



ACT Property Developer Licensing – Rating Entity Requirements

A ratings entity provides the required report that assesses the operational and financial capacity of an applicant or licensee to undertake residential development activities.

Overview

The *Property Developers Act 2024* (the Act) establishes a licensing and regulation scheme for residential property developers. The scheme opened for applications on 1 October 2025, and mandatory licensing will commence on 1 October 2026.

The scheme is administered by the Construction Occupations Registrar (the registrar). As part of deciding whether to grant a licence, the registrar must be satisfied that an applicant has operational and financial capacity, and is otherwise a suitable person, to hold a licence.

A rating report will provide an independent evidence-base to support the registrar to make decisions about whether to grant a licence (with or without conditions), or to refuse a licence application. It is therefore mandatory that, as part of applying for a property developer licence, applicants submit a rating report from an ACT Government approved rating entity.

Except in specific situations, such as changes to a licensee's circumstances, provision of a rating report will be a one-off requirement to support a licence application.

Rating entities and reports

Rating entities – ACT Government approvals and requirements

The Act requires approved rating entities to hold an Australian financial services licence (AFSL). AFSL licences are administered by the Australian Securities and Investments Commission (ASIC).

Rating entities are approved by the ACT Government and must meet criteria set out in the Act. These criteria aim to ensure that approved rating entities have appropriate capacity and processes to undertake assessments of property developers.

While there is currently only one approved rating entity in the ACT, the Government encourages applications from other eligible rating entities. Prospective applicants can be assessed for approval to become an approved rating entity at any time.

Rating reports: ACT Government requirements

Equifax Australia (Equifax) is currently the only ACT Government approved rating entity. Equifax provide their rating assessment and reporting services through a construction industry specific product known as iCIRT.



Equifax offer several iCIRT products, including ‘standard’ and ‘detailed’ assessments.

The ACT Government requires applicants to provide a standard assessment to support a licence application. The fee for a standard iCIRT assessment is fixed.

There may be circumstances where developers opt to obtain a detailed assessment. **Detailed assessments will also be accepted by the registrar.** Detailed assessments include information and a level of detail that exceeds the ACT Government’s minimum requirements.

It is a decision for applicants as to whether to utilise a standard or detailed assessment to support their application for a property developer licence. More information about iCIRT, including pricing, can be found here: equifax.com.au/icirt-act.

What type of assessment is needed for complex corporate structures of special purpose vehicles?

The requirement to provide a rating report, based on a standard assessment, to support a licence application remains the same regardless of an applicant’s corporate structure or related entities.

However, there may be circumstances where it could be beneficial for applicants to obtain standard assessments for multiple entities, or a detailed assessment for a single entity.

For example, if a special purpose vehicle (SPV) has been established to deliver a project, there may be limited data to inform an assessment. This could be because the SPV itself has no history of delivering residential development projects, or no working capital.

Likewise, if an applicant is part of a joint venture (JV), there may be insufficient information to provide a standard assessment that adequately reflects the suitability and capacity of the applicant, in the context of the

collective JV partners, to deliver residential development projects.

Applicants are encouraged to engage with the registrar and rating entity on the best approach to meet the minimum licensing requirements.

Frequently asked questions

iCIRT reports include a star rating – how will this affect my licence application?

In assessing your application, the registrar will consider various factors. This will include the various criteria that the iCIRT report includes, information provided as part of your licence application, and data collected by the ACT Government, such as your history of compliance with other ACT Government licensing and regulatory schemes.

There is no direct correlation between an iCIRT star rating and a licensing decision. Disclosure of your star rating to a third party is at your own discretion.

What checks and balances exist to ensure rating assessment outcomes are fair and accurate?

In order to be recognised as an ACT Government approved rating entity, applicants must hold an AFSL that authorises the preparation of rating reports as described in the Act. These licences are administered by ASIC, which place various obligations on AFSL licence holders.

When licensing credit rating agencies, such as Equifax, ASIC requires that they abide by certain provisions of the International Organization of Securities Commissions Code of Conduct Fundamentals for Credit Rating Agencies (the IOSCO Code). The IOSCO code includes a framework for credit rating agencies that protects the integrity of the rating process.



The ACT Government assesses applications from organisations wishing to become an approved rating entity against established guidelines. Among other things, these require applicants to demonstrate that they have rigorous and proven measures in place to train and monitor staff who undertake rating assessments, as well as appropriate procedures for handling and managing complaints.

Will I need an annual rating assessment?

No. Once a licence has been granted, no further assessment will be required during the licence period, unless there is a change of circumstances or if the registrar has concerns about a licensee. In circumstances where the registrar requires a new rating assessment, they will have the discretion to request a standard or a detailed assessment.

What assessment methodology is used to undertake an iCIRT assessment?

The methodology for undertaking an iCIRT assessment was developed in collaboration with the iCIRT Industry Forum, which includes representation from the NSW Building Commission, the Insurance Council of Australia, and the Strata Community Association, as well as other industry associations and subject matter experts.

The assessment methodology is published online, and is available at: icirt.com.au/about#icirt-methodology.

What if I have concerns about an iCIRT assessment?

If you have concerns about the content of an iCIRT assessment or rating, you can request an internal review. This is completed by a separate assessment team within Equifax, and there is no additional charge involved.

What happens if I have concerns that an iCIRT assessment has adversely affected an application for a property developer licence?

If you are concerned that the content and rating provided in an iCIRT rating report that you have provided to the registrar as part of an application for a property developer licence may have unfairly impacted the registrar's decision to refuse to grant a licence, or place conditions on a licence that you think are unfair, you may request that this decision is reviewed by the ACT Government. This review will be conducted by a separate team within the ACT Government, and there is no additional charge involved.

If you are unsatisfied with the outcome of this internal review, you will be able to seek external merits review through the ACT Civil and Administrative Tribunal.

