



ANNUAL REPORT

2021|22

OUR YEAR AT A GLANCE



Attained the
ISO:9001
certification



Developed the **international Relations Framework** to codify and have a systematic approach to international engagements



Strengthened relationships with **local** and **international** stakeholders



Information Communication Technology Strategy was developed to reorient systems and processes



Enhanced our communication efforts and introduced the CEO Address



Exceeded our revenue projections by **6.95%**



Introduced a mobile **cloud based unified communications platform** integrating voice, text and audio



Conducted an **international accreditation** at the University of Mauritius



Filled all identified **vacancies**, most notable a fully fledged **Legal Services Division**



Accredited **77** engineering programmes



Commenced with a pilot of an **online learning platform** powered by Udemy Business

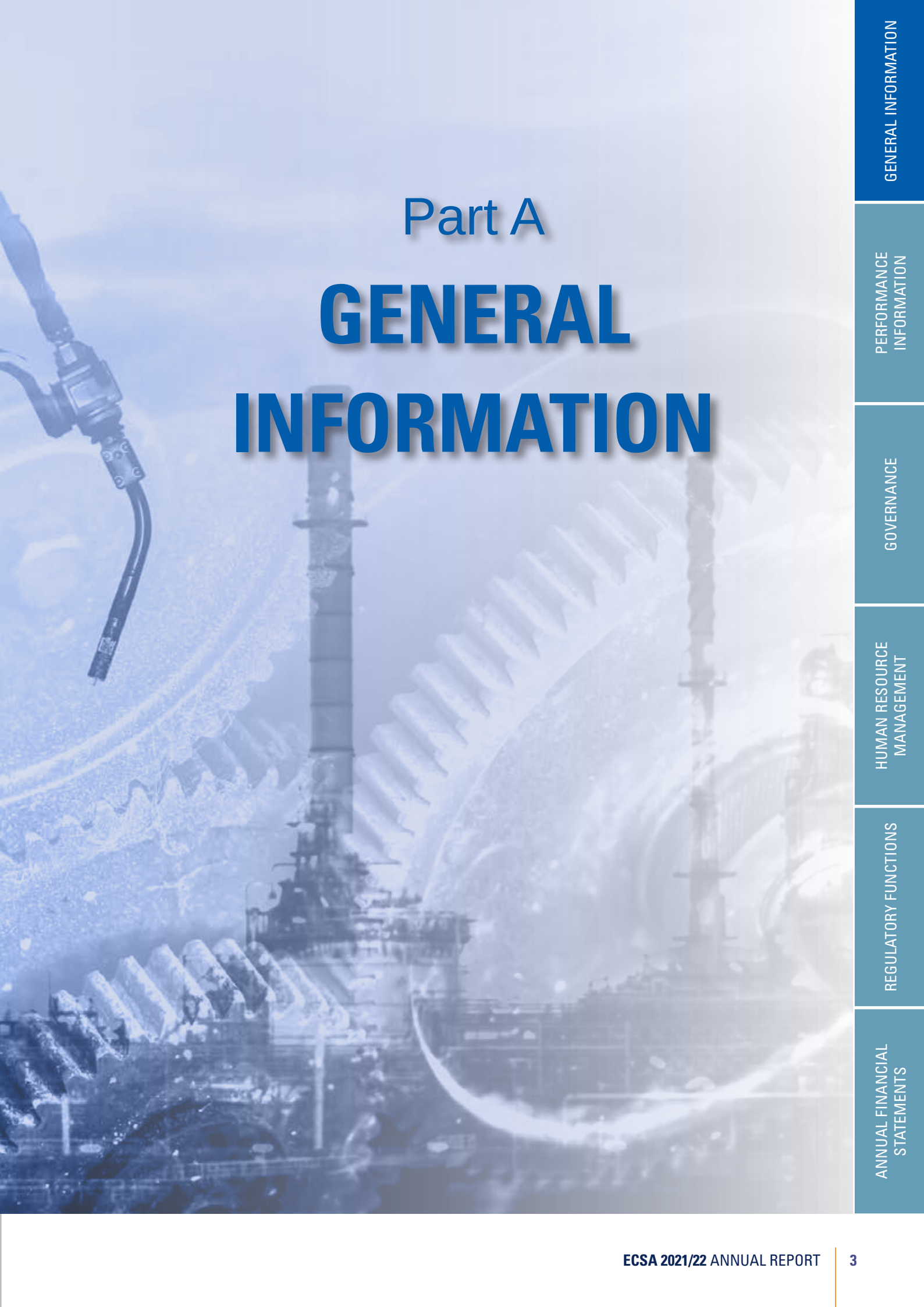


Realised a higher than anticipated investment income of **R6.5M** against a budget of **R1.8M**

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Part A

GENERAL INFORMATION

GENERAL INFORMATION

PERFORMANCE
INFORMATION

GOVERNANCE

HUMAN RESOURCE
MANAGEMENT

REGULATORY FUNCTIONS

ANNUAL FINANCIAL
STATEMENTS

1. ECSA GENERAL INFORMATION

REGISTERED NAME	Engineering Council of South Africa
REGISTRATION NUMBER	N/A
PHYSICAL ADDRESS	1st Floor, Waterview Corner Building 2 Ernest Oppenheimer Avenue Bruma 2198
POSTAL ADDRESS	Private Bag X691 Bruma Johannesburg 2026
TELEPHONE NUMBER	+27 11 607 9500
FAX NUMBER	+27 11 622 9295
E-MAIL ADDRESS	engineer@ecsa.co.za
EXTERNAL AUDITORS	Lunika Inc Unit 5, Lonehill Office Park Sandton 2146 www.lunika.co.za 011 465 1867
BANKERS	Standard Bank East Gate Bedfordview
COMPANY/BOARD SECRETARY	None. Legal Services and Council Secretariat Division performs the secretarial duties.

2. LIST OF ACRONYMS

AIET	Agreement for the International Engineering Technicians
AFS	Annual Financial Statement
ARC	Audit, Risk and Compliance Committee
BEP	Built Environment Professions
BEPCs	Built Environment Professionals Councils
CC	Chairpersons Committee
CHE	Council for Higher Education
CGS	Council for GeoSciences
CPUT	Cape Peninsula University of Technology
CRC	Central Registration Committee
CRM	Customer Relationship Management
CPDC	Continuing Professional Development Committee
CRPE	Council for Registered Professional Engineers
DA	Dublin Accord
DHET	Department of Higher Education and Training
DPWI	Department of Public works and Infrastructure
DST	Department of Science and Technology
DSTG	Discipline-Specific Training Guide Framework
DUT	Durban University of Technology
EAB	Engineering Accreditation Board
EC	Education Committee
EPP	Emergency Preparedness Plan
ERB	Engineering Registration Board
ESGB	Engineering Standards Generating Body
FAEO	Federation of African Engineering Organisations
F&S	Finance and Staff Committee
GRAP	Generally Recognised Accounting Practice
HEQSF	Higher Education Qualifications Sub-Framework
HRBU	Human Resources Business Unit
IC	Investigation Committee
ICAS	Independent Counselling & Advisory Services
ICOLD	International Commission on Large Dams
ICT	Information Communication Technology
IDMS	Infrastructure Delivery Management System
IDPs	Individual Development Plans

IEA	International Engineering Alliance
IEM	Institutions of Engineering Mauritius
IETA	International Engineering Technologist Agreement
IHRs	Integrated Human Resource Strategy
IIE MSA	Independent Institute of Education Monash South Africa
IPEA	International Professional Engineers Agreement
IUM	International University of Management
MS	Microsoft
MTBPS	Medium - Term Budget Policy Statement
MTSF	Medium - Term Strategic Frameworks
NSC	National Senior Certificate
NRF	National Research Foundation
OM	Operation and Maintenance Manual
RBU	Registration Business Unit
QMS	Quality Management Systems
RPEC	Registered Professional Engineers Council
RPS	Research Policy and Standards
RPSC	Research Policy and Standards Committee
SA	Sydney Accord
SADC	Southern African Development Community
SAFE0	Southern African Federation of Engineering Organisations
SANCOLD	South African National Committee on Large Dam
SANS	South African National Standards
SAQA	South Africans Qualifications Authority
SRC	Stakeholder and Relations Committee
STC	Strategic Transformation Committee
TADC	Training Academies and Development Committee
TVET	Technical and Vocational Education and Training
TUT	Tshwane University of Technology
UNESCO	United Nations Educational Scientific and Cultural Organisation
WA	Washington Accord
WFEO	World Federation of Engineering Organisations



3. FOREWORD BY THE PRESIDENT

A key highlight for the current financial year is the attainment of the ISO:9001 certification. The certification endorses the Quality Management Systems (QMS) deployed by ECSA to improve business-process efficiency and effectiveness, which, in turn, will result in customer satisfaction.

I am honoured to present the 2021/2022 Annual Report of the Engineering Council of South Africa. This report seeks to reflect on the organisations achievements as well as challenges encountered in the current financial year. More importantly, this reflection will highlight how the organisation's strategy, governance, and performance lead to the creation of value in the short, medium and ultimately long-term vision of the organisation.

GOVERNANCE AND OVERSIGHT RESPONSIBILITY

The Sixth Term Council and its High Impact Committees have adequately exercised their oversight and fiduciary responsibility over the Engineering Council of South Africa. This entailed providing ethical and strategic leadership as well as policy direction.

Council has in the year under review convened its regular meetings to consider a variety of matters, as tabled by management and in November 2021, for the first time since the inauguration of the Sixth Term Council, a physical meeting was held as Covid-19 regulations had eased.

Moreover, council has exercised financial oversight to ensure the content and integrity of the financial statements, and related information. With all these measures in place, it can be overserved securely that improved governance and administrative systems are in place in the organisation.

OVERVIEW OF STRATEGY AND PERFORMANCE

The Engineering Professions Act 46 of 2000 outlines the Engineering Council of South Africa's mandate, which it has fulfilled by means of the implementation of the 2021/2022 Annual Performance Plan (APP). This mandate provides for the registration of professionals and candidates in the engineering profession, the regulation of the relationship between ECSA and the Council for the Built Environment and matters connected with these.

ECSA's activities for the year under review were premised on its five strategic programmes, as detailed in the Five-year Strategic Plan. Key achievements and challenges as experienced around these are highlighted below:

A key highlight for the current financial year is the attainment of the ISO:9001 certification. The certification endorses the Quality Management Systems (QMS) deployed by ECSA to improve business-process efficiency and effectiveness, which, in turn, will result in customer satisfaction.

Council in this financial year managed to reorient its processes to ensure the fulfillment of its mandate pertaining to the accreditation of engineering programmes. To this, Accreditation Policies and Standards were reviewed to provide for the accreditation to also be conducted online, as well as through physical visit modalities..

To transform the industry through its regulation, we initiated the stakeholder consultations on the Identification of Engineering Work. These consultation sessions seek to gather views, concerns, and practical recommendations on the implementation of and compliance with the IDoEW. To date, ECSA has consulted four stakeholder groupings and the remaining two will be consulted in the new financial year.

When the Five-Year Strategic Plan was developed it was noted that technology was not fully being optimised within ECSA. This resulted in a number of manual, outdated and inefficient processes and systems being identified. During the reporting period, an Information Communication Technology (ICT) Strategy was developed which seeks to deliver and ensure the identification and deployment of appropriate technologies to support ECSA processes for the successful execution of the ECSA mandate.

The innovative developments, among many others, highlighted in the coming pages of the report, point to the emergence of a future-fit-ECSA. The ECSA is therefore adapting and positioning itself for a future that is somewhat different to when the organisation was founded, over 50 years ago.

STRATEGIC RELATIONSHIPS

For the reporting period Council honed in on its strategic relationships and initiated the implementation of the enhanced Stakeholder Relations Strategy. This has improved the impact of ECSA on its stakeholders and increased awareness of the ECSA brand.

We have also developed the International Relations Framework to improve our participation and involvement on the African as well as International Engineering fraternity.

These efforts are geared towards strengthening relations with ECSA's stakeholders as well as positioning ECSA as an effective regulator assuring engineering excellence.

THE YEAR AHEAD

I look forward to the new financial year, which will catapult the organisation as well as the engineering sector to new frontiers. In the reporting period we sought to solidify and establish our footprint on the different engineering bodies in Africa and Internationally. In the new financial year, I look forward to our representation on these bodies.

I further look forward to our deliberate efforts to strengthen relations with all stakeholders, this will be pivotal as we seek to better understand our stakeholders as well as how better to serve their engagement needs and expectations.

As Council continues in its third year of implementing the Five - Year Strategic Plan, the continuing trend will be digital transformation as ECSA reorients its processes, people and systems in an effort to enhance its customer centricity and progression of the engineering fraternity.

Lastly in the new financial year, Council will conduct the mid-term strategic plan review intended to assess how far we have come in terms of implementing the 2020-2025 Strategic Plan.

ACKNOWLEDGEMENTS AND WORDS OF APPRECIATION

Firstly, let me take this opportunity to start by expressing my appreciation to the Executive and Management Team of ECSA, who have continued to lead with tenacity during challenging times. This team has maintained the values upon which ECSA is premised and continued to perform in the best interest of the organisation.

Secondly, I applaud the staff members of ECSA, who through the tumultuous period and numerous changes, they have endured and remained committed to the strategic vision through their daily responsibilities. Your commitment and advocacy to the success of the Council as well as diligence applied in serving our members is appreciated.

More importantly let me acknowledge our stakeholders, who continue to support the Council, our vision as well as our endeavours.

To my colleagues, the members of the council who have been tasked to provide an oversight strategic role to the regulatory mandate of the Council; your support and commitment to ECSA's ongoing success while taking stock of those areas that need bolstered attention and delivery is appreciated.

In this time of pandemic, I present my deepest regrets on the passing of our most dedicated Engineers and would like to commemorate the late ECSA President Mr Mashao Lebea and past President Mr Gamede Cyril for their work and lifelong dedication to the Engineering fraternity.

I hereby endorse the 2021/2022 ECSA Annual Report.



Ms Refilwe Buthelezi Pr Eng
President of the Council



4. CHIEF EXECUTIVE'S OVERVIEW

Our primary focus areas were the health and safety of our staff members, interventions to boost their morale whilst also undertaking numerous initiatives to stabilise the operations of the organisation, introduction of efficiencies and integration of our business processes, strengthening Council's oversight role, keeping a hawk-eye on financial sustainability of the organisation

I am honoured to have served in a leading role in an organisation with such a long and profound history because of its strategic relevance to the South African people. This overview reflects my nine (9) months at the helm of the organisation. It was indeed a unique privilege whilst at the same time, very challenging one owing to the unprecedented and most extraordinary events that took place in the organisation's most recent history.

During this period, ECSA and its people were facing significant levels of uncertainties. The first of these uncertainties stems from the fact that this was the second year since the outbreak of COVID-19 global pandemic. Second are the various labour disputes which included former senior executives that the organisation had to deal with. Significant to the above mentioned was the suspension of the CEO at the end of the first quarter of the financial year. This was followed by the Council instituting a disciplinary process against him culminating into a separation between the Council and the CEO. Third were the high levels of vacancies that existed, particularly the decimated core at an executive management level (by then only two (2) out of the five (5) executives remained), and last, the sad and devastating passing of the President, Engineer Mashao Lawrence Lebea towards the end of the third quarter of the financial year.

There were several areas of concern, as with every organisation in transition that has faced comparable issues. These included an organisation that worked in silos, lack of integration and links in the different organisational

operations, opacity of processes and decisions in the organisation, the consequential trust imbalance between the Council and management and the overall low employee morale. All these not only presented immediate challenges to contend with, but also presented us with unique opportunities to develop a deep appreciation for charting the appropriate organisational culture and character of the leadership of the organisation to survive such unprecedented negative sentiments.

As a result, our primary focus areas was the health and safety of our staff members, interventions to boost their morale whilst also undertaking numerous initiatives to stabilise the operations of the organisation by filling the many vacancies that existed, introduction of efficiencies and integration of our business processes in all areas of the ECSA value chain, transparency of the decisions, strengthening Council's oversight role through more transparent and superior quality reports and most importantly, keeping a hawk-eye on the financial sustainability of the organisation.

