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POSITION PAPER

# Property agents: the case for regulation



Regulation offers the potential to professionalise the industry, stamp out bad practice, create transparency and give consumers more control over who manages their property.

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# Introduction

Currently, estate agents do not need to be licensed or qualified. In Scotland, a solicitor will manage much of the property sale. However, in England, Wales and Northern Ireland, unless the estate agent is a qualified chartered surveyor, they will liaise with other professional parties.

There is currently no overarching statutory regulation of private sector letting or managing agents in England, although they are subject to consumer protection law and specific provisions in relation to the charging of fees and membership of redress schemes.

The private rented sector is the second largest tenure in England behind owner occupation this equates to 4.6 million or 19% of households. The growth of the sector has prompted an increased focus on management standards and on the activities of letting and managing agents.

Professional bodies play a vital role in providing qualifications and ensuring compliance with rules and regulations as well as taking action to drive up standards across the property sector. However, recent legislation for leasehold reform and building safety are complex and need to be accompanied by overarching regulation that supports and promotes qualified, competent and professional property agents.

## KEY RECOMMENDATION

**Regulation should introduce minimum qualification requirements and statutory Code of Practices to be adhered to by all letting and managing agents in England and sales agents across the UK, including:**

- **An overarching body that works with professional bodies, enforcement agents and approved schemes to enforce compliance, improve standards and have the power to expel agents from working.**
- **A Code of Practice that can be used across the industry and by the government approved redress schemes to adjudicate against complaints and help drive up standards.**
- **Training and qualification requirements that must be met to ensure acceptance onto the mandatory register of letting and property agents.**
- **Mandatory Continued Professional Development requirements supported by membership of a professional body.**
- **Successful registration indicates that an applicant is a fit and proper person to carry out letting and property agency work. It will be a criminal offence for any property agent who is not on the register to operate.**

# The road to regulation

In October 2018, the then UK Housing Minister, Heather Wheeler, announced that a new working group called Regulation of Property Agents (RoPA) would be set up and tasked with advising the UK Government on a new regulatory framework for letting and managing agents in England and estate agents across the UK.

The measures were in line with the UK Government's responses to its calls for evidence on 'Protecting consumers in the letting and managing agent market'<sup>1</sup> and 'Improving the home buying and selling process'.<sup>2</sup>

## WHO WILL IT IMPACT?

The recommendations in the Final Report are of relevance to the whole of the UK. Lettings and managing agents' powers are devolved, but estate agency powers are reserved.

## Numbers of property agents across the UK

### ESTATE AGENTS

Sell property, usually chosen by and paid for by the seller of the property, by marketing it to potential buyers.

Estate agents across the UK are legally required to register with HMRC for anti-money laundering supervision. The total size of the population supervised by HMRC is 15,234 estate agency businesses.<sup>3</sup>

### LETTING AGENTS

Arrange the renting of a property on behalf of the property's owner, usually chosen by and paid for by the property owner, and market it to potential

tenants. Sometimes, letting agents also manage the individual property for the owner, acting between tenant and landlord for the duration of the contract.

There are an estimated 19,000 letting agents and 2.3 million landlords in England, with 46% of landlords using a letting agent.<sup>4</sup>

### MANAGING AGENTS

Act as the manager of communal facilities of a residential block, usually leasehold or share of freehold, on behalf of the freeholder.

There are an estimated 840 managing agent companies in England and Wales.<sup>5</sup>

# Current state of play

## SALES AGENTS

Currently, estate agents are not required by law to be licensed or qualified. In Scotland, a solicitor will manage much of the property sale. However, in England, Wales and Northern Ireland, unless the estate agent is a qualified chartered surveyor, he/she will liaise with other professional parties.

Estate agents across the UK are principally regulated by the Estate Agents Act 1979 and the Consumer Protection from Unfair Trading Regulations 2008.

In addition, since 1 October 2008, all estate agents in the UK who engage in residential estate agency work are required to belong to an approved redress scheme under the Consumers, Estate Agents and Redress Act 2007.

