

Peter Stapleton
President's AGM Inaugural Address
11th May 2010

Immediate Past President, Ladies and gentlemen, it is indeed a great honour to be elected to the esteemed position of President of the Society of Chartered Surveyors and to be addressing you this evening.

I would like to take this opportunity to thank our outgoing President, Ken Cribbin, on behalf of all our members, for his leadership and dedication to the office of President of the Society of Chartered Surveyors over the past year. Against a background of challenging market conditions for all members and consequently the Society itself, Ken has successfully completed an extraordinary term of office. In so doing, he has laid the foundations for the growth and development of the Society over the next decade. Thank you, Ken.

Back in 1973, I recall my first visit to the then RICS Branch office at 8 Merrion Square which was run at the time, from two modest rooms on the first floor return, by the late retired army Captain Bill Brewer. Those premises were part of and continue to be the headquarters of our architect colleagues, the RIAI. It was Captain Brewer who kindly briefed me on the various routes into the profession and who guided me at that time. Since then, I have been fortunate to have three notable mentors – two of which have been past Presidents of the Society – John Broadhead and Harry Whittaker, and the late Ray Ward, a former Chairman of the GP division.

I commenced employment as a trainee surveyor, straight from school, with Lisney and Son, as it was then known, on 16th September 1974 at a commencing salary of £500 per annum. I was fortunate to work in many of the firm's commercial agency and valuation departments where I gained a great insight into important agency and people skills. I even had brief spells in

residential agency and occasionally helped out at chattel auctions. Having acquired chartered status around 1980, I proceeded to fulfil all aspects of a General Practice Surveyors professional practice working in valuation, investment and office agency. The broad experience that I gained is now more difficult to acquire in larger offices as the profession has increasingly moved towards more specialisation.

In 2004 I became Managing Director of Lisney. I have witnessed massive changes in the market and the profession in this time, a period which has presented a wide variety of challenges to Chartered Surveyors.

As we are all aware, and as confirmed by the SCS / IPD indices, capital values of institutional properties are now back at September 1999 levels. Since 1999 values had risen by a factor of 2.14. It now appears that capital values are bottoming out while rental values may be somewhat behind. It is important that we reach the bottom of the market quickly, which will be evidenced by the SCS / IPD indices, so that confidence is renewed and we see a return to increased activity.

There is no doubt that sentiment amongst chartered surveyors has improved over the last six months helped in no small way by the initiatives taken by the new Financial Regulator. Leases have become considerably shorter, new retailers are appearing, and office enquiries have increased compared to a very quiet second half of 2009.

I am also hopeful that the effect of NAMA will start to encourage greater movement in the market as the year progresses. This could well tie in with the ESRI predictions of a return to growth in 2011, albeit measured.

This recession has taken a devastating toll on the employment of Chartered Surveyors. However, we now have a somewhat different role to play over the short to medium term in assisting clients, both private and public, in the return to a more sustainable economy which

will be less transaction based but more advisory in nature. The increasing need for, what has perhaps been an undervalued expert service, is gaining momentum and it is a credit to the Society that a number of our members have been employed by NAMA.

While there was little recruitment by the banks of chartered surveyors when property lending was at its peak, I envisage that a trend will surely develop of an increasing number of our members being recruited by financial institutions who will want to enhance their in-house understanding of property, construction, valuation, and real estate transactions. This requirement for property and construction expertise will increase in time throughout our economy and we have the capacity for this in all of the areas that we operate.

The SCS has for some time been advocating total transparency in the property market and accordingly the establishment of a national property register to include comprehensive information on all freehold and leasehold transactions and lease variations. We have put it to Government that the State should now seize this recessionary opportunity to set up this register, which could include all pertinent terms attached to a lease, including side arrangements, so that

1. This information can be properly analysed by agents and valuers including those involved in arbitrations, where a lack of transparency has led to considerable commercial issues that have been the subject of discussion in the Oireachtas.
2. The information could be used as an efficient base for the collection of a wide range of property taxes where much duplication exists.
3. The functioning of an effective property market would ensue wherein important commercial and public decisions can be made by all stakeholders with increased confidence for the benefit of the market, the economy and society as a whole.

Integration of surveyors and kindred bodies

May I now refer to the important matter of integration of surveyors and kindred bodies.