OUR LOCAL AND INTERNATIONAL STAKEHOLDERS

We rekindled the relationships with our key local stakeholders especially the voluntary associations, government as well as institutions of higher learning through various approaches, including improved communication on pertinent matters of the engineering profession and general organisational developments.

The quarterly CEO video addresses we created proved to be a powerful communication medium. In addition, we also enhanced the accessibility of the organisation to our valued registered persons and public by rolling back the previously outsourced contact centre to an in-house capability.

On the international arena, we put measures in place to nurture our most treasured affiliation with the International Engineering Alliance (IEA). ECSA as a founding member of IEA since 1999, is the only engineering body on the African continent with full IEA membership among the members from 41 jurisdictions within 29 countries. In this sense, ECSA upholds and enforces the high standards set by the IEA for the recognition of engineering educational qualifications and professional competence. We have committed to support our African sister organisations towards membership of the IEA through capacity building initiatives. Our successful deployment during the year of fifteen (15) of our top engineers accompanied by a high-level delegation of five (5) of the ECSA leadership to Mauritius to undertake an evaluation of the readiness of the IEA accreditation of the engineering graduate programmes at the University of Mauritius as well as high level engagements with the top leadership of the various engineering bodies under auspices of the Institution of Engineers Mauritius is a case in point.

Furthermore, more closer relationships were forged during the year at a global level, with the World Federation of Engineering Organisations, at a continental level, the Federation of African Engineering Organizations as well as at a regional level, the Southern African Federation of Engineering Organisations. To codify, properly coordinate and have a systematic approach to engagements with these international bodies, we have developed an international relations framework which is currently being considered by council for approval.

OUR RESPONSE TO THE ADVANCEMENTS IN DIGITAL ECOSYSTEM

With the experience of the seismic shift to digital engagement on literally every level of society, we accelerated the development of our online capability and accessibility to improve the experience of our stakeholders in the digital ecosystem. In this respect, we modernised our communications platform from one which was archaic, ineffective, and fragmented to a mobile cloud-based unified communications platform integrating text, voice and video. This enabled us to reintegrate the then-outsourced contact centre, resulting in better service and accessibility to our valued stakeholders. We also introduced our online platform for the accreditation of the engineering graduate programmes offered at institutions of higher learning to comply with the COVID-19 protocols

of social distancing. As a result, 2021/22 financial year was a record-breaking one for accreditation of graduate programmes, with an outstanding 77 programmes accredited, clawing back on the backlog of the previous year due to outbreak of the global pandemic.

To advance the digital skills of all our employees across the organisation to ensure that they are well positioned for digitalisation and the 4th industrial revolution, we have commenced with a pilot of an exciting new on-line learning platform powered by Udemy Business. The platform provides staff members with access to more than 6 500 top-rated courses from the Udemy Business catalogue.

OUR REGISTERED PERSONS' DATABASE

The database of our registered persons is the most valuable of the organisations' assets. To capacitate ourselves to be active in the abovementioned digital ecosystem, we exposed the entire management of the organisation to the Microsoft (MS) Power Business Intelligence tool for them to learn and be able to mine the vast amount of data in our registered persons database. This has proved phenomenal in that we now have a better profile and comprehension of our database, we are able to generate reports that provide a multi-dimensional view of the database.

As at year-end, the registered persons database of active registered persons comprised of at approximately 53 000 persons of which approximately one-third are candidates and only two-thirds professionals. This figure is based on a two-year trend of a consistent decline in the numbers of active registered persons database which declining trend can be attributed to several factors including the global pandemic, the negative climate in the domestic economy and generally, the perception by registered persons of there being no value to them in being registered with ECSA. More concerning is that approximately 23% (12 000) of the active persons on the database are persons who are 70 years and older, and approximately 7.5% (4 000) being persons who are between 61 and 70 years. This reflects an ageing population of engineering professionals, necessitating interventions to accelerate the registration pipeline. To support our candidate engineers on their path to professional registration, we have introduced and established the Candidates Academy.

Over the last three years, the number of persons whose registrations had to be cancelled owing to defaults on the payment of their annual registration fees has also been alarmingly high. To alleviate the plight of registered persons as a result of the depressed economic climate and the global pandemic, Council took a decision during the year to retain the registrations of persons who defaulted on their annual fees but who were compliant with their Continuous

Professional Development obligations. A total of 1 293 registered person have benefitted from this benevolence of Council. This was in addition to the past two years' moratorium imposed by Council on fee increases.

Lack of ECSA relevance is the apex risk among the seven big ticked strategic risks identified by management and adopted by Council. Several measures are being implemented to minimise this extreme risk. The most significant of these interventions is the process embarked upon for the enforcement of the Identification of Engineering Work (IDoEW). The year 2021/22 was dedicated to various consultations of the myriad of our stakeholders on the IDoEW prior to its implementation. A few of these consultations remain to be completed in the 2022/23 financial year. Emerging from this however, is the disagreement of the IDoEW planned enforcement as well as the annual publishing of Professional Guideline Fees expressed by the Competitions Commission of South Africa (CCSA). The Council and the other five (5) built-environment professional councils are seized with engagements with the CCSA. These engagements are being co-ordinated by both the Ministry of the Public Works and Infrastructure and the Council for the Built Environment to find an amicable solution to this impasse.

ON THE PEOPLE FRONT

As alluded to above, the primary focus was to embark on various interventions that would lift the morale of staff. We consciously changed the ethos of our human resource practices and policies to those that foster the principles of transparency, integrity, benevolence, and general care of staff welfare.

We undertook a salary benchmarking exercise to promote remuneration equity in the workplace along the principle of equal remuneration for work of equal value. To this end, the necessary salary adjustments were made to ensure that all members of staff are at least at the minimum of their relevant salary scales as well as dealing with the historical concerns raised by staff relating to their remuneration. We believe with the exercise, the organisation is in a better position to attract and retain the best of talented of staff.

We performed a scientific staff survey with the help of external independent specialists to establish the organisational staff climate. The findings of this survey will assist the organisation to identify organisational strengths and challenges to create a greater employee

experience as well as enhance organisational performance. The survey was completed by 72 percent of the entire staff complement, with an overall result of 64% indicating that employee engagement is more positive than negative. Management will implement interventions to address the areas of weakness identified during the 2022/23 financial year.

We filled all the vacancies that were identified, most notably the establishment of a fully-fledged Legal Services Division.

OPERATING RESULTS AND FINANCIAL HEALTH

In terms of revenue, our revenue of R136.9 million exceeded our projections by 6.95%. This was primarily due to greater-than-expected recoveries from previous periods fees that were written off and whose persons have subsequently requested their registrations to be reinstated, higher number of applications processed and as alluded to above, the significant achievement in the number of graduate education programmes accredited during the year.

In addition, the organisation realised higher than anticipated investment income of R6.5 million against a budgeted R1.8 million.

Our expenditure is R136.2 million exceeding our budget by 2.9%. The biggest contributor to this is due to the significant impairment of our outstanding annual fees.

Consequently, the organisation has a trade surplus of R7.2 million to be added to the accumulated reserves at the beginning of the year of R85.2 million.

We enhanced our cash flow management during the year. Our collections rate of 96.5% exceeded our projection of 90%. This resulted in a positive cash balance at year end of R75.3 million against projected one of R50.7 million. This positive cash balances together with the better performance of our long term investments have added to the positive financial performance of the organisation due better than projected interest/investment income.

All the above, together with the maintenance of robust internal control environment, effectively firmed up the organisation's financial health. This healthy financial base has been confirmed by the external auditors in their report of their attest function in that they gave ECSA a clean bill of financial health.

ACKNOWLEDGEMENTS

I would like to express my heartfelt gratitude to our registered persons, and valued stakeholders for their continued loyalty and support during these challenging times. I would also like to thank our employees who worked diligently and passionately every day to serve our stakeholders despite the substantial challenges they faced. I am constantly inspired by the many incredible examples of tenacity, passion and commitment shown by teams and individuals across the organisation. It is befitting to acknowledge each of my colleagues for their willingness to face our challenges head-on, epitomising the words of Dr Martin Luther King when he said “The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy”.

In addition, I would also like to thank the council for their ongoing support and guidance. It would be remiss of me to not pay tribute to two colossal giants of the engineering profession, our departed Presidents, Engineer Vuyani Cyril Gamede, and notably Engineer Mashao Lawrence Lebea, under whose guidance I spent the most of my interim CEO job prior to his departure from this world. He offered firm stewardship as the captain of the ECSA ship whilst this ship was sailing through these very rough and turbulent waters! Our thoughts and prayers are always with their families, friends, and colleagues.

In the same vein, let me also congratulate Engineers Refilwe Buthelezi and Thembinkosi Madikane on their appointments as the President and Vice-President of ECSA respectively. The appointment of Engineer Buthelezi after having ably deputised Engineer Lebea is a significant historic milestone since she is the first ever female to be appointed to such a role in the organisation.

As the financial year ends, I hand over a substantially stable organisation and the reins to my successor and fellow colleague and wish him well.

Effectively addressing the challenges ahead will present us with the opportunity to deliver against our potential. As a result, we will be able to meet our goal of being one of the world's most responsible, respected, and admired regulators. We not only need to protect the legacy of this remarkable organisation, but to take it confidently into the future by working together in new and different ways, with a single-minded purpose of becoming a truly connected world-class regulator. It is only through working together that we will emerge as a more agile, dynamic, and successful organisation.



Mr Boitumelo (Cox) Mokgoro
Acting Chief Executive Officer

5. STATEMENT OF RESPONSIBILITY

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed in the Annual Report is consistent with the Annual Financial Statements audited by Lunika Inc.

The Annual Report is complete, accurate, and free from any omissions.

The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by National Treasury.

The Annual Financial Statements (Part F) have been prepared in accordance with the South African standards of Generally Recognised Accounting Practice (GRAP) applicable to a public entity.

The accounting authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The accounting authority is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the performance information, the Human Resources information, and the Annual Financial Statements.

The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, the Annual Report fairly reflects the operations, performance information, Human Resources information, and the financial affairs of the entity for the financial year ended 31 March 2022.



Mr Boitumelo (Cox) Mokgoro
Acting Chief Executive Officer



Ms Refilwe Buthelezi Pr Eng
President of the Council

6. STRATEGIC OVERVIEW

The Engineering Council of South Africa (ECSA) is a statutory regulatory body established in terms of Section 2 of the Engineering Profession of South Africa Act, 46 of 2000.

VISION

An effective regulator assuring engineering excellence.

MISSION

ECSA seeks to achieve this vision by:

- determining engineering standards for education, accreditation and registration;
- registration of engineering practitioners;
- developing and sustaining a relevant, transformed, competent and internationally recognized engineering professional practice standards;
- enforcing compliance with education, training, registration, continuing education and professional practice standards;
- maintaining a competent workforce, efficient and adequate governance structures and systems;
- educating the public on expected engineering quality standards and protecting the interests of the public against sub-standard quality of engineering work;
- regulatory efforts to ensure environmental protection;
- engaging with Government to support national priorities, including transformation of the engineering profession; and
- instituting collaborative efforts with ECSA stakeholders with a view to enhancing ECSA offerings.

VALUES

- **Professional**
Conduct beyond reproach to the highest ethical standards underpinned by integrity, quality, timeliness, trust and respect.
- **Accountable**
Doing what we commit to doing in an environment of trust and respect and being answerable for our failures in pursuit of our committed obligations.
- **Collaborative**
Working as a team to achieve exceptional results.
- **Transparent**
Honest and open communication and sharing of information among stakeholders.
- **Innovation**
Utilising creative energies in collaboration with ECSA stakeholders to identify improved, enhanced and more cost-efficient engineering-practice solutions.

7. LEGISLATIVE AND OTHER MANDATES

ECSA is a statutory body established in terms of section 2 of the EPA. The EPA superseded the 1990 and 1968 Acts and progressively extended ECSA's scope beyond the original purpose, namely to regulate professional engineers. ECSA and its predecessor have thus regulated the engineering practice for more than forty (40) years.

ECSA exists as a regulatory body for the engineering profession because it has been recognised that, while engineering activity is essential and beneficial to society and the economy, it also poses substantial risks to health, safety and the environment, which must be managed effectively by competent professionals. In addition, engineering services must be of adequate quality in the interests of the economy and eliminate waste.

With these objectives in mind, the EPA requires and empowers ECSA to perform the following functions:

- Establish an Engineering Standards Generating Body (ESGB) and develop standards for engineering education and professional competency;
- Visit education providers to evaluate programmes and accredit educational programmes that meet the educational requirements towards registration in each of the categories;
- Register persons in professional categories who demonstrate competency against the standards for the categories;
- Evaluate educational qualifications that are not already accredited or recognised;
- Register persons who meet educational requirements in candidate categories;
- Establish specified categories of registration to meet specific health and safety licensing requirements and register persons in these categories;
- Require Registered Persons to renew registration at intervals and under conditions that the Council prescribes;
- Enter into international agreements for the recognition of educational programmes and registration;
- Develop and maintain a code of conduct, supported where necessary by codes of practice;

- Investigate complaints of improper conduct against Registered Persons and conduct enquiries and impose sanctions as each case requires;
- Publish guidelines on professional fees and scope of work on an annual basis;
- Recognise VAs;
- Recommend ECSA's identification of the type of engineering work that may be performed by persons registered in any category to the CBE.

In addition, ECSA is empowered to advise government and other parties and take the necessary steps to protect the public interest, maintain health and safety, improve standards of engineering services, create awareness of the need to protect the environment and conduct research.

The professional regulation of engineering in South Africa dates from the Professional Engineers' Act 1968 (Act 81 of 1968) that provided for the registration of professional engineers.

The EPA expanded registration to engineering technologists, engineering technicians, and certificated engineers. The EPA established ECSA in its present form and gave professional status to engineering technologists, engineering technicians, and certificated engineers.

ECSA executes its mandate on the basis of the EPA, while being mindful of the following key legislations, regulations, policies and best practices guidelines to exercise good governance, ethical leadership and corporate citizenship:

- Republic of South Africa Constitution, Act 108 of 1996
- Labour Relations Act, 66 of 1995
- Occupational Health and Safety Act, 85 of 1993
- Skills Development Act, 97 of 1998
- Employment Equity Act, 55 of 1998
- Promotion of Administrative Justice Act, 3 of 2000
- Promotion of Access to Information Act, 2 of 2000
- Protection of Personal Information Act, 4 of 2013
- King IV Report™ on Corporate Governance for South Africa 2016
- Council for the Built Environment Act, 43 of 2000

8. ORGANISATIONAL EXECUTIVE STRUCTURE



Mr Boitumelo (Cox) Mokgoro
Acting Chief Executive Officer
Executive: Corporate Support



Mr Edmund Nxumalo
Executive: Research, Policy & Standards
Acting Executive Regulator Functions



Adv. Tebogo Mogosoana
Executive: Legal Services



Part B

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1. PERFORMANCE INFORMATION

ISO 9001:2015 CERTIFICATION

ISO 9001 certification was a strategic objective of the Council's 2015-2020 business strategy. The primary purpose was to ensure that the business operations processes and systems would be efficient to deliver on the Engineering Council of South Africa's (ECSA)'s mandate effectively.

ISO 9001 is an international standard with Quality Management Systems (QMS) requirements that are globally recognised. It is the foundation of business operations excellence, and it comes with but is not limited to the following benefits:

- Improved processes and systems efficiency,
- Improved business performance,
- Improved knowledge management,
- Enhanced customer satisfaction and experience,
- Compliance with applicable laws and regulations, as well as stakeholders' requirements,
- Focus on intended stakeholders (both internal and external ones), and
- Empowered employees.

ECSA embarked on the ISO certification journey in the 2017-2018 financial year. The change management approach was followed to develop and implement the ISO 9001 to ensure its success is centred on critical success factors such as the involvement of people from leadership to staff, leadership support, ownership of the implemented

systems by process owners and communication; these were identified and implemented. During the development and implementation stages, business policies and process maps, supporting systems to manage organisational documents, records and corrective actions as well as performance management systems were developed; training for and awareness of ISO 9001 and QMS specific processes were also conducted.

