

<u>Professional Qualifications and Regulation of Professions</u>

<u>Response from ARLA Propertymark, NAEA Propertymark and Propertymark Qualifications</u>

<u>October 2020</u>

#### **Background**

- 1. ARLA Propertymark is the UK's foremost professional and regulatory body for letting agents, representing over 9,500 members. ARLA Propertymark agents are professionals working at all levels of letting agency, from business owners to office employees.
- 2. NAEA Propertymark is the UK's leading professional body for estate agency personnel, representing more than 11,000 offices from across the UK property sector. These include residential and commercial sales and lettings, property management, business transfer, auctioneering and land.
- 3. Propertymark Qualifications is the leading independent provider of qualifications for the property sector offering Level 2, 3 and 4 qualifications in residential lettings and property management, residential sales, residential inventory management, tenancy deposit protection, commercial property agency, and auctioneering for both property and for chattels. Propertymark Qualifications is recognised by the Office of the Qualifications and Examinations Regulator (Ofqual), Qualifications Wales and the Council for Curriculum, Assessment and Examinations (CCEA Regulation) respectively. The Awarding Body also offer credit and level rated qualifications in the Scottish Credit and Qualifications Framework (SCQF).

#### **Questions for Regulators**

#### **Current Regulation of Professions**

- 1. Please tell us in which nation(s) you are a regulator of a profession:
  - England
  - Wales
  - Scotland
  - Northern Ireland
- 2. Please state the sector(s) you regulate within.



#### 3. Please state the profession(s) you regulate.

- 4. Housing policy is devolved and the framework of regulation for professionals working in the property sector must be looked at within five divergent approaches as well as awarding bodies who provide qualifications for industry. Firstly, there is no statutory regulation to ensure estate agents working across the UK are suitably qualified nor are they required to belong to a professional body. Secondly, there is currently no overarching statutory regulation of letting or managing agents in England and Northern Ireland, nor is there any legal requirement for them to be trained and qualified or belong to a professional body. Thirdly, letting agents in Scotland are required to join the Scottish Government's Register of Letting Agents<sup>1</sup> and comply with a Letting Agent Code of Practice<sup>2</sup>. Fourthly, letting agents in Wales are required to be trained and licenced under Rent Smart Wales<sup>3</sup>. Fifthly, members of Propertymark are property professionals who have voluntarily opted for regulation in a mainly unregulated sector. Within Propertymark our sister company called Propertymark Qualifications provide qualifications in the following property specialisms: lettings, sales, commercial, auctioneering, inventory, and tenancy deposit.
- 5. Currently, estate agents across the UK are not required by law to be licensed or qualified. Estate agents are principally regulated by the Estate Agents Act 1979<sup>4</sup> and the Consumer Protection from Unfair Trading Regulations 2008<sup>5</sup>. 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 dealing with complaints about the buying and selling of residential property under the Consumers, Estate Agents and Redress Act 2007<sup>6</sup>. The National Trading Standards Estate and Letting Agency Team (NTSELAT) is the UK's regulator under the Estate Agents Act 1979 and Powys County Council is the lead enforcement authority that assesses whether an individual or business in any part of the UK is fit to carry out estate agency work within the terms of the Act.<sup>7</sup>
- 6. There is currently no overarching statutory regulation of letting or managing agents in England and Northern Ireland, nor is there any legal requirement for them to be trained and qualified or belong to a professional body. However, many letting and managing agents do submit to voluntary regulation through professional bodies such as Propertymark. In England, letting

<sup>&</sup>lt;sup>1</sup> https://lettingagentregistration.gov.scot/

<sup>&</sup>lt;sup>2</sup> https://www.gov.scot/publications/letting-agent-code-practice/

<sup>&</sup>lt;sup>3</sup> https://www.rentsmart.gov.wales/en/home/

<sup>&</sup>lt;sup>4</sup> https://www.legislation.gov.uk/ukpga/1979/38

<sup>&</sup>lt;sup>5</sup> https://www.legislation.gov.uk/uksi/2008/1277/contents/made

<sup>&</sup>lt;sup>6</sup> https://www.legislation.gov.uk/ukpga/2007/17/contents

<sup>&</sup>lt;sup>7</sup> https://www.nationaltradingstandards.uk/work-areas/estate-agency-team/



agents are legally required to join a government-approved Client Money Protection scheme where the agent holds client money.8 Letting agents in England are also legally required to belong to a redress scheme.9 Under the Tenant Fees Act 201910, NTSELAT's remit was extended to letting agents and Bristol City Council was assigned as the lead enforcement authority for the purposes of the Act. Their work covers agent's responsibility for fee transparency rules under the Consumer Rights Act<sup>11</sup>, membership of a redress scheme under the Enterprise and Regulatory Reform Act 2013<sup>12</sup> and membership of a Client Money Protection scheme under the Housing and Planning Act 2016<sup>13</sup>. There are no legally binding requirements on letting agents in Northern Ireland to join a redress scheme or have Client Money Protection. However, in January 2017 the Department for Communities proposed in its consultation paper 'Private Rented Sector in Northern Ireland: Proposals for Change' to introduce a new regulatory framework for all letting agents including bringing forward legislation to ban all letting agent fees for tenants.<sup>14</sup> Furthermore, Ministers in Northern Ireland have recently approved some of the recommendations from that review and these are to be addressed in the short term, in a small Private Tenancies Bill which it is hoped will be brought forward in this current legislative mandate.

- 7. 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). 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.
- 8. 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. Minimum

<sup>&</sup>lt;sup>8</sup> https://www.gov.uk/client-money-protection-scheme-property-agents

<sup>&</sup>lt;sup>9</sup> https://www.gov.uk/redress-scheme-estate-agencies

<sup>&</sup>lt;sup>10</sup> https://www.legislation.gov.uk/ukpga/2019/4/contents/enacted

<sup>&</sup>lt;sup>11</sup> https://www.legislation.gov.uk/ukpga/2015/15/contents/enacted

<sup>12</sup> https://www.legislation.gov.uk/ukpga/2013/24/contents/enacted

<sup>&</sup>lt;sup>13</sup> https://www.legislation.gov.uk/ukpga/2016/22/contents/enacted

<sup>&</sup>lt;sup>14</sup> https://www.communities-ni.gov.uk/consultations/private-rented-sector-northern-ireland-proposals-change

<sup>&</sup>lt;sup>15</sup> https://www.rentsmart.gov.wales/en/licensing/#conditions



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).

