

SharedLiving

Issue 2 of 4

July - September 2020

COVID-19 DISRUPTOR OF 2020



WORKING REMOTELY **CSOS SUPPORT DURING COVID-19**

AMENDMENT TO PRACTICE
DIRECTIVE ON DISPUTE
RESOLUTION

CLARITY ON MEETINGS DURING LEVEL 3 LOCKDOWN

CASE **CLOSED**

Victory as Adjudicator,
grants an owner's
application that a
respondent pays the
costs of damage incurred
during renovations.

Service Excellence, Independence,
Integrity and Accountability

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Affordable Reliable Justice



Gedeelde Lewe Ukuhlalisana Tsamisana Ho Dulisana Mmoho

VISION: To be a reliable and transparent regulatory authority for community schemes in South Africa

MISSION: To regulate community schemes to ensure good governance by providing education and training to all stakeholders and an accessible dispute resolution service

VALUES: Service Excellence, Independence, Integrity and Accountability.

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Contents

CSOS NOTICE

5

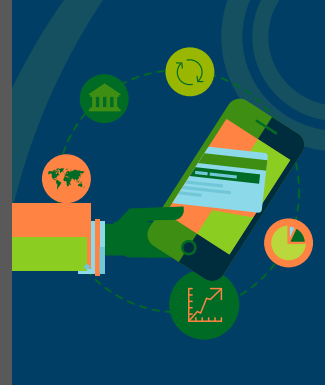
Issuing of
Certificates



PROCESS

CSOS Levy
Payment
Process

6



COVID-19

National Treasury
Economic Relief
Measures

7



UPDATES

Amendment
to Practice
Directive

8



WORKING REMOTELY

CSOS During
Covid-19

12



GOVERNANCE

Scheme
Governance
Documentation

17



FEATURE

COVID-19
Disruptor
of 2020

18



CASE CLOSED

22

Adjudicator Grants
Owner's Application that a
Respondent Pays Costs





CHIEF OMBUD FOREWORD

Dear Stakeholders,

The past few months have been challenging especially with our re-arranged working conditions due to the novel Corona virus. Internally a lot had to be done to reduce the spread of the virus. We had to work on rotational basis and at times work remotely from home.

During the lockdown many community schemes approached the CSOS for guidance on how to apply the Disaster Management Act and Regulations. We received questions such as can we hold meetings and how to guide people on the use of common property sections during the lockdown. The CSOS Directives issued during this time were simply to support the regulations and to provide clarity for those schemes who were being challenged by property owners when trying to put measures in place to limit the risk of potential exposure. Our

role was to support Government's message and inform stakeholders on CSOS processes during this challenging time.

Currently we are attending to Conciliations and Adjudications via electronic means. We kindly ask for your patience as we are working tirelessly to address the backlog on Disputes, Levies, and Scheme Governance issues, while trying to keep our staff safe.

I am glad to report that we are making headway in capacitating the service. Over 25 Adjudicators have been appointed throughout the country. An Executive for Corporate Affairs joined us in March and a new Chief Information Officer starts in August. Most recently the CSOS executive team met with representatives of the industry bodies: the National Association of Managing Agents (NAMA) and the Association for Residential Communities (ARC). We will be concluding Memorandum of Understanding agreements with both parties to create a framework where issues of regulation, training, the sharing of information and best practices will be dealt with. A common theme in the meetings that were held with NAMA and the presentations made to regional ARC chapter bodies is that, now more than ever, we need to work more closely as a sector. The meetings also highlighted certain issues that the CSOS needs to provide further clarity on, like the issue of urgent matters vs normal matters and the timeframes around these. We will issue a communique on all identified matters in the coming days.

In this issue we cover the process of urgent matters, scheme governance issues, the question of cybersecurity during COVID. Going forward the report on Dispute Performance Information, which we normally included in this publication, will be published separately to align the report we submit to the Department of Human Settlements.

I trust you enjoy reading this issue, keep safe, wash hands, sanitise and wear a mask.

Sincerely,
Ndivhuo Rabuli
Acting Chief Ombud

NOTICE: ISSUING OF CERTIFICATES

THE CSOS ADVISES THAT THE FOLLOWING MEASURES WILL BE PUT IN PLACE REGARDING THE ISSUING OF COMPLIANCE CERTIFICATES:

1. The Governance Unit has perused most of the scheme governance documentation and will now issue the compliance certificates to those Community Schemes' rules approved as compliant;
2. CSOS will send an unsigned copy of the compliance certificate to the Community Schemes representatives to verify that the details are correct on the certificate;
3. Once verified, the Acting Chief Ombud, will sign all the compliance certificates, whereafter a copy will be sent via electronic mail to the Community Scheme representative;
4. The CSOS will thereafter allow for the Community Scheme to engage the services of a courier to collect the original certificate at the **CSOS Head Office in Sandton**;
5. Considering the restrictions posed by the national lockdown and the fact that the CSOS is not fully operational from its offices at this time, the certificates can be fetched from **Monday to Thursday between 10:00 and 14:00**. Community Schemes are requested to provide a copy of the email confirmation from the CSOS that a certificate can be collected. Without the email the courier company or community scheme might not be allowed enter the CSOS premis at the CSOS Sandton customer service centre.
6. Lastly, should the certificates not be collected during this period, the certificates will be held until such time that the CSOS is fully operational.