The certification readiness audit was conducted in the 2019/2020 financial year by an independent auditor. It confirmed that the organisation was ready for ISO 9001 certification. Subsequently, one of the objectives of the 2020/2021 Annual Performance Plan (APP) was to obtain ISO 9001 certification. However, due to the global Covid-19 pandemic, this key performance indicator was deferred to the 2021/2022 financial year.

In February 2022, ECSA appointed DQS, the international certification body, to conduct the certification audit. In March 2022, ECSA commenced with the ISO 9001:2015 certification process. The process was divided into two stages. Stage one of the process encompassed confirmation that the ECSA management systems had been developed and implemented in line with the requirements of ISO 9001:2015 and stage 2 entailed verification and confirmation that management systems had been implemented and maintained in all business processes.



The auditor found that ECSA had fully implemented and was maintaining the QMS, and its processes and systems were found to be efficient and effective so as to deliver on the ECSA mandate. The organisation was awarded with the ISO 9001 certificate on its first attempt and without any audit findings.

The organisation acknowledges that this is not the end of the road, and it will continually improve its processes and systems through quality reviews and/ or internal audits, risk management and process re-engineering in order to enhance its stakeholders' experience.

INFORMATION AND COMMUNICATIONS TECHNOLOGY

The third and fourth waves of the Covid-19 pandemic vindicated our investments in technology to enable staff to work remotely. We now routinely conduct accreditation and other core business online. We are a truly mobile workforce able to deliver service from anywhere. The concomitant investments made – initially in laptop computers and mobile broadband – continued in 2021/2022 with the introduction of cloud-based technologies that enable online collaboration using text, voice, screen-sharing and video. This unified communications platform means that individual desk phones are no longer needed. An incoming call to an ECSA telephone number now rings on the employee's enabled laptop and smartphone and can be answered from either device. And a person's availability status is visible, which helps with scheduling.

Responsiveness to external stakeholders – Registered Persons and collaborators – has greatly improved following the introduction of the new customer contact centre operated in house by ECSA personnel. In its first

full quarter of operation, the contact centre achieved an unprecedented 96% service level. As a result of the technology running in the cloud, our contact centre operators are now able to provide high-quality service whether working from the office or from home. Further improvements in the pipeline will allow external stakeholders to interact with the contact centre via their preferred channel, including email, voice, text chat as well as social media. A new chatbot will be deployed on the website and portal to answer simple questions 24/7.

As ECSA continues to execute its strategic plan, the Council-driven mandate for digital transformation to improve customer service has been encapsulated within a revised ICT Strategic Plan 2022-2025. This plan was developed in close consultation with stakeholders across the organisation to ensure it addresses managers' real concerns and goals. This multi-disciplinary group distilled six critical success factors for ICT to support ECSA's goals, including digitalisation. As a result, 46 ICT initiatives (large and small) are earmarked for the three-year plan.

The largest of these initiatives is the systems renovation project which will deliver an extensive upgrade of the new registration system so that core business processes are digitalised to run end-to-end on the system. ECSA's stakeholders will be the beneficiaries of faster response times; leadership will have access to high-quality decision support information. The project will be performed in partnership between ECSA and a competent technology service provider to be appointed via a competitive tender process. A key outcome of the partnership will be a capacitated and upskilled ICT unit able to support our core systems in house. In short, our digital journey continues.

1.1. ANNUAL PERFORMANCE MONITORING AND EVALUATION REPORT

OUTCOME	OUTPUT	OUTCOME INDICATOR	DEVIATION OF ACTUAL ACHIEVEMENT 2020-2021 FROM THE PLANNED TARGET	PLANNED PERFORMANCE FOR 2021-2022	ACHIEVED/ NOT ACHIEVED AS PER MANAGEMENT RESULTS	ACHIEVED/ NOT ACHIEVED AS PER AUDITORS RESULTS	COMMENT ON DEVIATION/ROOT CAUSE FOR NON-ACHIEVEMENT	REMEDIAL ACTION/ CORRECTIVE ACTION
Strategic Cluster 1 - Loss of relevance of ECSA by key stakeholders - Lack of business continuity - Inadequate corporate governance								
1. To protect the engineering practice for ECSA registered persons	1.1. Implementation roadmap for the gazetted policy of Idea	1.1.1. Consultation with industry on the gazetted policy of Idea	CBE gazetted scope of work for the Built Environment Professions	Consultations on the gazetted policy of Idea	Achieved	Achieved	Not applicable	Not applicable
		1.1.2.. Development of a standard for aligning set of graduate attributes/ exit competencies with identification of engineering work process	Not applicable	One standard developed for Idea exit competencies	Achieved	Achieved	Not applicable	Not applicable
2. Good governance and effective regular	2.1. Revised draft EPA	2.1.1. Conduct gap analysis on the draft revised EPA	Not applicable	Revised draft on the EPA	Not Achieved	Not achieved	The Legal Services Division was only capacitated in October 2021 when the executive legal services and the legal practitioners were appointed.	"Gap analysis to be conducted on the EPA to identify areas of improvement and propose amendments. Target has been moved to the next financial year (2022-2023) and will be achieved in Q4"

OUTCOME	OUTPUT	OUTCOME INDICATOR	DEVIATION OF ACTUAL ACHIEVEMENT 2020-2021 FROM THE PLANNED TARGET	PLANNED PERFORMANCE FOR 2021-2022	ACHIEVED/ NOT ACHIEVED AS PER MANAGEMENT RESULTS	ACHIEVED/ NOT ACHIEVED AS PER AUDITORS RESULTS	COMMENT ON DEVIATION/ROOT CAUSE FOR NON-ACHIEVEMENT	REMEDIAL ACTION/ CORRECTIVE ACTION
3. A credible engineering profession body	3.1. Implemented stakeholder value proposition	3.1.1. Percentage implementation of the revised stakeholder value proposition	Enhanced stakeholder engagement strategy	30 % of the implementation plan	Achieved	Achieved	Not applicable	Not applicable
	3.2. Research report on the environmental scan to determine the prevalence of unaccredited engineering programmes/ institutions	3.2.1. Conduct an environmental scan to determine the prevalence of unaccredited engineering programmes/ institutions	Not applicable	Research report	Achieved	Achieved	Not applicable	Not applicable
4. To increase the scope of ECSA registration disciplines	4.1. Research report for emerging engineering registration disciplines and categories	4.1.1. Conduct research to determine emerging engineering trends	Not applicable	Research report	Achieved	Achieved	Not applicable	Not applicable
	4.2 Research report on the impact of the 4th Industrial Revolution on engineering technology education"	4.2.1 Conduct research on the impact of the 4th Industrial Revolution on teaching, learning and assessment of engineering technology programmes"	Not applicable	1 Research report	Achieved	Achieved	Not applicable	Not applicable
5. Modern and efficient technology tools for improved business efficiency	5.1.Operational, integrated and efficient ECSA IT systems supporting business objectives	5.1.1 Revised ICT Strategy	ICT strategy, feasibility analysis report on digitalization	Revised ICT Strategy	Achieved	Achieved	Not applicable	Not applicable

OUTCOME	OUTPUT	OUTCOME INDICATOR	DEVIATION OF ACTUAL ACHIEVEMENT 2020-2021 FROM THE PLANNED TARGET	PLANNED PERFORMANCE FOR 2021-2022	ACHIEVED/ NOT ACHIEVED AS PER MANAGEMENT RESULTS	ACHIEVED/ NOT ACHIEVED AS PER AUDITORS RESULTS	COMMENT ON DEVIATION/ROOT CAUSE FOR NON-ACHIEVEMENT	REMEDIAL ACTION/ CORRECTIVE ACTION
		5.1.2. Appointment of a service provider for digitalisation implementation	ICT specification for digitalisation of core functions	Appointed service provider to implement digitalisation initiatives	Not Achieved	Not achieved	Delays due to the following; 1. Agreement with the acting CEO in November 2021 to focus on the completion of the ICT strategic plan before turning attention to the renovation partner RFP. 2. Re-prioritisation of assignments for the development of the 2022-2023 APP. 3. Compilation of the business requirements took longer than planned due to the new business processes and rigorous consultations with process owners aimed at ensuring adequate coverage on the RFP. This then resulted in significantly increased scope of work.	Appointment of service provider will be completed by 15 June 2022.

OUTCOME	OUTPUT	OUTCOME INDICATOR	DEVIATION OF ACTUAL ACHIEVEMENT 2020-2021 FROM THE PLANNED TARGET	PLANNED PERFORMANCE FOR 2021-2022	ACHIEVED/ NOT ACHIEVED AS PER MANAGEMENT RESULTS	ACHIEVED/ NOT ACHIEVED AS PER AUDITORS RESULTS	COMMENT ON DEVIATION/ROOT CAUSE FOR NON-ACHIEVEMENT	REMEDIAL ACTION/ CORRECTIVE ACTION
6. CPD model and programme in place with enhanced accessibility to remote professionals	6.1. Implemented CPD model and programme	6.1.1. Percentage implementation of the gazetted CPD Framework according to the project plan	10% of the four-year project plan completed	50% of the four-year project plan completed	Achieved	Achieved	Not applicable	Not applicable
Strategic Cluster 2 - Weakening financial sustainability - Lack of business continuity								
7. Financial sustainability	7.1. Developed framework for additional revenue sources	7.1.1. Development of additional revenue sources framework	Not applicable	Approved framework	Achieved	Achieved	Not applicable	Not applicable
Strategic Cluster 3 - Inadequate systematic plan for engineering skills pipeline - Untransformed engineering profession								
8. Attract and retain registered candidates	8.1. Research report on engineering skills pipeline for the development of the framework	8.1.1. Conduct research on engineering skills pipeline for the development of the framework	Research on Candidate retention Strategy	Research Report	Achieved	Achieved	Not applicable	Not applicable
	8.2. Implemented approved academy policy and standard	8.2.1. Percentage implementation according to the policy and standard implementation plan	Research report on the candidates retention strategy	"100% implementation of the annual approved project plan"	Achieved	Achieved	Not applicable	Not applicable
9. Adequate database of skilled peer/ persons	9.1. Developed framework of skills transfer	9.1.1. Development of the skills transfer framework	Not applicable	Approved skills transfer framework	Achieved	Achieved	Not applicable	Not applicable

ANNUAL FINANCIAL STATEMENTS	REGULATORY FUNCTIONS	HUMAN RESOURCE MANAGEMENT	GOVERNANCE	PERFORMANCE INFORMATION	GENERAL INFORMATION
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OUTCOME	OUTPUT	OUTCOME INDICATOR	DEVIATION OF ACTUAL ACHIEVEMENT 2020-2021 FROM THE PLANNED TARGET	PLANNED PERFORMANCE FOR 2021-2022	ACHIEVED/ NOT ACHIEVED AS PER MANAGEMENT RESULTS	ACHIEVED/ NOT ACHIEVED AS PER AUDITORS RESULTS	COMMENT ON DEVIATION/ROOT CAUSE FOR NON-ACHIEVEMENT	REMEDIAL ACTION/ CORRECTIVE ACTION
Strategic Cluster 4 - Ineffective regulator								
10. Effective regulator enforcing compliance with the codes of practice and conduct	10.1. Developed enforcement mechanisms	10.1.1. Development of phase 3 of the enforcement mechanisms	Revised Code of Conduct and overarching Codes of Practice for the performance of engineering work	Developed enforcement mechanisms	Not Achieved	Not achieved	The tenure of the previous Legal Manager responsible for improper conduct ended on 31 December 2021. Due to this, the 2021-2022 APP targets have been rolled over to 2022/2023.	The 2021-2022 APPs have been rolled over to 2022-2023. The legal division has been capacitated and work has commenced to meet the phase 3 deliverables.
Strategic Cluster 5 - Inadequate corporate governance								
11. Sound corporate governance	11.1. Developed and Council approved integrated governance framework	11.1.1. Development and approval of the integrated governance framework	Not applicable	1 approved Integrated governance framework	Not Achieved	Not achieved	The Legal Service Division was only capacitated in October 2021 when executive legal services and the legal practitioners were appointed.	Service provider appointed to provide governance advisory services in respect of King IV Governance assessments. Draft report to be provided and presented to management for management inputs. Target has been moved to the next financial year (2022-2023) and will be achieved in Q4.

OUTCOME	OUTPUT	OUTCOME INDICATOR	DEVIATION OF ACTUAL ACHIEVEMENT 2020-2021 FROM THE PLANNED TARGET	PLANNED PERFORMANCE FOR 2021-2022	ACHIEVED/ NOT ACHIEVED AS PER MANAGEMENT RESULTS	ACHIEVED/ NOT ACHIEVED AS PER AUDITORS RESULTS	COMMENT ON DEVIATION/ROOT CAUSE FOR NON-ACHIEVEMENT	REMEDIAL ACTION/ CORRECTIVE ACTION
12. Compliance with all applicable laws	12.1. Legal and regulatory compliance	12.1.1. Percentage implementation of the gap analysis report recommendations	Not applicable	100% close-out of the prioritised gaps	Not Achieved	Not achieved	The Legal Service Division was only capacitated in October 2021 when executive legal services and the legal practitioners were appointed.	"Gap analysis to be conducted on the EPA to identify areas of improvement and propose amendments. Target has been moved to the next financial year (2022-2023) and will be achieved in Q4."
13. Efficient business processes focused on customer centricity	13.1. ISO 9001 certified organisation	13.1.1. Obtain ISO 9001 certification by an independent certification body	Maintained and improved business management systems	ISO 9001 certification	Achieved	Achieved	Not applicable	Not applicable
14. Capable and competent organisation	14.1. Reviewed and revised IHR and plan strategy against the approved 2020-2025 corporate strategy"	14.1.1. Revise the integrated Human Resources (HR) strategy and plan	- Reviewed and developed HR functional strategies 25% of the OD plan implemented	Revised integrated HR strategy and plan	Achieved	Achieved	Not applicable	Not applicable



2. STRATEGIC SERVICES

The successful implementation of the five-year ECSA Strategic Plan is largely influenced by ECSA's ability to identify its strategic stakeholders and have insight into their engagement needs and expectations.

The Stakeholder Engagement Strategy as well as Stakeholder Engagement Implementation Plan approved in the previous financial year were developed to meet Programme 5 of the Strategic Plan which seeks to ensure that the support structure provides efficiencies to the execution of the ECSA mandate, particularly pertaining to a robust stakeholder engagement with all ECSA stakeholders.

For the reporting period, Council executed the Stakeholder Engagement Implementation Plan by focusing on the following stakeholders as informed by the research study conducted:

- Registered Persons
- Voluntary Associations
- Employer bodies
- Members of staff
- Members of the public
- Members of the media
- Government

The following highlights were achieved in the execution of the Stakeholder Engagement Implementation Plan, each as itemised under a separate heading below.

2.1 "ROAD TO REGISTRATIONS" FOR MEMBERS OF THE PUBLIC

The Engineering Council of South Africa has conducted several professional registration workshops across the country with various private and government stakeholders. During the reporting period, professional registration workshops were conducted as reflected in the table below.

DATE	FACILITATOR	STAKEHOLDER	NUMBER OF ATTENDEES	PLATFORM
MEMBERS OF THE PUBLIC				
14 December 2021	Moleen Nzombe Pr Eng	Non-registered persons	154	Microsoft Teams
09 December 2021	Zandile Cindi Pr Eng	Non-registered persons	202	Microsoft Teams
12 August 2021	Abimbola Olukunle Pr Eng	Non-registered persons	288	Microsoft Teams
PRIVATE SECTOR				
13 October 2021	Mduduzi Msibi Pr Tech Eng	Kimberly Clark	22	Microsoft Teams
23 July 2021	Tom Brown Pr Eng	iX Engineers	15	Microsoft Teams
28 May 2021	Elekanyani Ndlovu Pr Eng	Eswatini Electricity Company	36	Microsoft Teams
16 April 2021	Teresa Hattingh Pr Eng.	SRK Consulting	30	Microsoft Teams
GOVERNMENT				
08 March 2022	Lukhanyo Nyakaza Pr Tech Eng	Municipal Infrastructure Support Agent (MISA)	48	Birchwood Hotel, Boksburg
07 September 2021	Abimbola Olukunle Pr Eng	Council for Scientific Research (CSIR)	83	Microsoft Teams
21 July 2021	Teresa Hattingh Pr Eng	The Aggregate and Sand Producers Association of South Africa (ASPASA)	42	Microsoft Teams
14 July 2021	Buhle Bujela Pr Eng	South African Institute of Electrical Engineers (SAIEE)	25	Microsoft Teams
01 June 2021	Abdul Esakjee Pr Eng	Municipal Infrastructure Support Agent (MISA)	17	Microsoft Teams
26 May 2021	Craig Law Pr Eng	South African Air Force (SAAF)	12	Microsoft Teams
11 May 2021	Mduduzi Msibi Pr Tech Eng	South African Police Service (SAPS)	39	Microsoft Teams
16 April 2021	Teresa Hattingh Pr Eng	KZN Youth Board	14	Microsoft Teams
UNIVERSITIES				
13 September 2021	Mduduzi Msibi Pr Tech Eng	UNISA	134	Microsoft Teams

Candidate Webinars

Candidate webinars for specific registration categories were introduced during the financial year under review. These informative sessions which were customised for each professional category of registration were designed to help prospective registrants understand and navigate their way to successful ECSA registration in the relevant category of registration and recognition. Candidate webinars for the categories of registration were conducted as reflected in the table below.