- 9. In addition, while Cardiff Council has invested significant resources in the registration and licensing process, it is administratively burdensome on both the authority and landlord/agent that the information provided is not necessarily always verified and is extremely difficult to keep up to date. This is because only the landlord can complete the registration and although valid for a period of five years, landlords must notify the licensing authority if there are changes to the landlord's name, any transfer of the landlord's interest in a rental property, changes to the appointment of the person who is to carry out the lettings or property management work on the landlord's behalf in respect of the property in question or the end of such an appointment. For agents, they must provide details of every landlord and every rental property which they are managing and notify Rent Smart Wales every time any of these details change.
- 10. Whereas, the Welsh Government's policy intention through Rent Smart Wales is looking at training and the registration of property, 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)<sup>16</sup>. Importantly, the Scottish Government recognised that it is essential that all letting agents are professionals offering high standards of service. Unlike the training requirement through Rent Smart Wales, achieving a qualification should never be a box ticking exercise. Completing the right qualification drives the credibility of the sector and equips agents with the tools to meet the challenges ahead

<sup>&</sup>lt;sup>16</sup> https://www.housingandpropertychamber.scot/



which is why the Scottish Government required individuals involved in letting agency work<sup>17</sup> to have achieved an SCQF Level Six or above qualification (a Level Three qualification in England). The Level 6 Award in Residential Letting and Property Management offered by Propertymark Qualifications is one of three qualifications currently accepted by the Scottish Government.<sup>18</sup>

- 11. However, the Scottish Government have nonetheless created an administrative registration process which effectively duplicates the work already done by the professional bodies and whilst it is much less onerous than Rent Smart Wales, we continue to question its necessity when they could have chosen to require all agents to be members of approved professional bodies who would have borne this administrative burden themselves. 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.
- 12. Propertymark launched in February 2017, combining five different associations into a single brand.<sup>19</sup> The five associations (ARLA, NAEA, NAVA, ICBA and APIP) were dedicated to promoting the highest industry standards for over 50 years. Our members join and seek to become Propertymark Protected voluntarily to demonstrate transparency and ensure they are at the forefront of developments in the industry in accordance with our Conduct and Membership Rules.<sup>20</sup> We regulate individual members of Propertymark and companies which fall within the jurisdiction of the different divisions. Propertymark regulates a company (legal entity) when it has a PPD - Principal (sole trader), Partner (partnership or LLP) or Director (limited company) who is a member of a division and is active in a business area relevant to the member's work. There are eight main company obligations. Firstly, all members need to pay the levy to join our Client Money Protection scheme. Propertymark is one of the six government approved schemes for Client Money Protection. Secondly, members need to provide an Accountant's Report completed by a chartered/certified accountant or complete a client money 'Health Check'. Thirdly, members need to provide evidence that they have appropriate cover for Professional Indemnity Insurance. Fourthly, it is a requirement for all members to belong to a government-approved independent redress scheme. Fifthly, if applicable to a members' business Propertymark requires evidence that the company is registered with HMRC for Anti Money Laundering purposes. Sixthly, Propertymark require a

<sup>&</sup>lt;sup>17</sup> Housing (Scotland) Act 2014 S.61 Meaning of Letting Agency Work

<sup>&</sup>lt;sup>18</sup> https://www.propertymarkqualifications.co.uk/qualifications/residential-letting-propertymanagement/scotland-scqf-level-6-award/

<sup>19</sup> https://www.propertymark.co.uk/

<sup>&</sup>lt;sup>20</sup> https://www.propertymark.co.uk/working-in-the-industry/member-requirements/



company declaration form for each company (legal entity) that a PPD is legally responsible for. Seventhly, requirements to obtain members' Information Commissioner's Office (ICO) registration number as regulations require every organisation or sole trader who processes personal information to pay a fee to the ICO, unless exempt. Eighthly, PPDs are required to follow The Property Ombudsman's Chartered Trading Standards Institute (CTSI) approved Codes of Practice.<sup>21</sup>

- 13. Within our organisation a sister company called Propertymark Qualifications provide qualifications in the following property specialisms: lettings, sales, commercial, auctioneering, inventory and tenancy deposit. Following the launch of Propertymark, the (previous) National Federation of Property Professionals (NFoPP) Awarding Body continues to be an Ofqual regulated Awarding Body under the new name of Propertymark Qualifications. Propertymark Qualifications is an independent organisation recognised by the Office of the Qualifications and Examinations Regulator (Ofqual), Qualifications Wales and the Council for Curriculum, Assessment and Examinations (CCEA Regulation) respectively. The Awarding Body also offer credit and level rated qualifications in the Scottish Credit and Qualifications Framework (SCQF). Operating as a recognised and regulated Awarding Body since March 2002 (as NFoPP Awarding Body) Propertymark Qualification's first qualifications were awarded in 2003. Propertymark Qualifications has its own governance arrangements and any learner data (information on those studying for qualifications) collected by the Awarding Body is kept entirely separate from Propertymark member data again to avoid any suggestion of conflicts of interest.
- 4. Please outline the rationale for regulation within your sector. Listed below are some non-exhaustive possible rationales for regulation you may like to consider in your answer. In each instance, please explain their importance to regulation within your sector:
  - Protects public interest for environmental reasons
  - Protects public safety for health reasons
  - Value for money / protects taxpayer
  - Enables professionals to charge more for their services
  - Protects consumers from receiving a low quality of services
  - Provides training
  - 14. The main rationale for regulation in the property sector is that estate agents working across the UK and letting agents operating in in England and Northern Ireland are unregulated, which

<sup>&</sup>lt;sup>21</sup> https://www.tpos.co.uk/members/codes-guidance

<sup>&</sup>lt;sup>22</sup> https://www.propertymarkqualifications.co.uk/



means anyone can set up a business. Outside of regulatory requirements for letting agents in Scotland and Wales, there are no minimum standards to work in the sector and there are no statutory rules to ensure agents are suitably qualified. Additionally, agents who are not members of a professional body do not have to meet minimum competency standards. As a result, there are four other rationales for regulation. Firstly, it will protect consumers from receiving a low quality of services. Secondly, it will provide training and continued professional development for professionals working in the sector. Thirdly, regulation will protect public safety for health reasons. Fourthly, it can help to bring greater levels of consistency and a joined-up approach. To this end, Propertymark welcomes the recommendations of the Regulation of Property Agents Working Group (RoPA) and we believe that the UK Government must come forward with proposals to implement them as soon as possible.

