

Property and Stock Agents Continuing Professional Development 2024-25

Compulsory Topic Outline

Topic: Introduction to work health and safety obligations in business broking agencies

This compulsory topic outline is for approved providers of NSW property industry continuing professional development under the *Property and Stock Agents Act 2002* and Regulations.

This compulsory unit is applicable to: Business Brokers

Topic Description

This topic covers work health and safety obligations of business brokers in New South Wales and how they must be applied in practice.

Delivery

This topic must be delivered in:

- a face-to-face interactive training environment with a maximum of 40 attendees, or
- an interactive online webinar with a maximum of 25 attendees.

Duration

Providers may deliver this training as a standalone subject or combined with other compulsory units. It is the responsibility of the approved provider to determine the appropriate length of training required to meet the required learning outcomes.

Learning Outcomes

Upon successful completion of this compulsory CPD topic, participants will be able to:

Module	Learning Outcome
Module 1: Work Health and Safety for Business Brokers	<ol style="list-style-type: none">1.1 Demonstrate an understanding of the objects of the <i>Work Health and Safety Act 2011</i> (the Act) and <i>Work Health and Safety Regulation 2017</i> as they relate to business brokers.1.2 Demonstrate an understanding that the Act applies to any place where a business or undertaking is carried out.1.3 Identify potential workplace hazards and risks present within brokerage environments, including office spaces and client properties, and including both physical and psycho-social hazards encountered during an agent's work.1.4 Identify key elements of effective strategies to mitigate workplace hazards and create a safe working environment for brokers, employees, and clients.1.5 Define what a "notifiable incident" is and outline the associated reporting process.1.6 Explain what a Mandatory Incident Register is and what information is required.1.7 Demonstrate an understanding of what is "reasonably practicable" in ensuring health and safety.1.8 Identify where to find more information about work health and safety in business broking agencies, including: https://www.safework.nsw.gov.au/your-industry/rental,-hiring-and-real-estate-services

Module 2: Duties of a Business Broker	<p>2.1 Identify the duties of a business broker under the Act.</p> <p>2.2 Define PCBU and how it applies to business broking.</p> <p>2.3 Demonstrate an understanding of the WHS obligations of both employers and employees of a business broking agency.</p> <p>2.4 Identify the different categories of offences and penalties that can apply to a business, an employer, and a worker.</p>
Module 3: Case Study: Agent sued over fall on slippery driveway at open home inspection	<p>3.1 Discuss as an in-class exercise, the following case study by first reading the two articles below, which approved CPD providers may adapt to a business broking setting:</p> <ul style="list-style-type: none"> • https://bnlaw.com.au/knowledge-hub/insights/enter-at-your-own-risk-slippery-driveways-at-open-home-inspections/ • https://www.reiq.com/articles/agency-practice/open-home-visitor-receives-damages-after-fall <p>3.2 Identify, as per the findings of the court:</p> <ul style="list-style-type: none"> • Key facts of the incident • Key failings of the property owners and agent <p>3.3 List the actions that the agent should have taken before the incident to mitigate the risk of accident or injury</p> <p>3.4 List the actions that the agent, including the licensee in charge of the business, should take in the aftermath of the incident occurring.</p>

Assessment

Overview of Assessment	Completion of this compulsory CPD topic is to be assessed through demonstration of knowledge of requirements that are applicable to the class and type of licence held by the participant. A written assessment must be undertaken to assess the participant's knowledge and provide supporting evidence of competence.
Critical aspects for assessment	<p>A person who demonstrates competency in this unit will have knowledge of:</p> <ul style="list-style-type: none"> • the legal work health and safety obligations of business brokers • how to identify potential hazards and risks in business brokerage environments • where to find more information about work health and safety in business broking agencies

Property and Stock Agents Continuing Professional Development 2024-25

Compulsory Topic Outline

Topic: New Supervision Guidelines 2024 - Business Brokers

This compulsory topic outline is for approved providers of NSW property industry continuing professional development under the *Property and Stock Agents Act 2002* and Regulations.