Operation during lockdown:

Monday to Thursday between 10:00 and 15:00,
Friday closed for deep cleaning and sanitisation of all offices.

For disputes/complaints email:

Gauteng, Limpopo, and North West
Email applications to gp-complaints@csos.org.za

KwaZulu-Natal, Free State and Mpumalanga
Email applications to kzn-complaints@csos.org.za

Western Cape, Eastern Cape, and Northern Cape
Email applications to wc-complaints@csos.org.za

General Enquiries: info@csos.org.za



For governance and other applications:

All scheme registrations should be sent to registration2@csos.org.za

All annual returns should be sent to annualreturn@csos.org.za

All waiver applications should be sent to waiver@csos.org.za

All amendments of rules should be sent to sectionaltitle@csos.org.za

All future training requirements should be sent to training@csos.org.za

CSOS LEVY PAYMENT PROCESS



- All schemes are required to register with the CSOS
- Registration Documents can be hand delivered, couriered or emailed to Registration@csos.org.za
- A unique CSOS registration number will be allocated, eg CSOS/REG/16/KZN/123456
- Payments must be made quarterly in arrears; however schemes can make annual payments in advance
- The CSOS banking details are as follows:
 - FNB
 - Account Name: Community Schemes Ombud
 - Account no. 62682595205
 - Account type: Public Sector Cheque Account
 - Branch Code: 200607
 - Swift Code: FIRNZ AJJ
 - Reference: CSOS registration number, eg. CSOS/REG/**16/KZN/123456**

Please note: The orange bolded part is the most important, should the bank reference field not provide for all the characters

The proof of payment must be sent to:

levypayment@csos.org.za

THE PROOF OF PAYMENT MUST BE ACCOMPANIED BY A LEVY SCHEDULE, WHICH DETAILS THE LEVY CALCULATION. PLEASE SEE THE EXAMPLE BELOW:

CSOS Levies Calculator:			
Unit number	Scheme levy		Unit CSOS levy
1	R	500.00	R -
2	R	1,000.00	R 10.00
3	R	1,500.00	R 20.00
4	R	2,000.00	R 30.00
5	R	2,500.00	R 40.00
6	R	3,000.00	R 40.00
7	R	3,500.00	R 40.00

Scheme CSOS Levy	R	180.00
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Add as many rows as necessary.

Copy this formula into ALL rows.

The Levy calculator can be downloaded from the website, on the following link <http://www.csos.org.za/regulations.html>

Once the payment has been allocated to the community scheme by the CSOS, a receipt statement will be issued. Kindly note that the CSOS does not issue invoices as yet.

CONTACT DETAILS:

Registration related queries: Registration@csos.org.za | Levy payment related queries: levypayment@csos.org.za
CSOS telephone number: **010 593 0533**

**STAY
SAFE**

SAVE SOUTH AFRICA

TOGETHER WE CAN BEAT THE CORONAVIRUS



**ECONOMIC
RELIEF
MEASURES
DURING
COVID-19**

CORONAVIRUS IS REAL

ECONOMIC RELIEF MEASURES (National Treasury)

DESCRIPTION

Tax measures

WHO QUALIFIES?

Tax compliant businesses

HOW CAN PEOPLE ACCESS THE RELIEF MEASURE?

Tax compliant businesses can apply to the South African Revenue Service for the tax relief measures.

These tax relief measures include:

- The introduction of a tax subsidy to employers of up to R500 per month for the next four months for those private sector employees earning below R6,500 under the Employment Tax Incentive. This will help over 4 million workers

- The South African Revenue Service will accelerate the payment of employment tax incentive reimbursements from twice a year to monthly, in order to get cash into the hands of tax compliant employers as soon as possible
- Tax compliant businesses with a turnover of R50 million or less will be allowed to delay 20% of their employees' tax liabilities over the next four months, as well as a portion of their provisional corporate income tax payments without penalties or interest over the next six months. This intervention is expected to assist 75 000 small and medium term enterprises.