## LETTING AGENTS

There is currently no overarching statutory regulation of private sector letting agents in England, nor is there any legal requirement for them to belong to a trade association.

Scotland has introduced a qualification and registration scheme for letting agents.,Wales requires agents to be trained and licensed and there is no comprehensive regulation of letting agents in England.

In January 2017, the Department for Communities in Northern Ireland announced an intention to, "Introduce a regulatory framework for all letting agents including bringing forward legislation to ban letting agent fees." They have tasked the Chartered Institute of Housing to do a review into what letting agent regulation could look like in Northern Ireland (May 2024).

## MANAGING AGENTS

There is currently no overarching statutory regulation of managing agents in England, nor is there any legal requirement for them to belong to a trade association.

Despite the Building Safety Act placing a huge focus on building and fire safety in multi-occupied buildings, there are no qualification or ongoing training requirements for managing agents.

## AMENDING THE ESTATE AGENTS ACT 1979

Section 22 of the Estate Agents Act gives powers to the Secretary of State to introduce 'Standards of competence' and prescribe professional or academic qualifications as well as designate an organisation as a body which may itself specify professional qualifications.<sup>6</sup>

1. [www.gov.uk/government/consultations/protecting-consumers-in-the-letting-and-managing-agent-market-call-for-evidence](http://www.gov.uk/government/consultations/protecting-consumers-in-the-letting-and-managing-agent-market-call-for-evidence)  
2. [www.gov.uk/government/consultations/improving-the-home-buying-and-selling-process-call-for-evidence](http://www.gov.uk/government/consultations/improving-the-home-buying-and-selling-process-call-for-evidence)  
3. [www.gov.uk/government/collections/anti-money-laundering-and-countering-the-financing-of-terrorism-reports](http://www.gov.uk/government/collections/anti-money-laundering-and-countering-the-financing-of-terrorism-reports)  
4. [www.gov.uk/government/publications/a-fairer-private-rented-sector](http://www.gov.uk/government/publications/a-fairer-private-rented-sector)  
5. [www.thetimes.com/uk/politics/article/who-is-managing-the-managing-agents-fv8v2pn98](http://www.thetimes.com/uk/politics/article/who-is-managing-the-managing-agents-fv8v2pn98)  
6. [www.legislation.gov.uk/ukpga/1979/38](http://www.legislation.gov.uk/ukpga/1979/38)

# Why regulation is important

## IMPROVE QUALITY OF SERVICE FOR CONSUMERS

Anyone can operate as a sales, letting or managing agent, regardless of qualifications, background, skills or experience. This can result in variable service levels for tenants, landlords, leaseholders, homebuyers and sellers including general bad practice, lack of financial protection and no effective way to resolve complaints.



**'The Government has been sitting on its hands for four years by not acting on the report of the Working Group it set up. In the meantime, the impact of poor regulation is being felt by tenants and leaseholders, and the sector has been left in limbo.'**<sup>7</sup>

**Baroness Taylor of Bolton, Chair of the House of Lords Industry and Regulators Committee (March 2024).**

## INTRODUCE MINIMUM OPERATING REQUIREMENTS AND ENHANCE SECTOR INTEGRITY

There are no minimum standards to work in the property sector and there are no statutory rules to ensure property agents are suitably qualified. Additionally, agents who are not members of a professional body do not have to meet minimum competency standards.

**CEPI, the European Association of Real Estate Professionals of which Propertymark is a member launched a report in 2021 on the Regulatory requirements of Real Estate Professions across Europe.**

**The report highlights that of the 25 national regulations of real estate agents only seven countries, including the UK, have no elements of state regulation and nine countries, again including the UK, have no educational entry requirements to work in the sector.**<sup>8</sup>

## GREATER ENFORCEMENT

A regulator would provide greater consistency in the qualifications of property agents and of enforcement against them as well support local authorities or Trading Standards teams across the country with specialist people, training and the right intelligence.

