

2019 State of Transformation of the Property Sector report shows limited progress

At its recent annual seminar, the Property Sector Charter Council (PSCC) made several announcements, including the release of its 2019 State of Transformation of the Property Sector report and a new intervention for addressing transformation challenges in the sector.



PSCC CEO Portia Tau-Sekati and chairman Sedise Moseneke

“The quality of our engagement with the many participants in the property sector this year has shown a tremendous improvement,” said PSCC chairman Sedise Moseneke. “Overall, we are seeing far more collaboration in almost every area. This is important for us to work effectively and synergistically as a sector, and we are very encouraged by it as it allows us all to do so much more,” he added.

State of Transformation Report

PSCC CEO Portia Tau-Sekati presented the findings of the 2019 State of Transformation of the Property Sector report, which shows a mixed picture of the sector’s B-BBEE performance over the past year. Transformation remains a key element of economic transformation in the country, especially given the contribution that the sector makes to overall GDP. Yet, progress towards certain transformation milestones is still limited and slow.

The 2019 report is based on two pieces of legislation: the 2012 Property Sector Code, and the 2017 Amended Property Sector Code. The report reveals that the property sector is at level five in terms of its transformation BBBEE recognition level – dropping from level four in the 2018 report. Although this is not the best performance, it was a reasonable effort considering the change in the recognition levels which took effect during the year, and could have otherwise have taken the sector to level six if no further exertion was put behind this and the new changes of the legislation.

“Although it is encouraging to see continued transformation efforts in the sector, progress in certain areas has been slow and we believe that the situation is still less than ideal,” noted Tau-Sekati.

Analysis based on key elements of the 2012 Property Sector Code reveal that the ownership score, which has an overall weighting of 20 points on the scorecard, shows that the industry improved overall from a score of 16.67 to 17.04 weighting points – a change from 83% to 85% in this category. “Whilst this is encouraging, funding models still need to be further considered and reviewed, as the long nature of the process translates into limited progress,” she explained.

Encouraging results were seen in the category of Employment Equity, where the industry showed an improvement from a very poor 33% in 2018 to a 49% performance achievement against target in the 2019 report. In the areas of Skills Development and Management Control, results were much the same as last year with the industry’s performance in these areas being rated at 65% and 56% respectively. “We are pleased that even in the areas of the scorecard where performance is poor, the overall direction is still positive,” says Tau-Sekati. “However, much more still needs to be done.”



Transforming real estate industry prompting need for specialisation

26 Jun 2019



Property Sector Skills Foundation launch

The Property Sector Skills Foundation was launched. The foundation aims to enhance the overall level of skill in the industry, building a pool of talent on which South African property companies can draw.

The PSCC believes that through the launch of the Property Sector Skills Development Foundation, the body can lead the change that needs to take place. “We believe that through taking a holistic and structured integrated approach, we can address skills development in the industry comprehensively,” said Tau-Sekati. “There is power in collaboration – we can do it better if we do it together.”

Property Portal SA

PSCC also announced the launch of Property Portal SA – a digitally driven platform which will function as a single resource for industry information. “With so many different sources of information available, it can be confusing for anyone to know where to begin,” said Tau-Sekati. Whilst all the original sources of information will remain, the Property Portal is intended to be a first point of reference, which will then direct users in their search process to the appropriate platform.

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