pieces of work to improve accessibility to our service, including:

- A cohort of staff completed NALA Plain English training. As the RTB is an organisation that provides information on complex legislation, this training provided staff with an awareness of how to present information in a way that is easy to understand and accessible to all. The RTB will continue to provide this training to staff in 2018.

- Our appointed Access Officer continued to act as a point of contact for members of the public who require further information on various accessibility issues. In 2017, the Access Officer received 1 request.
- In 2017, the RTB launched our One Stop Shop website. This website aims to provide accessible and easy to understand information related to living in, owning or managing a rented tenancy. The RTB will continue to work on our website and online communications to ensure they are accessible for all.

In 2018, the RTB will conduct an assessment of the human rights and equality issues it believes are relevant to the functions and purpose of the organisation. This exercise will also involve an assessment of the policies, plans and actions already in place, or proposed to be put in place, to address these issues. This will be fully reported on in our 2018 annual report.

Governance Statement and Board Members' Report

Governance

The Board of the Residential Tenancies Board ("RTB") was established under the Residential Tenancies Act (2004) ("the Act"). The functions of the Board are set out in Part 8 of the Act. The Board is accountable to the Minister for Housing, Planning and Local Government and is responsible for ensuring good governance at the RTB. The Board performs this task by setting strategic objectives and targets for the organisation and taking strategic decisions on all key business matters.

The day-to-day management, control and direction of the RTB has been delegated by the Board to the Director of the RTB and her senior management team. The Director and her team follow the broad strategic direction set by the Board and ensure that all Board members have a clear understanding of the organisation's key activities and issues, the types of decisions the Board is required to make, and all significant risks the organisation is faced with. The RTB Director acts as a direct liaison between the Board and RTB management and she has a reporting line to the Board Chair.

Board Responsibilities

The work and responsibilities of the Board are set out in the Board's terms of reference document and the schedule of matters specifically reserved for Board decision. In general these responsibilities incorporate the functions vested in the Board by the Act, governance decisions such as the appointment of Committee members or the approval of policies, key strategic and financial decisions such as the approval of plans, or the commitment of significant resources, and risk oversight of the RTB's activities.

The RTB has responsibility for the direct operational implementation of legislation and Government policy relating to the rental housing sector. It has a quasi-judicial role and is independent in its decision-making functions. As a quasi-judicial service, there is a significant commitment made by the Board in overseeing certain decisions. Along with its monthly meetings, the Board frequently convenes tenancy disputes meetings to approve the determination orders made by adjudicators in our disputes resolution service.

During 2017, the Board met on 88 occasions (75 in 2016), both for ordinary Board meetings and in meetings to deal with matters relating to its quasi-judicial role. Standing items considered by the Board at every ordinary Board meeting include declarations of interest of Board members, risk management, financial matters, a report from the Director, Board and Committee membership, meeting minutes, and Committee reports.

Section 177 of the Residential Tenancies Act (2004) requires the Board of the RTB to keep, in such form as may be approved by the Minister for Housing, Planning and Local Government with consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Board of the RTB is required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Board is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enable it to ensure that the financial statements comply with Sections 177 to 179 of the Act. The maintenance and integrity of the corporate and financial information on the RTB's website is the responsibility of the Board.

The Board is responsible for approving the RTB's annual business plan and budget and for ongoing monitoring of performance. Throughout 2017 the Board evaluated the RTB's performance against budget and received quarterly reports from the senior management team on each department's performance against its departmental business plan. The final financial outturn and performance against the 2017 business plan was formally reviewed by the Board at its meeting on March 9th, 2018.

The Board is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Board considers that the financial statements of the RTB give a true and fair view of the financial performance and the financial position of the Residential Tenancies Board at 31 December 2017.

Board Structure

The Board consists of a Chairperson and up to 11 ordinary members who are appointed by the Minister for Housing, Planning and Local Government. The members of the Board were appointed for varying periods and meet on a monthly basis. The table below details the appointment information for Board members during the 2017 calendar year.

Table 26: Board structure 2017

Name	Role	Term
Catriona Walsh	Chairperson	16 Apr 2013 – 30 Apr 2019
Noel Merrick	Member	01 Apr 2013 – 31 Mar 2017
Paul Flood	Member	01 Apr 2013 – 31 Mar 2017
John FitzGerald	Member	01 Apr 2013 – 30 Sept 2020
Gareth Robinson	Member	02 Oct 2013 – 31 Dec 2017
Noel Conroy	Member	02 Oct 2013 – 31 Dec 2017
Kathleen McKillion	Member	02 Oct 2013 – 30 Jun 2017
James Leahy	Member	10 Jun 2014 – 31 May 2018
Joseph Meehan	Member	01 Dec 2014 – 30 Nov 2017
Patricia Sheehy Skeffington	Member	31 May 2015 – 31 May 2018
Tim Ryan	Member	31 May 2015 – 31 May 2018
Mary O'Donovan	Member	01 July 2016 – 30 Jun 2020
Justin O'Brien	Member	15 June 2017 – 30 June 2021
Paul White	Member	15 June 2017 – 30 June 2021
Paddy Gray	Member	01 July 2017 – 31 July 2021
Julia Carmichael	Member	01 Dec 2017 – 30 Nov 2022

On February 2nd 2018, the Board performed an annual evaluation of its own effectiveness during 2017 and will do so annually in compliance with the Code of Practice for the Governance of State Bodies (2016) (“2016 Code”).

Board Committees

The Board is assisted in its oversight role by a number of Board Committees which are comprised of board members and external members with subject matter expertise in the Committees’ respective areas of responsibility. These Committees are charged by the Board with in-depth consideration of certain matters and they provide advice to help with Board decision-making.

During 2017 the Board had the following Committees in place:

- Audit & Risk Committee
- ICT Committee
- Legislative, Practice & Procedure Committee
- Research, Education & Awareness Committee
- Section 189 Committee

Audit and Risk Committee

The Audit and Risk Committee (“ARC”) comprises four Board members and two external members with skills and executive experience in risk management, governance, and finance. During 2017 the Committee changed its name from the Audit Committee to the Audit and Risk Committee to reflect its mandate to oversee matters of risk management and governance at the RTB. The ARC had four regular meetings during 2017. In addition, the Committee members attended a training seminar which focused on the requirements of the 2016 Code and its implications for the work of the Committee and the RTB.

The ARC reports to the Board after each meeting, and formally in writing annually. At December 31st, 2017 the members of the Audit and Risk Committee were: external members Dermot Byrne (Chairperson) and Earnan O’Cleirigh, and Board members Julia Carmichael, Paul White, Mary O’Donovan and Tim Ryan. Ms Carmichael was appointed to the Board and as a Board member of the ARC on December 1st, 2017. Prior to this she was an external member of the Committee. The schedule of Committee attendance during 2017 is below.

Committee member	Meetings attended
Dermot Byrne – external	5
Julia Carmichael – external	3
Joe Meade – external (term ended 18/01/17)	0
Earnan O’Cleirigh – external	3
Mary O’Donovan – Board	4
Tim Ryan – Board	5
Paul White – Board	1

ICT Committee

The ICT Committee comprises three Board members and advises the Board on matters to do with information and communications technology. The members of this committee as of December 31st, 2017 were external members Denis Carty (Chairperson), Paul Dowling and Jim Duffy, and Board members Catriona Walsh, Mary O’Donovan, and James Leahy. There were ten meetings of this Committee during 2017.