**In May 2024, it was reported that only 49 individuals and companies are on the UK Government's Database of Rogue Landlords and Property Agents that was introduced in April 2018.<sup>9</sup>**

**Under the Banning Order List enforced by the National Trading Standards Estate and Letting Agency Team only 300 Warning or Prohibition Notices have been issued to estate agents since 1983 which equates to about 7 Notices a year.<sup>10</sup>**

## PROTECTIONS FOR CONSUMERS

Since 2014, property agents have been required to be a member of a redress scheme approved by the UK Government. Currently, two redress schemes have been approved for this purpose: The Property Ombudsman and the Property Redress Scheme. Redress schemes provide alternative dispute resolution to the courts for tenants and agents and can take on individual complaints on behalf of consumers. .

**The redress schemes can order agents to pay financial awards where they have harmed consumers, but the value of these awards cannot exceed the individual harm done. Furthermore, the redress schemes are limited by only acting where individual cases are brought by consumers, and they cannot mandate that agents be qualified or adhere to a code of practice.**

Continued...

## REDUCE THE RISK OF ECONOMIC CRIME IN THE PROPERTY SECTOR

The sale and letting of property, auctioneers and high value dealers are all attractive targets for those looking to launder money. Both small and large agencies are susceptible to criminal activity. The London property market and the wider UK housing market are highly attractive options and are both affected by financial crime. While the property sector remains largely unregulated, and without minimum standards to operate, the industry is vulnerable to attack.

Transparency International UK has been collating information on questionable funds from around the world being invested in UK property since 2016. This figure now stands at £6.7 billion (Feb 2022).<sup>11</sup>

## PARITY IS NEEDED WITH THE SOCIAL RENTED SECTOR

On 23 February 2023, it was announced by the UK Government that property managers in the social rented sector must gain professional qualifications under new rules to protect residents and raise standards in the sector.<sup>12</sup> All tenants regardless of housing tenure, should receive high levels of service from a qualified professional.



**'The Grenfell Tower tragedy and, more recently, the death of Awaab Ishak showed the devastating consequences of residents inexcusably being let down by poor performing landlords who consistently failed to listen to them.'**

**Secretary of State for Levelling Up, Housing and Communities Rt Hon Michael Gove MP (Feb 2023)**

7. [committees.parliament.uk/committee/517/industry-and-regulators-committee/news/200574/government-urged-to-get-on-with-creating-regulator-of-property-agents](https://committees.parliament.uk/committee/517/industry-and-regulators-committee/news/200574/government-urged-to-get-on-with-creating-regulator-of-property-agents)

8. [www.jpav.ie/news\\_publications/cepi-regulatory-situation-real-estate-professions-across-europe](https://www.jpav.ie/news_publications/cepi-regulatory-situation-real-estate-professions-across-europe)

9. [www.thenegotiator.co.uk/news/regulation-law-news/rogue-letting-agent-database-has-been-a-flop-new-research-shows](https://www.thenegotiator.co.uk/news/regulation-law-news/rogue-letting-agent-database-has-been-a-flop-new-research-shows)

10. [en.powys.gov.uk/article/3992/Estate-Agents-Public-Register](https://en.powys.gov.uk/article/3992/Estate-Agents-Public-Register)

11. [www.transparency.org.uk/uk-money-laundering-stats-russia-suspicious-wealth](https://www.transparency.org.uk/uk-money-laundering-stats-russia-suspicious-wealth)

12. [www.gov.uk/government/news/social-housing-managers-must-be-qualified-under-new-laws-to-protect-residents](https://www.gov.uk/government/news/social-housing-managers-must-be-qualified-under-new-laws-to-protect-residents)



# Case studies



## Prospective tenants lose

### £13,000 in a fake agent scam

In September 2023, fraudsters operated under a name of a legitimate agency and held two days of viewings. However, it later turned out that the flat shown had been booked through online travel agency Booking.com, which is how the fraudsters got the keys.

After looking around the property, the prospective tenants were sent what they say was a legitimate-looking contract and an invoice. They later discovered the scammers had used the property owner's real name in the documents. The scammers also used a legitimate real estate agency's company registration number on their invoice.