- 15. Propertymark welcomes the five main recommendations of RoPA that were included in the report released by the Ministry of Housing, Communities and Local Government in July 2019.<sup>23</sup> Firstly, all agencies operating a residential property business should be licensed and licensing should include a fit and proper person test for company directors. Secondly, all staff delivering 'reserved activities' employed within the residential agency business should be licensed and adhere to a Code of Practice. The report says that 'reserved activities' could include conducting viewings, market appraisals and negotiating with and on behalf of clients. Thirdly, all staff delivering 'reserved activities' employed within the residential agency business should hold a qualification at Level 3 or above. Fourthly, all company directors and managing agents should be qualified to a minimum of Level 4. Fifthly, a new regulator to be appointed to oversee compliance with an overarching Code of Practice. Under the UK Government's constitutional settlement, policy relating to letting and managing agents is devolved in Scotland, Wales and Northern Ireland and sales agent policy is reserved by Westminster. The proposed new regulatory framework will therefore cover sales agents across the UK and letting and managing agents in England only. Propertymark has long campaigned for greater regulation of property agents. We believe that mandatory qualifications will promote professionalism and basic standards within lettings and sales which will benefit both businesses and consumers. It is vital the UK Government implement the recommendations and set out how it plans to regulate the property sector as soon as possible.
- 16. A new regulatory approach will protect consumers from receiving a low quality of services because the UK Government cannot continue legislating in a piecemeal fashion. This approach is unmanageable and unenforceable as demonstrated by the significant increase in legislation governing the sector over the last few years but no corresponding increase in prosecutions. We believe that overarching statutory regulation of the whole sector is needed. Without

<sup>&</sup>lt;sup>23</sup> https://www.gov.uk/government/publications/regulation-of-property-agents-working-group-report



minimum entry requirements to practice such as a qualification and a code of practice it means that consumers are potentially dealing with someone who does not understand the technicalities involved in buying and selling and renting property, or understand how to analyse the level of risk to their business. Ensuring agents are suitably qualified and meet minimum competency standards is the only way to drive up standards of service for consumers and eliminate bad practice in the sector.

- 17. Regulation for the property sector will provide training and continued professional development for professionals working in the industry. This is important because sales and lettings are complicated tasks governed by complex areas of law. For instance, up to June 2015, there were 145 laws with over 400 regulations that landlords need to abide by to legally let a property in England and Wales.<sup>24</sup> Legislation on residential lettings is amended regularly with new laws introduced frequently. Further legislation is expected to impact the sector including the Draft Building Safety Bill<sup>25</sup>, Renters Reform Bill<sup>26</sup>, new rates of Stamp Duty Land Tax for non-UK residents<sup>27</sup> and a Draft Registration of Overseas Entities Bill<sup>28</sup>. This is not to mention the changing and devolved nature of property taxes from Stamp Duty Land Tax (England and Northern Ireland), Land and Buildings Transaction Tax (Scotland) and Land Transaction Tax (Wales) despite RoPA focusing on letting agents in England and sales agents operating across the UK. It is imperative that the new regulatory regime includes the need for individuals to obtain regular training and business owners provide regular opportunities for their staff to do this. Without regular training and continued professional development the sector and consumers will not reap the benefits of regulation.
- 18. Regulation must be combined with adequately resourced enforcement agencies to better protect public safety for health reasons. Currently, there are not enough resources and enforcement is not a high enough priority for local authorities. By way of examples of the problems facing local authorities, Birmingham City Council only has five Environmental Health Officers to cover a city with a population of over one million people. In addition, at a time when local authorities are reducing departmental budgets, a Borough Council employee in Warwickshire has told us that the local authority would require two new members of staff if they introduced a borough wide licensing scheme for the 5,000 private rented properties in

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/853886/ Queen s Speech December 2019 - background briefing notes.pdf

<sup>&</sup>lt;sup>24</sup> https://www.propertychecklists.co.uk/downloads/20170508 1

<sup>&</sup>lt;sup>25</sup> https://www.gov.uk/government/publications/draft-building-safety-bill

<sup>&</sup>lt;sup>27</sup> https://www.gov.uk/government/publications/new-rates-of-stamp-duty-land-tax-for-non-uk-residents-from-1-april-2021

<sup>&</sup>lt;sup>28</sup> https://www.gov.uk/government/consultations/draft-registration-of-overseas-entities-bill



the area. Furthermore, it should be concerning to the UK Government that almost anyone can set themselves up as a letting or estate agent and can either deliberately, or through lack of experience, run a substandard service and face limited recourse due to the lack of a robust legislative framework. Operating as a letting or estate agent is not a straightforward matter and agents require a wide range of skills. These include the ability to account for substantial flows of funds; an understanding of complex housing law; negotiation and people management skills; and the ability to manage a network of providers such as businesses providing repair and maintenance services. Robust enforcement alongside a new regulatory regime can drive up standards and help improve public health.

- 19. To help ensure greater levels of consistency and a joined-up approach in an industry with multi-disciplinary firms, the UK Government must ensure that the scope of regulation includes sales and letting agents as well as managing agents. Ensuring that the whole housing market is under the same regulatory umbrella will reduce confusion, inconsistency, and cases of where services fall between different regulatory regimes. Furthermore, many letting agents are also sales agents. To further highlight the need for regulatory consistency across the sector and to widen the scope of regulation we believe that being banned under the Estate Agents Act 1979 should also constitute a Banning Order Offence under the Housing and Planning Act 2016. Without combining the lists there is a very real danger that a banned estate agent could set up as a letting agent or vice versa which will do little to improve the standards, or perception of the industry. Ensuring that the whole housing market is under the same regulatory umbrella would not only reduce this inconsistency, but further protect consumers.
- 20. To further enhance protections for consumers across the UK, the UK Government must do two things. Firstly, it must extend the requirements under the Estate Agents Act 1979 to housebuilders' sales staff. Furthermore, clarification is needed for staff carrying out estate agency work within solicitor practices in Scotland that they will be subject to the RoPA recommendations. Secondly, the UK Government must include the sales staff of housebuilders in the requirements for sales agents to be qualified as set out in the RoPA report. Ensuring that everyone involved in the house buying and selling process are suitably qualified, meet minimum competency standards and the consumer has the same levels of protection is the only way to drive up standards of service.
- 21. To create consistency in standards across the UK in the house buying and selling process the UK Government must extend the requirements under the Estate Agents Act 1979 to housebuilders' sales staff. The Act regulates work as an estate agent. It ensures that agents work in the best interests of their clients. This includes making sure that both buyers and sellers are treated honestly, fairly, and promptly. Furthermore, if estate agents do not comply with the law, they could be banned from working and if they ignore a ban they could be



prosecuted and fined. The requirements of the Act covers estate agents working across the UK and help to ensure that selling activities they are engaging in are of a consistently high standard. In order to reduce complaints against housebuilders about their sales services and about the contents of their leases and sale agreements it is vital that they fall under the Estate Agents Act.