CONTACT DETAILS

Website: Csd@treasury.gov.za
COVID19IPAbelowR100m@sars.gov.za

AMENDMENT TO PRACTICE DIRECTIVE ON DISPUTE RESOLUTION AND

CLARITY ON BODY CORPORATE AND TRUSTEE MEETINGS DURING LEVEL 3 LOCKDOWN

1 In keeping with its mandate, the CSOS announces the reconvening with the conciliation and adjudication of dispute resolution in community schemes with effect from 1 June 2020, which procedures were temporarily suspended as a result of the Government Lockdown under the Regulations published in terms of the Disaster Management Act, No.57 of 2002.

2 However, these procedures now take place without the need for the parties to meet face to face in view of the COVID-19 threat facing the country.

3 The aforesaid is a necessary effort to minimise the risk of exposure and requires the collective effort and co-operation by the employees of the CSOS, community schemes at large and applicants for dispute resolution services.

4 The CSOS adheres to COVID-19 restrictions at

the workplace and to this end certain CSOS employees attend the office and others continue to provide services remotely.

5 The CSOS's method of operation during this time, minimises the risk of exposure and ensures the continuity of the CSOS services. The re-opening of various sectors of the economy determines the regulatory support and administrative services CSOS will provide and this will be balanced with the need to maintain the necessary precautionary health and safety measures.

6 This Practice Directive provides certain timeframes or a number of days for filing certain documents and/or responses by the parties, namely 14 days for the Section 43 Notice to Affected Persons, directed to the respondent and 10 days for section 44 notice to Inspect the Respondent's Submission and provide a Written Response,

directed to the applicant. Considering the requirement to dispose of disputes within a certain timeframe, certain amendments will be effected to the Practice Directive on Dispute Resolutions, 2019. These amendments will not prejudice the parties nor unduly burden them. Therefore, the amendments made are: -

Paragraph 14. 1 of the Practice Directive, namely 14 days for the Section 43 Notice to Affected Persons, directed to the respondent, to read –

A response may then be submitted to the Ombud within seven (7) days.

Paragraph 14.2 of the Practice Directive, namely for the Section 44 Notice to Inspect the Respondent's Submission or to provide Written Response, directed to the applicant, to read-

Once the Ombud has received a response from the respondent, the Ombud will

allow the applicant five (5) days to inspect the submission or to provide any written response relating to the issues raised in the submission.

7 Procedure for the conduct of Conciliations:

- 7.1 No face-to-face Conciliations will be conducted;
- 7.2 Conciliations will be conducted telephonically or virtually only. Parties in a dispute are requested to have sufficient data, bandwidth, battery-life or connectivity for the duration of the Conciliation;
- 7.3 The Conciliator will connect the parties to the conciliation on a conference call;
- 7.4 The Conciliator will record the proceedings and inform parties accordingly;
- 7.5 The Conciliator will explain the process to the parties and inform them of their rights and obligations;
- 7.6 If the parties reach a settlement, the Conciliator will draft a settlement agreement and read the entire agreement to the parties;
- 7.7 The parties will be asked to confirm the content of the agreement;
- 7.8 The Conciliator will subsequently send a copy of the pre-read settlement agreement to both parties for their records and the recording confirming the settlement agreement will be deemed to be the Settlement Agreement;

- 7.9 Where possible the Conciliator will request that all parties sign the agreement on the space provided and return a signed copy only by email for the CSOS file;
- 7.10 The CSOS Conciliation file will be finalised and closed;
- 7.11 In an event that the parties do not agree on a settlement in the matter, the Conciliator will issue a certificate of non-resolution incorporating a referral to adjudication and request for payment of the adjudication fee, and the matter will be referred for adjudication upon confirmation of payment.
- 7.12 Failure to make the required payment in 7.11 above within 5 days, the matter will be closed.

8 Procedure for the conduct of Adjudications:

- 8.1 No face-to-face Adjudications will be conducted.
- 8.2 Adjudications will be conducted based on papers filed by the parties and further written submissions, documents and information (including evidence in the form of affidavits and photos) as requested by the appointed Adjudicator;
- 8.3 The Adjudicator may at his or her discretion conduct the adjudication telephonically or virtually. Parties in a dispute are requested to have

sufficient data, bandwidth, battery-life or connectivity for the duration of the Conciliation;

- 8.4 Once the Adjudicator receives the adjudication file, he or she will notify the parties that he is in receipt of the matter and request confirmation from the parties that they are in receipt of the other parties' submissions;
- 8.5 All parties will and must be copied in on all correspondence at all times;
- 8.6 The following will be considered by the Adjudicator:
 - Application for Dispute Resolution/Statement of Claim, which is to be submitted by the Applicant – comprehensively setting out the nature of the dispute;
 - all evidence, including photos
 - Setting out the relief sought in terms of section 39 of the CSOS Act.
 - any submission from the applicant to the respondent's reply.
 - Answer to Application for Dispute Resolution, submitted by the Respondent,
 - refuting the Applicant's claim OR admitting the Applicant's claim;
 - evidence refuting the Applicant's claim
 - setting out the relief required by the Respondent.