DATE	FACILITATOR	CATEGORY	NUMBER OF ATTENDEES	PLATFORM
02 December 2021	Abimbola Olukunle Pr Eng	Candidate engineer	225	Microsoft Teams
16 November 2021	Rachel Ledwaba Reg LMI	Specified categories	98	Microsoft Teams
12 November 2021	Eric Nene Pr Tech Eng	Candidate engineering technician	436	Microsoft Teams

3.2 EXTERNAL COMMUNICATION

ECSA strives to enhance communication with external stakeholders through various platforms, including publications, events, the media and face-to-face engagements.

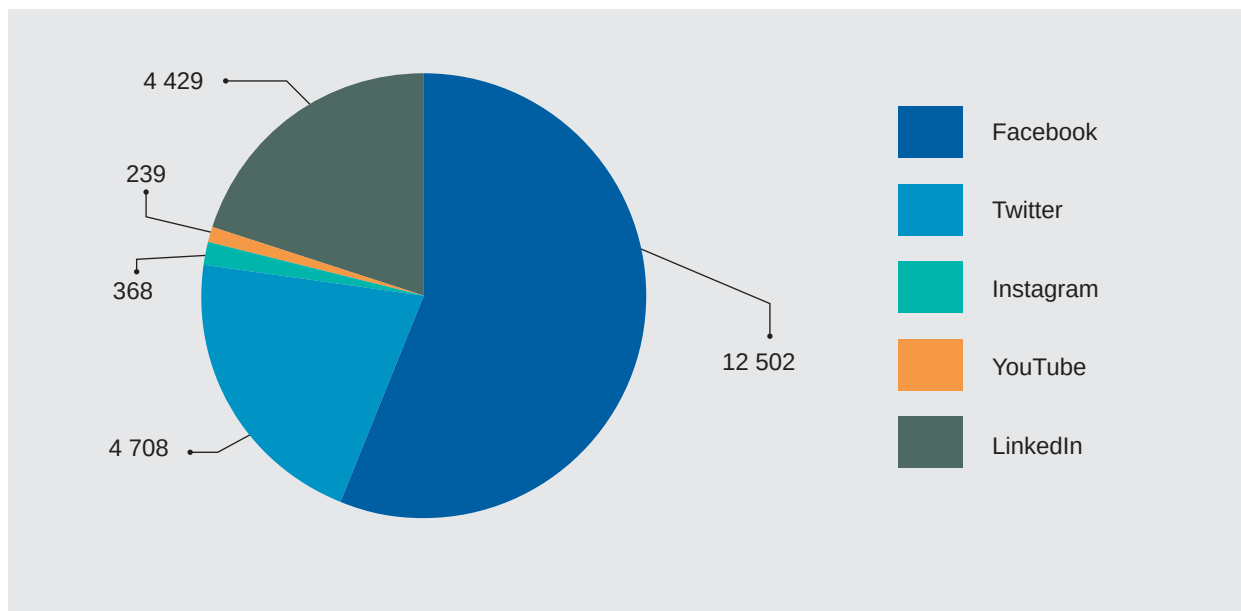
The usage of social media platforms was increased during the fiscal year under review in order to expand ECSA's reach. To achieve this, ECSA joined three additional social media platforms, namely Instagram, LinkedIn and YouTube, in order to increase brand exposure and explore other channels for sharing industry-related information. These three additional platforms were supplements to the existing ECSA presence on Twitter and Facebook and, for the year under review, the following new communication efforts were publicised on these platforms:

- CEO addresses published on YouTube
- Job opportunities published on LinkedIn
- Tutorial video on academy certification process published on YouTube

In addition to this, social media campaigns were conducted as shown below.

DATE	NAME OF CAMPAIGN	DISCUSSION	PLATFORM
August 2021	#IAMANENGINEER	Four registered engineers were assigned as influencers on the different ECSA social media platforms to promote professional registration under the hashtag <i>#IAMANENGINEER</i>	Facebook, Twitter, Instagram and LinkedIn
July 2021	New discipline added: Computer Engineering	A social media campaign on the new discipline added to the registration register	Facebook, Twitter
July 2021	Accreditation	Frequently asked questions about accreditation	Facebook, Twitter
June 2021	Profiling of the sixth term President and the 2020-2025 Strategic Plan	A profile of the late President, Mr Mashao Lawrence Lebea, as well as the strategic direction of the sixth term council was publicised on the social media and in <i>Engineering News</i>	Facebook, Twitter
May 2021	Non-validated CPD Programme	An educational social media campaign informing registered persons of signing up for non-validated CPD programmes	Facebook, Twitter
April 2021	Deployment of international engineers	A social media campaign to highlight the importance of professional registration even for international engineers	Facebook, Twitter

The increased use of social media platforms for sharing engineering-related information yielded an increase in the social media following for ECSA and, as at 31 March 2022, ECSA recorded the following numbers on the different social media platforms:



3.3 MEDIA RELATIONS HIGHLIGHTS

The media a key stakeholder, was engaged for profiling the work of ECSA and key press releases were published by different media houses, as depicted in the table below.

DATE	ITEM	HEADLINE	PLATFORM PUBLISHED
18 March 2022	Advertorial	Involvement of the engineering fraternity in decision-making bodies that are central for infrastructure development and maintenance	Engineering News
18 February 2022	Media statement	CEO dismissed following a disciplinary enquiry	REddit.com
08 December 2021	Media statement	ECSA mourns the passing of its sixth term council President: Mashao Lawrence Lebea Pr Eng.	Engineering News SAIEE.Com
11 November 2021	Media statement	South African high level delegation from the Engineering Council of South Africa (ECSA) in Mauritius for official visit	Polity.org
14 September 2021	Opinion Piece	Covid-19: A catalyst for change in education	ECSA Website
27 August 2021	Media statement	ECSA consults voluntary associations on the identification of engineering work	Saice.org.za SAImeChe.org.za ltc-sa.org.za Ashreasa.org Refrigerationandaircon.com News.Knowlmedia.com Engineering News
05 August 2021	Opinion Piece	Achieving an equal future	ECSA Website
03 June 2021	Advertorial	ECSA mandate strives for engineering excellence	Engineering News
15 June 2021	Media statement	CEO placed on precautionary suspension pending an investigation	Concretetrends.co.za News 24 Africanmining.co.za Coldlinkafrica.co.za
22 April 2021	Media statement	ECSA outlines the importance of professional registration even for international engineers	City Press Sowetan The Herald
25 April 2021	Published article	Cuban engineers can't work	<i>City Press</i>
26 April 2021	Published article	SA engineers left high and dry	<i>The Herald</i>
26-29 April 2021	Broadcast Interviews	ECSA outlines the importance of professional registration even for international engineers	Motsweding FM Ligwalagwala FM You FM Umhlobo Wenene FM Thobela FM Lesedi FM
30 April 2021	Published article	Cuban engineers can't work	Sowetan

3.4 INTERNATIONAL RELATIONS

The Engineering Council of South Africa, as a regulator of the engineering industry in South Africa, is a member of numerous engineering bodies in the international sphere as well as on the African continent. The role of ECSA in relation to these engineering bodies varies in terms of partnership agreements and alignment to the priorities of the Council.

These international engagements and relations between ECSA and the international bodies present an opportunity for ECSA to interact with like-minded engineering bodies and form alliances to establish international cooperation and partnerships.

However, such potential value may not be realised if ECSA's international work is approached in an unstructured and ad hoc manner. To ensure that optimal value is derived from the international agreements and engagements, ECSA is in the process of developing an International Relations Framework. The Framework aims to guide and ensure that ECSA's international activities are structured and codified and that these will be in line with broad national government outcomes, priorities of the Department of Public Work and Infrastructure (DPWI) and the mandate of the Council of Built Environments (CBE).

To bolster relations with the international engineering fraternity, ECSA had engagements with the international organisations reflected in the following table:

DATE	INTERNATIONAL BODY	PURPOSE OF EVENT
March 2022	World Federation of Engineering Organisations	World Engineering Summit
November 2021	Institute of Engineers Mauritius	Accreditation visit and meet and greet



3. ECSA RECOGNISED VOLUNTARY ASSOCIATIONS

The following Voluntary Associations are recognised by the Engineering Council of South Africa according to the Gazetted VA Framework of 2017:

NAME OF THE VOLUNTARY ASSOCIATION	DATE RECOGNISED	WEBPAGE
CATEGORY A		
Institute of Municipal Engineering of Southern Africa (IMESA)	30 August 2018	www.imesa.org.za
Association of Mine Managers of South Africa (AMMSA)	30 August 2018	www.ammsa.org.za
South African Coal Managers Association (SACMA)	30 August 2018	www.sacollierymanagers.org.za
The South African Institute of Mining and Metallurgy (SAIMM)	30 August 2018	www.saimm.co.za
South African Institute of Chemical Engineers (SAICHE)	30 August 2018	www.saiche.co.za
The Institution of Certificated Mechanical and Electrical Engineering (ICMEESA)	30 August 2018	www.icmeeasa.org.za
The Chamber of Engineering Technology (COET)	30 August 2018	www.engineeringchamber.yolasite.com
The Institute of Professional engineering Technologists (IPET)	30 August 2018	www.ipet.co.za
Society for Asphalt Technology (SAT)	30 August 2018	www.socsat.co.za
Society for Automation, Instrumentation, Measurement and Control (SAIMC)	30 August 2018	www.saimc.co.za
Southern African Institute for Industrial Engineering (SAIIE)	30 August 2018	www.saiie.co.za
Institution of Railway Signal Engineers (IRSE)	30 August 2018	www.irse.org.za
The South African Institute of Refrigeration and Air-conditioning (SAIRAC)	15 December 2018	www.sairac.co.za
Association of Mine Resident Engineers (AMRE)	30 August 2018	www.amre.org.za
South Africa Colliery Engineers Association (SACEA)	30 August 2018	www.sacea.org.za
American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE)	30 August 2018	www.ashraesa.org
South African Institute of Marine Engineers and Naval Architects (SAIMENA)	15 December 2018	www.saimena.co.za
South African National Committee on Large Dams (SANCOLD)	15 February 2019	www.sancold.co.za
South African Institute of Electrical Engineers (SAIEE)	15 February 2019	www.saiee.co.za
South African Institute of Welding (SAIW)	15 February 2019	www.saiw.co.za
The South African Institution of Civil Engineering (SAICE)	01 April 2019	www.saice.org.za
Association of Municipal Electricity and Utilities (AMEU)	01 April 2019	www.ameu.co.za
South African Flameproof Association (SAFA)	01 April 2019	www.saflameproof.org.za
International Council on Systems Engineering (SA Chapter) (INCOSSE SA)	01 April 2019	www.incose.org.za
Society of Telkom Engineers (STE)	28 February 2019	https://apps.telkom.co.za

NAME OF THE VOLUNTARY ASSOCIATION	DATE RECOGNISED	WEBPAGE
Aeronautical Society of South Africa AeSSA)	30 April 2019	www.aessa.org.za
Lift Inspectors Association of South Africa (LIASA)	30 April 2019	www.iliasa.org.za
Lifting Equipment Engineering Association of South Africa (LEEASA)	30 April 2019	www.leeasa.co.za
The South African Institute of Agricultural Engineers (SAIAE)	07 June 2019	www.saiae.co.za
South African Black Technical and Allied Careers Organisation (SABTACO)	19 July 2019	www.sabtaco.co.za
The South African Institution of Mechanical Engineering (SAIMEchE)	31 July 2020	www.saimeche.co.za
CATEGORY B		
Institute of Quarrying Southern Africa (IQSA)	30 August 2018	www.instituteofquarrying.co.za
South African Fluid Power Association (SAFPA)	30 August 2018	www.safpa.org.za
Lift Professionals Development Association (LPDA)	30 August 2018	www.lpda-sa.co.za
Finance and Asset Management Consultants (FAMC)	30 August 2018	www.famc.co.za
South African Road Federation (SARF)	15 December 2018	www.sarf.org.za
Consulting Engineers South Africa (CESA)	30 August 2018	www.cesa.co.za
South African Institute of Draughting NPC (SAID)	15 December 2018	www.saidraughting.com
Contractors Plant Hire Association (CPHA)	15 December 2018	www.cpha.co.za
Built Environment Professions Export Council (BEPEC)	30 January 2019	https://bepec.co.za/
Southern African Society For Trenchless Technology (SASTT)	30 January 2019	www.sastt.org.za
Southern African Asset Management Association (SAAMA)	01 April 2019	www.saama.org.za
Corrosion Institute of Southern Africa (CorrISA)	01 April 2019	www.corrosioninstitute.org.za
Illumination Engineering Society of South Africa (IESSA)	10 May 2019	www.iessa.org.za
South African Society for Railway Engineering (SASRE)	10 May 2019	www.sasre.org
Clinical Engineering Association of South Africa (CEASA)	10 May 2019	www.ceasa.org.za
Institute of Waste Management of South Africa (IWMSA)	19 July 2019	www.iwmsa.co.za
South African Forum Of Civil Engineering Contractors (SAFCEC)	07 June 2019	www.safcec.org.za
South African Glass Institute (SAGI)	31 July 2020	www.sagga.co.za
Aggregate and Sand Producers Association of Southern Africa (ASPASA)	11 May 2021	www.aspasa.co.za
IEEE South African Section (IEEE SA)	30 April 2019	www.ieee.org.za
Institute for Timber Construction South Africa (ITC- SA)	09 July 2021	www.itc-sa.org
Water Institute of Southern Africa (WISA)	15 November 2021	www.wisa.org.za
Institute for Work at Height (IWH)	15 November 2021	www.ifwh.co.za



Part C

GOVERNANCE

GENERAL INFORMATION

PERFORMANCE
INFORMATION

GOVERNANCE

HUMAN RESOURCE
MANAGEMENT

REGULATORY FUNCTIONS

ANNUAL FINANCIAL
STATEMENTS

1. APPOINTMENT OF THE COUNCIL

The Engineering Profession Act, 46 of 2000, established the council as the governing body of ECSA. In terms of section 3 of the Engineering Profession Act, council is appointed by the Minister of Public Works and Infrastructure (Executive Authority of ECSA) in terms of the following categories:

- Section 3(1)(a) - Thirty (30) Registered Persons excluding candidates, of whom at least 20 are actively practicing in the engineering profession.
- Section 3(1)(b) - Ten (10) persons of whom at least six (6) must be professionals in the service of the State and must actively be practising in the engineering profession.
- Section 3(1)(c) - Ten (10) members of the public, nominated through an open process of public participation.