22. The UK Government must include the sales staff of housebuilders in the requirements for sales agents to be qualified as set out in the RoPA Working Group report. Without consistency in entry requirements to work in the sector, consumers moving between property on the existing market and purchasing new build property or vice versa will face different service levels and standards. Whether consumers are purchasing property via an estate agent in a high street branch, online or a sales agent in an office on a development site, staff must be trained to an appropriate level with clear oversight arrangements in place. The focus of the new regulatory regime must be on ensuring that the same consumer protections exist across the whole industry rather than only looking at certain aspects of the house buying and selling process.

#### 5. Please outline any evidence you have on the consumer protection impacts provided by your Regulations

- 23. The main consumer protection impacts in the housing market are problems with redress. This is important because complaint handling for consumers is a widespread problem in the property sector. For instance, the Property Ombudsman's annual report 2019 shows that 'complaints handling' was the second most common cause of complaint for sales and third most prevalent complaint for the lettings sector. The other most common complaints from sales and lettings include, 'communication and record keeping', 'management' and 'marketing and advertising'.<sup>29</sup> We believe there are three reasons for this. Firstly, it is not clear to consumers about who to raise a complaint with. Secondly, we believe that there are gaps in redress. Thirdly, the existing redress schemes are inconsistent in the way that they handle complaints. To this end, we believe that all agents should adhere to an approved code of practice that can be used by the redress schemes to adjudicate consistently across the sector. An approved code will also ensure that agents can demonstrate a high level of customer service and protection, such as a robust and legitimate customer complaints procedure, which can be used to hold agents to account.
- 24. It is not clear to consumers about who to raise a complaint with for three reasons. Firstly, the consumer is unaware that they must complain to the agent before the redress schemes can

<sup>&</sup>lt;sup>29</sup> https://www.tpos.co.uk/images/documents/annual-reports/2019 TPO Annual Report.pdf



take action. Secondly, the consumer expects the complaint to be resolved straight away. Thirdly, once the consumer has complained to the agent and wants to take the matter further, they must work out which redress scheme the agent belongs to. Under the legal requirement for agents to belong to one of the two-government-approved redress schemes there is an assumption that all agents have a complaints procedure in place and will deal with matters in the same way and to the same timescales. A quick search of agent websites will show the difference in complaints handling procedures and a difference in how the information is presented. This causes confusion and frustration to consumers when they see little action taken after raising a complaint. Of the two government-approved redress schemes, The Property Ombudsman advises agents who are members of its scheme that they are "obliged" under their terms of membership to maintain and operate an in-house complaints procedure that must be in writing and "should" explain how consumers can raise a complaint internally and then to the Ombudsman if they remain dissatisfied. Furthermore, The Property Ombudsman advises that the procedure must be made available to the complainant "upon request". To this end, The Property Ombudsman has produced an Internal Complaint Flow Chart to help its members process internal complaints handling.<sup>30</sup> To make it clearer to consumers, a unified and well publicised complaints process, with timescales for responding, must be adopted by all agents. The complaints process must then be publicised clearly in the agent's office, on their website and used verbally when speaking to consumers to ensure they know who to raise a complaint with.

25. Gaps in redress are evident in the private rented sector when tenants rent directly from a landlord. The gap is significant considering recent UK Government legislation banning tenant fees and the change in size and demography of the sector, which has now doubled since 2002.<sup>31</sup> Many self-managing landlords have other jobs and are not renting out their property full time. They are unlikely to have either a complaints procedure in place or the infrastructure comparable to a letting agent when dealing with grievances. Furthermore, if the consumer is dissatisfied with how the landlord has dealt with a complaint, unlike letting agents, there is no mandatory legal requirement for landlords to belong to a redress scheme. Although private landlords may join The Housing Ombudsman scheme on a voluntary basis very few do.<sup>32</sup> These two scenarios make it extremely difficult for consumers who are renting directly from a landlord to firstly raise a complaint and secondly have access to independent redress should they not be happy with how the landlord has dealt with their situation. This means that tenants are largely reliant on local authorities and the court system to enforce their rights.

<sup>&</sup>lt;sup>30</sup> https://www.tpos.co.uk/images/documents/Membership Compliance/ICP-Flow-Chart.pdf

<sup>&</sup>lt;sup>31</sup> https://www.gov.uk/government/statistics/english-housing-survey-2018-to-2019-headline-report

<sup>32</sup> https://www.housing-ombudsman.org.uk/about-us/#.Wss372eotMs



However, local authorities have limited resources and court procedures can be lengthy and expensive.

- 26. Gaps in redress are evident in the New Home buying process because not all developers are registered members of the Consumer Code for Home Builders.<sup>33</sup> The Code is important in supporting consumers because it covers every stage of the homebuyer process from precontract, exchange of contract and during occupation of the property. Through the Code, the Home Builder must have procedures for receiving, handling, and resolving service calls and complaints from the consumer and other purchasers. Furthermore, the Code sets out that the Home Builder should inform the consumer about these procedures, and of dispute resolution arrangements operated as part of the Code, in writing. However, where developers are not registered members of the Code, consumers have no guarantee of receiving minimum standards of customer service or redress. To plug this gap in redress, all developers should be required to sign up to the Consumer Code for Home Builders to firstly, ensure that consumers are covered, and secondly to ensure the selling activities developers engage in are of a consistently high standard.
- 27. Gaps in redress are evident when a leasehold block of flats are managed by the freeholder directly. All blocks of flats require an element of property management to deal with issues such as the maintenance of the common parts. However, most freeholders are not professional property managers and do not have the systems in place to be able to handle this work and deal with issues that arise. Therefore, it is usually out-sourced to a professional firm of managing agents who, unlike the freeholder, are required to belong to one of the two government-approved redress schemes. However, where the management of the property is not outsourced, consumers are left not knowing who to raise a complaint with and without access to independent redress should they be dissatisfied with how the freeholder has dealt with their complaint. Measures must be introduced to incorporate sector specific complaints procedures for freeholders as well as access to independent redress for consumers living in this area of the housing market.
- 28. Redress schemes are inconsistent in the way that they handle complaints because agents who are members of the schemes are not working to the same requirements and the schemes adjudicate to different professional standards. This is evident in two ways. Firstly, out of the two government-approved redress schemes (The Property Ombudsman<sup>34</sup> and Property Redress Scheme<sup>35</sup>) only The Property Ombudsman has a Code of Practice that members of the