Committee member	Meetings attended
Denis Carty – external	10
Paul Dowling – external	7
Jim Duffy – external	10
Aidan Sullivan – external (term ended 26/06/17)	1
James Leahy – Board	5
Mary O’Donovan – Board	8
Catriona Walsh – Board	2

Legislative, Practice, & Procedures Committee

The Legislative, Practice, & Procedures Committee comprises three Board members and is charged with assisting the Board in its consideration of legislative matters. It had nine meetings during 2017. The members of this committee at December 31st, 2017 were external members Finian Matthews (Chairperson), Anne Colley, and Karen Murphy, and Board members Patricia Sheehy Skeffington, Justin O'Brien and John Fitzgerald.

Committee member	Meetings attended
Anne Colley – external	5
Finian Matthews – external	9
Karen Murphy – external	8
Noel Conroy – Board	6
John Fitzgerald – Board	7
Noel Merrick – Board (term ended 31/03/2017)	0
Justin O'Brien – Board (term began 03/11/2017)	0
Tim Ryan - Board	6
Patricia Sheehy Skeffington – Board	9

Research, Education and Awareness Committee

The Research, Education & Awareness Committee, which advises the Board on matters to do with sector research and improving the education and awareness of the RTB's stakeholders, met three times during 2017. Committee members as of December 31st, 2017 were external members Kersten Mehl, Lorcan Sirr, Tom Reilly and Earnan O'Cleirigh, and Board members Tim Ryan (Chair), John Fitzgerald, Patricia Sheehy Skeffington, and Noel Conroy.

Committee member	Meetings attended
Caren Gallagher – expired 22/03/2017	1
John Leahy – external	2
Kersten Mehl – external	3
Earnan O'Cleirigh – external	2
Tom Reilly – external	3
Lorcan Sirr – external	1
Noel Conroy – Board	1
John Fitzgerald – Board	3
Noel Merrick – Board	1
Tim Ryan – Board	3
Patricia Sheehy Skeffington – Board	2

Section 189 Committee

The Section 189 Committee consists of all Board members throughout their tenure as members of the RTB Board. It meets only as required by circumstances prescribed in section 189 of the Act to consider whether to apply to the Courts for interlocutory relief in cases of alleged illegal evictions by landlords. The Section 189 Committee met four times in 2017. Board members' attendance at the Section 189 Committee is set out in the Table 27 in the next section.

Schedule of Fees, Attendance and Expenses

During 2017 Board members were paid €215,930 (€209,931 in 2016) for their attendance at meetings. This amount includes fees for attendance at Board and Committee meetings, and any fees for attending training events and interviews. The per meeting fee schedule is as follows:

Activity	Fee
Board meetings, Committee meetings and training	€196
Board meetings, Committee meetings and training – Chairperson	€217
Disputes meetings	€329
Disputes meetings – Chairperson	€509
Tribunals	€506
Tribunals – Chairperson	€1,020

Table 27: Board members attendance at meetings in 2017

	Board Meeting	Board Disputes Meeting	Section 189 Committee Meeting	Other Board Meetings	Rent Tribunal	Audit & Risk Committee	ICT Committee	Legislative, Practice, & Procedures Committee	Research, Education & Awareness Committee	Fees Paid 2017
Number of meetings	24	64	4	18	5	4	6	9	3	
Catriona Walsh	22	19	1	8			2			€18,764
Noel Merrick	9	16			1					€8,088
Paul Flood										€0
John FitzGerald	23	63	4	11	3			7	2	€32,456
Gareth Robinson	4	29	3	2						€11,114
Noel Conroy	23	62	4	9				5	1	€29,502
Kathleen McKillion	7									€1,372
James Leahy	14	58	2	3	1		3		1	€24,628
Joseph Meehan										€0
Patricia Sheehy Skeffington	23	6	1	11	5			9	2	€13,248
Tim Ryan	22	53	2	11	2	4		6	2	€28,332
Mary O'Donovan	21	54	2	8	3	4	6			€27,726
Justin O'Brien	8	6	1	2						€3,934
Paul White	4	18	2	2						€7,294
Paddy Gray	6	20	2	3						€9,080
Julia Carmichael	2			1		1				€392
Total Fees										€215,930

Two Board members, Paul Flood and Joseph Meehan, did not receive Board fees under the one person one salary principle. The fees of Board member Kathleen McKillion were paid to the Irish Council for Social Housing. Ms. McKillion resigned from the Board effective

on 30th June, 2017. Board members were also reimbursed a total of €23,497 for travel and subsistence incurred for attendances at meetings. This was paid in accordance with the Department of Finance guidelines.

Dispute Resolution Committee

The Dispute Resolution Committee (DRC) is the panel from which members of the three-person Tenancy Tribunals are drawn. Since tribunal determinations can only be appealed on a point of law to the High Court, members of the DRC perform an important quasi-judicial function. Upon completion of a hearing, the tribunal makes a determination and sends it to the board. There were 438 tribunal hearings in 2017.

Tribunal Members Remuneration 2017			
Activity	Fee	Training	Total
Andrew Nugent	€18,208	€0	€18,208
Anne Leech	€20,754	€196	€20,950
Brian Murray	€18,065	€0	€18,065
Brian Regan	€10,214	€196	€10,410
Catriona Walsh*	€1,701	€217	€1,918
Ciara Doyle	€29,980	€196	€30,176
Dervla Quinn	€32,357	€196	€32,553
Elizabeth Maguire	€16,009	€196	€16,205
Eoin Byrne	€34,725	€196	€34,921
Finian Matthews	€39,843	€196	€40,039
Fintan McNamara	€29,629	€196	€29,825
Grainne Duggan	€14,297	€0	€14,297
Helen-Claire O'Hanlon	€20,980	€196	€21,176
Jack Nicholas	€6,454	€196	€6,650
James Egan	€21,486	€196	€21,682
John Conran	€15,293	€196	€15,489
John Keane	€23,503	€0	€23,503
John Keaney	€16,504	€196	€16,700
Karen Ruddy	€14,149	€0	€14,149
Mary Doyle	€14,464	€196	€14,660
Mervyn Hickey	€12,082	€196	€12,278
Michael Vallely	€11,926	€0	€11,926
Nesta Kelly	€25,534	€506	€26,040
Owen Donnelly	€10,887	€196	€11,083

Tribunal Members Remuneration 2017 (Continued)			
Activity	Fee	Training	Total
Roderick Maguire	€14,285		€14,285
Rosemary Healy Rae	€17,702	€196	€17,898
Suzy Quirke	€19,727	€196	€19,923
Vincent P. Martin	€20,096	€196	€20,292
Claire Millrine	€1,195	€196	€1,391
Dairine MacFadden	€24,535	€196	€24,731
Donald Menzies	€12,261	€392	€12,653
Healy Hynes	€28,243	€0	€28,243
Hugh Markey	€15,484	€196	€15,680
Kevin Baneham	€9,712	€196	€9,908
Louise Moloney	€26,559	€196	€26,755
Mary H Morris	€7,660	€196	€7,856
Maureen Cronin	€10,731	€392	€11,123
Michelle O'Gorman	€18,383	€196	€18,579
Monica Brennan	€7,660	€196	€7,856
Niall Buckley	€4,083	€0	€4,083
Peter Shanley	€13,444	€196	€13,640
Simon Noone	€2,382	€0	€2,382
Siobhan Phelan	€6,115	€196	€6,311
Gerard N Murphy	€10,050	€392	€10,442
Total	€729,351	€7,583	€736,934

* Indicates Board member

Adjudicators & Mediators Panel

An important function of the RTB is to provide a dispute resolution service for landlords, tenants and third parties. To ensure impartiality in the dispute resolution process, the adjudicators and mediators on our panel are appointed independently, and they undertake their functions in an autonomous capacity. Adjudicators are paid a flat fee of €616 per day for three hearings, or €616 for three telephone mediations where both parties agree to enter the mediation process.

