

THE SPEAKER

COUNCIL ITEM

**SUBJECT : FINDINGS: THE ESTABLISHMENT OF EFFECTIVE AND
EFFICIENT PROPERTY MANAGEMENT STRUCTURE AND
SYSTEMS AT OMEGA OLD AGE HOME: IMPLEMENTATION OF
COUNCIL RESOLUTION 61.3-31 MAY 2018**

1. PURPOSE

The purpose of this submission is to apprise Council about the findings associated with the implementation of Council resolution 61.3 dated 31 May 2018 and to seek Council approval for the proper outsourcing of the management of Omega Old Age Home.

2. STRATEGIC INTENT

Promote Sustainable Human Settlements and Improved Quality of Household Life

3. FOR CONSIDERATION AND DECISION BY

Council

4. BACKGROUND AND DISCUSSIONS

On the 31 May 2018 Council resolves that *“processes and engagements with all relevant stakeholders be commenced with to ensure the establishment of effective and efficient property management structure and systems for Omega Old Age Home”*, and that the 30% threshold of the gross salary, being the old age grant, be implemented at this scheme.

In implementing this Council resolution, the City met with the Provincial Departments of Social Development and Health on the 02 July 2018 with a view to discussing the status of the Omega Old Age Home and looking at how best this Old Age Home could be managed. The engagements also included the categorization of the Centre since it provides rental housing for older persons.

On the 10 July 2018 a follow-up meeting was held with Omega Old Age Home Committee with a view to discussing matters pertinent to the Centre overall management and general operations as well as to assess the Centre for registration as a residential facility for older persons in terms of Older Persons' Act 13 of 2006 (Annexures 1,2 and 3).

The assessment report of the Centre dated 30 July 2018 issued by the Provincial Department of Health as well as the report dated 01 August 2018 sent to the Municipality by the Provincial Department of Social Development made the following main findings:

- a) That there are 19 males and 18 females at the Centre,
- b) That the Centre is category B; meaning Assisted Living (Semi self-care) residents,
- c) That Omega Old Age Home lacks proper infrastructure compliant with habitation by older persons and poses numerous risks and possible exposure to abuse,
- d) That Omega Old Age Home does not comply with the minimum Norms and Standards as stipulated in the Older Persons Act, No. 13 of 2006, and
- e) That Omega Old Age Home is not recommended for registration as Residential Care Facility (Assisted Living) for Older Persons.

During the engagements with the Provincial Department of Social Development on the matter, it emerged that the Department is not prepared or ready at this stage to take over the management of the Center due to budgetary constraints and other challenges.

On the other hand, the responsibility of the Municipality in relation to rental housing is governed by the Rental Housing Act, 1999 (Act 50 of 1999), as amended; which provides that the responsibility of Government in respect of rental housing property include, *among other things*, the creation of mechanisms to promote the provision of rental housing property; to promote access to adequate housing through creating mechanisms to ensure the proper functioning of the rental housing market and to provide for the facilitation of sound relations between tenants and landlords.

The Rental Housing Act, 1999 (Act 50 of 1999) does not encroach into the provisions of Older Persons Act, No. 13 of 2006; as a result the Mangaung Metropolitan Municipality does not have capacity to give effect to the provisions of Older Persons Act, No. 13 of 2006 insofar as Omega Old Age Home is concerned. Continued management of the Centre under the current arrangements could end up exposing the Municipality to undesirable and/or unpleasant consequences.

There is therefore a need to expeditiously bring in an appropriate property manager who will ensure that the Centre continues to offer Assisted Living Services but under compliant conditions.

In the meantime and in line with the 'Unfair Practices Regulations (Procedural and Unfair Practice Regulations, 2008) the current tenants at Omega Old Age Home will have their rentals increased progressively until 30% of their gross salary, being the old age grant is achieved as approved by Council.

5. RECOMMENDATIONS

It is recommended that:

- 5.1. Council takes note that the Municipality (Directorate - Human Settlements) has commenced with processes of engaging all relevant stakeholders (*internal and external stakeholders*) to ensure the establishment of effective and efficient property management structure and systems for Omega Old Age Home,
- 5.2. Council takes note that an Assessment Panel consisting of the Provincial Department of Social Developments, Provincial Department of Health and Mangaung Metropolitan Municipality Environmental Health was established to assess Omega Old Age Home management and operations,
- 5.3. Council takes note of **the following findings** by the Assessment Panel regarding Omega Old Age Home:
 - 5.3.1. *Omega Old Age Home (The Centre) houses 19 males and 18 females,*
 - 5.3.2. *The Centre is Category B; meaning it offers Assisted Living (Semi Self-Care) Services to residents,*
 - 5.3.3. *The Centre lacks proper infrastructure compliant with habitation by older persons and poses numerous risks and possible exposure to abuse,*
 - 5.3.4. *The Centre does not comply with the minimum Norms and Standards as stipulated in the Older Persons Act, No. 13 of 2006,*
 - 5.3.5. *The Centre is not recommended for registration as Residential Care Facility (Assisted Living) for Older Persons in terms of applicable legislation,*
- 5.4. Council grant approval for the proper outsourcing of the management of Omega Old Age Home by expeditiously bringing in an appropriate property manager who will ensure that the Centre continues to offer Assisted Living Services but under compliant conditions.
- 5.5. Proper procurement processes be followed in securing the appropriate property manager for Omega Old Age Home.

- 5.6. In the meantime and in line with the 'Unfair Practices Regulations (Procedural and Unfair Practice Regulations, 2008) the current tenants at Omega Old Age Home have their rentals increased progressively until 30% of their gross salary, being the old age grant is achieved as approved by Council.
- 5.7. New intake of older persons at Omega Old Age Home be halted with immediate effect, until appropriate property manager has been appointed.


MD MOKOENA
GM: MIXED DEVELOPMENTS

Supported / ~~Not Supported~~


ADV. MJN PHALADI
HEAD: HUMAN SETTLEMENTS

DATE 27-11-18

Supported / ~~Not Supported~~


ADV. T MEA
CITY MANAGER

DATE 28/11/2018

Recommended / ~~Not Recommended~~


CLR SM MLAMLELI
EXECUTIVE MAYOR

DATE 28/11/2018