<sup>33</sup> https://consumercode.co.uk/

<sup>34</sup> https://www.tpos.co.uk/

<sup>35</sup> https://www.theprs.co.uk/



scheme must comply with. In contrast, The Property Redress Scheme will consider any relevant statutory codes of practice and all legal and regulatory obligations relating to the work a registered member undertakes as well as any Code of Practice that a member has voluntarily entered because of its membership of another organisation. Secondly, because The Property Ombudsman was the first redress scheme to gain status as an Office of Fair Trading Approved Estate Agents Redress scheme under the provisions of the Consumers Estate Agents and Redress Act 2007 before the introduction of approved Code of Practices, some agents working in residential sales and residential lettings have signed up as 'Registered Members' of The Property Ombudsman. These members do not subscribe to The Property Ombudsman Code of Practice and display a different logo to members of The Property Ombudsman. This creates further confusion for consumers and inconsistencies in standards.

#### **International Recognition**

#### Questions 6 - 12

- 29. Given the variation between legislation and practice in property, Propertymark require those individual agents coming forward for recognition and membership of the UK professional body to be competent in the UK context in which they plan to work. As such, we require individuals to map their relevant qualification against the Learning Outcomes of the principal Ofqual regulated qualifications recognised by the membership organisation. This enables Propertymark as a professional membership body to ascertain that an individual possesses the relevant current knowledge, skills and understanding required within their discipline in the relevant part of the UK. Furthermore, the professional standard is based on that set by the learning outcomes of the relevant industry endorsed Propertymark Qualifications award and qualification.
- 30. Reliance is put on the individual to map their achievement against the relevant Learning Outcomes which are then considered by the relevant team. This enables Propertymark Qualifications to develop a list of 'acceptable' and proxy-type qualifications. However, as mentioned, given the differences in law and practice it is unusual for real estate/property agency qualifications to be mutually recognised internationally. This would be further complicated by licences to practice in a number of countries and the development of a similar regulatory system in England and across the UK.



31. Propertymark has a good working relationship with CEPI – European Association of Real Estate Professions<sup>36</sup>, the National Association of Realtors (NAR),<sup>37</sup> a North American trade association for those who work in the real estate industry and Ireland's Institute of Professional Auctioneers and Valuers (IPAV). For instance, during the COVID-19 lockdown period Propertymark hosted a webinar with representatives from NAR and IPAV to share best practice and look at and discuss how the pandemic is affecting agents in their respective countries.<sup>38</sup> More formal relations could potentially act as a source of information for discussing recognition or facilitating access for any members moving between jurisdictions.

#### **Developing Professional Standards and Regulation**

The following questions focus on how you develop your UK professional standards.

- 13. Please describe the process by which UK professionals gain qualifications to enter the profession, including detail on the types of education and training they must undergo and how long it takes to complete them.
  - 32. Due to the divergent nature of regulation for professionals working in the property sector, the process for gaining qualifications to enter the profession can only be looked at in Wales, Scotland and those who undertake voluntary qualifications. In Wales, there is a legal requirement for agents to undertake approved training. In Scotland, agents must ensure they are appropriately qualified. For everyone else there are no minimum qualifications needed to enter the profession. Propertymark has a membership grading structure which encourages qualifications and incentivises people to achieve them.
  - 33. Letting agents in Wales must undertake approved training to obtain a licence to operate. A licence is valid for five years from date of issue. Rent Smart Wales offers both online and classroom training. Propertymark is an approved training provider under Rent Smart Wales. There are three courses that Propertymark provide. Firstly, Level 2 Award in Introduction to Residential Property Management Practice. However, this requires a Rent Smart Wales top up training course. The Level 2 Awards takes up to 12 to 18 months to complete and requires approximately 90 hours of qualification study time in total. Secondly, Level 3 Award in Residential Letting and Property Management. The Level 3 Award takes up to 12 to 18 months to complete and requires approximately 120 hours of qualification study time in total. Thirdly, Level 4 Certificate in Residential Letting and Property Management. The Level 4 Certificate

<sup>36</sup> http://www.cepi.eu/index.php?hl=en

<sup>37</sup> https://www.nar.realtor/

<sup>38</sup> https://www.naea.co.uk/news/april-2020/how-covid-19-is-affecting-agents-around-the-globe.aspx



takes up to 18 to 36 months to complete and requires approximately 260 hours of qualification study time in total. Evidence of approved training must accompany an agent's licence application. Agent fees are graduated to reflect the portfolio size. A discount also applies if an agent is a member of a recognised professional body. Any staff who do not deal with property management such as payroll or back office staff will not need to be trained.

- 34. 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. Propertymark Qualifications is one of three training providers approved by the Scottish Government. If an agent has achieved the Propertymark Qualifications Level 6 Award in Residential Letting and Property Management within the last three years, they will meet the training requirement. Propertymark Qualifications estimate that the Level 6 Award can take up to 12 to 18 months to complete and requires approximately 120 hours of qualification study time in total. If an agent passed the qualification over three years ago from when their certificate is dated and issued, they would need to do 20 hours additional training. This must include at least 15 hours of formal training which can consist of courses, conferences, lectures, seminars, or webinars. Agents need to obtain documented evidence (such as a certificate) showing that they got the training, or they delivered it. The rest of the hours needed can be informal training. This may include work shadowing and coaching, informal learning within the agent's business, interactive discussions with experts, informal teaching, reading, and writing articles on letting agency work. The application fee is for a three-year registration and determined by the number of offices the agent's business has where letting agency work is carried out. There are two fee structures depending on when the agent applied to join the register.39
- 35. Propertymark offers various levels of membership. To achieve our letting agent Member Grade, they must have at least the Level 2 qualification (Level 5 for Scotland) and work for an ARLA Propertymark Protected agency. This is an introductory qualification ideal for those who wish to enter the profession and have no previous experience. It requires approximately 90 study hours to complete and learners will receive a nationally recognised qualification equivalent to GCSE/Intermediate.<sup>40</sup> To achieve our Member Grade for estate agents, they must have achieved the Level 3 Award in Sale of Residential Property (England, Wales and Northern Ireland). In Scotland it is a Level 6 Award in Sale of Residential Property. It requires approximately 120 study hours to complete and learners will receive a nationally recognised qualification equivalent to A Level/Higher.<sup>41</sup> To incentivise people to get qualified, estate