Because the prospective tenants did not have guarantors, they had to pay six months of rent in advance, along with a deposit worth five weeks' rent. Shortly after transferring the money to a bank account, they received an email from OpenRent saying they had removed the advert due to suspicions of fraud.

The prospective tenants reached out to the agent, who was still responsive and agreed to meet up to give them the keys. But no-one showed up.<sup>13</sup>



## Rogue estate agent

### 'left me in limbo'

Su Francis, 65, from Buckinghamshire was visited by a so-called quick sale estate agent who pressured her into signing a contract. However, the full details of the contract were only revealed a couple of days later during a phone call from its office.

She said: "They were quite hard about (me) signing up. Subsequently I found out I was signed up to them for a year." And "They provided no service whatsoever, they provided no viewings, nobody came to see it (the house) and when I phoned them

it was just recorded messages. "It's also left me quite worried about who I should take on and whether or not I can trust people.

Ms Francis added: "It's left me in limbo because I haven't been able to sell my house. As far as the financial implications, until I can sell my house, it's impossible for me to plan for my financial future."<sup>14</sup>





## Property Redress

### Scheme: **complaints**

**against property agents up by  
20% in 2023**

The Property Redress Scheme's annual report for 2022 shows that complaints against estate and letting agents rose by a fifth last year to 2,393.<sup>15</sup>

Top three lettings complaints:

1. Holding deposits
2. Poor service and management
3. Tenancy payments and rent collection

Top three sales complaints:

1. Duty of care including poor service and misleading information
2. Instructions, terms of business, commissions
3. Marketing and advertising

Top three property management complaints:

1. Poor management service
2. Maintenance
3. Provision of relevant documents <sup>16</sup>



## The Property

### Ombudsman: **2023**

**saw a 46% increase in cases  
compared to the previous year**

In 2023, The Property Ombudsman received 57,635 total enquiries, which is an increase of 30% and 5,644 cases which is an increase of 46%.

Top three lettings complaints (from tenants):

1. Repairs and maintenance
2. Duty of care
3. Deposits

Top three sales complaints (selling issues):

1. Fees
2. Duty of care
3. Communication

Top three property management complaints:  
(leaseholder issues):

1. Service charges
2. Repairs and maintenance
3. Complaints handling <sup>17</sup>



## Rogue agency expelled from

### Ombudsman but **still trading illegally**

In August 2023, Hawks Properties Limited, trading from an address in East London, were expelled from The Property Ombudsman for failing to pay compensation of £10,264.50 to a landlord following a formal complaint investigation.

Despite an inactive website, TPO has been informed that the company appears to still be trading illegally, offering properties to let. As part of TPO's

compliance process, notification of this expulsion has been shared with all relevant bodies, including both Local and National Trading Standards for further investigation, as well as all property portals.

The memorandum of understanding between TPO and the Property Redress Scheme prevents agents from registering with the other scheme until outstanding awards have been paid to consumers.<sup>18</sup>

# Benefits of regulation

## SPOTLIGHT: LETTING AGENT REGULATION IN SCOTLAND

In 2014, legislation was passed making provisions for the regulation of letting agents in Scotland. This means that if you are carrying out letting agency work on any properties in Scotland, you need to meet the minimum training standards and join the Scottish Letting Agent Register in order to legally trade.

The aim of the Scottish Government's agent regulation is to ensure that every agent involved in lettings has the right skills to do the job and meets minimum training standards.

The Scottish Government, through letting agent regulation, have introduced obligations for individuals employed in the industry, along with wider obligations for agencies. All agencies will need to ensure relevant staff are qualified and that staff understand and follow the Code of Practice.

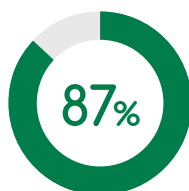
The framework for regulation introduced a new way for tenants and landlords to resolve complaints against letting agents for breaches of the statutory code of practice through a new specialist First-tier Tribunal for Scotland (Housing and Property Chamber).