*(All submissions must be in plain English, and there is no need to attempt to use legal jargon, which is completely unnecessary – if an Adjudicator does not understand anything, he or she will email both parties and ask for clarity – the CSOS reiterates **the requirement for fairness and a transparent process**)*

- 8.7 Based on the above submissions and due to the COVID-19 circumstances, the Adjudicator will request for further final submissions or written argument by either party within 5 (five) working days, before he or she will deliberate and publish the Adjudication Order.
- 8.8 Should a party fail to timeously make a written submission to the CSOS and the other party regarding a matter, as requested by the Adjudicator, he or she will be automatically barred from making the said submission thereafter save with the specific consent of the Adjudicator.
- 8.9 The parties are prohibited, on their own accord, from communicating with the Adjudicator other than for the reasons mentioned above.
- 8.10 This manner of adjudication is provided for in terms of section 50 and 51 of the CSOS Act,

No. 9 of 2011, and this Directive must be read in conjunction with Practice Directive, 2019

9 The CSOS aims to deal with all conciliation and adjudications matters as quickly as possible, and with as little formality and technicality as provided for in the CSOS Act, No. 9 of 2011, but in a fair manner, hence the request for any written submissions, documents, information & evidence.

10 Take note of the Department of Health's advice and directives on the coronavirus outbreak.

For FAQ's on the coronavirus outbreak <http://www.health.gov.za/index.php/component/phocadownload/category/607>

**CORONA VIRUS OUTBREAK
24-HOUR HOTLINE NUMBER:
0800 029 999.**

11 Procedure for the conducting of General and Trustee Meetings during Level 3 Lockdown

11.1. No face-to-face meetings, whether in respect of general meetings or trustees meetings, are permitted in terms of the Level 3 Regulations published in terms of the Disaster Management Act, however virtual meetings (employing virtual platforms such as Zoom, Microsoft

Teams or Skype) can be utilised as specified by the STSMA, or votes can be taken in writing by members in respect of resolutions (also known as 'round robin' resolutions).
(NB: In view of the Lockdown, the CSOS will not apply penalties for schemes that may not be able to submit governance documentation within 3 months of an AGM as required by the Act and Regulations).

11.2. The CSOS acknowledges that there are situations where persons may not have access to electronic media, or that that they may not be conversant with such technology, e.g. in the case of elderly persons living in retirement schemes. Whilst scheme executives cannot act contrary to the Level 3 Regulations, provided that the number of trustees is sufficiently limited and that all necessary precautions are taken to mitigate health risks *(such as pre-meeting health assessments are conducted (incl. temperature checks), as well as the sanitisation of surfaces before and after the meeting, masks are worn throughout the meeting, social distancing is observed, and 1 person only takes minutes and types up the minutes)* such a meeting can take place.

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NEWSLETTER READER SURVEY

This Survey
will not take
longer than
2 min

The CSOS would like to ask you, our valued stakeholders, for some feedback and suggestions as we continue to try and improve this newsletter.

Complete the
survey now

CLICK HERE



CONTACT DETAILS:

Email: thecsos@csos.org.za

The CSOS Communications Team **010 593 0533**

WORKING REMOTELY CSOS DURING *COVID-19*



The President announced a national lockdown on 23 March 2020. Thereafter, five levels were created and the national lockdown is now relegated to level 3.

5	Level 5 means that drastic measures are required to contain the spread of the virus to save lives.
4	Level 4 means that some activity can be allowed to resume subject to extreme precautions required to limit community transmission and outbreaks.
3	Level 3 involves the easing of some restrictions, including on work and social activities, to address a high risk of transmission.
2	Level 2 involves the further easing of restrictions, but the maintenance of physical distancing and restrictions on some leisure and social activities to prevent a resurgence of the virus.
1	Level 1 means that most normal activity can resume, with precautions and health guidelines followed at all times.

It is recommended where possible that employees work remotely in order to maintain business continuity. It is virtually mandatory that all entities have a business continuity plan in place. Whilst remote working has its advantages, it can also have serious drawbacks. CSOS has also taken the lead by ensuring that business support continues.

You can still submit your governance and other applications during the national lockdown to:

- All scheme registrations should be sent to registration2@csos.org.za
- All annual returns should be sent to annualreturn@csos.org.za
- All waiver applications should be sent to waiver@csos.org.za
- All amendments of rules should be sent to sectionaltitle@csos.org.za
- All future training requirements should be sent to training@csos.org.za



Whilst having distinct advantages, working remotely can also prove to have its share of challenges. One such a drawback is data breaches.

CSOS has put measures in place to ensure that its ICT systems are safeguarded as far as possible and that all data received will be protected at all costs. However, there is the danger that smart hackers can infiltrate most systems. However, CSOS has put all possible measures in place to protect your data. It is easy for information to be compromised when using free applications or transferring tools when exchanging documents with service providers or the relevant industry. Be wary of using such applications as it may compromise your system as well as that of CSOS.