<sup>39</sup> https://www.arla.co.uk/scotland/registration-and-training-requirements/

<sup>&</sup>lt;sup>40</sup> https://www.arla.co.uk/training-qualifications/qualifications/

<sup>41</sup> https://www.naea.co.uk/training-qualifications/qualifications/



agents can join at the Student Grade where they have three years to get qualified and upgrade their membership. However, they will not be able to use the Propertymark Protected logo until they do. For PPDs the requirements differ depending on an agent's experience. In order for a letting agent business to be Propertymark Protected the PPD must meet our company obligations and can either have the Level 2 or Level 3 qualification or have a nominated member of staff with either qualification. In order for an estate agent business to be Propertymark Protected, the PPD must meet our company obligations, have a qualification or five years' experience.

- 14. Please describe the process you offer for professionals who have gained the relevant UK qualifications to be brought onto your register.
  - 36. The process we provide for professionals who have gained the relevant UK qualifications for membership of Propertymark can be looked at in two stages. Firstly, application for membership which comprises of information on individuals and company obligations. Secondly, requirements to retain the value of membership and the benefits that members receive. Membership of Propertymark is open to agents of all levels and provides benefits which support agents to develop their personal career or their business.
  - 37. Application for membership includes individuals completing a form which asks for individual details, employment status and work details, the membership grade the individual is applying for as well as divisional interests and marketing sign up information. We also require ten declarations. Firstly, has the individual been convicted of a criminal offence which is not "spent" under the Rehabilitation of Offenders Act 1974 or the equivalent in another jurisdiction (Motoring excluded unless it resulted in a custodial sentence). Secondly, has the individual been warned or banned under the Estate Agents Act. Thirdly, has the individual ever been subject to any disciplinary proceedings relating to their conduct by an employer. Fourthly, has a disciplinary finding ever been made against the individual, or are they currently subject to an investigation, by any professional or regulatory body. Fifthly, has the individual ever been a Director of a Company which was entered into liquidation or receiver appointed of its undertaking, administration order made against or an arrangement with its creditors. Sixthly, has the individual been subject to any insolvency proceedings or other arrangements with creditors in respect of debts (e.g. Individual Voluntary Arrangement). Seventhly, has the individual been made the subject of a Bankruptcy Restriction Order (BRO) or Undertaking (BRU). Eighthly, is the induvial on the Violent and Sex Offenders Register. Ninthly, has the individual been disqualified as a Director. Tenthly, has the individual committed racial or sexual discrimination during their work as a property professional, or any other form of discrimination as defined by the Equality Act 2006. In addition, we require individuals to agree



with our privacy policy and a certification declaration, which includes authorising Propertymark to carry out relevant company/individual credit checks and identity checks as part of the membership approval process.

- 38. For employers, our Company Obligation declaration includes four areas. Firstly, as a Principal, Partner or Director they agree to declare all their companies as part of a company declaration form and submit appropriate documentation for regulation such as evidence of independent redress. Secondly, as a Principal, Partner or Director they agree to provide an Accountant's Report if it is determined that one is needed for any company, they are responsible for. Thirdly, as a Principal, Partner or Director they agree to join the Propertymark Client Money Protection (CMP) Scheme and pay the annual CMP levy. This is a requirement for any company that handles client money or uses a Client Accounting Service Provider (CASP). Fourthly, as a Principal, Partner or Director they agree to provide evidence of professional indemnity insurance cover.
- 39. Once in membership there are five main member benefits and a requirement for members to undertake at least 12 hours of Continued Professional Development. Firstly, members have access to key industry information. This includes regular newsletters, Fact Sheets, guides, FAQs, Toolkits on legislation and Primary Authority Assured Advice. Secondly, members receive discounts on events, training, industry suppliers and qualification workbooks. Thirdly, members are provided with legal documents and templates including a Property Information Questionnaire and tenancy agreements. Fourthly, members are given tools to promote their membership and a 'Find an Expert' listing on our website. Fifthly, members have unlimited access to legal helplines as part of their membership. Propertymark also provides training through online and classroom courses. The training is offered at foundation, intermediate and advanced levels, catering for everyone at different stages of experience and covering all areas of property related subjects. Our training courses do not equate to a qualification but a certificate of attendance. We also provide training through a series of regional meetings and workshops across the UK, national conferences, road show events and webinars. The training is provided face to face and online.
- 15. How often do you review your processes and standards? In your answer, please describe both formal and informal ways this is carried out (e.g. via consultancy, membership surveys) and include detail of any changes you have recently made based to this process.
  - 40. To maintain the value of membership all members are obliged to comply with Propertymark's Conduct and Membership Rules.<sup>42</sup> The Rules are reviewed informally on an ongoing basis but

<sup>42</sup> https://www.propertymark.co.uk/media/1045366/conduct-and-membership-rules.pdf



updated annually to accommodate changes to membership requirements. An example of where we have made changes recently based on this process is an update to our accounting rules for members to allow a Health Check rather than a full accountant's report. This approach provides a lower cost for our members, is more light touch and provides better and more relevant risk analysis for Propertymark and the applicant.

