AGENTS LICENSING BOARD OF THE NORTHERN TERRITORY

REASONS FOR DECISIONS FOLLOWING INQUIRY CONCERNING DISCIPLINARY ACTION AGAINST KATHERINE REALTY PTY LTD (TRADING AS ELDERS REAL ESTATE KATHERINE) AND ALISON ROSS

Applicants:	Riley Stone and Siennah Rose
Respondents:	Katherine Realty Pty Ltd (Trading as Elders Real Estate Katherine) Alison Ross
Date and time of hearing:	15 May 2026, 2pm
Venue:	Gurrumuy Room, NT House 6/22 Mitchell Street Darwin
Reason for Inquiry:	To hold an inquiry pursuant to section 68(3) of the *Agents Licensing Act 1979* to determine if there are grounds for disciplinary action to be taken against Katherine Realty Pty Ltd and Alison Ross.
Agents Licensing Board:	Robert Bradshaw, Chair Lea Aitken, Board Member Carol Need, Board Member Kerri-Ann Laurence, Board Member
Representation:	Nil
In attendance:	Alison Ross, respondent Kevin Kadigamar, Department of Trade, Business and Asian Relations, Counsel Assisting Laine Cornish, Senior Board Support Officer, Department of Trade, Business and Asian Relations Andrzej Wlodarczyk, Senior Compliance Officer, Department of Trade, Business and Asian Relations

Introduction

1. On 11 March 2026, the Agents Licensing Board (the Board) considered a report from the Registrar of Land, Business and Conveyancing Agents which dealt with an application by Riley Stone and Siennah Rose (the applicants) for disciplinary action concerning Katherine Realty Pty Ltd (trading as Elders Real Estate Katherine).

2. The Board accepted the application in respect of Katherine Realty Pty (the agent) and Alison Ross (the business manager) (the respondents) with the grounds for the inquiry being the failure of the respondents to:
   (1) exercise due skill, care and diligence in dealing with water issues reported by the applicants and failure to communicate,
   (2) exercise due skill, care and diligence in dealing with property damage reported by the applicants and failure to communicate with applicants,
   (3) ensure staff are appropriately registered whilst undertaking agent duties concerning property inspections.

3. The application also raised issues concerning an agents representative. However, the agents representative is no longer registered. This means that the agents representative cannot be the subject of disciplinary action. The name of the agents representative is not being published because that person did not give evidence at the inquiry and thus was not able to refute any allegations made about any events that may have taken place. The employee is referred to in this document as "Employee X"

4. The basis of the inquiry also including the business manager was that the conduct of a company is inherently tied to the conduct of its business manager, as the business manager (as an officer of the company) is responsible for discharging the company's statutory obligations.

Notification of application

5. On 14 February 2025, the agent was provided with a copy of the application.

6. On 2 March 2025, the business manager responded by providing details of the tenancy, water/leak issues and inspection reports. The business manager also advised that she had contacted the applicants offering to meet them.

Provision of draft inquiry book and information from respondent

7. On 9 April 2026, the agent and the applicants were provided with a copy of the draft inquiry book (including the matters to be inquired into).

8. On 22 April 2026, the agent provided a submission to the Board in relation to the inquiry book. In summary, the agent:

   (1) advised that the two staff members involved in the management of the tenancy were no longer employed with one of them having been performance managed regarding the provision of misleading information.

(2) advised that she Is actively recruiting qualified property manager and is prioritising ongoing staff training and industry engagement to maintain service quality,

(3) stated that her business is continually reviewing organisational structures, staff responsibilities and systems using technology to improve efficiency and protect clients' best interests.

9. The applicants provided no comment concerning the inquiry book.

Licensing details

10. The agent has conducted the business in Katherine since February 2016 – and purchasing another rent roll in 2019/20. The business was managing about six hundred properties. At the time the issues arose, there were ten staff with two property managers being employed – with one of them having the role of overseeing employee X. The business manager said that she relied on the property manager to train employee X

11. Employee X had been employed as part of the property management team despite not having any previous experience in property management. He obtained interim registration about four months after commencing employment with the agent.

Role of Agents Licensing Board

12. The AL Act regulates the licensing and conduct of real estate agents, business agents, and conveyancers. The AL Act outlines the requirements and obligations for agents operating in these sectors, including provisions for licensing, conduct, trust accounts, and dispute resolution.