## ANALYSIS

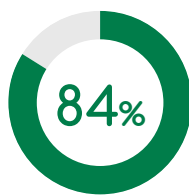
Importantly, the Scottish Government recognised that it is essential that all letting agents are professionals offering high standards of service. Completing the right qualification drives the credibility of the sector and equips agents with the tools to meet the challenges ahead which is why the Scottish Government required individuals involved in letting agency work to have achieved an SCQF Level 6 or above qualification.

## KEY STATISTICS

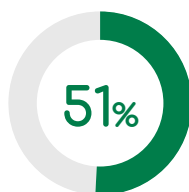
A recent report into letting agent qualifications and CPD highlights the importance that professional qualifications is playing in driving up standards across the private rented sector in Scotland.



of letting agents who had completed a qualification said it had a positive impact on their professional capabilities..



of letting agents said the introduction of qualifications has been positive for the sector, highlighting more people looking at property agency as a long-term professional career option.<sup>19</sup>



of landlords said that requirement for letting agent qualification had been a positive thing for the private rented sector overall.

However, the Scottish Government have nonetheless created an administrative registration process which effectively duplicates the work already done by the professional bodies. Therefore, whilst the Scottish model of agent regulation reflects existing good practice in the industry and is the most sensible form of agent regulation that we have seen, there can be further improvements made to reduce bureaucracy, ensure robust consumer protection whilst simultaneously repurposing resources from administration to enforcement.

# Regulation of letting agents in Wales

## SPOTLIGHT: RENT SMART WALES

In November 2015, Rent Smart Wales introduced a legal requirement for all landlords with property in Wales to register themselves and their rental property address(es).

## REQUIREMENTS

Landlords must be licensed to carry out lettings or property management activities or arrange for a licensed agent to undertake these activities on their behalf. Agents outside of Wales, carrying out letting and management work at a rental property in Wales are also legally required to be licensed.

Agents must undertake approved training to obtain a licence. Rent Smart Wales replaced the existing voluntary Landlord Accreditation Wales Scheme and Cardiff Council were designated as the single licensing authority to administer the scheme for the whole of Wales.

To obtain a licence under Rent Smart Wales the applicant must be 'fit and proper', have undertaken approved training and paid a fee. The licence holder must comply with the Welsh Government's Code of Practice. Letting agents must also have Professional Indemnity Insurance, Client Money Protection and be a member of a redress scheme.'

## ANALYSIS

Minimum standards are very low as we do not believe a one-day training course is suitable or sufficient for an agent potentially managing hundreds of properties and holding hundreds of thousands of pounds in client funds.

In addition, when Rent Smart Wales introduced the deadlines for implementation, they were too tight as landlords and agents were having to get registered, trained and licensed at the same time. Therefore, landlords looking to pass their properties to a licensed agent (because they did not want to get trained themselves) had great difficulty because agents could not get their licenses until they were trained.

The Welsh Government should have licensed agents first and then required landlords to either get trained or use an already licensed agent (so that landlords could then find licensed agents through the Rent Smart Wales database).

13. [www.bbc.co.uk/news/uk-england-london-66846416](http://www.bbc.co.uk/news/uk-england-london-66846416)
14. [www.bbc.co.uk/news/business-51659011](http://www.bbc.co.uk/news/business-51659011)
15. [inews.co.uk/news/business/complaints-letting-agents-rise-firms-pay-compensation-how-claim-2963456](http://inews.co.uk/news/business/complaints-letting-agents-rise-firms-pay-compensation-how-claim-2963456)
16. [content.theprs.co.uk/story/prs-annual-report-2022/page/1](http://content.theprs.co.uk/story/prs-annual-report-2022/page/1)
17. [www.tpos.co.uk/images/documents/annual-reports/2023\\_TPO\\_Annual\\_Review.pdf](http://www.tpos.co.uk/images/documents/annual-reports/2023_TPO_Annual_Review.pdf)
18. [www.lettingagenttoday.co.uk/breaking-news/2023/8/rogue-agency-expelled-from-ombudsman-but-still-trading-illegally?source=newsticker](http://www.lettingagenttoday.co.uk/breaking-news/2023/8/rogue-agency-expelled-from-ombudsman-but-still-trading-illegally?source=newsticker)
19. [www.cih.org/media/vrqorb5f/review-of-letting-agent-qualifications-report.pdf](http://www.cih.org/media/vrqorb5f/review-of-letting-agent-qualifications-report.pdf)