- 41. Propertymark Qualifications are required by the Qualification Regulators to regularly review the take up, content and currency of the qualifications and do this on a three to five year cycle depending upon the nature of the qualification and any changes in industry regulation or practice. In addition, the Qualification Specifications for Propertymark Qualifications are reviewed annually using subject matter and industry experts. New question banks are written, reviewed, and moderated through a strict process to ensure they are fit for purpose. To ensure the examination questions are varied for each learner and there is a big enough pool of questions, Propertymark Qualifications monitor the volume of questions in each area. Furthermore, Propertymark Qualifications do an annual survey of anyone who has taken a qualification in the preceding twelve months.
- 16. Thinking about key changes that have been made to your qualification processes, what has been the cause for this change? Below are some non-exhaustive possible options to consider in your answer.
- Legislative change
- Findings from own internal review
- Feedback from consumers
- Feedback from professionals
  - 42. There are two main causes of change to qualification processes for Propertymark Qualifications. Firstly, legislative change. Recent laws affecting the private rented sector in England include the Tenant Fees Act 2019, Housing and Planning Act 2016, Immigration Act 2014 and 2016, Consumer Rights Act 2015 and the Deregulation Act 2015. Recent laws affecting home buying and selling include the Money Laundering Regulations 2017, Consumer Protection from Unfair Trading Regulations 2008 and the Stamp Duty Land Tax Act 2015. Secondly, feedback from professionals. Propertymark Qualifications recently surveyed any learner who registered to do a qualification between 2016 and 2019 and 59% of those who responded said career progression was the reason for undertaking a qualification. We also know from industry practice that it normal for agents to receive a pay rise when they pass a qualification. Furthermore, in terms of improving service standards for consumers, it has long been a requirement of Propertymark membership to be suitably qualified. Qualifications



enable those starting out in their careers or those looking to build upon existing experience to gain recognition for their professional knowledge and skills.

- 17. Do you feel that the current standards you set, against which applicants are assessed to enter onto the register, are a fair reflection of the level of skill, training, education, and experience required to practise their profession? Please explain your answer.
  - 43. Yes, we do feel that the current standards we set, against which applicants are assessed are a fair reflection of the level of skill, training, education, and experience required to practise their profession. The driving incentive to review and raise standards are the recommendations set out in the RoPA report and Propertymark is urging its members to become compliant with the recommendations. To this end, while Propertymark anticipate that the need for property qualifications will be phased in, we advise agents to get ahead of the competition and to stand out by adopting the new requirements early. We believe that any qualification should cover the topics taught in Propertymark Qualifications' Level Three Award in. This industry-leading qualification has been designed and developed over a number of years by practitioners, lawyers and academics to provide letting and estate agents with a comprehensive knowledge and understanding of the industry, best business practices and the legislative framework in which they practise. Its syllabus contains everything that those academics, lawyers the industry leaders believe are necessary for an agent to practise to a high professional standard. The qualification can be broken down into four key themes. Firstly, General Law, Health and Safety, and Security. Secondly, legal aspects of Lettings and Management/ Law Relating to Residential Property Sales. Thirdly, Residential Property Lettings Practice/ Practice Relating to Residential Property Sales. Fourthly, Residential Property Management Practice/ Property Appraisal and Basic Building Construction and Defects.
- 18. Please detail any principles of regulation you follow (e.g. proportionality and transparency) and how you uphold them, and whether they support you in your duties as a regulator.
  - 44. Propertymark's Memorandum and the Articles of Association set out how Propertymark is run, governed, and owned. The Propertymark Board is made up of industry leaders from a broad range of backgrounds. The Board come together regularly through the year to agree the strategic direction for the organisation. The divisions also have organisational structure consisting of a NAEA Propertymark Board, ARLA Propertymark Board and NAVA Propertymark Board. The organisation is working towards adherence with the Nolan principles of good

<sup>&</sup>lt;sup>43</sup> https://www.propertymark.co.uk/media/339974/nfopp-memorandum-and-articles-of-association.pdf

<sup>44</sup> https://www.propertymark.co.uk/about-us/board-and-governance/



corporate governance. <sup>45</sup> Propertymark members are obliged to comply with Propertymark's Conduct and Membership Rules. <sup>46</sup> Breaches of Propertymark's rules and company obligations may result in sanctions in line with our Sanctions Policy. <sup>47</sup> Sanctions are published on the Propertymark website and will feature for no longer than three years after the date of the Disciplinary Hearing or Appeal Hearing if the matter was subject to an appeal by the member. <sup>48</sup> Propertymark is working to align its procedures with the recommendations for the new regulator as set by RoPA.

- 19. Please detail any requirements you may place on the professionals you regulate and why they are necessary. If you do not impose any requirements, please justify your reasons for not doing so.
  - 45. In addition to the information we have provided on our requirements placed on professionals in questions one to three, thirteen and fourteen, as a government-approved provider of Client Money Protection for agents operating in England we have statutory obligations to ensure that the accountants report members provide satisfy us that members are adhering to the rules and not misusing client money. Furthermore, although not a legal requirement for letting agents to belong to a redress scheme in Northern Ireland this is a requirement of Propertymark membership. This is important because it provides a route to redress for consumers, raises standards across the industry and ensures that complaints against agents can be investigated by the schemes.
- 20. Please describe the process by which you determine your application fees. Please set out any principles or guidelines you adhere to when determining fee amounts.
  - 46. These are commercial decisions taken by the Propertymark Board and Propertymark Qualifications Board.
- 21. Please detail any changes that you are considering for your sector to ensure the profession you regulate stays relevant to current challenges. Does current regulation allow for you to make these changes?
  - 47. In light of the recommendations outlined in the RoPA report Propertymark Qualifications is reviewing its qualification offer and Propertymark is analysing its process, procedures, governance, and member benefits.

<sup>45</sup> http://www.propertymark.co.uk/about-us/board-and-governance.aspx

<sup>&</sup>lt;sup>46</sup> https://www.propertymark.co.uk/media/1045366/conduct-and-membership-rules.pdf

<sup>&</sup>lt;sup>47</sup> https://www.propertymark.co.uk/media/1045378/sanctions-policy.pdf

<sup>48</sup> https://www.propertymark.co.uk/complaints/tribunal-hearings-and-terminations/



- 22. Please detail any steps you take to help make sure that your standards and processes are adaptive, support innovation and promote social mobility.
  - 48. There are three main steps that Propertymark and Propertymark Qualifications take to make sure that our standards and processes are adaptive, supportive innovation and promote social mobility. Firstly, Arbon Trust is the charitable arm of Propertymark with the aim of helping members, their families and Propertymark staff.<sup>49</sup> It provides qualification grants to assist students entering the industry who are struggling to fund their education by way of providing educational grants. The Trust also provides financial assistance to members who have suffered from a physical or mental illness where they are unable to work and financially provide for their family. Secondly, when completing the enrolment form on Propertymark Qualification's website, there is an additional information box which allows candidates to alert the organisation of any additional needs i.e. dyslexia. The Propertymark Qualifications team will contact the candidate directly when processing their enrolment form to discuss their needs further and obtain supporting evidence.<sup>50</sup>