Cybersecurity research firms are predicting a spike in hacks and breaches targeting businesses as the COVID-19 outbreak continues.

Use e-mail when communicating with CSOS as far as possible. However, if and when you need to speak to a consultant, reach out to CSOS and arrange to have a conference call using tools such as Zoom or Teams. During COVID-19 that personal touch may be important. CSOS is there to support you in these trying times.

When dealing with the Body Corporate or other community

members, take the bold step of setting up group chats on platforms such as Facebook or WhatsApp. It is during times where social distancing is important that such tools come in handy. This is also an opportune time to held a helping hand to those in your complex, especially the elderly and frail people. It is a time to band together, to take the necessary precautions and to stay safe. It is the responsibility of every citizen to do their respective bit in combating this pandemic. And CSOS is there to support your efforts. Stay safe, stay informed and, more importantly, remember all the hygiene protocols.

Remote working has certain basic requirements:

- A computer
- A good internet connection
- Chat and conferencing applications
- A dedicated workspace
- Optionally, a smartphone or a tablet
- Self-motivation and discipline
- A strict routine





PROCESS FOR URGENT DISPUTE APPLICATIONS

Dispute Application Email addresses:

Wc-complaints@csos.org.za
Western Cape, Eastern Cape and Northern Cape
GP-complaints@csos.org.za
Gauteng, North West and Limpopo
K-complaints@csos.org.za
KwaZulu-Natal, Free State and Mpumalanga

63 Wierda Road East , Wierda Valley, Sandton
(+27 10) 593 0533 | mervin.dorasamy@csos.org.za



www.csos.org.za

The electricity supply to my sectional title unit has been terminated . . . The directors have denied me access to the HOA . . .

Can I approach the csos for urgent assistance?

The good news is YES YOU CAN!

As with a Court application, the CSOS does accept urgent dispute resolution applications, and will hear these matters within 24 hours (circumstances permitting); provided that all other prerequisites are complied with, such as full details of the dispute being received, the opposing party or parties being notified and given the opportunity to state their case, and the dispute resolution fee being paid to the CSOS. It is also imperative that the matter is actually urgent, and that the urgency is not self-created or simply perceived by the party bringing the application as being urgent, whereas it really is not urgent.

The application can be brought in terms of any sub-section under “Prayers for Relief” in terms of section 39 of the CSOS Act No.9 of 2011. The Applicant proves that the granting of the relief is in fact urgent.

Alternatively, where, for example, the electricity or water supply to a unit has been terminated simply because money is owed to the body corporate, or access to a scheme or unit is denied for the some reason, then the application must be brought in terms of section 39(7)(b) of the Act under “any other order proposed by the chief ombud”.

A dispute application is lodged with CSOS in terms of Section 38 of the CSOS Act which provides:

38. Applications

(1) Any person may **make an application** if such person is a party to or affected materially by a dispute.

(2) An application must be-

- (a) made in the prescribed manner and as may be required by practice directives;
- (b) lodged with an ombud; and
- (c) accompanied by the prescribed application fee.

(3) The application must include statements setting out-

- (a) the relief sought by the applicant, which relief must be within the scope of one or more of the prayers for the relief contemplated in section 39;
- (b) the name and address of each person the applicant considers to be affected materially by the application; and
- (c) the grounds on which the relief is sought.

(4) If the applicant considers that the application qualifies for a discount or a waiver of adjudication fees, the application must include a request for such discount or waiver.

In addition, Section 36 provides:

36. Practice directives

- (1) The chief ombud must issue practice directives with regard to any matter pertaining to the operation of the Service.
- (2) Practice directives must, subject to this Act and the regulations, direct the performance of any act in the operation of the Service.

Most importantly, Clause 33 of the Practice Directive on Dispute Resolution, 2019, in respect of URGENT APPLICATIONS FOR DISPUTE RESOLUTION, provides:-

33 URGENT MATTERS

- 33.1 The Applicant can submit an application for the matter to be heard on an urgent basis.
- 33.2 The applicant must demonstrate that there is a current, genuine emergency requiring an urgent adjudication order. The urgency cannot be used to circumvent the ordinary conciliation and adjudication processes.

33.3 The grounds of the application should include details of whether

- 33.1.1 there is an immediate and serious health and safety issue;
- 33.1.2 deprivation of essential services, not limited to disconnection of water and electricity;
- 33.1.3 access to the scheme by unit owners and occupiers.

33.4 The fact that the applicant has failed to take appropriate or necessary action to address an issue over time does not necessarily create emergency circumstances.

33.5 The decision whether to treat the matter as urgent will depend on the nature and circumstances of the application.

33.6 While still ensuring procedural fairness to all parties, the Ombud may limit the period for the respondent and affected persons to make a submission, or for the applicant to reply to the submissions.