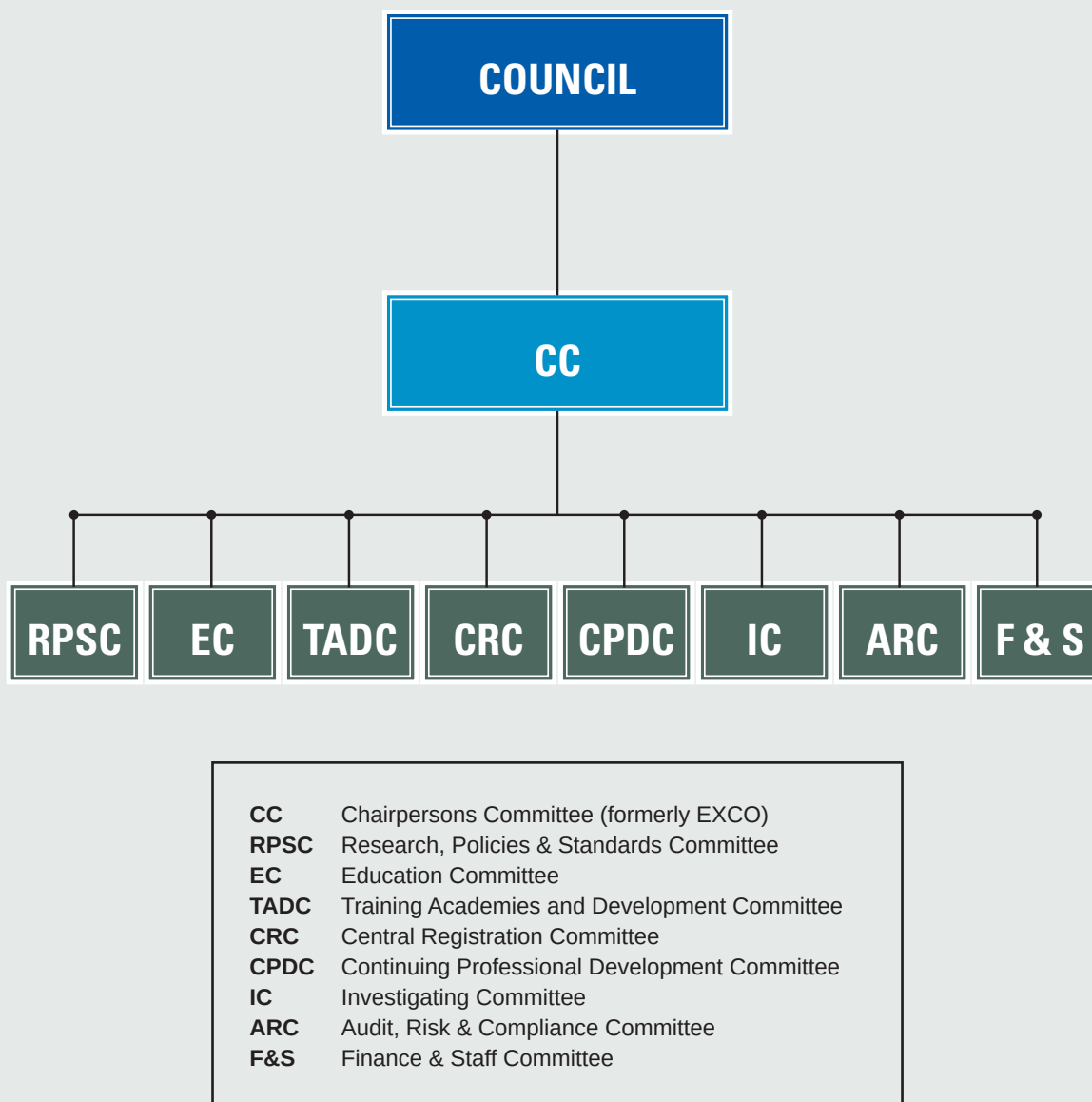
The current council was appointed for a period of four years by the Minister on the 20th November 2020.

The council has in turn, established 8 High Impact Committees in accordance with section 17 of the Engineering Profession Act, 46 of 2000, to assist it to efficiently and effectively discharge its functions in terms of this Act and other applicable legislations.

Committee structure to enable the discharge of the council's mandate so as to enhance organisational efficiency and effectiveness in line with Council's strategy, the Council has appointed eight (8) High Impact Committees (HICs).



The Council's Committee Structure is depicted below:



1.1 THE ROLE OF COUNCIL

The term of office for the council is four years. The Sixth Term council started its tenure on 20 November 2020.

In line with governance best practice:

- All members of the council are non-executive and independent;
- The council actively plays its role of oversight and giving strategic direction; and
- The standing orders for Council and committees of council concomitant with the Terms of Reference for Committees have been duly approved by the council and regulate the affairs of council and the conduct of meetings.

1.2 MEMBERS OF COUNCIL FOR THE YEAR UNDER REVIEW

NO.	NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE)	APPOINTMENT DATE	QUALIFICATIONS	OTHER COMMITTEES SERVED	NUMBER OF COUNCIL MEETINGS ATTENDED
1.	Ms R Buthelezi	Profession	20 November 2020	- B.Eng in Electrical and Electronic Engineering 2006 - Masters in Engineering Management 2011 - Masters in Business Leadership 2015	CC	7/7
2.	Ms P Madiba	Profession	20 November 2020	- PGD in Business Management - GDE in Industrial Engineering - Masters in Engineering Management	IC	7/7
3.	Ms T Ramagofu	Profession	20 November 2020	B.Sc in Engineering 2006	RPSC TADC	7/7
4.	Mr J Daniels	Profession	20 November 2020	- B.Sc in Mechanical Engineering (Un. of Miami, FL, USA) 1992 - Senior Managers Program (Un. of Stellenbosch, 2000) - Quality Management Systems Auditor 2005 (SAATCA)	IC ARC	7/7
5.	Prof K Nyembwe	Profession	20 November 2020	- D.Tech in Mechanical Engineering 2012 - MCom in Business Management 2014 - M.Tech in Metallurgy Engineering 1999 - B.Sc (Hons) in Metallurgy Engineering 1994	CC RPSC EC	6/7
6.	Mr S Zimu	Profession	20 November 2020	- National Diploma in Civil Engineering 1989 - National Higher Diploma in Civil Engineering 1990 - B.Sc in Civil Engineering 1995	IC CPDC	5/7
7.	Mr T Madikane	Profession	20 November 2020	- National Diploma in Electrical Engineering 1991 - B.Sc in Electrical Engineering 1996 - Diploma in Project Management 1997 - Post Graduate Diploma in Business Management 1999	CC CPDC	7/7
8.	Mr S Mkhize	Profession	20 November 2020	- B.Sc (Eng) 1985 - M.Dip 1992 - Hons (BB&A) 2002	CC RPSC	7/7
9.	Ms N Rampersad	Profession	20 November 2020	- B.Sc Chemical Engineering 1999 - Management Development Diploma Program (MDP) 2002 - Bachelor of Business Management and Administration (Hons) (BBAH) 2005 - Masters in Business Management and Administration (MBA) 2007	IC CRC	7/7
10.	Ms L Smith	Profession	20 November 2020	- Beng (Industrial) 1997 - Meng (Engineering Management) 2016	TADC	5/7
11.	Ms R Lesufi	Profession	20 November 2020	- B.Sc Civil Engineering 2000 - M.Sc Civil Eng 2007	CRC CC	5/7
12.	Ms S Skorpen	Profession	20 November 2020	- Beng Civil Engineering 2001 - M.Eng Structural Engineering 2013 - PhD Civil Engineering 2020	IC CC	4/7

NO.	NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE)	APPOINTMENT DATE	QUALIFICATIONS	OTHER COMMITTEES SERVED	NUMBER OF COUNCIL MEETINGS ATTENDED
13.	Ms A Olukunle	Profession	20 November 2020	- B.Eng Civil Engineering 2010 - B.Eng (Hons) Structural Engineering 2012 - M.Eng in Engineering Management 2014 - Executive Masters in Business Administration 2020	CRC	7/7
14.	Mr S Jekwa	Profession	20 November 2020	B.Sc Civil Engineering 2013		6/7
15.	Ms L Njomane	Profession	20 November 2020	- National Diploma in Mechanical Engineering 2003 - B.Tech in Quality 2009 - B.Tech in Mechanical Engineering 2014 - MPhil in Engineering Management 2018	CC TADC	7/7
16.	Mr M Ramuhulu	Profession	20 November 2020	- Masters in Business Administration (MBA) (General) 2017 - B.Tech in Electrical Engineering 2013 - National Diploma in Electrical Engineering	IC CPDC	7/7
17.	Ms P Mdletshe	Profession	20 November 2020	- National Diploma in Civil Engineering 2010 - Post-Grad Diploma in Project Management 2016 - B.Tech in Civil Engineering (Water) 2019	CRC CPDC	6/7
18.	Mr L Boshomane	Profession	20 November 2020	B.Tech in Urban Engineering 2018	RPSC CPDC	7/7
19.	Ms A Mtshali	Profession	20 November 2020	- Senior Management Transition Programme 2018 - Middle Management Programme 2016 - B.Tech in Electrical Engineering 2003 - National Diploma in Electrical Engineering 2000	CC RPSC	6/7
20.	Mr T Memela	Profession	20 November 2020	- Diploma in Electrical Engineering 2007 - B.Tech Electrical Engineering 2013 - Masters in Business Administration (MBA) 2019	CRC F&S	6/7
21.	Prof C Van Zyl	Profession	20 November 2020	- NHD Mechanical Engineering 1989 - Ph.D in Mechanical Engineering 2012 - M.Tech in Mechanical Engineering 2008	EC	6/7
22.	Mr R Moloisane	Profession	20 November 2020	- National Diploma in Civil Engineering 1997 - B.Tech Civil Engineering 1999 - M.Tech Civil Engineering 2002 - Diploma in Project Management 2003 - B.Sc (Hons) Civil Engineering 2006 - M.Sc Civil Engineering 2010	IC EC RPSC CC	7/7
23.	Mr N Nhleko	Profession	20 November 2020	B.Tech Civil Engineering 2010	CC CPDC	5/7
24.	Prof E Theron	Profession	20 November 2020	- National Dipoma 1986 - National Higher Diploma 1988 - M.Tech Civil Engineering 1997 - PhD 2002	IC EC	6/7

NO.	NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE)	APPOINTMENT DATE	QUALIFICATIONS	OTHER COMMITTEES SERVED	NUMBER OF COUNCIL MEETINGS ATTENDED
25.	Mr A Sommer	Profession	20 November 2020	• Rigger 2013	CPDC	6/7
26.	Ms R Ledwaba	Profession	20 November 2020	• National Diploma Electrical 2008	EC	7/7
27.	Mr N Smit	Profession	20 November 2020	• National N3 Certificate 2000 • Rigger 2002 • Advanced Certificate in Management Studies 2014	IC CRC	5/7
28.	Ms S Mngomezulu	State	20 November 2020	• National Diploma in Mechanical Engineering 2005 • Diploma in Project Management 2008 • B.Tech Mechanical Engineering 2015 • B.Tech Management 2017 • Advanced Diploma in Business Management 2019	TADC CC	5/7
29.	Ms O Mthethwa	State	20 November 2020	• Post-Grad Diploma in Water Engineering 2015 • B.Sc in Civil Engineering 2008	CC CRC	7/7
30.	Mr T Gamedze	State	20 November 2020	• B.Sc Studies 1980 • BS Electrical Engineering 1984 • MS Management 1989	CRC	7/7
31.	Ms P Zweni	State	20 November 2020	• Post-Grad Diploma in General Management 2019	IC	7/7
32.	Adm B Mvovo	State	20 November 2020	• B.Sc Mechanical Engineering 2005 • Masters in Business Administration in Executive Management (EMBA) 2016 • Diploma in Joint and Multilateral Operations (Military) 2016	EC	4/7
33.	Ms P Sibiya	State	20 November 2020	• National Diploma in Civil Engineering 2001 • B.Tech Civil Engineering 2005 • Masters in Business Administration 2011 • Post Grad Diploma in Project Management 2013	RPSC	5/7
34.	Ms C Mbola	State	20 November 2020	• National Diploma in Civil Engineering 2005 • Diploma in Project Management 2008 • B.Tech Construction Management Civil 2009 • B.Tech Geotechnical Engineering Civil 2012 • Municipal Finance Management Programme 2013	CRC ARC	4/7
35.	Ms T Mwelase	State	20 November 2020	• Diploma in Civil Engineering 2000 • B.Tech in Civil Engineering 2004 • Masters in Business Administration 2011 • M.Eng Civil Engineering 2016	CRC CPDC	6/7

NO.	NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE)	APPOINTMENT DATE	QUALIFICATIONS	OTHER COMMITTEES SERVED	NUMBER OF COUNCIL MEETINGS ATTENDED
36.	Mr K O'jageer	State	20 November 2020	• Post-Grad Diploma in Project Management 2017 • Masters in Civil Engineering 2007 • Post-Grad Diploma in Civil Engineering 2005 • B.Tech in Urban Engineering 1997 • National Higher Diploma in Civil Engineering 1985 • National Diploma in Civil Engineering 1984	CRC	3/7
37.	Ms T Chili	Public	20 November 2020	• Master of Business Administration (MBA) 2013 • BPharm 2003	EC	6/7
38.	Mr S Keswa	Public	20 November 2020	• Master of Business Administration 2017 • Masters in Environmental Management 2013 • B.Tech in Management 2011 • B.Tech in Nature Conservation 2010	F&S	7/7
39.	Ms S Tolo	Public	20 November 2020	• B.Sc in Mechanical Engineering 2006 • M.Eng Nuclear Engineering 2019	TADC	7/7
40.	Ms N Sampson	Public	20 November 2020	• Master of Public Administration (MPA) 2014 • Certified Ethics Officer (Inst. of Ethics SA) 2014 • Bachelor of Social Science (BSOCSC) 1995 • Post-Grad Diploma in Compliance Management 2019 • Certificate in Board Governance 2017 • Certificate Programme in Leadership Development 2006 • Programme in Human Resource Management 2002	CC ARC	6/7
41.	Ms S Mutileni	Public	20 November 2020	• B.Com Accounting 2001 • Management Development Programme 2010 • SAP FICO Certified 2017	CC F&S ARC	7/7
42.	Mr M Mailula	Public	20 November 2020	• B.Sc Computer Science 1987 • B.Sc (Hons) Computer Science 1997	CC ARC	7/7
43.	Dr N Skeepers	Public	20 November 2020	• Ph.D in Engineering Management 2016	F&S TADC	6/7
44.	Mr M Modipa	Public	20 November 2020	• Bachelor of Commerce (B.Com) 1993 • Post-Grad Diploma in Business Administration (PDBA) 2009 • M.Sc in Leadership and Innovation 2009	CC F&S	7/7
45.	Dr R Legoabe	Public	20 November 2020	• Aim 2007 • Post-Grad Diploma in Management 2008 • National Diploma HRM (SABPP) 2009 • Masters in Business Administration 2012 • D.Tech 2017	ARC EC CPDC	7/7

COUNCIL MEMBER MEETING ATTENDANCE FOR THE YEAR UNDER REVIEW

SIXTH TERM COUNCIL MEMBER MEETING ATTENDANCE

NO.	NAME	APRIL 2021 - MARCH 2022									
		COUNCIL	CC	ARC	CRC	EC	F&S	IC	RPSC	TADC	CPDC
1.	Ms S R M Buthelezi	7/7	5/5								
2.	Mr J L Boshomane	7/7							6/6		4/4
3.	Ms T Chili	6/7				4/5					
4.	Mr J H E Daniels	7/7		6/7				5/5			
5.	Mr S Jekwa	6/7									
6.	Mr T Gamedze	7/7			4/4						
7.	Mr S Keswa	7/7					6/6				
8.	Ms R Ledwaba	7/7				5/5				4/4	
9.	Dr R S Legoabe	7/7		7/7		5/5					4/4
10.	Ms R Lesufi	5/7			4/4						
11.	Ms R P Madiba	7/7						3/5			
12.	Mr T C Madikane	7/7	5/5								4/4
13.	Mr M I Mailula	7/7	5/5	7/7							
14.	Ms C Mbola	4/7		6/7	2/4						
15.	Ms P P Mdletshe	6/7			2/4						3/4
16.	Mr T D Memela	6/7			4/4		5/6				
17.	Mr S Mkhize	7/7	5/5						5/6		
18.	Ms S Mngomezulu	5/7								4/4	
19.	Mr M E Modipa	7/7	5/5				6/6				
20.	Mr R J Moloisane	7/7				5/5		4/5	4/6		
21.	Ms O Mthethwa	5/7	5/5		3/4						
22.	Ms H A Mtshali	6/7							5/6		
23.	Ms S Mutileni	7/7		6/7			6/6				

