



**MINISTRY
HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA**

**REMARKS BY THE MINISTER OF HUMAN SETTLEMENTS, MINISTER
MMAMOLOKO KUBAYI AT THE 2ND CSOS INDABA 2024, LIMPOPO, 13
SEPTEMBER 2024**

Programme director, Penny Lebyane

Phindile Mthethwa, CSOS board chairperson

Board members that are in attendance

Kedibone Phetla, CSOS acting Chief Ombud

**Mr Kobus de Beer, Sectional Titles Scheme Management Advisory Council
Member)**

Distinguished Guests

Ladies and Gentlemen

Good Afternoon

Last year when I addressed your inaugural Indaba which was held under the theme: ***“Governance and Regulation: Shaping the Future of Community Schemes”***, I made mentioned of several things that I wanted CSOS to do. These included among others the promotion of diversity in community schemes, improvement in public relations, transformation in the service provision and management of community schemes and transparency in the management of schemes.

The report that I have received is that a practice directive on undesirable rules was issued which schemes have complied with, CSOS implemented 100% of its Advocacy Plan and

has increased its footprint across provinces though it must still be extended to the townships and rural areas, and transformation initiatives have been put in place to drive transformation in the sector. However, I think we can all agree that the sector remains largely untransformed, the transformation initiatives that CSOS is currently driving a way below par.

Last year when I raised the issue of transformation of community schemes in terms of procurement of services there was huge uproar with organisations such as Afriforum promising to fight any move to transform this sector. At the heart of their resistance to transformation was the claim that procurement of services from black people automatically equates to poor services because black people are seen as inherently incompetent. It is sad to live in a country in which there are sections of society that still believe in racial hierarchy, that people are incapable of owning businesses. What is surprising about this attitude is that in most of these schemes, the white companies that are contracted to do gardening, painting, and other services are managed and operated by black people with a majority of black employees doing the work.

I think it is quite fitting that your theme for this second instalment of the Indaba is titled: ***“Promoting Well-Governed, Empowered, and Transformed Community Schemes.”*** I hope that in these two days that you have been gathered here, you have discussed in detail how you are going to promote well-governed, empowered and transformed community schemes. I am looking forward to reading the outcomes of this indaba so that we can take your suggestions to help us design our policies and programmes to promote empowerment and transformation.

One of the fundamental principles underlying the maintenance of the independence of the judiciary in any jurisdiction is that “The judiciary shall decide matters before them impartially, on the basis of facts and in accordance with the law, without any restrictions, improper influences, inducements, pressures, threats or interferences, direct or indirect, from any quarter or for any reason”.

In my view for the CSOS to build confidence as the adjudicator or a dispute resolution authority of choice for community schemes it has to be seen and act on matters before it on the basis of facts and in accordance with the law, without any restrictions, improper

influences, inducements, pressures, threats or interferences, direct or indirect, from any quarter or for any reason. This means that the CSOS has to sort itself out internally to be a well-governed institution both in terms of capacity and reputation so that it can be able to promote the principles of good governance in the sector. Simply put, at CSOS justice must not only be done it must be seen to be done. Community schemes will become more compliant and regard CSOS as an adjudicator of choice if they believe that it is capable of discharging its responsibilities fairly and governed well.

Promotion of good governance of community schemes is at the heart of your mandate which CSOS has to achieve through regulating, monitoring, and quality-assuring the scheme governance documentation. As I have already mentioned you can only do this in a manner that builds confidence if you build internal capabilities. The question that you need to ask yourselves is whether CSOS has built sufficient capacity to carry out the role of promoting good governance of community schemes. The use of digital technology must be central in ensuring that CSOS services are ubiquitous and easy to access. This means that CSOS Connect system that will assist in registration of schemes and filling of returns is an absolute necessity.

With regards to transformation there is much that still needs to be done. For example the CSOS entered into an MOU with MidCity, Pretor and Trafalgar towards the implementation of an incubation programme. In giving effect to this MOU and the CSOS incubation programme, MidCity entered into an Agreement with two (2) of the CSOS Executive Managing Agents (EMAs) namely Rampedi Properties and Segoale Properties. Since then, MidCity together with Rampedi Properties was appointed to manage and facilitate the process to establish and manage the Body Corporate Green Hills Afri Village with 2172 units. This is a positive development, however, it is clear that something needs to be done to ensure that the incubation programme is expanded so that more players from previously disadvantaged backgrounds can come into the sector and play a meaningful role.

I am pleased to learn that a draft BBBEE Score card for Managing Agents and Community Schemes, in partnership with Property Sector Charter Council (PSCC), has been developed. The BBEEE scorecard provides a comprehensive framework for gated

communities to assess their level of transformation and empowerment. By measuring progress in these key areas, the scorecard aims to promote inclusivity, economic empowerment, and social upliftment within these communities. The ultimate goal is to create a more equitable and fair society that benefits all individuals, regardless of their background. The finalisation of this scorecard must be expedited so that its implementation can start.

The role that community schemes through sectional ownership play in mitigating against aspects of urban inequality in South Africa cannot be emphasized. This is because community schemes, through sectional titles allow for communal undivided share of the land and common property which makes it more affordable for first time home buyers and the middle class in general. In this regard the communal nature of a shared living experience, sectional property also has the potential to foster ethnic, racial, religious and cultural integration.

Rapid urbanisation and the shortage of well-positioned urban land for human settlements are the primary factors that are at the centre of the urban housing crisis. Given the role that community schemes play in lowering the barrier to access to housing for majority of South Africans, it is important that their governance promote inclusivity, diversity and good maintenance of properties.

Lets work together to create an inclusive and spatially integrated South Africa.

I thank you