13. Section 68(4) of the AL Act provides that the Board shall hold an inquiry where '(a) an application for disciplinary action to be taken against a licensed agent is lodged in accordance with this section; or (b) the Board considers that there may be grounds under section 67 for disciplinary action to be taken against a licensed agent'.

14. The inquiry hearing and process is governed by section 77 of the AL Act. The procedure is at the discretion of the Board, parties may be legally represented, and the Board is not bound by the rules of evidence but may inform itself in such manner as it thinks fit.

Relevant legislative provisions

Power to take disciplinary action

15. The Board may take disciplinary action against a licensed agent on one or more of the grounds outlined in section 67 of the AL Act. In particular, the Board may take disciplinary action if a licensed agent has been guilty of a breach of the rules of conduct for agents' (section 67(1)(c) of the AL Act). The Board

may also take disciplinary action on “any other reasonable ground which in the opinion of the Board, is sufficient to warrant revocation of the licence of the agents” (section 67(1)(m) of the AL Act).

Responsibilities of business/branch managers

16. Section 110A(1) of the AL Act provides that ‘a licensed agent must ensure that there is at all times in the agent's service a business manager, who is a licensed agent appointed by the agent, in respect of each office of the business carried on under the licence.’ Section 110A(5) of the AL Act then provides that a ‘business manager must ensure that he or she exercises substantive and effective control of the day-to-day operations of an office in relation to which he or she was appointed’.

Conduct

17. Section 64A of the AL Act provides that regulations may prescribe rules of conduct for real estate agents. The rules of conduct are set out in Schedule 4 of the Agents Licensing Regulations 1979 (AL Regulations). The Real Estate Institute of Northern Territory (REINT) has also published a voluntary code of conduct titled ‘Real Estate Practitioners Code of Conduct’ (Code of Conduct). This code was designed to ‘set boundaries of acceptable conduct in real estate practice and define minimum standards of behaviour expected’ of its members.

18. Section 65 of the AL Act provides that a ‘licensed agent must not breach the rules of conduct’.

19. Section 65(4) provides that a company or firm is guilty of a breach of the rules of conduct for agents if: (a) the company or firm is a licensed agent acting on behalf of a client; and (b) a director or employee of the company or firm does an act, or fails to do an act, or attempts to do an act, the doing of, or the failure to do, which would, if the director or employee were a licensed agent, make the director or employee guilty of a breach of the rules of conduct for agents. Breaches of the REINT code are also breaches of the rules of conduct.

20. The relevant rules of conduct are:

    Part 1 – General Rules

    11. An agent must exercise due skill, care and diligence in carrying out the agent's duties on behalf of a client.

    12. An agent must exercise due skill, care and diligence when dealing with any person in the course of conducting business as an agent.

Example for rule 12
An agent acting for a vendor must deal with potential purchasers with due skill, care and diligence.

Outline of issues

21. The applicants appointed the agent to manage a property (the property) in Katherine.

22. During management of the property there were:

(1) issues concerning water leaks, excess water usage and a broken window;
(2) problems in the communications between the agent and the applicants.

Chronology of events

23. The following is a chronology of events relating to the agent:

Date	Event
16/10/23	Management agreement
2/12/23	Occupancy under lease commences
24/1/24 and 28/2/24	Property inspections by Employee X
1/5/24	Advice to applicants from Employee X about major leak
7/5/24	Applicants seek update on leak, no response, Arranged for work
10/5/24	Employee X attends property. Advises applicant with video of leak. Applicants ask Employee X to have their contractor to lay new irrigation
20/5/24	Employee X advises applicant that a work order has been raised with the nominated contractor
24/5/24	Employee X becomes registered as an agents representative (interim)
30/5/24	Applicants contacted the agent advising of water “gushing out” and asking why the water was not turned off pending completion of the works