Adjudicators/Mediators Remuneration 2017			
Activity	Fee	Training	Total
Angela Becker	€30,184	€196	€30,380
Brian Whelan	€63,644	€196	€63,840
Caitriona O'Connor	€39,424	€392	€39,816
Catherine McGuigan	€14,168	€0	€14,168
Cynthia Lennon	€25,256	€588	€25,844
David Duncan	€69,804	€392	€70,196
Deirdre McGowan	€3,080	€196	€3,276
Denis Kelliher	€25,872	€0	€25,872
Dermot Sheehan	€30,800	€0	€30,800
Eithne Corry	€17,864	€0	€17,864
Emma Synnott	€28,336	€196	€28,532
Frank Brady	€49,280	€392	€49,672
Lauren Tennyson	€40,656	€0	€40,656
Linda Brophy	€34,496	€196	€34,692
Louise Beirne	€14,784	€392	€15,176
Mark Kane	€52,360	€588	€52,948
Órla Ryan	€12,320	€0	€12,320
Sarah Brophy	€43,736	€196	€43,932
Shaun Smyth	€43,120	€392	€43,512
Simon Brady	€57,904	€196	€58,100
Steven Dixon	€50,932	€392	€51,324
Susan Fay	€9,856	€0	€9,856
Chris McDermott	€20,328	€196	€20,524
Gerard N Murphy	€17,864	€392	€18,256
Ciara Fitzgerald	€9,856	€196	€10,052
Laura Farrell	€42,504	€196	€42,700

Adjudicators/Mediators Remuneration 2017 (Continued)			
Activity	Fee	Training	Total
Marissa O'Keeffe	€1,848	€196	€2,044
Mema Byrne	€21,560	€196	€21,756
Stephen Brady	€14,784	€0	€14,784
Thomas Dowling	€3,696	€196	€3,892
Grand Total	€890,316	€6,468	€896,784

Key Personnel Changes

The terms of office of five Board members expired in 2017. In addition, Ms Kathleen McKillion resigned from the Board with effect from June 30th, 2017. The Minister appointed four new Board members during the year in accordance with his powers under the Act.

During the year, the RTB Director added two new Assistant Directors (A/D) to her senior management team. Caren Gallagher was appointed A/D of the newly-created Communications and Research department in March and Bryan Kelly was appointed A/D of the Finance, Governance, & Risk Management department in November.

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

The Board is responsible for ensuring that the RTB has complied with the requirements of the 2016 Code as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the 2016 Code:

Employee Short-Term Benefits Breakdown

Nine staff members were paid short-term benefits in excess of €60,000 each in 2017. These payments are analysed below.

Range of Total Employee Benefits		Training	Total
From	To	2017	2016
€60,000	€69,999	4	3
€70,000	€79,999	4	2
€80,000	€89,999	1	1
€90,000	€99,999	–	–

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

Consultancy Costs

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

Consultancy	2017	2016
Legal Advice	€64,893	€27,978

Legal Costs and Settlements

The table below provides a breakdown of amounts recognised as legal expenditure in 2017. The primary driver of legal costs for the RTB is in carrying out our functions under the Act including the resolution of disputes between landlords and tenants, litigation where required to enforce an Order of the RTB, and prosecution in the case of unregistered tenancies. This table also includes legal costs incurred in compliance with other legislation including data protection, employment law, and freedom of information, and in the day to day running of the organisation. This does not include expenditure incurred in relation to general legal advice received by the RTB which is disclosed in Consultancy costs above.

Legal Costs and Settlements	2017	2016
Judicial Review	€0	€19,653
Registration Enforcement	€37,762	€116,426
Order Enforcement	€997,937	€1,306,714
Appeals	€192,641	€190,686
General Administration	€285,383	€93,602
Other Legal Support	€298,366	€392,518
Total	€1,812,089	€2,119,599

Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

Travel & Subsistence	2017	2016
Employees & Officers	€87,344	€85,999
Board Members	€23,497	€19,278
Total	€110,841	€105,277

Hospitality Expenditure

Hospitality expenditure was nil for 2017 and 2016.

Statement of Compliance

The Board has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with it. During 2017 the Audit and Risk Committee commissioned an internal audit report on corporate governance which identified a number of areas for improvement in the organisation's compliance with the 2016 Code. In response to the results of this audit, the Director of the RTB decided to expand the Finance directorate to include responsibility for Governance and Risk management and to appoint this Assistant Director as Chief Risk Officer.

Significant work has been done by management on compliance with the 2016 Code during 2017. This work has been carried out under the oversight of the Audit and Risk Committee, who acknowledge the efforts made in 2017 and are satisfied that this work programme is now progressing toward full compliance with the 2016 Code during 2018.



Catriona Walsh
Chairperson

Date: April 6th, 2018



Rosalind Carroll
Director

Date: April 6th, 2018

08

REPORT AND FINANCIAL STATEMENTS

For the year ended 31
December 2017



CONTENTS

Information	85
Statement of the System of Internal Control	86
Statement of Income and Expenditure and Retained Revenue Reserves	92
Statement of Comprehensive Income	93
Statement of Financial Position	94
Statement of Cash Flows	95
Notes to the Financial Statements	96

Members of the Residential Tenancies Board 2017

Name	Occupation
Ms Catriona Walsh	Solicitor (Chairperson)
Mr James Leahy	IT Technician
Mr John FitzGerald	Auctioneer / Valuer
Ms Mary O'Donovan	Operations & ICT Management Professional
Mr Tim Ryan	PR Consultant
Ms Tricia Sheehy Skeffington	Barrister
Mr Paul Flood*	Estates Manager, Health Service Executive
Mr Gareth Robinson*	Barrister
Ms Kathleen McKillion*	Head of Operations, Irish Council for Social Housing
Mr Noel Conroy*	Former Garda Commissioner
Mr Noel Merrick*	Property Professional
Mr Joseph Meehan*	Civil Servant, Department of Social Protection
Mr Justin O'Brien**	Former Chief Executive of Circle Voluntary Housing Association
Mr Paul White**	Director and Principal, Governance Ireland Ltd
Mr Paddy Gray**	Professor Emeritus of Housing, Ulster University
Ms Julia Carmichael**	Head of Compliance, IPB Insurance

*Members who left the Board or their terms expired in 2017

The terms of Mr Paul Flood and Mr Noel Merrick expired on 31st March; the term of Mr Joseph Meehan expired on 30th November and the terms of Mr Noel Conroy and Mr Gareth Robinson expired on 31st December. Ms Kathleen McKillion resigned from the Board on 30th June.

**Members appointed to the Board in 2017

Mr Justin O'Brien and Mr Paul White were appointed to the Board on 15th June.

Mr Paddy Gray was appointed to the Board on 1st July and Ms Julia Carmichael was appointed on 1st December.

Subject to C&AG Audit

Statement on the System of Internal Control

Responsibility for the System of Internal Control

As Chairperson of the Residential Tenancies Board (“RTB”), I acknowledge the Board’s responsibility for ensuring that an effective system of internal control is maintained and operated. In considering the effectiveness of the system of internal control, the Board has regard, amongst other things, to the requirements of the Code of Practice for the Governance of State Bodies (2016), hereafter referred to as the “2016 Code” and any associated regulatory or legislative requirements.

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to an agreed tolerable level rather than to eliminate it. The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or detected in a timely manner.

The system of internal control outlined in this statement, which accords with the guidance issued by the Department of Public Expenditure and Reform, has been in place in the RTB for the year ended 31 December 2017 and up to the date of approval of the financial statements.

