

Meeting:	Quarterly CSOS/ARC INDUSTRY BODY MEETING (QIBM)						
Meeting Venue:	Teams Meeting						
Date:	26 September 2022						
Time:	11:00 – 12:00						
Chaired by:	Adv Boyce Mkhize						
Scribe:	Christine Mmeti						
Legend: P-Present A-Absent XX-Absent with apology							
Attendees	Initials		P	A	XX		
Adv Boyce Mkhize – CHIEF OMBUD	BM		X				
Abe Masilo – REG OMBUD GP	AB		X				
Maletsatsi Wotini – REG OMBUD WC	MW				X		
Mervin Dorasamy – REG OMBUD KZN	MD				X		
Lesiba Seshoka – CSOS Exec Corp Affairs	LS		X				
Kanozi Mlotha – CSOS Adjudicator General	KM		X				
Thembelihle Mbatha - CFO	TM		X				
Johlene Wasserman – Governance Manager	JW				X		
Kedibone Phetla – Acting Governance Executive	KP			X			
Edward Ramasunga – Governance Officer	ER				X		
Precious Nkgapele – CO PA	PN		X				
Siyethemba Mthethwa - MarComms	SM		X				
Doniah Motsoeneng - MarComms	DM		X				
Jeff Gilmour – ARC CHAIR	JG		X				
Hannes Hendriks – RCC CHAIR	HH		X				
Stephan Vorster – RCC DIRECTOR GP (E&S REGIONS)	SV		X				
Johan Kruger – CAISA DIRECTOR	JK		X				
1.	Opening and Welcome						
	BM welcomed all attendees and noted apologies as follows: Mervin Dorasamy Johlene Wasserman Edward Ramasunga						

2.	Minutes of the previous meeting
	<p>The minutes of the previous meeting of 27 June 2022 were adopted as a true reflection of discussions at the said meeting.</p>
3.	Matters arising from previous meeting (minute resolutions)
	<p>There were no matters arising from the previous meeting</p>
4.	Agenda Items – Industry matters
	<p>4.1 ARC Update</p> <p>HH indicated that they had the strategic session where the letter of concerns to the minister was discussed, and he will forward the letter to BM.</p> <p>BM advised that the issue of the R30 million donation to the KZN floods did not carry favour with National Treasury as there is no longer any amount that is going out from the CSOS towards the national disaster. HH accepted feedback from BM.</p> <p>JG indicated that there is an unresolved matter logged with the CSOS in 2019 in the Eastern Cape region. He further mentioned that the case in point is a dispute regarding the validity of an annual general meeting and the changing of the Scheme Constitution. He mentioned that four meetings took place with the adjudicator but still have not received any update. JG indicated that he would appreciate it if the Western Cape Ombud could follow up on the matter mentioned above.</p> <p>JG announced that the ARC conference will be held on the 16th to 18th of May in the Western Cape and he would like the CSOS to participate in the conference. JG will check if the notice was sent out to CSOS regarding the conference.</p> <p>BM thanked JG for the invite. BM further indicated that he would like KM to deal with the issue raised regarding the Eastern Cape case, check the status and why that matter is not concluded yet. KM mentioned that she has not received any escalation regarding the above-mentioned matter. AM added that they will get back to JG regarding the issue raised. BM concluded by saying he is interested in the update on the matter to find out what may have gone wrong, and he requested to be updated.</p>

4.2 RCC Update

HH mentioned that one of the issues of concern is the period that is now being given in terms of how people can pay back outstanding levies without finalising with the CSOS and if that payback plan is acceptable. **HH** added that sometimes it is a once-off payment, at times 10 to 12 payments.

HH indicated that the RCC has concerns about the protection of personal information and access to information on community schemes paragraph on the directive that was issued. He mentioned paragraphs 7.4 and 8.4 dealing with the homeowners' associations. **HH** further indicated that they are not regulated by the Sectional Titles Management Act and certain documents available for owners' associations are regulated by the Companies Act and the Buyer's Manual.

HH indicated that he will send a draft to the CSOS office to ask that paragraph 8.4 be amended in terms of the entitlement of homeowner members' right to information.

HH indicated that they had an application by an estate agent to CSOS and the application was dismissed on two basis, one being that it is not within CSOS's jurisdiction. **HH** further stated that they have a big challenge with the service delivery from the local government to estates and they need to interact with the Department of Cooperative Governance and, Traditional Affairs and SALGA on service delivery matters which do not relate to the CSOS, but he will keep the CSOS members updated on the progress in resolving the issue at hand.

BM indicated that the CSOS will take note of the concerns around the accessibility of certain documents and will await the letter of concern from RCC. **BM** proposed that the next meeting should have a special presentation on POPIA.