26/6/24	Contractor re-installed irrigation Applicants request update
1/7/24	Request and response concerning update (including inaccurate information about the costs)
23/7/24	Invoice for the reticulation works
29/7/24	Applicants call seeking information about what works were conducted
20/9/24	Applicants follow up text on call of 29/7/24
23/9/24 26/9/24	Applicants seek check of water meter Follow up re water meter
3/10/24 4/10/24 10/10/24 10/10/24	Applicants seek a plumber to attend Applicants request agents' representative contact the irrigation contractor Follow up Employee X advises that he spoke to the contractor on 10/10/24
28/10/24 28/10/24 29/10/24	Follow up to messages of 10/10/24. Employee X advises that he spoke to the contractor on 28/10/24 Follow up – no response
1/11/24	Applicants contact business manager, noting issue had been ongoing for 4 months
4/11/24	Employee X advises that a plumber has attended
11/11/24	Property inspection (by a different employee)
25/11/24	Employee X "resigns"
27/11/24 5/12/24	Applicants seek update on the issues Agent responds

4/12/24 5/12/24	Applicants advise agent that tenants spent $1200-$1500 repairs of reticulation but usage remains high Agent contacted applicants advising meter readings, high usage and recommending engagement of plumber
6/12/24 6/12/24 10/12/24	Applicant requests agent to request plumber to attend regarding water pressure and leaks Agent confirms with applicant that plumber has been arranged, work order issued Applicants query whether tenants should be liable for excess water Applicants - Follow up to request of 6/12/24
20/12/24-6/1/25	Christmas period – office closed or operating with reduced staff
21/12/24	Applicant sends email expressing dissatisfaction
7/1/25	Tenants advise agent of break in, agent requests police PROMIS number for insurance purposes
13/1/25 13/1/25 13/1/25 13/1/25	Agent followed up with new contractor and plumber Applicant requests update Contractor attends property – fixes irrigation, Broken window repaired Invoice from another plumber
16/1/25	Applicant contacts agent concerning re-imbursement of the excess water bill and seeking update, agent bills tenants regarding excess water
23/1/25	Applicant contacts plumber regarding water pressure testing, advised by the agent that they were waiting on the agent to provide access
24/1/25	Applicants contact agent requesting update and an explanation concerning the fact that they were not notified about the smashed window. New employee provided incorrect information about the agents' responsibilities concerning the smashed window
28/1/25	**Application for disciplinary action**

7/2/25	Agent emails applicants apologizing for the delay, explaining insurance issues, and advising tenants had been invoiced for excess water
3/3/25	Applicants request and provide update
4/3/25	Applicants query severity of the leak, agent provided copy of the invoice
5/3/25	Agent advised applicants of outcome of discussions with the contractor regarding findings of the difficulties in gaining access over the previous month to do the work
13/3/25	Telephone meeting between agent and the applicants. Agent advises that the applicants "were happy with the outcome of the discussion"

Hearing

Materials before the Board

24. On 15 May 2026, the Board conducted a hearing.

The following materials were placed before the Board (1) inquiry Book containing the following documentation referenced in the Inquiry Book:

- Copies of licence certificates and related matters
- Copies of disciplinary application
- Correspondence between the department and the agent and the business manager
- Oral testimony by the business manager

(2) Additional material provided by the business manager by email on 22 May 2026 (information from Lisa Horvatic).

25. The business manager attended the hearing and was sworn in for the purposes of the presentation of evidence on behalf of herself and the agent. Another witness (Lisa Horvatic) was unable to attend owing to illness. The agent's office manager was also present as a support person.

26. The applicants did not attend the hearing.

General principles

27. The purpose of disciplinary proceedings is to maintain proper ethical and professional standards, primarily for the protection of the public, but also the protection of the profession.

28. In occupational disciplinary matters, an issue needs to be proven to the reasonable satisfaction of the decision maker, having regard to the seriousness of the allegation made, the inherent unlikelihood of the occurrence of a given description (or the inherent improbability of an explanation) or the gravity of the consequences flowing from a particular finding.

Business manager's general explanation

29. At the hearing: the business manager explained the significant problems in Katherne in finding enough property managers to deal with properties.

30. The business manager also said that she was unaware of how bad the communication skills of employee X where she accepted a failure to put "nuts and bolts" on her staff.

31. The agent has also provided the following information about office procedures and practices:
    - (a) Throughout this period the agent has continued the implementation of ongoing staff training regarding legislation and competency in their roles and responsibilities
    - (b) The office maintains an open communication environment where staff are encouraged to seek assistance and clarification in areas where they may be unsure
    - (c) The property management and sale team conduct two meetings per week to discuss properties and any issues
    - (d) Briefing each morning to review day ahead and prioritisations.