Capacity to Handle Risk

The Board of the RTB is responsible for ensuring that the RTB has an effective system of internal control in place. The Board is assisted in its work by the Audit and Risk Committee which is comprised of Board members and external members with skills and executive experience in risk management, governance, and finance. The Board has delegated executive authority to the Director who, along with her assistant directors

and management team, operates the RTB’s risk management framework and reports on risk at every Board meeting or between meetings as required.

The last few years have been a period of considerable change for the RTB driven by the growth of the sector, increased demand for our services, and the need for us to change as an organisation to effectively respond to the challenges being experienced in the residential tenancies sector. Over this period we have added to our organisational structure, operational capacity, management team and systems to meet the needs of our customers and stakeholders and to more effectively manage risk in the dynamic environment in which we operate. The Board will continue to review this system and ensure that the system of internal controls and risk management evolves to deliver on our growing mandate as the RTB matures as an organisation.

Risk and Control Framework

Board Committees

The Board is assisted in its oversight role by a number of Board Committees which are comprised of board members and external members with subject matter expertise in the Committees’ respective areas of responsibility. The Committees are charged by the Board with in-depth consideration of certain matters and they provide advice to help with Board decision-making. During 2017 the Board had the following Committees in place:

- Audit & Risk Committee
- ICT Committee
- Legislative, Practice & Procedure Committee
- Research, Education & Awareness Committee
- Section 189 Committee

Subject to C&AG Audit

The RTB's Audit and Risk Committee ("ARC") comprises four Board members and two external members with skills and executive experience in risk management, governance, and finance. The ARC had four regular meetings during 2017. In addition, the Committee members attended a training seminar which focused on the requirements of the 2016 Code and its implications for the work of the Committee and the RTB.

During 2017 the Audit and Risk Committee's work included:

- Setting the work plan for the Internal Audit service and reviewing their reports and management's responses
- Reviewing the corporate risk register on a quarterly basis and discussion with management on risk mitigation
- Considering the following matters, including briefings from and discussion with management:
 - IT Security
 - Business continuity & disaster recovery planning
 - General data protection regulations (GDPR)
 - RTB's management accounts
 - The 2016 annual financial statements and the external audit of these by the Office of the Comptroller & Auditor General
 - The Committee's own terms of reference which were revised and approved by the Board

The Committee also performed an evaluation of its own effectiveness and produced an annual report of its work which were submitted to the Board as required by the governance code.

Internal Audit

The RTB has an Internal Audit service which is provided by an external firm with specialised skills in auditing financial, operational, and information technology functions. The internal audit programme is set by the ARC annually. In 2017 four internal audit reports were reviewed by the ARC covering corporate governance, the business continuity plan, key financial controls, and a follow-up audit on previous years' audit recommendations.

The internal audit report on corporate governance identified a number of areas for improvement in the organisation's compliance with the Code of Practice for the Governance of State Bodies (2016). In response to the results of this audit, the Director made the decision to expand the Finance directorate to include responsibility for Governance and Risk management and to appoint this Assistant Director as Chief Risk Officer. Oversight of the significant work completed by the RTB has been undertaken by the Audit and Risk Committee, who acknowledge the efforts completed in 2017 and are satisfied that this programme is now progressing toward full compliance with the 2016 Code during 2018.

Risk Management System

Risk is managed using the three lines of defence model. The first line in this model is the RTB's management team which has primary responsibility for managing risk and internal control in their areas of responsibility. They are supported by the RTB's control functions (Risk, Human Resources, and Procurement) who are the second line. The third line of defence is comprised of the external bodies who review the system. The overall system of internal control at the RTB is reviewed independently by our Internal Audit service, by the Office of the Comptroller and Auditor General who perform the annual external audit of our accounts and, within the governance requirements of the 2016 Code, the Audit & Risk Committee of the Board, amongst others.

Subject to C&AG Audit

Managers in all areas of the RTB have clearly defined responsibilities for the performance of their roles and staff are appropriately skilled and supported with training. Manager and staff performance expectations are set and monitored through the employee performance management system. Training at the RTB is primarily done on the job by partnering staff in new roles with more experienced staff who pass on their accumulated knowledge and experience. Where specific training needs are identified these requirements are supported by Human Resources through either external education programmes including although not limited to third-level education qualifications. An effective performance management process is in place to ensure a continuous learning approach within the RTB for all staff members.

The RTB is a relatively small organization (55 paid staff as of December 2017), with many long tenured staff who have significant expertise and knowledge of the work we undertake. Therefore much of our work is controlled by having subject matter experts available to all staff and by the management structure we operate whereby issues can quickly and easily be escalated to senior managers for review and decision-making. We also have a quality assurance system in place to ensure our core processing work is performed in a timely and consistent manner in accordance with policies and procedures.

In addition to RTB paid staff, customer servicing is supported by an outsourced customer care center which delivers the majority of our frontline customer services. Whilst this outsourced service provides considerable benefits to the RTB, there are also significant risks which are managed. Internal controls include transparent service level agreement requirements, frequent quality reviews, regular performance and quality reports, and weekly, monthly, and quarterly meetings between the provider and RTB management. All customer calls are recorded and a specific quality

assurance programme is in place for customer service provision to ensure accuracy and consistency in the service provided. Calls are scored separately by us and by the provider and we use this dual control to make sure we and they are aligned on all elements of our service delivery. Other functions such as the provision of I.T managed services are also outsourced to effectively manage costs, and we have the requisite controls in place. The review and monitoring of outsourced work is a dynamic process and all emerging risks must be recorded and notified to management, the Audit and Risk Committee, and the Board.

Control functions, such as Finance, Risk, Human Resources, and Procurement have policies in place to control risk in their areas of responsibility and provide guidance and oversight to operational areas to ensure compliance with applicable laws, regulations, and policy. These units perform regular reviews to ensure managers and staff across the organisation are adhering to policies and they escalate significant breaches through the management hierarchy so that corrective action can be taken.

During 2017 the Director established a new quality assurance unit led by an experienced manager with the responsibility to ensure quality and consistency in our dispute resolution decisions. The establishment of this unit is a precursor to the transfer in 2018 of the power of the RTB to review dispute outcomes from the Board to the Director as required by a change in our enabling legislation.

Organisational Structure

The RTB management team is led by the Director and she has organised the RTB's operations into seven directorates each headed by an experienced Assistant Director. The directorates are: Disputes & Tribunals; Registration & Dispute Enforcement; HR & Corporate Services; ICT; Strategic Projects & Procurement; Communications & Research; Finance, Governance, & Risk Management.

Subject to C&AG Audit

In response to the changing role of the RTB, during 2017 the Director added to her senior management team and reorganised responsibilities across directorates to deliver the enhanced demands on the RTB as a result of changes in the residential tenancies sector.

Finance, Governance, and Risk Management

The Director expanded the Finance directorate to take responsibility for Governance and Risk Management, led by an externally recruited Assistant Director who was also appointed Chief Risk Officer for the organisation. In addition to its core financial management responsibilities, this directorate took responsibility for enhancing governance and risk management processes across the RTB with the Audit and Risk Committee providing oversight to the Chief Risk Officer role. A key requirement of this directorate will be to ensure the RTB progresses on a pathway to full compliance with the Code of Practice for the Governance of State Bodies (2016) by the end of 2018.

Communications and Research

This directorate, led by an externally recruited Assistant Director, was established in 2017 to be responsible for developing a range of communications channels and disseminating information which empowers landlords and tenants to comply with legislation and to proactively prevent tenancy disputes before they arise. The directorate is also responsible for conducting evidence-based research on the rental housing sector to support the RTB in fulfilling its function to provide policy advice to the Minister for Housing, Planning & Local Government. The unit is also responsible for managing the RTB's reputational risk and brand.