NO.	NAME	APRIL 2021 - MARCH 2022									
		COUNCIL	CC	ARC	CRC	EC	F&S	IC	RPSC	TADC	CPDC
24.	Adm B Mvovo	4/7				4/5					
25.	Ms T Mwelase	6/7			3/4						3/4
26.	Mr N Nhleko	5/7							4/6		3/4
27.	Ms L Njomane	7/7	5/5							4/4	
28.	Prof K D Nyembwe	6/7	4/5			5/5			4/6		
29.	Mr K O'Jageer	3/7			3/4						
30.	Ms A Olukunle	7/7			3/4						
31.	Ms T Ramagofu	7/7							5/6	4/4	
32.	Ms N Rampersad	7/7			4/4			5/5			
33.	Mr M Ramuhulu	7/7						5/5			4/4
34.	Ms N Sampson	6/7		6/7							
35.	Ms P F Sibiya	5/7							2/6		
36.	Dr N Skeepers	6/7					5/6			4/4	
37.	Ms S Skorpen	4/7	2/3					5/5			
38.	Mr N Smit	5/7			4/4			5/5			
39.	Ms L Smith	5/7								4/4	
40.	Mr A H Sommer	6/7								4/4	3/4
41.	Prof E Theron	6/7				4/5		5/5			
42.	Ms S Tolo	7/7								4/4	
43.	Prof C A A van Zyl	6/7				5/5					
44.	Mr S N Zimu	5/7						3/5			4/4
45.	Ms P Zweni	7/7						3/5			

2. HIGH IMPACT COMMITTEE MEMBERS AND ATTENDANCE

The following High Impact Committee meetings were attended by members of the Sixth Term Council for the reporting period April 2021- March 2022:

NAME OF COMMITTEE: AUDIT, RISK AND COMPLIANCE COMMITTEE (ARC)

NUMBER OF COMMITTEE MEMBERS: 8

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Mr M Mailula	7	7
2.	Ms N Sampson	7	6
3.	Mr J Daniels	7	6
4.	Dr R Legoabe	7	7
5.	Ms C Mbola	7	6
6.	Ms S Mutileni	7	6
7.	Mr A Nqwaba	7	7
8.	Mr J Rockson	7	7

NAME OF COMMITTEE: FINANCE AND STAFF COMMITTEE (F & S)

NUMBER OF COMMITTEE MEMBERS: 8

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Mr M Modipa	6	6
2.	Ms S Mutileni	6	6
3.	Mr S Faku	6	6
4.	Mr S Keswa	6	6
5.	Mr Z Khuzwayo	6	6
6.	Mr T Memela	6	5
7.	Mr A Nqwaba	6	6
8.	Dr N Sweepers	6	5

NAME OF COMMITTEE: INVESTIGATING COMMITTEE (IC)

NUMBER OF COMMITTEE MEMBERS: 11

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Ms N Moerane (Resigned)	5	1
2.	Ms S Skorpén	5	5
3.	Mr J Daniels	5	5
4.	Ms P Madiba	5	3
5.	Mr R Moloisane	5	4
6.	Ms N Rampersad	5	5
7.	Mr M Ramuhulu	5	5
8.	Mr N Smit	5	5
9.	Prof E Theron	5	5
10.	Mr S Zimu	5	3
11.	Ms P Zweni	5	3

NAME OF COMMITTEE: CONTINUED PROFESSIONAL DEVELOPMENT COMMITTEE (CPDC)

NUMBER OF COMMITTEE MEMBERS: 11

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Mr T Madikane	4	4
2.	Mr N Nhleko	4	3
3.	Mr L Boshomane	4	4
4.	Dr R Legoabe	4	4
5.	Dr D Madyira	4	3
6.	Ms P Mdletshe	4	3
7.	Ms T Mwelase	4	3
8.	Mr M Ramuhulu	4	4
9.	Mr C Schehage	4	4
10.	Mr A Sommer	4	3
11.	Mr S Zimu	4	4

**NAME OF COMMITTEE: CENTRAL REGISTRATION
COMMITTEE (CRC)****NUMBER OF COMMITTEE MEMBERS: 12**

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Ms O Mthethwa	4	3
2.	Ms R Lesufi	4	4
3.	Mr M Buthelezi	4	1
4.	Mr T Gamedze	4	4
5.	Ms C Mbola	4	2
6.	Ms P Mdletshe	4	2
7.	Mr T Memela	4	4
8.	Ms T Mwelase	4	3
9.	Mr K Ojageer	4	3
10.	Ms A Olukunle	4	3
11.	Ms N Rampersad	4	4
12.	Mr N Smit	4	4

NAME OF COMMITTEE: EDUCATION COMMITTEE (EC)**NUMBER OF COMMITTEE MEMBERS: 12**

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Prof K Nyembwe	5	5
2.	Adv E Bhero	5	5
3.	Ms T Chili	5	4
4.	Mr G Clack	5	1
5.	Mr J Kae	5	5
6.	Ms R Ledwaba	5	5
7.	Dr R Legoabe	5	5
8.	Dr A Marnewick	5	5
9.	Mr R Moloisane	5	5
10.	Adm B Mvovo	5	4
11.	Prof E Theron	5	4
12.	Prof C van Zyl	5	5

**NAME OF COMMITTEE: TRAINING ACADEMIES AND
DEVELOPMENT COMMITTEE (TADC)****NUMBER OF COMMITTEE MEMBERS: 10**

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Ms L Njomane	4	4
2.	Ms S Mngomezulu	4	4
3.	Mr M Buthelezi	4	1
4.	Mr S Dywili	4	4
5.	Ms R Ledwaba	4	4
6.	Ms T Ramagofu	4	4
7.	Dr N Skeepers	4	4
8.	Ms L Smith	4	4
9.	Mr A Sommer	4	4
10.	Ms S Tolo	4	4

**NAME OF COMMITTEE: RESEARCH, POLICY AND
STANDARDS COMMITTEE (RPSC)****NUMBER OF COMMITTEE MEMBERS: 13**

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Ms S Mkhize	6	5
2.	Ms A Mtshali	6	5
3.	Mr L Boshomane	6	6
4.	Mr D Havenga	6	6
5.	Mr C Hlungwani	6	1
6.	Dr N Mbuli	6	5
7.	Mr R Moloisane	6	4
8.	Mr N Nhleko	6	4
9.	Prof K Nyembwe	6	4
10.	Ms T Ramagofu	6	5
11.	Dr S Ramsuroop	6	5
12.	Mr C Schnehage	6	5
13.	Ms P Sibiyi	6	2

**NAME OF COMMITTEE: CHAIRPERSONS COMMITTEE
(CC) FORMERLY EXCO****NUMBER OF COMMITTEE MEMBERS: 9**

NO.	NAME OF COMMITTEE MEMBER	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
1.	Ms R Buthelezi	5	5
2.	Mr T Madikane	5	5
3.	Mr M Mailula	5	5
4.	Mr S Mkhize	5	5
5.	Mr M Modipa	5	5
6.	Ms S Skorpen	3	2
7.	Ms O Mthethwa	5	5
8.	Ms L Njomane	5	5
9.	Prof K Nyembwe	5	4

3. REMUNERATION OF COUNCIL MEMBERS

NAME		TOTAL CLAIMED
1.	Mr Mashao Lawrence Lebea (Late President)	R179 739.60
2.	Ms Refilwe Buthelezi (Vice-President)	R343 456.33
3.	Ms Prudence Madiba	R84 169.50
4.	Ms Tshwaraganang Ramagofu	R59 172.80
5.	Mr John Daniels	R42 590.66
6.	Prof Kasongo Nyembwe	R300 706.36
7.	Mr Simphiwe Nathaniel Zimu	R26 949.00
8.	Mr Thembinkosi Cedric Madikane	R132 152.46
9.	Mr Sipho Mkhize	R51 219.15
10.	Mr Nirvana Rampersad	R38 828.00
11.	Ms Liezl Smith	R0.00
12.	Ms Refilwe Lesufi	R70 206.10
13.	Ms Sarah Skorpen	R28 499.80
14.	Ms Abimbola Olukunle	R139 944.00
15.	Mr Sandiswa Jekwa	R27 069.00
16.	Ms Linda Njomane	R93 334.55
17.	Mr Mpho Ramuhulu	R88 197.00
18.	Ms Philile Precious Mdletshe	R35 796.50
19.	Mr Lesetja Boshomane	R41 999.54
20.	Ms Amelia Mtshali	R37 484.40
21.	Mr Thulebona Memela	R40 962.00
22.	Prof Carlo Van Zyl	R78 264.00
23.	Mr Ranthekeng Moloisane	R368 333.46
24.	Mr Njabulo Nhleko	R44 394.00
25.	Ms Elizabeth Theron	R0.00
26.	Mr Arnold Heinz Sommer	R39 750.00
27.	Ms Rachel Ledwaba	R138 048.30
28.	Mr Nic Smit	R43 185.30

NAME		TOTAL CLAIMED
29.	Ms Simangele Mngomezulu	R23 200.20
30.	Ms Otilia Mthethwa	R34 241.69
31.	Mr Thembinkosi Gamedze	R0.00
32.	Ms Phumza Zweni	R0.00
33.	Adm Bhekinkosi Mvovo	R0.00
34.	Ms Petronella Sibiya	R7 905.00
35.	Ms Cingisa Mbola	R23 715.00
36.	Ms Thulisile Mwelase	R0.00
37.	Mr Kemraj Ojageer	R0.00
38.	Ms Thandeka Chili	R29 703.00
39.	Mr Sifiso Keswa	R42 659.40
40.	Ms Sejako Tolo	R97 431.00
41.	Ms Nirasha Sampson	R49 439.90
42.	Ms Sewela Mutileni	R65 793.24
43.	Mr Mamadi Isau Mailula	R73 447.00
44.	Dr Natalie Skeepers	R35 692.00
45.	Mr Matome Edmund Modipa	R158 595.10
46.	Dr Reginald Sethole Legoabe	R58 449.00
		R3 274 723.34

4. REGULATION OF THE ENGINEERING PROFESSION

4.1 GENERAL

ECSA has a myriad of mandates as embedded in the EPA. These include a multi-faceted investigative legal mandate founded on the following legislative provisions:

- 47. Section 14(g): taking any steps considered necessary for the protection of the public in their dealings with Registered Persons for the maintenance, integrity, and enhancement of the status of the engineering profession;
- 48. Section 14 (j): taking any steps considered necessary, where, as a result of engineering-related undertakings, public health and safety are prejudiced;
- 49. Section 24: managing grievances (appeals) in relation to a decision to refuse to register an applicant;
- 50. Section 28: investigating of alleged improper conduct by Registered Persons;
- 51. Section 29: preferring charge(s) against Registered Persons provided that sufficient grounds exist for this;
- 52. Section 30: appointing a Disciplinary Tribunal to hear a charge or charges of improper conduct;
- 53. Section 31: conducting a disciplinary hearing or hearings;
- 54. Section 33: managing grievances (appeals) in relation to the decisions of the Disciplinary Tribunal;
- 55. Section 35: managing appeals against certain decisions of council; and
- 56. Section 41: imposing a sanction when a Registered Person is found guilty of improper conduct.

The Investigating Committee is one of the eight High Impact Committees of Council established in terms of Section 17 of the EPA. The IC is mandated in terms of Section 28 of the EPA to investigate allegations of improper conduct against Registered Persons and obtain

evidence to determine the existence or lack of prima facie evidence of improper conduct and resolve whether or not to prefer charge(s) against such a Registered Person. The alleged improper conduct is judged in terms of the Code of Conduct for Registered Persons published in Government Gazette number 40691 on 17 March 2017 under Board Notice 41 of 2017 (the “Code of Conduct”) and promulgated in terms of the Engineering Profession Act, (EPA) (Act 46 of 2000, as amended) and/ or in terms of the Overarching Code of Practice for the Performance of Engineering Work published in the Government Gazette number 44333 on 26 March 2021 under Board Notice 20 of 2021 (the “Code of Practice”).

1. The investigation of complaints and any subsequent action against Registered Persons is focused on the enhancement of public safety, maintenance of professional standards and safeguarding the image of the profession. The IC furthermore endeavours to determine trends and initiate preventative steps regarding unprofessional conduct. To this end, it conducts peer-counselling sessions and issues advisory letters and generates practice notes.

4.2 CODE OF CONDUCT

In terms of Section 27(1) of the EPA, council is empowered, in consultation with the CBE, Voluntary Associations, and Registered Persons to draw up a Code of Conduct. The 2020-2025 ECSA Strategy directs council to effectively regulate the profession through the enforcement of compliance with the Codes of Practice and Code of Conduct. To this end, the 2020-2021 Annual Performance Plan requires, inter alia, the revision of the existing Code of Conduct. The deliverable for the Investigating Committee was to conduct a gap analysis of the adequacy of the Code of Conduct and revise it for further tabling at council. The Code of Conduct Gap Analysis was recommended for approval to Council by the IC on 26 October 2021.



4.3 CODE OF PRACTICE

In terms of Section 27(1) of the EPA, Council may further draw up a Code of Practice in consultation with the Council for the Built Environment, Voluntary Associations, and Registered Persons. Council is responsible for administering the Code of Conduct and the Code of Practice. The Code of Practice for the Performance of Engineering Work was developed in consultation with the relevant stakeholders as required by the EPA. The Code of Practice applies to all engineering disciplines and is referred to as an “overarching” Code of Practice.

1. The Code of Practice is read and applied in conjunction with the Code of Conduct for Registered Persons. The Code of Practice is a statement of good practice for the performance of engineering work by Registered or unregistered Persons. It is applicable to the entire engineering profession. Section 27(3) of the EPA requires Registered Persons to adhere to the requirements of the Code of Practice. The purpose of this Code of Practice is to ensure that any person undertaking engineering work meets the prescribed requirements when practising and executing

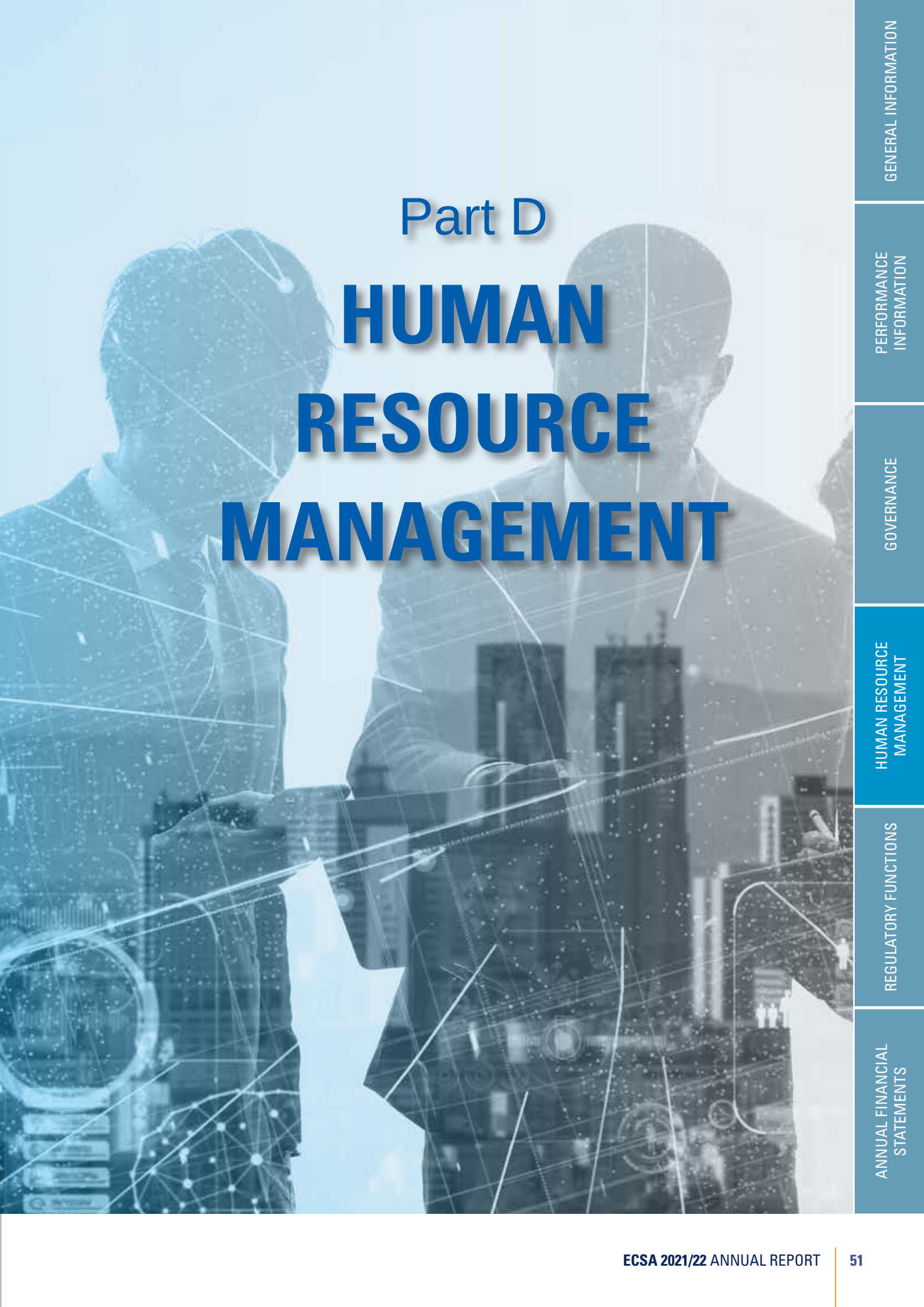
engineering work within the jurisdiction of the EPA. The Code also sets appropriate levels of competence, regulating the execution of engineering work and specifying technical standards and best practices.

