



**AN BILLE UM THIONÓNTACHTAÍ CÓNAITHE
(LEASÚ) 2006
RESIDENTIAL TENANCIES (AMENDMENT) BILL 2006**

EXPLANATORY MEMORANDUM

Introduction.

The main purpose of this Bill is to introduce a new regulatory framework for the management of multi-unit residential developments as it relates both to management companies (which comprise the owners of each unit) and managing agents (who are employed by management companies to ensure the appropriate day-to-day maintenance of the developments).

In this regard the Bill provides for:

- The widening of the remit of the Private Residential Tenancies Board (PRTB) to include the regulation of apartment complex management companies and agents.
- Action by the PRTB, as it deems to appropriate, to ensure the initial appointment of managing agents by apartment complex developers is in the best interests of residents and potential residents and that this appointment is made following an open and transparent tendering process.
- The empowerment of the PRTB to clarify, mediate and adjudicate in disputes between management companies and agents.
- The drawing up by the PRTB of a code of practice for managing agents.
- This code may or may not include a clause instructing managing agents not to collect the first year's management fee in full until all works are completed on the development.
- The code may or may not also include a requirement on all management companies and their Agents to make adequate provision for a Sinking Fund to ensure that adequate funds are available to carry out major renovation works from time to time.
- The code may also make Managing Agents responsible for the provision to the management company members information regarding the rights and responsibilities of residents and how management companies work.

*An Teachta Feargus Ó Dubhda,
Márta, 2006.*