

CSOS Physical Verification and Validation of Community Schemes and Debt Collection

In February 2025 CSOS initiated a nationwide project on the physical verification and validation of Community Schemes. This project is aimed at determining the actual number of schemes in the country and identifying registered and unregistered schemes. This project will serve a dual purpose of ensuring the registration of unregistered schemes and educating scheme members on their obligations and responsibilities in ensuring compliance with the Community Schemes Ombud Service Act 09 of 2011(CSOS Act).

CSOS has **appointed 7 (seven)** service providers to conduct the verification, and the service providers are expected to obtain street addresses , GPS coordinates, pictures of the community scheme and contact details of members of the Community Schemes. The service providers will liaise with Managing Agents and executive members and trustees of the schemes. All stakeholders are therefore requested to co-operate with the service providers and make available information which is being requested.

Further to the scheme verification and validation, CSOS has embarked on a vigorous **debt collection drive** to ensure that schemes pay levies to the CSOS as prescribed in section 59 of the CSOS Act.

CSOS has noted an increasing trend of non-compliance among Community Schemes, particularly regarding CSOS levy schedule submissions and payments. The organisation has adopted a firm approach in dealing with such cases, including the rigorous enforcement of compliance measures against both schemes and their Managing Agents.

To this end CSOS has appointed debt collectors to assist in the recovery of outstanding levies and arrears. The debt collectors will be engaging with the affected Managing Agents and Community Schemes regarding outstanding CSOS levies. This strategic intervention forms part of CSOS's broader objective to enforce compliance and ensure the financial sustainability of the organisation, in line with its legislative mandate.



CSOS has observed that some Community Schemes and Managing Agents are using incorrect reference numbers when making payments, failing to submit proof of payment, and submitting inaccurate levy schedules. These issues have resulted in payments not being allocated, which can incorrectly appear as non-payment. Community Schemes and Managing Agents are strongly urged to follow the correct payment processes to avoid the incurrence of interest and the risk of legal action against the Scheme.

The growing practice of non-submission of levy schedules has been noted by the CSOS. Managing Agents and Community Schemes are advised to submit levy schedules to ensure compliance with the CSOS Practice Directive. Failure to submit the levy schedule will result in CSOS billing schemes on estimates as guided by the Public Finance Management Act and the Generally Recognised Accounting Practice (GRAP).

CSOS remains committed to its mission of promoting good governance and transparency within Community Schemes.

We urge all stakeholders to work collaboratively with our appointed service providers to resolve all outstanding matters in a swift and constructive manner.

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