33.7 The Ombud may limit or refuse an extension to the submission or reply period where such a request.

33.8 If it is later found that the matter was not urgent, the Adjudicator may issue a cost order against the applicant.

The CSOS dispute resolution form can be downloaded from our website, at www.csos.org.za, filled in and then emailed (with all the supporting documents) to the office closest to where your community scheme is situated – Johannesburg (which covers the entire Gauteng region, Limpopo and North-West), Cape Town (which covers the Western Cape, Eastern Cape and the Northern Cape) or Durban (which includes Kwazulu Natal, the Free State and Mpumalanga). The website

will provide you with the email addresses of the respective offices.

A new dispute application or a previously submitted application may be viewed as urgent. In the new dispute, the applicant may make an application for urgency in the application itself. For previously submitted disputes, the applicant need only make an application for the Ombud to consider that dispute application as urgent.

Regardless of the urgency, the prescribed fees must be paid within the required time, unless the applicant qualifies for a waiver or the waiver application is approved.

The application for urgency must be in respect of a dispute which applies to relief set out in section 39 of the CSOS Act.

Attach your application to a covering email that clearly states that the matter is urgent and requires immediate attention. State the grounds for urgency in your email and in the application itself. It will also be of benefit to telephone our office and speak to one of our case officers and who will afford your application the urgency that it requires.



SCHEME GOVERNANCE DOCUMENTATION

Scheme Governance Documentation Rules submitted before the 7 October 2016:

1. Amended Management and Conduct Rules of sectional title schemes submitted before the Sectional Titles Schemes Management Act was signed into law on the 7th of October 2016, remains at the Registrar of Deeds, and will be transferred to the CSOS in due course;
2. These amended Rules are enforceable upon members and occupiers of the community scheme if they do not contravene any part of the Constitution or the CSOS and STSM Act & Regulations;

Scheme Governance Documentation Rules submitted after 7 October 2016:

3. Sectional title schemes will no longer send their amended Management & Conduct Rules to the Registrar of Deeds, but to the CSOS in terms of section 10(5)(b) and (c) of the STSM Act, for quality

assurance, registration and preservation;

4. Once a compliance certificate has been issued by the Chief Ombud, the Rules will be enforceable against members and occupiers within that community scheme;
5. Form B will be completed by the scheme executives;
6. This does not extend to home or property owners associations, or share block schemes, however, the CSOS will quality assure the scheme governance documents of these types of community schemes if asked to do so by the scheme executives.
7. The same Form B will be completed by the scheme executives of these community schemes;
8. Please peruse the CSOS website for the Practice Directive on Rules regarding desirable and undesirable rules.

Registration of all Community Schemes

1. All Community Schemes must be registered with the CSOS as per section

59, read with Regulation 18(3), of the CSOS Act;

2. Form CS1 must be completed by the scheme executives;
3. The registration department and the scheme governance department are two separate departments within the CSOS;
4. If a community scheme registers with the CSOS and attaches the scheme governance documents as one of the required sets of documents, the documents will be sent to the scheme governance department, however, form B must be completed before the quality assurance of Rules will commence, and *vice versa*.

COVID-19 DISRUPTOR OF 2020

THE COVID-19 PANDEMIC CAN BEST BE DESCRIBED AS A DISRUPTOR OF MAMMOTH PROPORTIONS. APART FROM MAKING PEOPLE ILL AND EVEN RESULTING IN DEATH, THE PANDEMIC HAS HAD A RIPPLE EFFECT ON INDIVIDUALS, ENTITIES AND THE ECONOMY THE WORLD OVER. CSOS IS BY NO MEANS AN EXCEPTION! THE NATIONAL DISASTER ACT CAME INTO PLAY AND SAW INDIVIDUALS WORKING REMOTELY AND OFFICES SUCH AS THE DEEDS OFFICE ENCOUNTERING BACKLOGS OF TITANIC PROPORTIONS.

Some organisations were not prepared for this outbreak and remote working was not an option. The need for tools such as notebook computers, 3-G cards and mobile phones had to be procured quickly. The demand also saw stock of these items dwindling rapidly. CSOS had to change their mode of business to adapt to these new circumstances.

According to Johlene Wasserman, "It had a severe impact on especially the registrations team as they had no CSOS laptops, phones or 3-G cards to perform their duties from home and they only commenced with registration of Community Schemes a few weeks ago."

This registration process can best be described as the lifeblood of CSOS. Without this component in place, work at CSOS was almost halted. On the other hand, the impact was also felt by community schemes themselves.