32. The business manager advises that she remains the manager of the applicant's property.

***Ground (1): Failure to* exercise due skill, care and diligence in dealing with water issues reported by the applicants and failure to communicate**

33. The complaint was that:
    - (1) The agent, through employee X and other agent's representatives employed to manage the property, did not respond or make progress with the completion of works relating to the properties irrigation.
    - (2) On the problems being raised with the business manager, the business manager took no steps to address the issue.

34. The main facts appear to be:

(1) in May 2024, employee X advised the applicants that there were problems with the water reticulation system and that there was excessive water usage due to a leak.
(2) the applicants arranged for a contractor to fix the problem advised employee X to ensure that the work was completed
(3) for the next month, the applicants sought information from employee X but there were no responses
(4) in June 2024, the employee X advised that the works had been completed with an outstanding amount of $9763. The applicants queried this amount, and it was subsequently adjusted to be $1237.
(5) There continued to be excessive water use between 25 April 2024 and 4 December 2024 (733 kilolitres compared to Katherine average of 330 for the full year)
(6) In November 2024, the applicants contacted the business manager who advised employee X was returning to the office that morning and would investigate the issues and respond.
(7) employee X left he business and a new agents representative took over management on 25 November 2024
(8) On 13 January 2025, a new plumber attended the property, conducted a pressure test and fixed a leaking solenoid.
(9) The business agent advises that they sought to charge the tenant for the excessive water use

Analysis of ground (1)

35. There are obvious potential problems arising from the fact that the applicants arranged for the reticulation works and then expected that the agents would manage the completion of the works.

36. Nonetheless, the agent took on the work.

37. The facts clearly show that the agent through the various employees of the agent (including the business manager) failed to communicate with the applicants concerning the reticulation and the water problems. There are numerous times where the agent failed to respond to questions and issues raised by the applicants.

38. The facts also indicate that the respondents were unaware of what actual steps were being taken and that they were dilatory in following up on some of the issues.

39. In coming to these conclusions, the Board considers that it does not really matter whether the substantive problem was excessive use of water by the tenants or problems with the reticulation system. The agent, having taken on the role of dealing with the water issue, should have been on top

of the issues and should have answered questions about what was going on – even if was to acknowledge problems or deficiencies in way in which they were dealing with the issue.

Board's finding regarding ground (1)

40. The Board finds that the agent and the business manager breached rule 11 in that they failed to communicate with due skill, care and diligence with the applicants concerning the on-going issues with the water.

Ground (2): Failure to exercise due skill, care and diligence in dealing with property damage reported by the applicants and failure to communicate with applicants

41. The complaint is that the agent did not appropriately deal with a report about a smashed window at the property.

42. The facts appear to be:

(1) The agent was aware that there was a smashed window at the property.
(2) The agent did not provide information to the applicants about the smashed window.
(3) The response by the agent to the applicants regarding this issue was:
"Elders have no legal obligation to inform the landlord of damage to the window until a police report has been submitted"
(4) At the hearing, the business manager did not contest that that was what occurred. She explained that the employee who made the statement was confused and thought he was providing advice as to what is required for an insurance claim
(5) The business manager also gave evidence that the window was repaired as soon as the agency became aware of the problem.

Analysis of ground (2)

43. Section 5.2 of the management agreement between the applicants and the agent provided:

"In performing the Agent's obligations under this Agreement, the Agent shall have the authority to:

(b) spend money on the Owner's behalf not exceeding the expenditure limit[1] to maintain the property in a condition fit for occupation and to make repairs alterations
(c) arrange appropriate tradesmen to carry out emergency repairs "emergency and for the purposes of this clause 'emergency repairs' includes work required:".

[1] $100

44. Whilst the management agreement does not explicitly state that the agent must deal with repairs it is reasonably plain that the agent should deal with the need for repairs even if limited to advising the landlords about the problem.

Board's finding regarding ground (2)

45. The Board finds that the agent breached rule 11 in that it failed to exercise due skill, care and diligence concerning its compliance with its obligations under the management agreement regarding the information it had about the smashed window. It should have advised the applicants of the problem.

Ground (3): Failure to ensure staff are appropriately registered whilst undertaking agent duties concerning property inspections.

46. The applicants claim that the person managing the property was not a registered agents' representative at the time when the initial property inspection took place.

47. These inspections occurred between February 2024 and 24 May 2024. The employee concerned became registered on 24 May 2024.