This compulsory unit is applicable to: Business Brokers

Topic Description

This topic covers the responsibilities and obligations under the new Supervision Guidelines.

Delivery

This topic must be delivered in:

- a face-to-face interactive training environment with a maximum of 40 attendees, or
- an interactive online webinar with a maximum of 25 attendees.

Duration

Providers may deliver this training as a standalone subject or combined with other compulsory units. It is the responsibility of the approved provider to determine the appropriate length of training required to meet the required learning outcomes.

Learning Outcomes

Upon successful completion of this compulsory CPD topic, participants will be able to:

Module	Learning Outcome
Module 1: Goals and purpose of the Supervision Guidelines	1.1 Explain the goals and purpose of the new Supervision Guidelines, as set out in the Strata and Property Services Commissioner's introduction and at other points throughout the document
Module 2: People Leadership	2.1 Demonstrate an understanding of the obligations of Supervision Requirement 1 – People Leadership as they relate to the participant's class of licence, including but not limited to: 2.1.1 the requirement that all parts of the business must be under the supervision of a licensee in charge 2.1.2 the requirement to properly supervise persons engaged in the business 2.2 Identify the new guidance and requirements under Supervision Requirement 1 as compared to the previous Supervision Guidelines that were in force from March 2023 to June 2024 2.3 Conduct an initial check of their own agency's compliance with the requirements of Supervision Requirement 1 and identify matters that need immediate attention.
Module 3: Legal Compliance	3.1 Identify obligations of the Supervision Requirement 2 – Legal Compliance as they relate to the participant's class of licence, including: 3.1.1 the requirement to establish procedures designed to ensure that the provisions of this Act and any other laws relevant to the conduct of that business are complied with 3.1.2 the components of the required procedures

	<p>3.2 Identify the new guidance and requirements under Supervision Requirement 2 as compared to the previous Supervision Guidelines that were in force from March 2023 to June 2024.</p> <p>3.3 Conduct an initial check of their own agency’s compliance with the requirements of Supervision Requirement 2 and identify matters that are currently compliant and those that are need immediate attention.</p>
Module 4: Monitoring Business Conduct	<p>4.1 Identify obligations of the Supervision Requirement 3 – Monitoring Business Conduct as they relate to both class 1 licensees and other licensees and certificate holders, including but not limited to:</p> <p style="padding-left: 40px;">4.1.1 the requirement to monitor the conduct of business in a manner that will, as far as practicable, ensure the operational procedures required under Supervision Standard 2 are complied with</p> <p>4.2 Identify the new guidance and requirements under Supervision Requirement 3 as compared to the previous Supervision Guidelines that were in force from March 2023 to June 2024</p> <p>4.3 Conduct an initial check of their own agency’s compliance with the Requirements of Supervision Requirement 3 and identify matters that need immediate attention.</p>
Module 5: Scenario	<p>5.1 Discuss as an in-class exercise the scenario related to proper supervision of a stock and station agency business set out below.</p> <p>SCENARIO <i>Lucy Chen is managing director and licensee in charge of City Buys Company Pty Limited trading as Lucy Chen Business Brokers. The business has five registered offices: one each in Rouse Hill, Gregory Hills, and Burwood. City Buys Company Pty Ltd holds a corporation licence under the Property and Stock Agents Act 2002, while Lucy holds a class 1 dual licence – business broking and real estate and is an accredited auctioneer. The business has 10 staff operating out of the branches, all of whom hold a class 2 licence in Business Broking and real estate. Unfortunately, Lucy suffers a severe heart attack and efforts to revive her are not successful. Lucy’s untimely passing leaves the corporation without a licensee in charge.</i></p> <p>5.2 Identify who holds the legal obligation for proper supervision of the business following Lucy’s death</p> <p>5.3 Identify the compliance steps that must be taken in the days following Lucy’s death, and when, under the Property and Stock Agents Act and the Supervision Guidelines</p> <p>5.4 Explain what steps Lucy Chen and City Buys Company Pty Ltd could have taken prior to Lucy’s death to ensure risks of a failure of supervision would be minimised in the event of the sudden and unexpected departure of a sole licensee in charge</p>