Procurement

In recognising the importance of compliance with procurement guidelines, the Director created the Strategic Projects and Procurement directorate to ensure that the RTB has an effective control framework in place for planning, monitoring and evaluating the RTBs procurement needs and managing the procurement process. The RTB recruited staff with procurement skills into this directorate and is providing ongoing training and consultant advice to enhance our procurement knowledge generally. The significant procurements initiated by this unit during 2017 were for the Tenancy Management System (TMS) replacement, ICT infrastructure and managed services, and a new legal services contract.

I confirm that the RTB has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2017 we complied with those procedures with the exception of the legal services issue detailed below.

As noted in the RTB's 2016 accounts, the RTB's legal services contract was out of compliance with procurement guidelines. During 2017 the RTB incurred expenditure totaling €1.8 million in legal fees to a firm of solicitors where the relevant service had not been procured by way of a competitive process since 2011. In December 2017 the RTB published a request for tender for legal services on e-tenders and the new contract for these services was awarded in March 2018.

The RTB's legal services were not put out to tender earlier than December 2017 because we had to prioritise supporting the smooth introduction of the many legislative changes in response to the housing crisis. Many of these changes were introduced with immediate effect. This limited the resources available to work on procuring a new legal services contract, and it was also judged a risk to change provider in the middle of such substantial change, when we

Subject to C&AG Audit

had significant operational deliverables such as the roll out of Rent Pressure Zones. Since the awarding of this contract the RTB has been in full compliance with procurement guidelines for legal services. It will be the role of the Strategic Projects and Procurement directorate to ensure the RTB's continued compliance with procurement guidelines into the future.

The Strategic Projects and Procurement directorate was also established to provide focused management on the delivery of a number of large-scale strategic projects and the development of specialised expertise in formal project management methodologies that will support the organisation as it grows and changes over the next several years. The strategic projects initiated by the RTB in 2017 were the development and implementation of a new Tenancy Management System, an ICT transformation project which will move nearly all of the RTB's ICT infrastructure to the Cloud, and preparing for new requirements around the General Data Protection Regulation (GDPR).

The RTB's strategic projects all have appropriate project governance structures and are regularly reported on to the Board which approves their funding and monitors their progress, risk management, and costs. Each strategic project has its own project board comprised of senior managers at the RTB who draw on outside expertise as required to ensure delivery of the project within timelines and budget in a risk-controlled manner. The TMS, Cloud, and GDPR projects will be ongoing throughout 2018.

Internal Control

The RTB has a system of internal control and risk management designed to identify and report key risks and the management actions being taken to address and, to the extent possible, to mitigate them.

The key elements of the system are as follows:

- A clearly defined organisational structure with appropriate segregation of duties and limits of authority designated by the Board
- A strategic plan, approved by the Board, which guides the annual business plan and budget
- An annual budget and annual business plans for each directorate, approved by the Board, with monthly and/or quarterly reporting of key variances to plan
- Documented policies and procedures covering key areas of risk which are periodically reviewed and approved by the Board
- Defined limits and authority for financial expenditure including procurement of goods and services and capital expenditure, approved by the Board
- Monthly management accounts prepared and presented to the Board
- A number of Board Committees which support the Board in its oversight role
- An Internal Audit function which reviews all key processes, systems and controls and reports on its work to the Audit & Risk Committee
- An Audit & Risk Committee which deals with any significant control issues raised by Internal Audit, the Office of the Comptroller and Auditor General, or other external reviews
- A corporate risk register which is prepared by management and reviewed quarterly by the Audit & Risk Committee and the Board

Subject to C&AG Audit

- Reporting on customer volumes and activity in our in-house and outsourced operations which records performance against service standards and triggers management intervention
- Customer surveys and feedback which we use to identify and address issues with the delivery of our services.

During 2017, The RTB developed its Strategic Plan 2018 – 2022 to replace its previous strategic plan and to incorporate the changed mandate of the RTB and the expectations set for us in the Government’s Strategy for the Rental Sector. The strategic plan was set with considerable Board input and was developed by the Director and her senior team with the assistance of outside advisors.

There is a comprehensive business plan in place with operational and financial targets for all business areas driven from the requirements of the strategic plan. Management and the Board review performance against the budget on a monthly basis and discuss performance against the business plan on a quarterly basis.

There is a suite of performance and quality reporting on our in-house operations and outsourced service providers. These are used by management to monitor actual outcomes versus agreed service levels and quality standards. When unfavourable performance trends or issues are identified they are escalated to senior management to be reviewed and actioned as appropriate.

Risk Register

The RTB has a corporate risk register which identifies the key risks, evaluates them using a risk based scoring system, and identifies the controls in place and actions needed to reduce the risks or mitigate their impact. The register is prepared by management and reviewed by the ARC and the Board on a quarterly basis. The outcomes of these reviews are used to plan and allocate resources to ensure risks are managed to an acceptable level.

Ongoing Monitoring and Review

The system of internal control at the RTB has evolved in recent years to take account of the increased demand on our services, changes to our enabling legislation, and stakeholder expectations for measures to address the crisis in the residential tenancies sector. The RTB has procedures in place for monitoring control processes, addressing control weaknesses, and communicating issues as they arise to senior management and to the Board in a timely way. The system will continue to evolve as structures which were put in place in recent years mature and we build on the good work. The Board will continue to provide oversight to the evolving risk management and internal control system at the RTB and will draw on the support of its Committees and outside advisors in fulfilling its stewardship role.

Review of Effectiveness

I confirm that the RTB has procedures to monitor the effectiveness of its risk management and control environment. RTB’s monitoring and review of the system of internal control is guided by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work, and the senior management team responsible for the development and maintenance of the internal control framework.

I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2017. Acknowledging the risk and control matters detailed within the body of this document, I confirm that there have been no material weaknesses identified in the internal controls in relation to 2017 that require disclosure in the financial statements.



Catriona Walsh, Chairperson

Date: March 9th, 2018

Subject to C&AG Audit

Statement of Income and Expenditure and Retained Revenue Reserves for the year ended 31 December 2017

	Notes	Year Ended 31 December 2017 €	Year Ended 31 December 2016 €
Registration fees	2	11,843,235	11,040,149
Amounts due to local authorities	2	(-)	(1,009,396)
Registration fees retained		11,843,235	10,030,753
Disputes fees		124,737	113,759
Other income	3	109,445	43,239
Exchequer funding (Vote 34, subhead A.10)		2,329,180	668,171
Deferred pension funding		784,000	(602,000)
Transfer from/(to) capital account	8	308,865	(41,322)
Sub-total		15,499,462	10,212,600
Expenditure			
Staff costs	4a	2,413,647	2,000,307
Pension costs	10a	891,537	(485,961)
Administration costs	4b	9,369,812	8,618,964
Depreciation	5	387,740	366,716
Sub-total		13,062,736	10,500,026
Surplus/ (deficit) for the year		2,436,726	(287,426)
Accumulated Surplus 1 January		978,216	1,265,642
Accumulated Surplus 31 December		3,414,942	978,216

The Statement of Cash Flows and Notes 1 to 15 form part of these Financial Statements.



Rosalind Carroll
Director

Date: March 9th, 2018



Catriona Walsh
Chairperson

Date: March 9th, 2018

Subject to C&AG Audit

Statement of Comprehensive Income for the year ended 31 December 2017

	Notes	Year Ended 31 December 2017 €	Year Ended 31 December 2016 €
Surplus/ (deficit) for the year		2,436,726	(287,426)
Experience loss on pension scheme liabilities	10d	(142,000)	(14,000)
Changes in assumptions	10d	(83,000)	(771,000)
Changes in assumptions underlying the present value of pension scheme liabilities	10e	—	—
Actuarial loss recognised	10b	(225,000)	(785,000)
Adjustment to deferred pension funding		225,000	785,000
Total recognised surplus/ (deficit) for the year		2,436,726	(287,426)

The Statement of Cash Flows and Notes 1 to 15 form part of these Financial Statements.