According to Riswikevho Mulaudzi, "The impact of the Lockdown on Community Schemes is that they could not hold their Annual General Meeting, Special General Meetings and Trustees Meeting. They had to postpone their meetings to a later date and some community schemes chose to find other ways of holding meetings virtually using platforms such as Zoom to



Johlene Wasserman Manager: Governance at CSOS



Karen Bleijs Adjudicator: Gauteng Regional Office

hold the meetings as planned. That posed a challenge for the elderly people, especially in Homeowners' Associations and Retired Housing as that required the use of technology which some elderly people are not familiar with. Any improvements that had to be done on the common property had to be postponed until the Lockdown was lifted.

For new schemes, the challenge was not receiving their Section 10 certificates that they must submit to the Deed's office for registration of schemes, which meant that there had to put on hold the process of registration (opening

of a new scheme) and that placed a financial burden on both the developer and all individuals involved. During the Lockdown, CSOS was not issuing any compliance certificates to any schemes, although they could submit their rules to be reviewed, they could not receive their compliance certificates. This meant that they could not enforce the rules that they had submitted, since the Act states that the rules must be enforced once the certificate of compliance has been issued."

This gap in the Community Schemes environment is bound to have dire

consequences as well as major confusion consideration rules and regulations. This would have also posed a major challenge for maintenance and repairs, especially those of an urgent nature. Decision-making, clarification, financial updates, discussion pertaining to shared living effectively ground to a halt. In essence, Community Schemes was what can be described as “open season”. The added stress of anyone in a Community Scheme being tested positive for COVID-19 simply exacerbated the situation.

As CSOS came to terms with the national Lockdown there was a gradual progression toward normality. It took a dedicated team of passionate individuals to “get the show back on the road” in record time. The tools were sourced, processes were put in place and functionality returned. Some personnel even went so far as to compromise their safety in their endeavours. Such was the passion of CSOS staff members!

“It was a shock to all of us, as Karen Bleijs and I still conducted a massive training seminar on the 13 March 2020 at Gallagher Estate. As you can imagine, we weren’t prepared for this! It was imperative for us to have as many training and awareness campaigns throughout South Africa to make property owners and occupiers aware of the CSOS. We even had an annual training calendar already approved by Acting Chief Ombud!” indicates Wasserman.

Whilst businesses shut down, salaries were cut and some became unemployed virtually overnight, CSOS had to take decisive steps to avert this “bloodbath”. What was the thinking? How did CSOS take matters in hand? How could Community Schemes get back on track?

“Schemes Governance Offices were required to work from home, so that the Governance department could continue to function. They had to review rules that were received and sent out correspondence to the parties to complete the registration of the rules. However, certificates could only be issued once we return

to the office so that The Acting Chief Ombud could sign these,” indicates Mulaudzi.

Wasserman, too, took matters in hand and ensured that CSOS was proactive in addressing the pandemic so that CSOS business could continue.

“CSOS immediately got the task team together, consisting of Karen, Lihle Ntombela, Wanda and I and, of course, our Chief Ombud. We had to now apply our minds as to what these national restrictions meant to schemes. As no one was allowed outside of their own yard, it became very difficult for members of schemes as they could not even walk onto the common property. We drafted a schedule of staff who had to work on a rotational basis, taking the necessary precautions such as sanitising, practising social distancing, to name but a few,” added Wasserman.

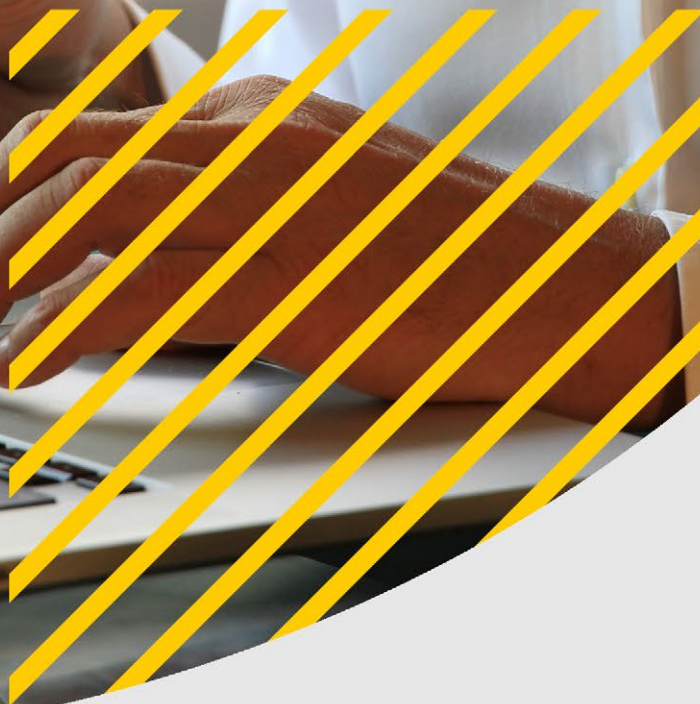
CSOS has a proud track record of training and education drives. Such pride and passion would never be deterred by a pandemic. This is evident and articulated by Karen Bleijs who said, “The Lockdown has had dire consequences for the extensive CSOS stakeholder training programme scheduled throughout the country for the 2020 financial year. Everyone at CSOS involved in the training, including our excellent marketing division, was fully motivated, fired up and ready to visit ALL the provinces to meet managing agents, scheme executives and residents, and answer their questions and queries. However, we have faith that the Lockdown will end soon and we can resume our training program with gusto and determination – *and some new and interesting information to share, thanks to Covid!*”