4.4 INVESTIGATIONS

A report on investigations over the past financial year is provided in the table below:

INVESTIGATIVE MATTERS	2021-2022
Current cases	27
Current cases carried forward (2019/2022)	6
New cases received	42
Cases closed	14
Appeals held (Section 24)	9
Disciplinary hearings held and finalised	7
Disciplinary hearings partly heard	11
Current and ongoing third-party investigations	12
Overdue cases	6





Part D

HUMAN RESOURCE MANAGEMENT

GENERAL INFORMATION

PERFORMANCE
INFORMATION

GOVERNANCE

HUMAN RESOURCE
MANAGEMENT

REGULATORY FUNCTIONS

ANNUAL FINANCIAL
STATEMENTS

1. HR OVERVIEW

The Human Resource Business Unit (HRBU) is mandated by ECSA to ensure the provision of general human resources administration, knowledge, tools, expertise and talent management policies and behaviours as well as practices that help to attract and retain high calibre employees. This is crucial when it comes to ensuring that the HRBU optimises, advances and sustains the organisation's performance. The primary focus is on people-related decisions, strategies, principles and behaviours applied to manage employees, and this has an impact on individual satisfaction and ultimately organisational performance.

The following key activities have been undertaken by the HRBU in the past financial year on progress towards our HR strategic plans and objectives: remote work enablement; a review of the integrated human resources strategy was undertaken; learning and development funding was supported; and job grades were reviewed, including the undertaking of a salary benchmarking project.

As a partner to the business, the HRBU will continue to collaborate with the management of ECSA and adapt to arising challenges. It will further continue to elevate a people-centred agenda driven in terms of ECSA's vision and mission.

2. REMOTE WORK

The Covid-19 pandemic has had a significant impact on the world of work over the past two (2) years, requiring reactive responses. ECSA has adopted a remote working framework which aims to reduce the probability of employees getting infected with the virus by allowing employees to work from home. As a result of this decision, there has been a noticeable trend of a sustained decrease in Covid-19 infections reported by ECSA employees.

The Covid-19 pandemic has accentuated the need for prioritising the health and wellness of employees. In view of this, ECSA staff continued to enjoy the support of ICAS as centred on providing staff wellness and counselling services.

3. INTEGRATED HUMAN RESOURCES STRATEGY

The HRBU is the custodian of the overall human capital function at ECSA. Its responsibilities are guided by Programme 5 of the Annual Performance Plan, which speaks to developing a competent, efficient and effective delivery and support structure to ensure that ECSA is able

to develop superior HR practices. The HRBU has revised and aligned the Integrated HR Strategy to achieve the 2020-2025 ECSA strategic objectives in terms of the people-related agenda.

4. LEARNING AND DEVELOPMENT FUNDING

The Learning and Development initiative adopted by ECSA is linked to the advancement of employees as well as reforms in performance assessment, mobility and career development. Learning among and development of employees are essential to their growth and, ultimately, organisational effectiveness. Focusing on these will enable ECSA to retain and develop highly skilled employees, exceptional leaders and employees abreast with the knowledge in their respective fields.

The Learning and Development Functional Strategy seeks to support the professional development of all employees to ensure they perform well in their existing roles which, in turn, ensures the sustainability of the organisation. The rapid rise of digitalisation and the pandemic have changed the way in which corporate learning is delivered. Employees are afforded the opportunity to choose from various methods of learning ranging from digital-learning formats and in-person learning for their individual development plans (IDPs) or continuing professional development (CPD) studies.

In the 2021/2022 financial year, dovetailing with training and development policy categories, the following programmes were funded by the organisation towards the development of individual staff members:

- A total of 16 staff members were awarded bursaries across different fields to study at higher learning institutions (*Category 3*: programmes addressing future organisational needs),
- A total of 26 IDPs (*Category 2*: programmes addressing performance improvement), and
- A total of 15 CDPs (*Category 1*: programmes relating to the enhancement of knowledge and skills for an employee's current position).

5. SALARY BENCHMARKING

In order to ensure external and internal equity while meeting the requirement of code of good practice on equal pay for work of equal value, as specified in the Employment Equity Act 55 of 1998 and as based on the HR best standard practice, ECSA reviews its profiles, grades and salary in terms of these at least every three (3) years.

The HRBU has embarked on the project of salary benchmarking in terms of Council's resolution of a meeting held in October 2020.

In addition to these, the project was prompted to revisit an outdated remuneration policy implemented in 2012 and the inconclusive and none implementation of salary benchmarking project that was undertaken by ECSA in 2017.

The project of salary benchmarking was preceded by the process of job profiling and job grading and, as a result, ECSA established its pay line within the range of +/- 20% from the mean of the 50th percentile, effective since 1 April 2021. This will ensure fair and appropriate levels of pay and benefits in recognition for the contribution made by employees to the success of ECSA.

6. POLICY REVIEW AND DEVELOPMENT

Regular reviewing of policies and procedures ensure that ECSA is up to date with regulations, technology and industry best practices. This also ensures that HR policies and procedures are consistent and effective.

Based on the Council's recommendations of the 2020/2021 financial year the following policies and procedures were prioritised, reviewed and approved:

- Grievance Policy and Procedure,
- Disciplinary Policy and Procedure, and
- Recruitment Policy and Procedure.

7. HUMAN RESOURCE OVERSIGHT STATISTICS

Table 1: Personnel Cost by Salary Band

LEVEL	PERSONNEL EXPENDITURE (R'000)	% OF PERSONNEL EXP. OF TOTAL PERSONNEL COST (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Top management	R 2 189 958.42	4.51	1	R2 189 958.42
Senior management	R 4 995 999.88	10.28	4	R1 248 999.97
Professionally qualified	R12 981 681.75	26.72	14	R 927 262.98
Skilled	R10 850 601.54	22.33	22	R 493 209.16
Semi-skilled	R16 689 553.64	34.35	68	R 245 434.61
Unskilled	R 883 851.29	1.82	6	R 147 308.55
TOTAL	R48 591 646.52	100.00	115	R5 252 173.69

Table 2: Performance Rewards

LEVEL	PERFORMANCE REWARDS	PERSONNEL EXPENDITURE	% OF PERFORMANCE REWARDS TO TOTAL PERSONNEL COSTS
Top management	R0.00	R 2 189 958.42	0.00
Senior management	R363 183.20	R 4 995 999.88	5.4
Professionally qualified	R421 780.69	R12 981 681.75	3.25
Skilled	R304 459.68	R10 850 601.54	2.81
Semi-skilled	R527 637.39	R16 689 553.64	3.16
Unskilled	R27 001.00	R 883 851.29	3.05
TOTAL	R1 644 061.96	R48 591 646.52	17.67

Table 3: Training Costs

PROGRAMME/ ACTIVITY/ OBJECTIVE	PERSONNEL EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE AS A % OF PERSONNEL COST	NO. OF EMPLOYEES TRAINED	AVG. TRAINING COST PER EMPLOYEE (R'000)
CaseWare training	R 1 345 417.55	R 23 136.00	1.72	2	R 11 568.00
Report Writing	R 621 022.68	R 4 550.00	0.73	1	R 4 550.00
Policy management, Implementation and analysis in the public sector	R 259 472.26	R 6 450.00	2.49	1	R 6 450.00
Project management	R 384 390.11	R 7 324.70	1.91	1	R 7 324.70
POPI Act	R 1 500 606.94	R 2 150.00	0.14	2	R 1 075.00
Internal audit course	R 389 780.63	R 10 500.00	2.69	1	R 10 500.00
Advanced project management	R 370 269.11	R 12 500.00	3.38	1	R 12 500.00
Power BI - Staff training	R10 300 196.49	R 46 000.00	0.47	10	R 4 600.00
Labour law seminar	R 823 033.69	R 2 990.00	0.36	1	R 2 990.00
Annual tax seminar	R 809 282.77	R 1 495.00	0.17	1	R 1 495.00
SABPP Training: Developing and aligning HR policies	R 3 262 238.77	R 17 192.00	0.53	4	R 3 438.40
SAATCA	R 1 422 696.71	R 7 624.15	0.54	1	R 7 624.15

Table 4: Employment and Vacancies

SALARY BAND	APPOINTED	VACANT	IN PROCESS OF APPOINTING	VACANCIES NOT TO BE APPOINTED
Top management	1	2	2	0
Senior management	3	2	1	0
Professionally qualified	6	0	0	0
Skilled	2	0	0	0
Semi-skilled	14	0	0	0
Unskilled	0	0	0	0
TOTAL	26	4	3	0

Table 5: Reason for Staff Leaving

REASON	TOTAL NUMBER OF STAFF LEAVING
Death	0
Resignation	9
Dismissal	4
Retirement	1
Ill health	0
Expiry of contract	5
Other	0
TOTAL	19

Table 6: Misconduct and Disciplinary Actions

NATURE OF DISCIPLINARY ACTION	NUMBER
Counselling	1
Verbal warning	2
Written warning	1
Final written warning	0
Dismissal	4

Table 7: Employment Equity (Male)

LEVEL	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top management	3	1	0	0	0	0	0	0
Senior management	1	0	1	0	0	0	1	0
Professionally qualified	8	0	0	0	1	0	0	0
Skilled	10	0	0	0	0	0	0	0
Semi-skilled	6	0	0	0	0	0	0	0
Unskilled	2	0	0	0	0	0	0	0
TOTAL	30	1	1	0	1	0	1	0

Table 8: Employment Equity (Female)

LEVEL	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top management	0	0	0	0	0	0	0	1
Senior management	7	1	0	0	0	0	0	0
Professionally qualified	8	0	0	0	1	0	2	0
Skilled	15	0	0	0	0	0	0	0
Semi-skilled	22	0	2	0	0	0	0	0
Unskilled	3	0	0	0	0	0	0	0
TOTAL	55	1	2	0	1	0	2	1

Table 9: Employment Equity (People living with a disability)

LEVEL	STAFF LIVING WITH A DISABILITY			
	MALE		FEMALE	
	CURRENT	TARGET	CURRENT	TARGET
Top management	0	0	0	0
Senior management	0	0	0	0
Professionally qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	0	0	0	0



Part E

REGULATORY FUNCTIONS



Terms
Conditions



Regulations



Guideline



Standard

1. REGISTRATION OVERVIEW

The Engineering Professions Act (EPA), 46 of 2000, is ECSA's current founding legislation which empowers it to register persons applying for registration across all professional and candidate categories of registration stipulated in section 18(1) (a) (b) (c) of the EPA; the requirements to be met by applicants are listed in section 19 of the Act.

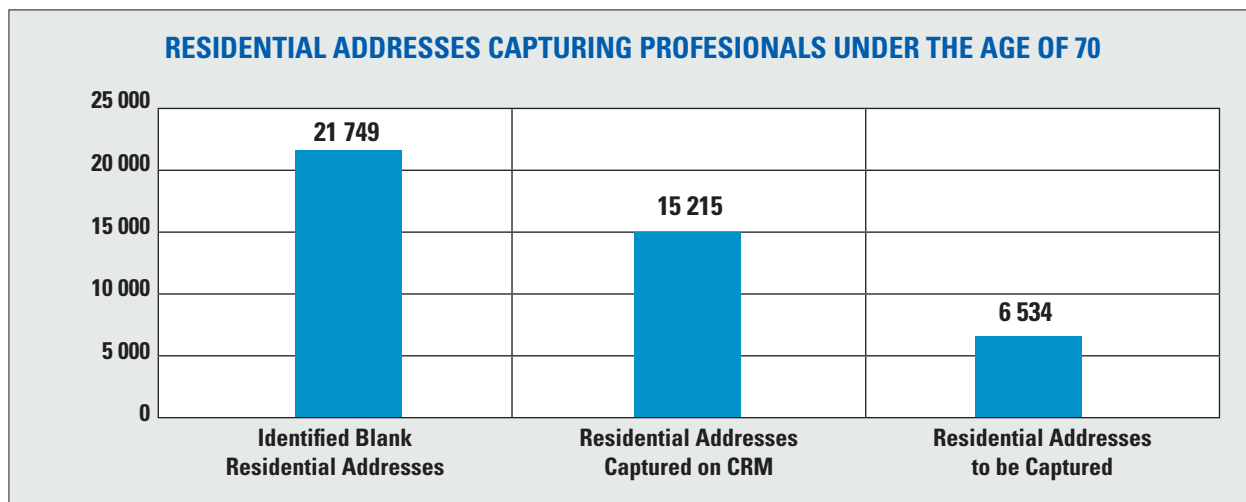
The financial year 2020/2021 could be coined the year of continuity as the Registration Business Unit (RBU) continued to prevail in the "new normal" of working remotely. With the knowledge and expertise learnt through strict Covid-19 restrictions, the department was able to review the gaps in efficiently working remotely which, by the end of the previous year, was rated at 80% in terms of an overall achievement. In the current financial year, further enhancements in the functionalities of the

information, communication and technological systems were implemented and these enabled administration to upload electronically submitted applications directly into the Papertrail System. This further contributed to the efficiency of the registration model offering and improvements in customer satisfaction, given reduced turnaround times of acknowledgement of the applications and the start of the registration process.

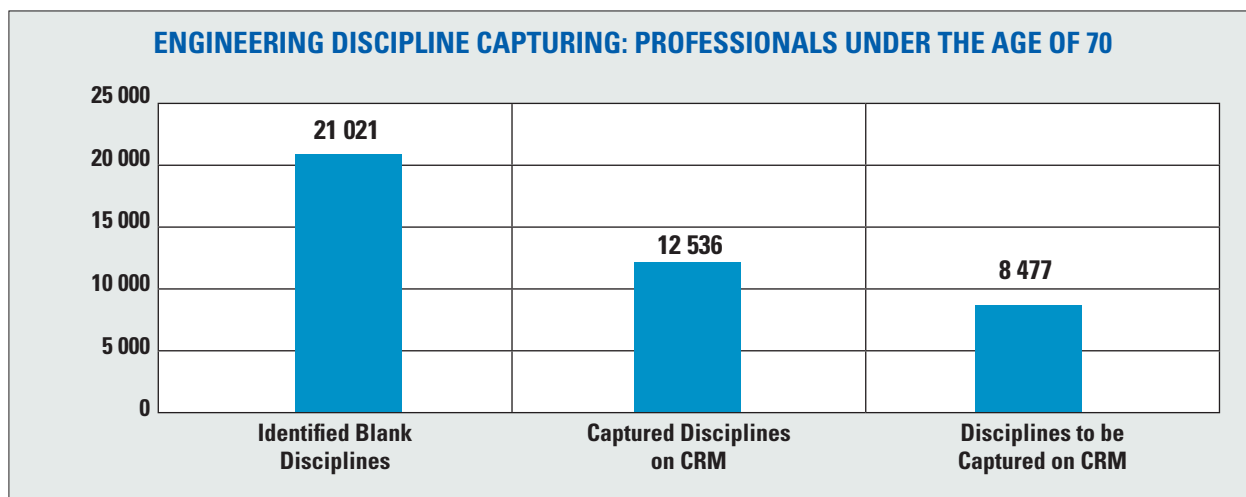
1.1 DATA CLEANSING PROJECT

The data cleansing project that commenced in 2019 continued to improve accurate billing and annual fees collection. Phase 2 of the project plan was implemented successfully: it focused on cleaning the data of all professionally Registered Persons under the age of 70 in the various fields, as shown in the following graphs.