Rosalind Carroll
Director

Date: March 9th, 2018



Catriona Walsh
Chairperson

Date: March 9th, 2018

Subject to C&AG Audit

Statement of Financial Position as at 31 December 2017


	Notes	Year Ended 31 December 2017 €	Year Ended 31 December 2016 €
FIXED ASSETS			
Property, plant and equipment	5	1,980,400	2,289,265
CURRENT ASSETS			
Receivables	6	230,341	43,341
Cash and cash equivalents		<u>6,371,717</u>	<u>5,536,127</u>
		6,602,058	5,579,458
PAYABLES			
Amounts falling due within one year	7	(3,187,116)	(4,601,242)
NET CURRENT ASSETS		3,414,942	978,216
TOTAL NET ASSETS BEFORE PENSIONS		5,395,342	3,267,481
Deferred pension funding	10c	5,901,000	4,828,000
Pension scheme liabilities	10b	<u>(5,901,000)</u>	<u>(4,828,000)</u>
TOTAL NET ASSETS		<u>5,395,342</u>	<u>3,267,481</u>
REPRESENTING			
Accumulated surplus		3,414,942	978,216
Capital account	8	<u>1,980,400</u>	<u>2,289,265</u>
		<u>5,395,342</u>	<u>3,267,481</u>

The Statement of Cash Flows and Notes 1 to 15 form part of these Financial Statements.



Rosalind Carroll
Director

Date: March 9th, 2018



Catriona Walsh
Chairperson

Date: March 9th, 2018

Subject to C&AG Audit

Statement of Cash Flows for the year ended 31 December 2017

	Notes	Year Ended 31 December 2017 €	Year Ended 31 December 2016 €
Reconciliation of operating surplus to net cash inflow from operating activities			
Operating surplus/ (deficit) for year		2,436,726	(287,426)
Depreciation	5	387,740	366,716
Interest earned		(30,245)	(13,217)
Transfer (from)/ to capital account	8	(308,865)	41,322
(Increase)/ decrease in receivables		(187,010)	36,367
Decrease in payables		(1,414,126)	(1,147,826)
Net cash outflow from operating activities		<u>884,220</u>	<u>(1,004,064)</u>
Cash flow Statement			
Net cash inflow/ (outflow) from operating activities		<u>884,220</u>	<u>(1,004,064)</u>
Returns on investment and servicing of finance			
Interest received		30,245	13,217
Net capital expenditure			
Property, plant and equipment	5	<u>(78,875)</u>	<u>(408,038)</u>
Increase/ (decrease) in cash and cash equivalents		<u>835,590</u>	<u>(1,398,885)</u>

Subject to C&AG Audit

Notes to the Financial Statements

1. Accounting Policies

The basis of accounting and significant accounting policies adopted by the Residential Tenancies Board (“RTB”) are set out below. They have all been applied consistently throughout the year and for the preceding year.

a) General Information

The Residential Tenancies Board (formerly Private Residential Tenancies Board) was set up under the Residential Tenancies Act 2004, and has its head office at D’Olier Street Dublin 2. The Board’s name was changed in 2016 to the Residential Tenancies Board (RTB) to reflect the extension of its remit to the Approved Housing Body sector. In addition, during 2016 the functions of the Rent Tribunal were transferred to the RTB.

The Residential Tenancies Board’s primary functions as set out in the 2004 Act (as amended) are as follows:

- (a) the resolution of disputes between tenants and landlords,
- (b) the registration of particulars in respect of tenancies,
- (c) the provision to the Minister of advice concerning policy in relation to the residential rented sector,
- (d) the development and publication of guidelines for good practice by those involved in the residential rented sector,
- (e) the collection and provision of information relating to the sector, including information concerning prevailing rent levels,
- (f) where the Board considers it appropriate, the conducting of research into the sector and monitoring the operation of various aspects of the sector or arranging for such research and monitoring to be done,
- (g) the review of the operation of this Act and any related enactments and the making of recommendations to the Minister for the amendment of this Act or those enactments,
- (h) confirming to the Minister whether an area meets the criteria for designation as a rent pressure zone as defined in the Act,
- (i) the performance of any additional functions conferred on the Board under the Act.

The Residential Tenancies Board is a Public Benefit Entity (PBE).

b) Statement of Compliance

The financial statements of the Residential Tenancies Board for the year ended 31 December 2017 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland.

Subject to C&AG Audit

c) Basis of Preparation

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below. The financial statements are in the form approved by the Minister for Housing, Planning and Local Government with the concurrence of the Minister for Finance under the Residential Tenancies Act 2004.

d) Currency

The financial statements have been presented in Euro (€), which is the functional currency of RTB.

e) Income*Registration Fees*

Income is recognised on receipt of an application to register a tenancy.

The RTB recognises a provision in relation to fees which may be returned to applicants in instances where the application is incomplete or the incorrect fee has been paid.

Up to June 2016, a proportion of the registration fees collected by the RTB (20%) was allocated to local authorities for the purpose of carrying out their functions under the Housing Acts. The amount paid to each local authority was based on the number of inspections conducted by that local authority as a proportion of the total inspections conducted by all local authorities. The payment to individual local authorities was based on instruction from the Minister. Amounts due to local authorities are included as a creditor in the Statement of Financial Position. This was suspended from July 2016 following instruction from the Minister.

Dispute Fees

Income is recognised when a dispute application is heard.

Oireachtas Grant

Revenue is generally recognised on an accruals basis, with the exception of Oireachtas Grants which are recognised on a cash received basis.

Other Income

Other income represents interest accruing on deposits held with financial institutions and any legal costs recovered in the year.

Interest income

Interest income is recognised on an accruals basis using the effective interest rate method.

Subject to C&AG Audit

f) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is provided on all property, plant and equipment at rates estimated to write off the cost less the estimated residual value of each asset on a straight line basis over their estimated useful lives, as follows:

Leasehold Improvements	5% per annum
Fixtures and Fittings	10% per annum
Office equipment	20% per annum
Computers equipment and software development	20% per annum

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life.

If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the year.

g) Receivables

Receivables are recognised at fair value, less a provision for doubtful debts. The provision for doubtful debts is a specific provision, and is established when there is objective evidence that the Residential Tenancies Board will not be able to collect all amounts owed to it. All movements in the provision for doubtful debts are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

h) Operating Leases

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves over the life of the lease. Expenditure is recognised on a straight-line basis over the lease period, except where there are rental increases linked to the expected rate of inflation, in which case these increases are recognised when incurred. Any lease incentives received are recognised over the life of the lease.

i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

j) Employee Benefits*Short-term Benefits*

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

Subject to C&AG Audit

k) Retirement Benefits

The Residential Tenancies Board (RTB) operates a defined benefit pension scheme which is funded annually on a pay as you go basis from monies available to it. Statutory Instrument (S.I. No 625 of 2011) gave effect to the RTB Superannuation Scheme and was approved by the Minister for Housing, Planning and Local Government with the consent of the Minister for Public Expenditure and Reform in November 2011 (commencing with effect from 1 September 2004). The RTB also operates the Single Public Service Pension Scheme (Single Scheme) which is the defined benefit pension scheme for public servants recruited on or after 1 January 2013. Single Scheme members' contributions are paid over to the Department of Public Expenditure and Reform.