48. It is clear employee X was not registered at the time when he was engaged in activities relating to the agents' management of the property.

Analysis of ground (3)

49. This issue is as to whether employee X was acting as a real estate agent or agents representative.

50. At the hearing, the business manager accepted that employee X had signed inspection reports and that that did not accord with her general policy which was that property managers should sign the reports.

51. Section 5(2)(a) of the AL Act provides that for the purposes of the licensing provision of the Act (section 17) a person acts as a real estate agent if they are a person:

"Whose business is to act as agent for consideration in money or money's worth in respect of:

(i) the sale, purchase, exchange, leasing, letting or other dealings with, or the disposition of; or

(ii) negotiations for the sale, purchase, exchange, leasing, letting or other dealings with, or the disposition of, land"

52. It seems doubtful that the mere inspection of a property under direction of a licensed agent or registered agents representative is work as a real estate agent. It is an administrative task that forms part of the function of an agent who is being paid to handle (broadly stated) the sale or management of land.

53. Section 5(1) of the AL Act provides that an agents representative is a person who:

"In the service of, and on behalf of, a licensed agent negotiates or holds himself out as being prepared to negotiate any transaction of a description referred to in sub-section (2)(a) or (b)" [definition of real estate agent].

54. Again, it seems unlikely that carrying out inspections or arranging repairs are activities that, of themselves, require registration or licensing.

55. In broad terms licensed agents can employ persons to perform administrative tasks.

56. From the evidence before the Board, it is not apparent that the employee in question performed tasks other than administrative tasks.

Responsibility of the business manager

57. The Board also considers that business managers are responsible, as a general rule, for the compliance of a licensed agent with the requirements of the Act. Significant noncompliance can be the basis of disciplinary action as referred to in section 67(1)(m) of the AL Act.

Board's decision on the taking of disciplinary action

58. On the basis of these finding, the Board considers that it is authorised under section 69 of the AL Act to take disciplinary action against the agent and the business manager

Penalties

59. The powers of the Board after the inquiry into a licensed agent are outlined in section 68 of the AL Act as follows:

> *"68. If, at the conclusion of an inquiry conducted under section 68(4), the Board is satisfied that it is authorised to take disciplinary action against a licensed agent, the Board may do one or more the of the following:*
>
> *(a) reprimand or caution the agent;*
> *(b) by written notice, impose a fine not exceeding 50*[2] *penalty units on the agent;*
> *(c) by written notice, suspend the licence of the agent until the expiration of the period, or the fulfilment of a condition, specified in the notice;*
> *(d) by written notice, revoke the licence of the agent."*

[2] 50 penalty units is $9250 for the period 1 July 2024 – 30 June 2025. *Penalty Units Regulations 2010*

60. All the possible penalties are serious for persons in professions and licensed occupations. They all adversely impact on reputation. The outcomes of this matter, including the penalties, will be published as required by section 84A(1) of the AL Act.

Explanation of the Board's approach in determining the penalty

61. In previous decisions the Board has outlined some principles or factors for determining the appropriate penalty.[3] These were based principles laid out by the Western Australian State Administrative Tribunal for determining actions to be taken for breaches of occupational codes of practice and laws.[4]

62. These 12 principles, along with an assessment of the application of them to the Board's findings in this matter, are:

1. *any need to protect the public against further misconduct by the agent.*

   Clients should be able to have confidence that employees are adequately supervised.

2. *the need to protect the public through general deterrence*

   Not a significant issue

3. *the need to protect the public and maintain public confidence in the profession by reinforcing a high professional standard and denouncing transgressions and thereby articulating the high standards expected of the profession such that, even where there may be no need to deter an agent from repeating the conduct, the conduct is of such a nature that the Tribunal should give an emphatic indication of its disapproval*.

   It is important that agents maintain good communications with their clients and others.

4. *in the case of conduct involving misleading conduct, including dishonesty, whether the public and fellow agents can place reliance on the word of the agent***.**

   Not applicable

5. *whether the agent has breached any legislation or industry codes of practice or guidelines and whether such a breach was intentional.*

   The Board has found breaches of rules of conduct but that the breaches arise from negligence rather than dishonesty

[3] See decision dated 23 January 2024, paragraph 101
[4] *Commissioner for Consumer Protection v Murray [2017] WASAT 137*

6. *whether the agent's conduct demonstrated incompetence, and if so, to what level*.