# COMPARING LETTING AGENT REGULATION AND MANDATORY REQUIREMENTS

Scotland	Wales	England	N. Ireland
Qualification requirement.	One day training course requirement (classroom £140 / online £50).	X	X
Sole trader: qualification requirement plus every person directly concerned with managing and supervising the day-to-day running of your letting agency work.  Company, partnership or other body: the person holding the most senior position in the organisation's management structure (unless they are not involved in day-to-day running of letting agency work) / every person directly concerned with managing and supervising the day-to-day running of the organisation's letting agency work.	In Wales, an agent could be an individual or organisation, a spouse, a family member or friend of the landlord or a commercial agent.	X	X
Join the Scottish Government's Register of Letting Agents (every three years).	Agent licence is valid for five years from date of issue.	X	X
The fee for registering depends on the number of offices where letting agency work is carried out.	Agent fees are graduated to reflect the portfolio size. A discount also applies if an Agent is a member of a recognised professional body.	X	X
Pass a 'fit and proper person test'.	Pass a 'fit and proper person test'.	X	X
Comply with a Letting Agent Code of Practice.	Comply with Code of Practice for landlords and letting agents.	X	X
Required to complete 20 hours of continued professional development (CPD) every three years.	Agents must achieve 80 points. CPD courses are each weighted differently depending on whether they are a mandatory (core) or supplementary course (of the applicant's choice) CPD must be completed over the five-year duration of an existing licence.	X	X
Professional indemnity insurance.	Professional indemnity insurance.	X	X
Client Money Protection.	Client Money Protection.	Client Money Protection.	X
Landlords register with local authority (renew every three years).	Landlords register with Rent Smart Wales and must register the address of each of their rental properties in Wales (renew every five years).	X	All landlords who let properties under a private tenancy in Northern Ireland must register (renew every three years).



# PROPERTY AGENT REGULATION: INTERNATIONAL COMPARISONS



## UNITED STATES OF AMERICA

To become a real estate agent in most states

across the USA, there's an age requirement, background check, and a set number of hours of classroom education.

- Qualification and training: Must complete a pre-licensing course. Course requirements vary by state. In California, applicants must take three real estate classes totalling 135 hours. In New York, the courses take 77 hours. In Georgia, they take 75 hours. And in Florida, the course takes 63 hours.
- Licensing exam: agents must complete a licensing exam. Exams vary by state. Agents require a licence to operate.
- Each state has a regulatory organisation which administers licenses.

Individuals must operate under a supervising broker who is licensed by the state to oversee real estate transactions and make sure that you follow the required legal and ethical standards.

The term "Realtor" refers to members of the National Association of Realtors (NAR) and subscribe to its strict Code of Ethics. Membership is not mandatory.

Leasing agents (dealing with rental properties) don't need a license in some states. But real estate agents are always required to carry a real estate license.<sup>20</sup>



## CANADA

Must be at least 18 years old, have graduated school, be a Canadian citizen and

have passed a criminal record check.

Must complete a pre-licensing course. Each Canadian province administers their own certification courses through sanctioned real estate councils or association boards.

Must complete a licensing exam (specialising in residential, commercial and/or rural). Continuing education is also required in many provinces and territories (and available in others) so real estate professionals stay up to date on current issues.

Must have errors and omissions insurance from your province's real estate association. Each province has a different association.

Must act under supervision of a licensed real estate broker.

REALTOR® isn't a job title. To become one, you must be a licensed real estate professional who is a member of the Canadian Real Estate Association (CREA).<sup>21</sup>





## AUSTRALIA

Must complete a state license exam and fill out the appropriate application to become a real estate agent in Australia.

Different states have different application and license requirements. Some states require different qualifications for property management and sales. Average length of courses is one-year full time.

