

Rebosa takes EAAB to court over 'ongoing service delivery issues'

The Real Estate Business Owners of South Africa (Rebosa) has turned to the courts over what it describes as ongoing service delivery issues with the Estate Agency Affairs Board (EAAB). Failure to issue Fidelity Fund Certificates (FFCs) timeously, it says, has been a longstanding problem for the EAAB, with extensive backlogs plaguing the board's operations every year.



Tony Clarke, chairman of Rebosa and MD of the Rawson Property Group

“Having a current Fidelity Fund Certificate is an essential requirement for a real estate agent,” says chairman of Rebosa and MD of the Rawson Property Group, Tony Clarke. “To practice without one is to commit a criminal offence and forfeit any right to remuneration for your work. By failing to meet its legal obligation to issue FFCs to qualified agents, the EAAB is forcing property practitioners to either refrain from operating, indefinitely, or break the law in order to feed their families. This is unacceptable.”

'Archaic' systems

In its attempts to assist the EAAB in addressing its service delivery failures over the last seven years, Rebosa has invested over R1.5m of its funds into additional staff to assist the regulatory body. Inadequate service delivery is exacerbated by a prevailing lack of suitable technology systems within the EAAB, according to Clarke: “The processes involved in renewing FFCs are now archaic.”

“Things like manual allocation of payments lead to huge delays and countless errors. The extent of the problem has seen the number of queries lodged with the board peak at 80,000 in an industry with only 46,000 agents,” he says.

“This systemic inertia has put the lives and livelihoods of thousands of real estate agents at risk over the years.



Rebosa calls for simplification of estate agency qualification framework

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Infringement of rights

"We no longer believe the issue can be resolved without court action. The current implementation – or lack thereof – of the Estate Agency Affairs Act by the EAAB constitutes an infringement of the constitutional rights of real estate agents to choose and practice their profession freely."

Rebosa's application will request a court order forcing the EAAB to issue all outstanding FFCs due to agents who have otherwise met all their professional obligations.

While Clarke has strongly condemned the EAAB's inability to fulfil its mandate under the Estate Agency Affairs Act, he also confirms Rebosa's continued endorsement of the legislation itself: "Rebosa fully supports the role of the Estate Agency Affairs Act in promoting better transparency, disclosure, accountability and governance in our industry," he says.

"We simply need the legislation implemented effectively in order for it to have the desired effect."

The EAAB could not be reached for comment.

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