Assessment

Overview of Assessment	Completion of this compulsory CPD topic is to be assessed through demonstration of knowledge of requirements that are applicable to the class and type of licence held by the participant. A written assessment must be undertaken to assess the participant’s knowledge and provide supporting evidence of competence.
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Critical aspects for assessment

A person who demonstrates competency in this unit will have knowledge of:

- the goals and purpose of the new Supervision Guidelines 2024 as set out in the Strata and Property Services Commissioner's introduction and at other points throughout the document
- the obligations and responsibilities under the new Supervision Standards of persons responsible for proper supervision of the business of a licensee
- the obligations and responsibilities under the new Supervision Standards of persons engaged in the business of a licensee

Property and Stock Agents Continuing Professional Development 2024-25

Compulsory Topic Outline

Topic: Methods of appraisal

This compulsory topic outline is for approved providers of NSW property industry continuing professional development under the *Property and Stock Agents Act 2002* and Regulations.

This compulsory unit is applicable to: Business Brokers

Topic Description

This topic provides an overview of the methods of appraisal used in the sale of a business.

Delivery

This topic must be delivered in:

- a face-to-face interactive training environment with a maximum of 40 attendees, or
- an interactive online webinar with a maximum of 25 attendees.

Duration

Providers may deliver this training as a standalone subject or combined with other compulsory units. It is the responsibility of the approved provider to determine the appropriate length of training required to meet the required learning outcomes.

Learning Outcomes

Upon successful completion of this compulsory CPD topic, participants will be able to:

Module	Learning Outcome
Module 1: Methods of appraisal	<ol style="list-style-type: none">1.1 Define the various methods of business appraisal utilised in the brokerage industry.1.2 Understand the fundamental principles, concepts drivers underlying each method of appraisal.1.3 Interpret and assess the impact of intangible assets, such as goodwill and intellectual property, on business valuation.1.4 Apply quantitative and qualitative techniques to gather necessary data for appraisal purposes.1.5 Gain proficiency in applying relevant appraisal methodologies.1.6 Critically evaluate appraisal results and adjust methodologies as needed to reflect changing market conditions or unique business circumstances.1.7 Apply ethical principles and professional standards in conducting business valuations, ensuring integrity and fairness in the appraisal process.1.8 Communicate appraisal findings utilising effective communication skills to clearly explain the chosen appraisal methodology, key assumptions and outcome.

Assessment

Overview of Assessment	Completion of this compulsory CPD topic is to be assessed through demonstration of knowledge of requirements that are applicable to the class and type of licence held by the participant. A written assessment
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	must be undertaken to assess the participant's knowledge and provide supporting evidence of competence.
Critical aspects for assessment	<p>A person who demonstrates competency in this unit will have knowledge of:</p> <ul style="list-style-type: none">• the various methods of appraisal utilised in the business brokerage industry• the impact of intangible assets such as goodwill and intellectual property• effective communication strategies• ethical and legal implications

Property and Stock Agents Continuing Professional Development 2024-25

Compulsory Topic Outline

Topic: Appropriate normalisations and adjustments

This compulsory topic outline is for approved providers of NSW property industry continuing professional development under the *Property and Stock Agents Act 2002* and Regulations.

This compulsory unit is applicable to: Business Brokers

Topic Description

This topic provides an overview of when and how to use appropriate normalisations and adjustments to ensure accurate valuation of a business.

Delivery

This topic must be delivered in:

- a face-to-face interactive training environment with a maximum of 40 attendees, or
- an interactive online webinar with a maximum of 25 attendees.