The progress over the last year in strengthening our alliance with the RICS and in ensuring that the SCS Registration Body becomes an integral part of the SCS operations is welcome.

A further important step in the future of our profession is currently under consideration as the membership deliberates on the opportunity to establish a key single professional body in a possible merger with the IAVI. I believe that a merger with the IAVI will provide a platform to create a strong and unified body that can deliver better services to members and ensure high and uniform educational standards for the property and construction sectors in Ireland. I am positively in favour of these integration-based opportunities that are presented to the members in relation to both the RICS and the IAVI. I do hope that members will support the recommendations of the SCS Council in this regard.

As we reflect on each of these challenges confronted by the Society over the past few years, it is clear that integration is the solution to us achieving our goals. Unity must be our aim and this can be achieved with benefit of both breadth of knowledge and diversity.

There is also room for improving integration within our own membership of the Society. Some of the more successful policy initiatives that have been undertaken over the past year have been cross-divisional. Each of us must learn and take on board issues from the others perspective. This inevitably challenges how we all view things in our own professional practice and assists in developing a new approach or indeed a re-thinking of the application of our skills that can best assist our clients. For the year ahead, both internal and external integration will be a key challenge for the Society.

Building on the SCS role in policy development & public affairs

Turning now to the Society's role in policy and public affairs. The Society's Annual Report and the SCS website clearly demonstrates the ever increasing role of the Society in influencing policy and providing credible comment on matters affecting the property and construction industry. The list of submissions, press releases and media coverage is a reflection of the resources that we have applied in achieving quality improvements and credit is due to the various volunteers and the executive staff in SCS under the leadership of the Director General, Ciara Murphy. As Ciara continues to remind me, there is so much more that we could do if we were free to focus greater resources towards policy development and public affairs.

For example, two current issues that continue to be widely debated are of great relevance to our members.

Firstly, the need for a widening of the tax base as the historical base for tax collection has greatly diminished. The Society is supportive of the concept of an annual property tax but much work needs to be undertaken in order to ensure that any policy adopted minimizes anomalies and unfairness, as may exist between urban and rural property, age and means of the occupier/owner, which will impact on affordability. A cross-divisional working group in the Society has conducted research and has proposed solutions for the consideration of Government. We are now at the point of communicating these initiatives to the relevant stakeholders. However, there is a need to apply greater resources than we can afford at present.

Secondly, the construction industry is an important part of the solution to our unemployment problem and we must urgently convince our political leaders of this fact as we move into economic recovery. Despite the best efforts of the Construction Industry Council to put forward compelling arguments and solutions to manage the decline in the industry during 2009, there has been limited engagement by Government. However, arising from the efforts of our

outgoing President, the Department of Finance has agreed to commence a series of bilateral engagements with the professional bodies on the Government's overall capital investment policy that could deliver a more sustainable industry over the medium to long term, thereby addressing the infrastructural deficit and improving competitiveness. While this is a very welcome development, the Society is again constrained by a shortage of resources to enable effective lobbying of Government.

The proposed merger with the IAVI certainly creates an opportunity in this regard, as a unified body will ensure improved resources and greater efficiencies.

Adherence to high standards of professional practice

Another area that has come to the fore over the last year is the close scrutiny of professional standards amongst the professions in Ireland. In recent weeks, renewed criticisms of the legal and accountancy professions have been widely debated in the general media. It is incumbent on the Society and on each of its members to ensure adherence to the Society's code of ethics, guidance notes and professional practice statements.

The role of the Society in the delivery of CPD is vital and great improvements in the provision and content of CPD for all members, is evident. However, there is no room for complacency and later this year, the Society will be again auditing members on their CPD compliance. This is for the protection of the Society, the profession and the individual members and I have no doubt that members will welcome the opportunity to be audited in order to demonstrate our strong tradition to high standards.

The vision of the Society is:

- To represent the highest professional standing in land, property, construction and all aspects of the built environment and

- To be regarded as the independent credible voice within the property and construction industry.

Each of the issues I have touched upon this evening all have a bearing on the ability of the SCS to realise its vision and I look forward to playing my part in ensuring that business, government and those who consume professional services have confidence in the profession of Chartered Surveyors.

Finally, may I thank you all again for placing your trust in me and electing me as President of our Society. I can assure you of my personal commitment to the office of President and I look forward to working with you during my term.