Pension costs reflect pension benefits earned by employees in the period and are shown net of staff pension contributions which are treated as payable to the Department of Housing, Planning and Local Government. An amount corresponding to the pension charge is recognised as income to the extent that it is recoverable and offset when necessary by grants received in the year to discharge pension payments.

Actuarial gains and losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income and a corresponding adjustment is recognised in the amount recoverable from the Department of Housing, Planning and Local Government.

Pension liabilities represent the present value of future pension payments earned by staff to date. Deferred pension funding represents the corresponding asset to be recovered in future periods from the Department of Housing, Planning and Local Government.

l) Foreign Currencies

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

m) Capital Account

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

n) Critical Accounting Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

Impairment of Property, Plant and Equipment

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Subject to C&AG Audit

Depreciation and Residual Values

The Directors have reviewed the asset lives and associated residual values of all fixed asset classes and in particular the useful economic life and residual values of fixtures and fittings, and have concluded that asset lives and residual values are appropriate.

Provisions

The Residential Tenancies Board makes provisions for legal and constructive obligations, which it knows to be outstanding at the period end date. These provisions are generally made based on historical or other pertinent information, adjusted for recent trends where relevant. However, they are estimates of the financial costs of events that may not occur for some years. As a result of this and the level of uncertainty attaching to the final outcomes, the actual out-turn may differ significantly from that estimated.

Provisions for Registration Fee Refunds

The RTB receives applications and a fee from landlords to register tenancies. Section 135 of the Residential Tenancies Act 2004 requires incomplete applications or those without the correct fee to be returned to the applicant together with any fees paid.

The RTB seeks to resolve issues arising and has developed software to make this process more effective. Where the issue cannot be resolved in a timely manner the application and the fee are returned to the applicant and the tenancy is not registered.

At 31 December 2017, a number of registration applications on hand were being processed. The RTB recognises a provision in relation to fees from some of these applications which may ultimately be returned to the applicant. Note 7 to these financial statements records the number of incomplete applications and the corresponding provision.

Retirement Benefit Obligation

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels, mortality rates and healthcare cost trend rates) are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the pension and post-retirement plans.

The assumptions can be affected by:-

- (i) the discount rate, changes in the rate of return on high-quality corporate bonds; and
- (ii) future compensation levels and future labour market conditions

Subject to C&AG Audit

2. Registration Fees Income

Fees which were received from landlords as payment for the registration of their tenancies amounted to €11,843,235 (2016: €11,040,149).

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

- 20% of registration fees up to June 2016, which amounted to €nil (2016: €1,009,936), was paid to local authorities;
- €11,843,235 was retained by the RTB for administration costs (2016: €10,030,753).

Payments to local authorities were suspended from July 2016 following instruction from the Minister.

3. Other Income

	31 December 2017 €	31 December 2016 €
Interest income	30,245	13,217
Sundry Income	–	1,192
Legal costs recovered	<u>79,200</u>	<u>28,830</u>
	<u><u>109,445</u></u>	<u><u>43,239</u></u>

4a. Staff Costs

	31 December 2017 €	31 December 2016 €
RTB staff & secondees	2,174,042	1,853,206
Training of staff and office holders	45,449	28,351
Social welfare costs	142,355	100,455
Other staff costs	<u>51,801</u>	<u>18,295</u>
	<u><u>2,413,647</u></u>	<u><u>2,000,307</u></u>

Staff Numbers:

The number of staff employed by the RTB in the year was 43 (2016: 27). A further 12 staff were seconded to the RTB from Government Departments and other public sector bodies (2016:13)

Pension Levy:

€43,944 of pension levy has been deducted and paid over to the Department of Housing, Planning and Local Government (2016: €41,120).

Employee Benefits Breakdown

Nine staff members were paid in excess of €60,000 each in 2017. These payments are analysed below.

Range of Total Employee Benefits		Number of Employees	
From	To	2017	2016
€60,000	€69,999	4	3
€70,000	€79,999	4	2
€80,000	€89,999	1	1
€90,000	€99,999	–	–

4b. Administrative Costs

	Year Ended 31 December 2017	Year Ended 31 December 2016
	€	€
Board members' fees	211,163	209,932
Tribunal members' fees	735,588	957,889
Adjudicators', mediators' and other fees	885,656	842,741
Rent tribunal (Note*)	6,391	7,307
Travel and subsistence	87,344	85,999
Outsourcing costs	1,854,004	1,461,093
Legal and professional fees	1,876,982	2,147,575
Audit fees	18,082	22,394
Accountancy fees	55,683	68,471
Stenography costs	65,496	93,482
Meeting expenses	17,732	7,930
Office supplies	38,386	44,239
Postage and distribution costs	541,025	575,914
Printing and translation costs	124,448	101,129
Telephone expenses	46,418	38,166
Public information and education	61,065	245,298
Computer expenses and maintenance	1,445,372	857,999
Establishment costs	491,069	455,116
Cleaning services	23,333	27,651
Research studies	541,972	202,447
Strategic projects	59,592	-
Miscellaneous	57,029	46,936
Bank charges	111,098	103,295
Records storage and retrieval	14,884	15,961
	9,369,812	8,618,964

Note*: This cost represents the Rent Tribunal members' fees.

5. Property, Plan and Equipment

	Computer Equipment & Software Develop- ment €	Leasehold Improve- ments €	Furniture & Fittings €	Office Equipment €	Total €
Cost					
Opening balance	3,293,950	1,813,164	252,148	84,328	5,443,590
Additions	76,884	1,991	-	-	78,875
At 31 December 2017	3,370,834	1,815,155	252,148	84,328	5,522,465
Depreciation					
Opening balance	2,103,705	782,993	183,299	84,328	3,154,325
Charge for the year	271,793	90,735	25,212	-	387,740
At 31 December 2017	2,375,498	873,728	208,511	84,328	3,542,065
Net Book Value					
At 31 December 2017	995,336	941,427	43,637	-	1,980,400
At 31 December 2016	1,190,245	1,030,171	68,849	-	2,289,265

6. Receivables

Amounts falling due within one year	31 December 2017 €	31 December 2016 €
Prepaid expenses	202,769	28,939
Accrued Income	16,397	-
Voluntary deductions	10,688	13,905
Sundry debtors	487	487
	<u>230,341</u>	<u>43,331</u>

Subject to C&AG Audit

7. Payables

Amounts falling due within one year	31 December 2017 €	31 December 2016 €
Creditors & Accruals	2,025,851	1,734,730
Amounts Due to Local Authorities	1,161,265	2,866,512
	<u>3,187,116</u>	<u>4,601,242</u>

Included in creditors and accruals is a provision in respect of 1,272 incomplete registrations with a value of €152,778 (2016: 996 applications, value €130,477).

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:

	31 December 2017 €	31 December 2016 €
Opening balance	2,866,512	3,739,788
Fees allocated to local authorities in the year	-	1,009,396
Fees disbursed in the year	(1,705,247)	(1,882,672)
Amounts due to local authorities	<u>1,161,265</u>	<u>2,866,512</u>

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 Housing, Planning and Local Government.

Subject to C&AG Audit

8. Capital Account

Amounts falling due within one year	31 December 2017 €	31 December 2016 €
Opening balance	2,289,265	2,247,943
Transfer (to) / from Income and Expenditure Account	78,875	408,038
Funding to acquire assets		
Amortisation in line with asset depreciation	(387,740)	(366,716)
Release of disposal of fixed asset	–	–
	<u>(308,865)</u>	<u>41,322</u>
Closing balance at 31 December	<u><u>1,980,400</u></u>	<u><u>2,289,265</u></u>

9. Accommodation

In October 2007 the Residential Tenancies Board signed a 20 year leasehold agreement in respect of its premises at O'Connell Bridge House, D'Olier Street, Dublin 2. The lease contains a break clause at the end of years 5 and 10 only. The annual commitment under this lease at year end was €500,160.

