

College Chronicle Newsletter

October 13, 2023



# When a licence or certificate of registration is NOT required

Almost on a daily basis, we here at ACOP receive a question from agents in relation to the roles that can be undertaken within an agency that do not require the person to hold a Certificate of Registration or a full licence.

As we get closer and closer to the "registration cliff" as NSW Fair Trading are referring to the date of 22 March 2024, when all those Assistant Agents who were certificated prior to March 2020 and MUST have transitioned to a licence by March next year – the issue of Certificate or NOT is a major question.

Let's look first at the definition of an agent:

"a person who induces another to buy, sell or lease property on behalf of another for reward"

This definition varies slightly for stock & station agents and for strata managers, but the core feature is <u>inducing people</u> to participate in the property process. Anyone who is involved in such inducement of others, must hold a Class 1 or Class 2 licence or a Certificate of Registration.

That being said, there are a range of different roles within an agency business that may not require a licence or certificate of registration under the Property and Stock Agents Act 2002.

For example, a person who does purely administrative work that supports the work of a licensed agent or certificate holder is unlikely to require a licence or certificate under the Act.

The law however does not specifically mention all of these functions as it is primarily concerned with the functions that are regulated under the Act. For this reason, an exhaustive list of functions that do not require a licence or certificate of registration will not be provided by NSW Fair Trading. However, Fair Trading have provided a number of case study examples designed to assist property professionals to understand the scope of their functions, and some activities that may be undertaken without a licence or certificate of registration.

One of these case studies refers to an agency that has several employees who do not hold a licence or certificate but assist with administrative support in the agency on an ad hoc basis. The administrative support consists of sending work orders to contractors and providing details of tenants/owners to engaged contractors to assist the agency manage its portfolio. It is noted that these employees do not need to hold a certificate of registration or licence to do these tasks. However, it is noted that authorisation to carry out a work order must be provided by a licence or certificate of registration holder.



The other case studies provided are worth reading on the Fair Trading website, as they give further evidence as to the administrative functions within real estate, stock & station and strata management agencies and the need for a licence or Certificate of Registration. Make sure you go to the NSW Fair Trading website and access this information. The link is <a href="https://www.fairtrading.nsw.gov.au/housing-and-property/property-professionals/licensing-certification-and-qualification/when-a-licence-is-not-required">https://www.fairtrading.nsw.gov.au/housing-and-property/property-professionals/licensing-certification-and-qualification/when-a-licence-is-not-required</a>

So if you have Assistant Agents in your office who are not involved in the "inducing of people to participate in property transactions", then perhaps the best option will be for those people to surrender their Certificate of Registration and then the requirement for annual licensing training and holding a full licence, is removed from their working requirements.

If you wish to discuss this further, contact the College via email (enquiries@acop.edu.au) or phone (1300 88 48 10) to discuss your individual circumstances.

Rosy Sullivan
Director | College Principal

# From the office

"HUGE" is the word to describe the past fortnight – our trainers have been super busy with large student cohorts for the property licensing courses for sales, diploma modules, transition programs and entry level Certificate of Registration programs AND not to forget the CPD training in Balgowlah, Kogarah, St Leonards, Gosford, Toongabbie, plus in the Sydney CBD and about 6 webinars. It is so clear that the end of the year is fast approaching and that agents are getting their CPD hours completed in readiness for the new year.

Whilst there have been no birthdays to celebrate this past fortnight, the celebrations for ACOP's 20th anniversary have most certainly begun and partying with the team is about to commence. Whilst the official anniversary is not until November, we have started the planning for our special offers to students that will commence in a few weeks - so watch this space and naturally everyone will be informed with emails and on our socials. The office is starting to fill up with flowers and chocolates and champagne from our beautiful clients who we appreciate so much for their continued support of our College. You would wonder if our clients know the way to Rosy's heart with these beautiful deliveries.



## **Contact us**

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