It is a cherished hope of South Africans and all global citizens that this pandemic will end or that a successful vaccine will be developed to stem the tide of casualties in South Africa and the world over. It is evident that CSOS is optimistic and is being proactive in its endeavours to return to normality.



LEVY STATEMENTS

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CASE

CLOSED

Victory as Adjudicator, Thulani Khambule, grants an owner's application that a respondent pays the costs of damage incurred during renovations.

The order states that the Respondent is to pay the inspection and damage report writing on 704 Villa Royale as per the quotation. This must be executed within 30 days of the order being delivered to the parties.

The applicant, Eileen Joy Haywood, alleges that the respondent, Ms Una Jaarsveldt both owners at Villa Royale, North Coast in Durban, initially applied to the Body Corporate to effect some minor interior alterations. However, it became clear that she initiated some major structural alterations to her flat, including replacing plumbing, removing walls, etc. The Applicant alleged that the Respondent failed to comply with the conditions specified in the alterations form, specifically in that her contractors utilised power tools (jackhammers) to effect certain structural alterations to her unit. Mr. Dennis Haywood who was representing her wife, Eileen Haywood, said that the renovations to the Respondent's unit

and unlawful use of certain tools/machinery, caused damage to common property and neighbouring units.

According to Mr. Haywood the respondent denied responsibility for the damage caused in unit 704, specifically pertaining to the ceilings which have been damaged. She has furthermore also denied liability for damage caused to the common property.

"The Respondent provided feedback from her purported engineer who claimed that the damage in unit 704 was caused by spalling and not by her renovations," said Haywood.

In her response, Jaarsveldt, the Respondent, said she never pretended that she was only going to conduct minor alterations. She stated that the initial permission she requested was for stage one of her renovation, and her contractors removed the majority of the tiles with hammers and chisels. "There was one small area where



the tiles were glued so tightly that they had to find another way of removing them, and these were used in total of 3 hours only," she said.

She further denied allegations that she displayed total disregard for fellow owners as well as the rules and conditions imposed by the Body Corporate.

In reviewing the evidence the Adjudicator said that from the evidence and information submitted, the probabilities of the case together with the reliability and credibility of the witnesses must be considered. He said evidence submitted has been led him to the effect that before the Respondent could commence with the alterations at her Unit 804, she was given a copy of the a documents which sets out the conditions one has to follow when doing alterations or renovations at Villa Royale Body Corporate which she signed and accepted. "Based on evidence before me I am persuaded

that the Respondent was in breach of some of the conditions laout out by the Body Corporate for alterations or renovations which were so material in ensuring that the renovations are carried out in a legal manner and with as minimal disturbance to other owners as possible," said Khambule.

Having reviewed all evidence presented to him, the Adjudicator ordered the respondent to pay for the inspection and damage report writing on Unit 704 Villa Royale which amounts to R 1700-00 as well as for the work done in Unit 704. The damage amounted to R 46 400.00 .

Both parties' attention was drawn to - Section 57(1) of the CSOS Act of 2011 which provides - "An applicant, the association or any affected person who is dissatisfied by an adjudicator's order, may appeal to the High Court, but only on a question of law, within thirty (30) days after the date of delivery of the order of the adjudicator."

CONTACT US!



HEAD OFFICE

1st FLOOR, BUILDING A
63 WIERDA ROAD EAST
SANDTON, JOHANNESBURG

T: (+27 10) 593 0533
F: (+27 10) 590 6154

Website: www.csos.org.za

Twitter: @CSOS_SA

Facebook: CSOS.SouthAfrica

COMPLAINTS

1. Gauteng, Limpopo and North West

Email applications to gp-complaints@csos.org.za

Contact (+27 10) 593 0533

Visit 1st Floor, 63 Wierda Road East, Sandton

2. KwaZulu-Natal, Free State and Mpumalanga

Email applications to kzn-complaints@csos.org.za

Contact (+27 31) 001 4215

Visit 7th Floor Aquasky Towers, 275 Anton
Lembede Street, Durban

3. Western Cape, Eastern Cape and Northern Cape

Email applications to wc-complaints@csos.org.za

Contact (+27 21) 001 2569

Visit 8th Floor Constitution House, 124 Adderley
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