   The problem was one of supervision rather than incompetence

7. *whether or not the incident was isolated such that the Tribunal can be satisfied of the agent's worthiness or reliability for the future.*

   The Board is concerned that the conduct occurred over a lengthy period of time.

8. *The agent's disciplinary history*

   There have been no other disciplinary matters for the business manager and the agent.

9. *Whether or not the agent understands the error of his or her ways, including an assessment of any remorse and insight (or a lack thereof) shown by the agent, since an agent who fails to understand the significance and consequences of misconduct is a risk to the community.*

   The Board considers that the business manager is beginning to have a real understanding of the general nature of the breaches found to have been committed, although this is only embryonic at this stage. The Board notes the evidence of the business manager and her commitment to improvements.

10. *the desirability of making available to the public any special skills possessed by the agent.*

    Not applicable.

11. *The agent's circumstances at the time of the conduct and at the time of imposing the sanction. However, the weight given to personal circumstances cannot override the fundamental obligation of the Tribunal to provide appropriate protection of the public interest in the honesty and integrity of real estate sales representatives and in the maintenance of proper standards of real estate sales representative practice.*

    The Board notes the business manager's evidence that she was under considerable workload pressures in terms of staffing. However, in accepting the business and charging fees, the public is entitled to expect that the standards of practice will be maintained.

12. *Any other matters relevant to the agent's fitness to practise and other matters which may be regarded as aggravating the conduct or mitigating its seriousness. In general, mitigating factors such as no previous misconduct or service to the profession are of considerably less significance than in the criminal process because the jurisdiction is protective not punitive.*

    Not applicable.

63. In determining the penalty, the Board considered past penalty decisions for disciplinary matters relating to breaches for matters relating to the failure to exercise due care, skill and diligence where the core failure is lack of communication. The main ones of relevance are as follows:

Date[5]	**Name of decision**	**Maximum fine**[6]	**Summary of misconduct**	**Penalty**
12/4/23	Lupino v O'Donoghue and Molara Pty Ltd	8100[7]	Sustained breaches of obligations under a tenancy management agreement (albeit not to cause significant loss to the landlord), evidence of upgraded procedures, previous adverse disciplinary decision (2014)	Fine of 15 penalty units ($2430)
21/8/17	Pope v Jones		Failures of communication with client (landlord) relating the use of the bond and other matters – e.g. itemised details of bond payments etc Board found that the agent failed to exercise due skill etc	Reprimand plus direction to supply missing information and provide a set of policies
14/12/10	Pryce v Skinner and Neville	NA	Action against an agents representative and against the business agent. The agent (Elders) was not a party to the proceedings. Express instructions to agents representative that an invoice ($995) not be paid. Later on,	Caution

[5] Generally, this is the date on the department's website. It should be date of the decision. However, sometimes it is the date of publication on the web site

[6]The maximum fine is set in terms of penalty units. The value of a penalty unit for each year is reviewed in accordance with CPI with effect from 1 July.

[7] The written decision suggests that the Board was under the incorrect view that the maximum penalty was $16,200

			the branch manager (not knowing about the direction) paid the invoice. Applicant complained and Elders repaid the $995. Board found that the branch manager was in breach of the rules because the agent (Elders) did not have appropriate systems in place. Factors in determining penalty: (a) Unauthorised payments could be very serious (b) Prompt refund (c) Early admission and cooperation (d) Absence of apology	

64. Over recent years the Board has been imposing higher penalties than had been the case in earlier years.
65. The approach of the Board in imposing penalties over recent years has been as follows:

(a) cancellation:

This occurs in circumstances that include:

i. where the agent has demonstrated a comprehensive inability or desire to comply with key regulatory obligations under the AL Act. For example, failure to complete numerous audits with no obvious excuse;
ii. where the agent has demonstrated comprehensive incompetence in providing professional services or in dealing with clients or third parties

(b) suspension:

This occurs in circumstances that include elements of the factors for cancellation, but the Board considers that there is a strong possibility, particularly for regulatory matters, that the agent may be able remediate the issues

(c) maximum/large fine (40-50 penalty units):

This occurs in circumstances that include severe breaches concerning regulatory compliance or severe breaches when dealing with clients or third parties in circumstance that appear to be isolated or one off but are such that if repeated would be such that the licence would be cancelled or suspended. For example, dishonesty, gross failure to cooperate with investigations by the department or with inquiries by the Board