#### **Continuous Professional Development**

- 23. Please detail any continuous professional development that is required for professionals to remain on your register. Please include detail on how often this should take place, in what form, as well as the benefits of adhering and consequences of not adhering to these requirements.
  - 49. Continuous Professional Development is mandatory for members of all divisions of Propertymark. In accordance with our Conduct and Membership rules, members are required to undertake at least twelve hours of Continuous Professional Development activity per year. At least four of the twelve hours must be obtained by attendance at relevant educational events and up to eight hours by relevant private study (except for those studying for Propertymark Qualifications relevant to their specialism). All Continuous Professional Development should be relevant to the membership specialism and/or relevant to business needs. The Continuous Professional Development year runs from 1 January to 31 December and the twelve hours should be submitted by 31 January of the following year. Members are required to list the learning outcomes and evidence of Continuous Professional Development must be provided annually for membership to continue. If members belong to more than one

https://www.propertymarkqualifications.co.uk/media/310069/reasonable adjustments and special consider ations.pdf

<sup>49</sup> https://www.propertymark.co.uk/arbon-trust.aspx

<sup>51</sup> https://www.arla.co.uk/join/continuing-professional-development-cpd/



division, they are required to submit twelve hours of Continuous Professional Development for each division demonstrating a relevant learning outcome.

#### **Diversity and Inclusion**

24. Do you collect data on the diversity of both your UK and international applications? For example, on gender or ethnic background.

- 50. Propertymark does not collect data on the diversity of UK applications. When applying to become a Propertymark member, we ask that individuals complete an online Membership Application Form and provide us with their personal information, including their name, address, personal email address, date of birth, home phone number, mobile number, and employment details. Propertymark's Privacy Policy explains what personal information we collect and we how we use it.<sup>52</sup>
- 51. Propertymark Qualifications does collect data on the diversity of UK applicants. The data is reviewed by the Subject Boards in order to analyse the uptake of qualifications and helps to remove barriers to learning for the sector. Propertymark Qualifications Privacy Notice explains Propertymark Qualifications' approach in relation to how it collects, processes, and protects personal data.<sup>53</sup>

#### 25. Please outline any steps you take to eliminate unconscious bias from your recognition process.

52. There are four main steps that eliminate unconscious bias when a learner decides to undertake a qualification via Propertymark Qualifications. Firstly, application is open to all. Learners do not need to be in the property industry to take a qualification and they do not need to be a member of Propertymark to take an exam. However, as set out in Propertymark's Conduct and Membership rules individuals will need a qualification to be a member. Secondly, the application process to undertake a qualification through Propertymark Qualifications is automated, so there is no requirement to meet with learners face-to-face. Thirdly, assessments take place at recognised and authorised Test Centres, such as the Pearson Vue Test Centres currently used by the Driver and Vehicle Licensing Agency (DVLA) for the Driving Theory Tests. Fourthly, Propertymark Qualifications' Equal Opportunities Policy sets out in relation to all of its activities and services to oppose and avoid any form of unlawful or unfair discrimination on the grounds of race, nationality, ethnic origin, disability, gender, sexual preference, age, marital status or religion. All personnel involved in the organisation,

<sup>52</sup> https://www.propertymark.co.uk/policy

<sup>53</sup> https://www.propertymarkqualifications.co.uk/privacy-policy/



administration and/or delivery of Propertymark Qualifications activities and services are advised of this policy and are required to abide by it.<sup>54</sup>

#### 26. Please outline any steps you take to support job creation in the profession you regulate.

- 53. There are three main steps that Propertymark and Propertymark Qualifications take to support job creation and attract a diverse workforce to the property sector. Firstly, Propertymark Qualifications has been approved as the only end-point assessment organisations for the Junior Estate Agency Apprenticeship Standard in England. <sup>55</sup> Secondly, Propertymark as an organisation actively supports National Apprenticeship week. Thirdly, recognised centres support Propertymark Qualifications by delivering learning programmes and quality assured assessments to learners. A key element of these measures in supporting job creation and attracting a diverse workforce is the ability for Propertymark Qualifications, education establishments, businesses and Propertymark to work together in partnerships.
- 54. Propertymark Qualifications has been approved as the only end-point assessment organisations for the Junior Estate Agency Apprenticeship Standard in England. The Junior Estate Agent will be able to acquire the fundamental skills for the commercial and residential property sales industry. This in turn will give individuals the capability for further career progression on completion of the apprenticeship. This career progression can be either with their existing employer or within the industry in general. It will also enhance their ability to undertake further qualifications.
- 55. Propertymark as an organisation actively supports National Apprenticeship week. as a way to celebrate the very best of what learning has to offer whilst encouraging even more people to choose apprenticeships as a pathway to a great career. An apprenticeship is a great way for a new entrant to get a head start in a profession or area they want to work in. In addition, Propertymark Qualifications is a recognised awarding body regulated by the national qualification regulators in England, Wales and Northern Ireland which provides nationally recognised qualifications at Levels 2, 3 and 4 in Sales, Lettings and Auctioneering. The relevant qualifications can be used as part of an apprentice's training programme providing recognition for their knowledge and understanding and support their progress towards the apprenticeship standard, helping to provide an indication of when an apprentice may be ready for their end point assessment. Holding such qualifications also provides evidence towards membership criteria for Propertymark and other relevant professional bodies.

<sup>54</sup> https://www.propertymarkqualifications.co.uk/policies-prices/

<sup>55</sup> https://www.instituteforapprenticeships.org/apprenticeship-standards/junior-estate-agent/



- 56. Recognised centres support Propertymark Qualifications by delivering learning programmes and quality assured assessments to learners. They are organisations such as further and higher education colleges and institutions; private training providers; and businesses who meet centre recognition criteria and have undergone a formal recognition process. Students will learn about everything from legal matters to practical aspects and benefit from seminars with experienced practitioners which provides them with a real grounding in the issues that property professionals encounter on a daily basis. Students will also be able to gain practical experience from undertaking a work placement within a local business which will give them fantastic first-hand experience which will stand them in good stead for their future career path.
- 27. Please outline any steps you take to attract a diverse workforce to the profession you regulate.
  - 57. Requirement for Propertymark membership is based on professional competency only.

#### **Additional Information**

- 28. Please detail any other information or evidence that you think we should take into consideration during this Call for Evidence.
  - 58. We have no further information to add.

<sup>&</sup>lt;sup>56</sup> https://www.propertymarkqualifications.co.uk/centres/