Duration

Providers may deliver this training as a standalone subject or combined with other compulsory units. It is the responsibility of the approved provider to determine the appropriate length of training required to meet the required learning outcomes.

Learning Outcomes

Upon successful completion of this compulsory CPD topic, participants will be able to:

Module	Learning Outcome
Module 1: Appropriate normalisations and adjustments	<ol style="list-style-type: none">1.1 Identify common financial irregularities and discrepancies in business financial statements that require normalisation and adjustment for accurate valuation.1.2 Understand the importance of normalisation and adjustment in accurately assessing the financial performance and value of a business.1.3 Explain the consequences of inappropriate normalisations including potential legal consequences of using incorrect normalisation techniques and the impact on the client.1.4 Identify common types of normalisation adjustments, including add-backs, non-recurring expenses, owner benefits, and discretionary expenses.1.5 Apply appropriate methodologies and criteria to normalise financial statements, ensuring consistency and accuracy in the adjustment process.1.6 Develop and apply strategies for effectively communicating normalisation adjustments and techniques to clients and stakeholders, facilitating transparency and understanding.1.7 Demonstrate ethical use of normalisations and adjustments to understand ethical considerations and the avoidance of manipulation for biased outcomes.

Assessment

Overview of Assessment	Completion of this compulsory CPD topic is to be assessed through demonstration of knowledge of requirements that are applicable to the class and type of licence held by the participant. A written assessment must be undertaken to assess the participant's knowledge and provide supporting evidence of competence.
Critical aspects for assessment	A person who demonstrates competency in this unit will have knowledge of: <ul data-bbox="560 517 1358 698" style="list-style-type: none">• the importance of normalisation and adjustments in assessing financial performance and value of a business• appropriate methodologies and criteria to normalise financial statements• ethical and legal considerations

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Compulsory Topic Outline

Topic: Agency agreements and your authority to act

This compulsory topic outline is for approved providers of NSW property industry continuing professional development under the *Property and Stock Agents Act 2002* and Regulations.

This compulsory unit is applicable to: Business Brokers

Topic Description

This topic provides an overview of the obligations of a Business Broker when entering into an agency agreement.

Delivery

This topic must be delivered in:

- a face-to-face interactive training environment with a maximum of 40 attendees, or
- an interactive online webinar with a maximum of 25 attendees.

Duration

Providers may deliver this training as a standalone subject or combined with other compulsory units. It is the responsibility of the approved provider to determine the appropriate length of training required to meet the required learning outcomes.

Learning Outcomes

Upon successful completion of this compulsory CPD topic, participants will be able to:

Module	Learning Outcome
Module 1: Agency agreements and your authority to act	<ol style="list-style-type: none">1.1 Identify the various types of agency agreements commonly used in business brokerage, including exclusive agency and open listing agreements.1.2 Identify the required information for inclusion in an agency agreement for the sale of a business.1.3 Demonstrate compliance with <i>Property and Stock Agents Act 2002</i>, <i>Property and Stock Agents Regulation 2022</i>, and professional standards governing agency agreements and authority to act in business brokerage.1.4 Understand and explain the legal principles governing agency relationships, including fiduciary duties, confidentiality, and disclosure obligations.1.5 Recognise potential conflicts of interest and the importance of clear and concise agency agreements in mitigating risks and disputes during the brokerage process.1.6 Maintain accurate documentation for all client discussions related to the sale of a business.

Assessment

Overview of Assessment	Completion of this compulsory CPD topic is to be assessed through demonstration of knowledge of requirements that are applicable to the class and type of licence held by the participant. A written assessment must be undertaken to assess the participant's knowledge and provide supporting evidence of competence.
Critical aspects for assessment	A person who demonstrates competency in this unit will have knowledge of: <ul data-bbox="560 517 1385 701" style="list-style-type: none">• the information required to be included in an agency agreement• the types of agency agreements• legal principles in agency agreements• conflicts of interest• proper record keeping