
GENERAL NOTICES

NOTICE 685 OF 2010

DEPARTMENT OF HUMAN SETTLEMENTS

EXPLANATORY SUMMARY OF THE SECTIONAL TITLES SCHEMES MANAGEMENT BILL, 2010

In accordance with Rule 241(1) of the Rules of the National Assembly –

1. The Minister of Human Settlements herewith gives notice of the intention to introduce into Parliament the Sectional Titles Schemes Management Bill, 2010 ("the Bill") during the last Parliamentary session of 2010.
2. The main aim of the Sectional Titles Schemes Management Bill is in respect of the management of sectional title schemes, to give effect to Cabinet's strategy to bring all human settlements-related legislation currently administered by other Departments under the administration of the Department of Human Settlements. The mandate of the Department has been expanded to encompass the entire residential market. One of the Department's tasks in the mandate is to ensure that all human settlements related matters reside under one roof.
3. The Department of Rural Development and Land Reform is at present responsible for the administration of the Sectional Titles Act, 1986 (Act No 95 of 1986) that currently deals with the survey and registration of sectional plans and the registration of real rights in sectional title units as well as the management and administration of sectional title schemes. The Department of Rural Development and Land Reform deals primarily with registration and survey issues. Its mandate does not extend to dealing with complaints from the public or dealing with problems arising from schemes governance.

4. The Bill has three effects:
 - 4.1 to remove the schemes management provisions from the Sectional Titles Act of 1986;
 - 4.2 to incorporate the schemes management provisions in a new statute that will be administered by the Minister of Human Settlements; and
 - 4.3 to re-arrange the schemes management provisions so as to make them more understandable to the members of the public and authorities who must implement the provisions.
5. Part I of the Bill deals with the establishment, membership, name, capacity, functions and powers of sectional title bodies corporate and the fiduciary duties of trustees.
6. Part II of the Bill covers the rules applicable to bodies corporate and sectional owners and the allocation of quotas to sectional owners.
7. Part III of the Bill regulates legal transactions with regard to the common property, the units and the rights of exclusive use in a sectional title scheme.
8. Part IV of the Bill details the duties of owners, insurance, the recovery of unsatisfied judgment debts from owners, the appointment of an administrator for a scheme and the dissolution or reconstruction of the scheme on destruction of or damage to the buildings in the scheme.

9. Part V of the Bill deals with miscellaneous matters, including the establishment of a Sectional Titles Schemes Management Advisory Council to advise the Minister.
10. The amendments to the Sectional Titles Act, 1986 are set out in a Schedule to the Bill. The Sectional Titles Act, 1986 will retain all provisions regulating the survey and registration aspects of sectional titles and will continue to operate under the Minister of Rural Development and Land Reform.

Copies of the Bill and the Memorandum on the Objects of the Bill can be obtained from:

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