At 31 December 2017 there were annual lease commitments under an operating lease as follows:

	31 December 2017 €
Expiry date:	
Between 0 and 1 years	500,160
Between 1 and 2 years	500,160
Between 2 and 5 years	<u>1,500,480</u>
Totals	<u><u>2,500,800</u></u>

Subject to C&AG Audit

10. Superannuation

a) Analysis of total pension costs charged to Expenditure	31 December 2017	31 December 2016
	€	€
Current service cost ¹	356,000	179,000
Interest on pension scheme liabilities	108,000	123,000
Past service (gain)/loss	320,000	(904,000)
	<u>784,000</u>	<u>(602,000)</u>
Superannuation (Department staff)	107,537	116,039
	<u>891,537</u>	<u>(485,961)</u>
b) Movement in net pension liability during the financial year	31 December 2017	31 December 2016
	€	€
Net pension liability at 1 January	(4,828,000)	(4,602,000)
Current service cost	(420,000)	(222,000)
Past service costs ²	(320,000)	904,000
Interest costs	(108,000)	(123,000)
Actuarial Loss	(225,000)	(785,000)
Deficit at end of year	<u>(5,901,000)</u>	<u>(4,828,000)</u>

1 | Current Service costs are net of employee contributions which are remitted back to the Department. The amounts that have been remitted back to the Department are (2017) €64,429 and (2016) €43,000.

2 | The past service gain / (loss) reflects the transfer of staff in/out of the RTB superannuation scheme on a 'knock for knock' basis.

Subject to C&AG Audit

c) Deferred Funding for Pensions

The RTB Superannuation Scheme was approved by the Minister for Housing, Planning and Local Government with the consent of the Minister for Public Expenditure and Reform in November 2011 (with effect from 1 September 2004). The RTB recognises amounts owing from the State for the unfunded deferred liability for pensions arising from this approved superannuation scheme on the basis of the set of assumptions described in (e) and a number of past events. These events include the statutory basis for the establishment of the superannuation scheme, and the policy and practice currently in place in relation to funding public service pensions including contributions by employees and if necessary and the annual estimates process.

The Net Deferred Funding for Pensions recognised in the Income and Expenditure Account was as follows:

	2017	2016
	€	€
Funding adjustment in respect of current year pension	784,000	(602,000)
State Grant applied to pay pensions	—	—
	<u>784,000</u>	<u>(602,000)</u>

The deferred funding asset for pensions as at 31 December 2017 amounted to €5,901,000 (2016: €4,828,000).

d) History of defined benefit obligations	2017	2016
	€	€
Defined Benefit Obligations	5,901,000	4,828,000
Experience losses on Scheme Liabilities & Change in Assumptions	(225,000)	(785,000)
Percentage of Scheme Liabilities	(4%)	(16%)

e) General Description of the Scheme

The pension scheme is a defined benefit final salary pension arrangement with benefits and contributions defined by reference to current “model” public sector scheme regulations. The scheme provides a pension (eightieths per year of service), a gratuity or lump sum (three eightieths per year of service) and spouse’s and children’s pensions. Normal Retirement Age is a member’s 65th birthday, and pre 2004 members have an entitlement to retire without actuarial reduction from age 60. Pensions in payment (and deferment) normally increase in line with general public sector salary inflation.

The Single Public Service Pension Scheme (Single Scheme) is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013 in accordance with the Public Service Pension (Single Scheme and Other Provisions) Act 2012. The scheme provides for a pension and retirement lump sum based on career- average pensionable remuneration, and spouse’s and

Subject to C&AG Audit

children's pensions. The minimum pension age is 66 years (rising in line with State pension age changes). It includes an actuarially-reduced early retirement facility from age 55.

Pensions in payment increase in line with the consumer price index. There were 21 members of the Single Scheme in 2017 (2016: 7).

The results set out below are based on an actuarial valuation of the liabilities in respect of the staff as at 31 December 2017. This valuation was carried out by a qualified independent actuary for the purposes of the accounting standard, *Financial Reporting Standard 102 – Pension Plan disclosures*.

The financial assumptions used to calculate scheme liabilities were:

	31 December 2017	31 December 2016
Discount rate	2.2%	2.15%
Salary increase assumption	3.4%	3.3%
Pension increase assumption	2.9%	2.8%
Price inflation	1.9%	1.8%

11. 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. The Board has calculated its liability for the year ended 31 December 2017 to be €nil (2016: nil).

12. Unresolved Cases

The Board had 120 dispute resolution cases awaiting hearing at 31 December 2017. As the cost of the dispute resolution process varies greatly from case to case no provision for these unresolved cases registered prior to 31 December 2017 is included in the Financial Statements. In addition, approximately 390 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.

13. 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.

Subject to C&AG Audit

14. Director and Board members' Remuneration

Director's Salary: €87,741

The Director was not in receipt of any bonuses or benefit in kind in 2017. The Director's pension entitlement does not extend beyond the standard entitlements in the model public sector defined benefit superannuation scheme.

Board members are paid fees based on their attendance at Board and Board committee meetings. The fee rates are set by the Department of Finance and the Department of Housing, Planning and Local Government.

The table below sets out the Board members' fees paid in 2017. The figures refer to actual payments made to Board Members during 2017, some of which relate to meetings attended in 2016. The figure included in Note 4b for Board members' fees is calculated on an accruals basis for all meetings attended during 2017, regardless of when the payments were made.

RTB BOARD MEMBERS' REMUNERATION 2017

Name	Tenancy Disputes Meetings	Tribunals	Board Fees	Rent Tribunal	Training	Total
Catriona Walsh	9,741	1,701	7,322	0	0	€18,764
Gareth Robin-son	9,721	0	1,393	0	0	€11,114
James Leahy	20,172	0	4,116	340	0	€24,628
John FitzGerald	22,567	0	8,428	1,265	196	€32,456
Mary O'Donovan	18,866	0	7,448	1,020	392	€27,726
Noel Conroy	21,858	0	7,448	0	196	€29,502
Noel Merrick	5,984	0	1,764	340	0	€8,088
Patricia Sheehy Skeffington	2,164	0	8,624	2,068	392	€13,248
Tim Ryan	18,727	0	8,533	680	392	€28,332
Kathleen McKil-lion	0	0	1,372	0	0	€1,372
Justin O'Brien	1,974	0	1,764	0	196	€3,934
Paul White	5,922	0	1,176	0	196	€7,294
Paddy Gray	7,120	0	1,960	0	0	€9,080
Julia Carmi-chael	0	0	392	0	0	€392
TOTAL	€144,816	€1,701	€61,740	€5,713	€1,960	€215,930

The fees of Ms Kathleen McKillion were paid to the Irish Council for Social Housing. Taxation deductions were applied in advance of these payments.

Board fees have not been paid to the following Board Members; Mr Paul Flood, Mr Joseph Meehan

Board members were also reimbursed a total of €23,497 for travel and subsistence incurred for attendances at meetings and Tribunals. These were paid in accordance with the Department of Finance guidelines.

Subject to C&AG Audit

15. Approval of Financial Statements

The Draft Financial Statements were approved by the Board on March 9th, 2018.

Subject to C&AG Audit

NOTES

NOTES



Bord um Thionóntachtaí Cónaithe
Residential Tenancies Board

ISSN 1649-9247

 **@RTBinfo**