HH added that they will finalise and submit a proposal to the information regulator on a code of conduct for residential communities.

BM mentioned that it would be appreciated if the proposed draft is sent to CSOS for input.

4.3 CAISA Update

4.3.1 Update on Recognition of Courses

JK indicated that there was a workshop on the 18th of August that CSOS attended and

there were 43 estate managers in attendance and had the opportunity to explain and engage with the people present.

JK further indicated that there will be a community conversation via zoom that will take place on the 19th of October 2022, and they are interacting with JW in that matter. He added that they will schedule another course on the 29th of November and the CSOS will be given an opportunity to interact with the members present. **JK** added that they had a positive response from their members who would like to attend the workshop mentioned.

JK indicated that they completed four of the seven courses, and the process is at the final stage of approval with the Tshwane School for Business and Society. He further mentioned that he has a follow-up meeting with the director of the Business School, and he will give an update on that meeting.

JK mentioned that CAISA will attend a conference in Colombia, Bogotá where there will be five continents discussing Community Association matters.

4.4 CSOS

TM spoke about interest charges on the outstanding levy accounts and the levy study project as she mentioned that they will follow up in terms of the PFMA on all outstanding accounts and charge interest by finding the schemes that have not registered with the CSOS. She further mentioned that while putting processes in place there was an audit finding regarding those schemes that have not been paying the resources since 2017.

TM indicated that the CSOS board approved a submission in line with Section 59 of the CSOS Act where the CSOS needs to charge daily, put waivers, discounts and charge interest in terms of Regulation 13. **TM** further indicated that all outstanding accounts will be subjected to an interest rate of 2% per month and the charging of interest and overdue accounts will be effective from the month of September.

TM mentioned that the CSOS will be informing non-paying schemes of their non-compliance with the CSOS Act for schemes to submit their levy schedule on time to avoid interest. She further mentioned that the CSOS will allow payment arrangements of a 12-month period to catch up with the outstanding levies, then start charging interest going forward

TM also touched on the levy study project and mentioned the levy calculator which is dependent on the administrative levy that is being charged by the scheme. She further mentioned that the

CSOS is currently busy with the project that is aiming to make the calculation of the CSOS levy to be more transparent and simpler to calculate.

TM indicated that once the board processes and consultation with the Minister of Human Settlements is complete, she hopes to gain support from the members in this forum. In conclusion, she will arrange a presentation to be shared with industry bodies before it goes out to the market.

JM added that a presentation will be beneficial to them before sending it out to the public.

4.5 CSOS Update

BM indicated that the Minister has approved the new organizational structure and that the CSOS is now in the process of migrating employees into the new structure. **BM** further mentioned that this is to capacitate the CSOS and to stabilize the environment. He indicated that new positions will be advertised soon.

BM announced that the CSOS has achieved 82% performance against the target with an improvement of 22% from the previous year's performance. He further indicated that there were a few areas that caused the CSOS not to reach 100% performance as anticipated and he gave an example of the dispute backlog that had to be dealt with. **BM** indicated that the CSOS has obtained an unqualified audit opinion for the first time in terms of The Auditor General audit process.

BM advised that CSOS Marketing will be starting with a huge publicity campaign and the marketing plan will be shared amongst members to assist in publicising the campaign on their platforms.

BM indicated that there is an entity that has been projecting itself as CSOS online helping people with sectional title issues on social media. He further indicated that they have reached out to the said entity regarding their unlawful activities and the entity continued to operate. **BM** mentioned that the CSOS approached the High Court and obtained the High Court order declaring the CSOS online activities as unlawful and directing them to remove all offending material from social media platforms. **BM** added that the CSOS will follow up with the entity to ensure compliance with the High Court order.

5.	New Matters
	No new matters raised
6.	General
	<p>HH mentioned that it is good to hear that there is compliance and that the standards are met by the CSOS.</p> <p>JK Thanked the Ombud for the improvement.</p> <p>JG Also thanked the Ombud and added that it is pleasing to see improvement from the audit and compliance.</p> <p>SV indicated that it is good to see the governance falling into place.</p>
7.	Closure and Next Meeting
	<p>The meeting adjourned at 12:53 pm</p> <p>Date of next meeting to be announced.</p>
8.	Acceptance of Minutes by Co-Chairs
	<p>Scribe – : Christine Mmeti</p> <p>Signed Electronically</p> <p>Date Accepted: XX/XX/2022</p> <p>Chairperson ARC - Jeff Gilmour:</p> <p>Signed Electronically</p> <p>Date Accepted: XX/XX/2022</p> <p>Adv Boyce Mkhize (Chief Ombud):</p> <p>Signed Electronically</p> <p>Date Accepted: XX/XX/2022</p>