(d) moderate fine (20-39 penalty units)

This occurs in circumstances where the breaches in regulatory compliance or when dealing with clients or third parties are such as to suggest systemic problems in complying with the AL Act in providing services. Often the client or third party will have suffered financial loss

(e) small fine (1-19 penalty units)

This occurs in circumstances where there have been breaches in regulatory compliance or when dealing with clients or third parties that are of a relatively minor nature – and where the department, clients or third parties have not been significantly disadvantaged by the breaches

(f) caution

A caution will be given, usually in conjunction with suspension or fine, if the Board considers that there is a specific action that the agent must manage in order not to be the subject of further disciplinary action

(g) reprimand

A reprimand will be given for minor breaches that the Board does not consider to be systemic and where the client and third parties have not been significantly disadvantaged. Generally, the agent in dealing with the department, the Board and clients/third parties will have been cooperative

(h) in all cases, regard will also be had as to the extent to which the agent has cooperated with the department and the Board relating to both resolving issues, accepting fault and implementing measures to avoid a recurrence.

66. The Board assesses the breaches as being relatively minor with the applicants having suffered no significant financial loss. In essence the agent did not perform some of the agent's obligations under the agency agreement.

67. In respect of the first breach (relating to the apparent failures to successfully deal with the reticulation system) the applicants appointed the contractor and thus have overall responsibility for the fact that the work may not have been done. The fact that the agent did not apparently follow up with sufficient effort is problematic. The greater problem was the absence of meaningful communication.

68. In respect of the second issue (the advice in respect of the smashed window) there is no excuse. It was simply incompetent. The Board notes that the evidence of the business manager that the agent did arrange for repairs as soon as it became aware of the issue.
69. The Board's current view is that a reprimand is not a sufficient penalty for breaches of the legislation that involve significant communication issues. It offers little by way of deterrence.
70. In determining the penalties, the Board has had regarding to:

    (a) the agent's cooperative manner in dealing with the issues;
    (b) the agent's stated commitment to improving systems;
    (c) the difficult circumstances in Katherine and other places facing agents who manage properties.

Respondents' submission on penalties

71. On 1 June 2026, the business manager was provided with a draft of the Board's decision, the proposed reasons and proposed penalties. The proposed penalties were 10 penalty units for the business manager and 5 penalty units for the agent.
72. On 8 June 2026, the business manager responded concerning the proposed penalties as follows:

    (1) Observed that the inquiry dealt with matters that differed from those raised by the agent's client;
    (2) Penalties are "high" – noting the previous decisions of the Board where the penalties were cautions and lower number of penalty units
    (3) Sought that the proposed penalties be reviewed having regard to:
        (i) Relatively minor nature of the complaint

        (ii) no significant financial loss

        (iii) cooperation by the agent

        (iv) staffing difficulties, with staff movements communicated with clients

        (v) commitment to improved systems and constant recruitment and training program

Board's decision on penalties

73. The Board has noted the submission on penalties made by the business manager. The Board accepts the point that the penalties are higher than those that may have been likely to have been imposed in the past. However, the Board has, in recent years, been imposing across the range of complaints higher penalties. The proposed penalties are reflective of the relatively minor nature of the breaches.

However, the Board remains of the view that deterrence in communication matters will only occur if there is a fine.

74. The Board imposes the following penalties:

    (a) a fine of 10 penalty units[8] ($1850) to be paid by the business manager;

    (b) a fine of 5 penalty units ($925) to be paid by the agent

    (c) a caution that the agent maintains appropriate systems for managing maintenance obligations

75. The Board directs that the fines be paid by the agent and the business manager within 60 days of the date of these written reasons.

Right of review

76. Section 85(3) of the AL Act provides that an affected person can apply to the Northern Territory Civil and Administrative Tribunal for a review of decisions of the Board.
77. For the purposes of section 85(3), “affected persons” include the applicants, agents and agents representatives affected by the decisions.
78. An application for review must be made within 28 days of the day of notification to an affected person of the decision in this matter[9].

Bradshaw.

Dated 22 July 2026

Robert Bradshaw

Chairperson (for Agents Licensing Board of the Northern Territory)

---

[88] As at the time of the breaches (2024/25) the value of a penalty unit was $185

[9] In this matter, notification will occur when the parties are provided with this document.