Usually have to start working as an assistant agent or under an existing agency. Most states require at least 12 months experience and further qualifications to become an independent sales representative and obtain a license.



## NEW ZEALAND

Must be at least 18 years old and must be a “fit and proper person” – no outstanding criminal convictions, no previous convictions for crimes involving dishonesty, no significant financial issues such as bankruptcy, no disciplinary action taken against by a regulatory or professional body.

Three types of licenses:

- Salesperson: can work for or on behalf of a licensed agent. Must be supervised.
- Branch Manager: can work for or on behalf of a licensed agent and can supervise salespeople.
- Agent: can work independently and can employ salespeople.

Must have completed the relevant course for the type of work, i.e. to be a salesperson, a branch manager or an agent.

Must have three years sales experience to become a branch manager or an agent.<sup>22</sup>

20. [www.nar.realtor](http://www.nar.realtor)

21. [www.crea.ca](http://www.crea.ca)

22. [www.rea.govt.nz/real-estate-professionals](http://www.rea.govt.nz/real-estate-professionals)

# Regulation of Property Agents (RoPA) Working Group report

On 18 July 2019, RoPA set out recommendations for a new regulatory framework focused on estate agents in the UK and letting and managing agents in England. The UK Government are yet to respond to the recommendations.

The proposals included ensuring everyone in the industry is licensed, adheres to a strict code of practice, and holds (at least) a Level 3 qualification.<sup>23</sup>

The measures were in line with the UK Government's responses to its calls for evidence on 'Protecting consumers in the letting and managing agent market'<sup>24</sup> and 'Improving the home buying and selling process'.<sup>25</sup>

## REPORT SUMMARY

RoPA

### What should Regulation look like?

- **Independent Regulator**
- **Mandatory qualifications**
- **Code of practice**

**NB: The new proposed regulatory framework should cover estate agents across the UK and letting and managing agents in England.**

## REPORT SUMMARY

RoPA

### To get a licence to operate from the Regulator agents must:

- **Meet legal obligations (e.g. redress, CMP, AML)**
- **Pass a fit and proper person test**
- **Be appropriately qualified**

**NB: This could include designated professional bodies carrying out some of these functions.**

### Code of practice will include:

- **Overarching code set in statute**
- **Regulatory codes specific to different aspects of property agency**
- **Mandatory qualifications (licensed agents (individuals) should qualify to minimum level 3, company directors and Managing Agents should qualify to minimum level 4)**
- **Regulator to impose Continuing Professional Development (CPD) requirements**
- **Experience alone is not enough**
- **Phasing-in approach required**

**NB: To clarify the functions of a property agent, the UK Government should create a list of 'reserved activities' e.g. conducting viewings, market appraisals, providing direct advice.**



## REPORT SUMMARY


RoPA

### Leasehold and freehold charges.

**Greater powers for the Regulator to enforce compliance against managing agents.**

### Who will be the Regulator?

- A new public body should be established to undertake this role
- Funded by firms and individuals it regulates
- Could extend to other areas in the future, e.g. landlords and the build to rent sector
- Take over responsibility for the approval of property agent redress schemes



The working group explored a variety of models of regulation, considering the wider context of different professional infrastructure and the financial and emotional consequences of bad practice within the industry.

## MEMBERSHIP OF THE ROPA WORKING GROUP INCLUDED:



23. [www.gov.uk/government/publications/regulation-of-property-agents-working-group-report](http://www.gov.uk/government/publications/regulation-of-property-agents-working-group-report)
24. [www.gov.uk/government/consultations/protecting-consumers-in-the-letting-and-managing-agent-market-call-for-evidence](http://www.gov.uk/government/consultations/protecting-consumers-in-the-letting-and-managing-agent-market-call-for-evidence)
25. [www.gov.uk/government/consultations/improving-the-home-buying-and-selling-process-call-for-evidence](http://www.gov.uk/government/consultations/improving-the-home-buying-and-selling-process-call-for-evidence)
26. [www.gov.uk/government/publications/regulation-of-property-agents-working-group-report](http://www.gov.uk/government/publications/regulation-of-property-agents-working-group-report)

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