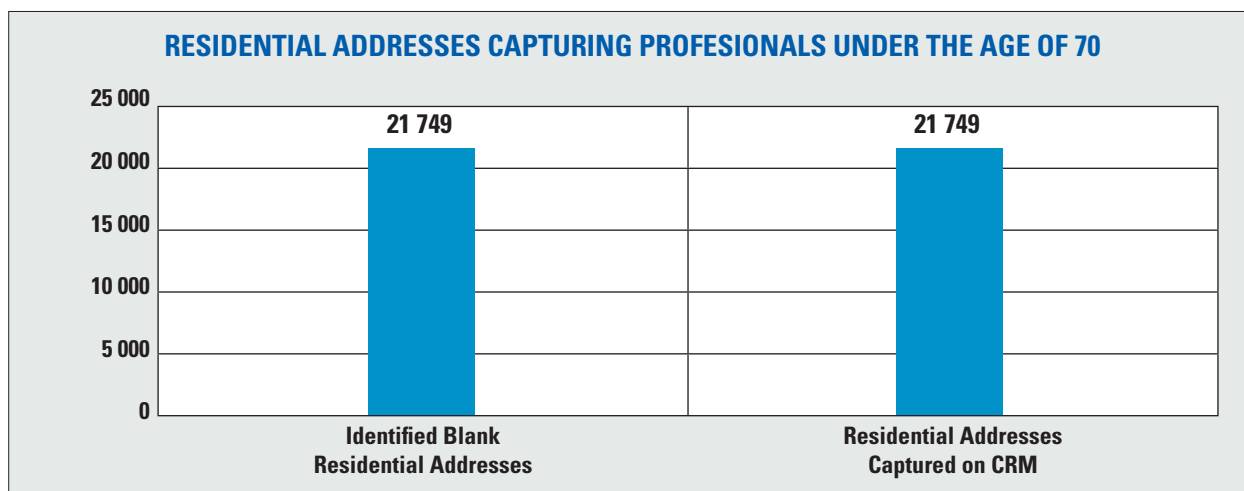
Graph 1: Data Cleansing Progress Statistics



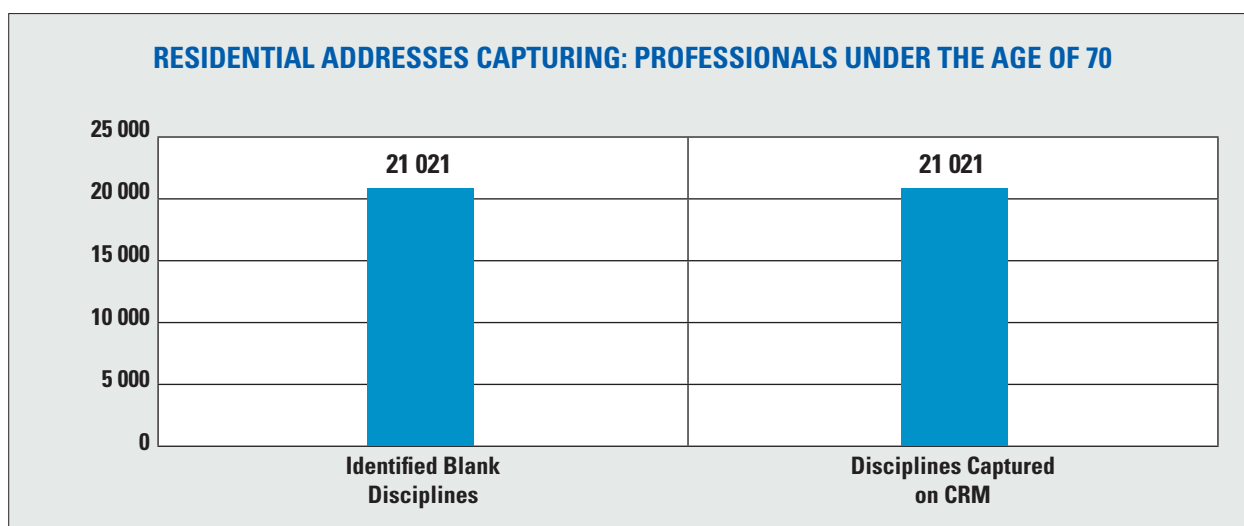
Graph 2: Data Cleansing Progress Statistics



Graph 3: Data Cleansing Progress Statistics



Graph 4: Data Cleansing Progress Statistics



The next steps of the Data Cleansing Project are shown in the table below:

PROJECT ACTIVITY	START DATE	COMPLETION DATE
Capturing of blank information (working address) on CRM against the actual applications for professional engineers under the age of 70.	01 April 2022	30 June 2022
Capturing of blank information (residential and work addresses, gender and disciplines) on CRM against the actual applications for all candidate engineers.	01 July 2022	30 July 2022
Capturing of blank information (residential and work addresses, gender and disciplines) on CRM against the actual applications for professional engineers over the age of 70.	01 August 2022	30 September 2022
Capturing of all blanks for cancelled Registered Persons database over the past five (5) years.	03 October 2022	31 January 2023
Verification of Registered Persons' information on CRM against the actual application information on Papertrail.	01 February 2023	31 March 2023

1.2 INTERNATIONAL REGISTRATION

In the previous financial year council approved for Professional Engineers, Professional Engineering Technologists and Professional Engineering Technicians to apply on the International Register at no cost. Professionally Registered Persons who were eligible to apply took advantage of this offer and applied for their international registration which allows them mobility across all the signatories of WA, SA and DA as well as three competency agreements each with the International Professional Engineering Agreement (IPEA), International Engineering Technologists Agreement (IETA) and Agreement for International Engineering Technicians (AIET). The increase of the international registers enabled ECSA to comply with the IPEA review requirements, and the assessment took place during this reporting period, while the forthcoming IETA review is scheduled for 2024.

2. REGISTRATION TRENDS

In the 2020-2021 financial year, ECSA recorded **56 509** Registered Persons; in 2021-2022 a total of **3 343** new registrations were added on the register, bringing the total of the register to **59 852**, excluding cancellations due to non-compliance and defaulting on annual fees.

The main purpose for this registration trends analysis and overview is to project the registration statistics per race and gender during the current reporting period and to show the existing trend of registration per race, gender and category of registration within a period of five (5) years.

These statistics are attached herewith as per the following tables below:



3. REGISTRATION STATISTICS

Table 1: Professional Category Registration Statistics

PROFESSIONAL ENGINEER						
		TOTAL REGISTRATIONS	NEW REGISTRATIONS	CANDIDATE TRANSFERS	CANCELLATIONS	DE-REGISTRATIONS
TOTALS		20 298	87	0	7 435	0
African	Male	2 027	25		480	
	Female	325	5		50	
White	Male	15 825	44		6 466	
	Female	676	5		320	
Indian/ Asian	Male	989	5		48	
	Female	206	2		15	
Coloured	Male	225	1		49	
	Female	26	0		7	

PROFESSIONAL ENGINEERING TECHNOLOGIST						
		TOTAL REGISTRATIONS	NEW REGISTRATIONS	CANDIDATE TRANSFERS	CANCELLATIONS	DE-REGISTRATIONS
TOTALS		6 457	42	0	1 572	0
African	Male	1 851	20		301	
	Female	364	4		65	
White	Male	3 372	8		1 135	
	Female	83	2		17	
Indian/ Asian	Male	465	7		19	
	Female	50	0		0	
Coloured	Male	239	1		33	
	Female	32	0		2	

PROFESSIONAL CERTIFICATED ENGINEER						
		TOTAL REGISTRATIONS	NEW REGISTRATIONS	CANDIDATE TRANSFERS	CANCELLATIONS	DE-REGISTRATIONS
TOTALS		977	4	0	631	0
African	Male	89	2		35	
	Female	2	0		2	
White	Male	845	2		583	
	Female	3	0		5	
Indian/ Asian	Male	29	0		0	
	Female	0	0		1	
Coloured	Male	9	0		5	
	Female	0	0		0	

PROFESSIONAL ENGINEERING TECHNICIAN						
		TOTAL REGISTRATIONS	NEW REGISTRATIONS	CANDIDATE TRANSFERS	CANCELLATIONS	DE-REGISTRATIONS
TOTALS		3 919	17	0	1 748	0
African	Male	1 933	11		900	
	Female	713	1		241	
White	Male	860	3		501	
	Female	32	0		16	
Indian/ Asian	Male	178	0		8	
	Female	16	0		3	
Coloured	Male	157	1		72	
	Female	30	1		7	

Figure 1: Professional Category Registration Statistics by Category and Race

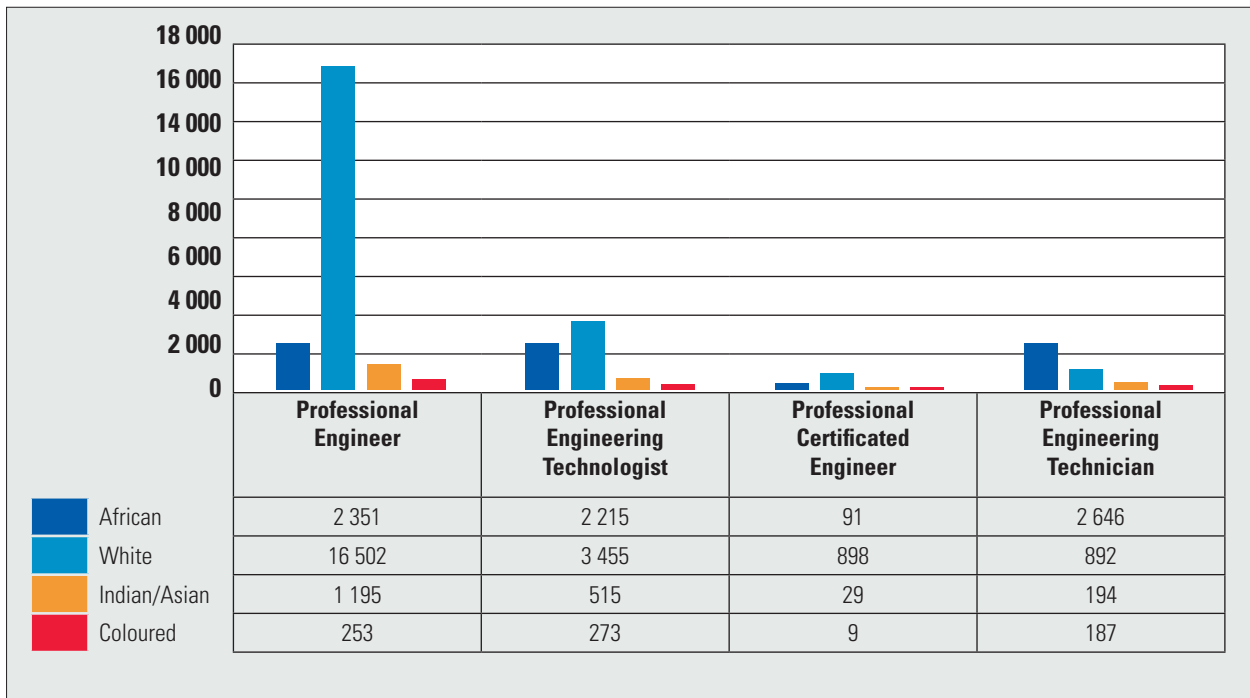


Table 2: Professional Category Registration Statistics by Gender and Category

CATEGORY	MALE	FEMALE	TOTAL
Professional Engineer	19 065	1 231	20 296
Professional Engineering Technologist	5 926	5 928	11 854
Professional Certificated Engineer	971	4	975
Professional Engineering Technician	3 127	790	3 917

Figure 2: Professional Category Registration Statistics by Gender and Category

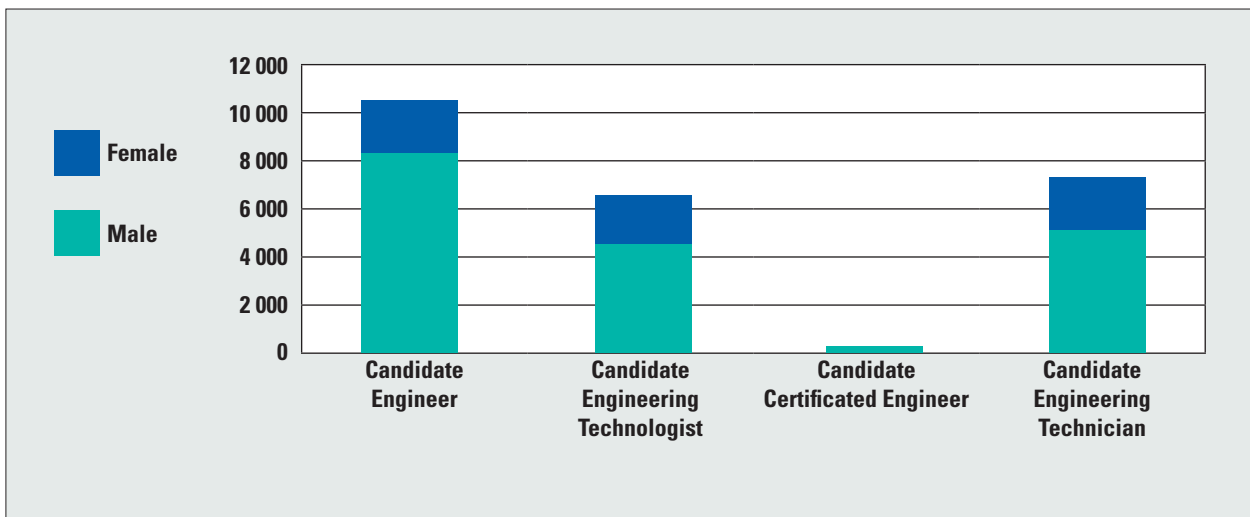


Table 3: Candidate Category Registration Statistics

		CANDIDATE ENGINEER			
		TOTAL REGISTRATIONS	3 YEARS AND LESS	4 - 5 YEARS	OVER 6 YEARS
TOTALS		10 600	3 331	1 924	4 984
African	Male	3 472	1 394	651	1 421
	Female	1 221	503	233	485
White	Male	3 332	690	545	1 759
	Female	728	164	140	412
Indian/Asian	Male	1 047	309	188	545
	Female	444	131	95	219
Coloured	Male	270	113	53	103
	Female	86	27	19	40

		CANDIDATE ENGINEERING TECHNOLOGIST			
		TOTAL REGISTRATIONS	3 YEARS AND LESS	4 - 5 YEARS	OVER 6 YEARS
TOTALS		6 340	2 550	1 226	2 557
African	Male	3 368	1 434	651	1 283
	Female	1 356	654	245	457
White	Male	749	176	150	416
	Female	64	17	8	39
Indian/Asian	Male	432	140	89	203
	Female	108	39	19	50
Coloured	Male	196	67	48	81
	Female	67	23	16	28

		CANDIDATE CERTIFICATED ENGINEER			
		TOTAL REGISTRATIONS	3 YEARS AND LESS	4 - 5 YEARS	OVER 6 YEARS
TOTALS		296	80	57	155
African	Male	156	53	31	72
	Female	13	3	6	4
White	Male	86	14	16	52
	Female	2	2	0	0
Indian/Asian	Male	24	3	2	19
	Female	0	0	0	0
Coloured	Male	15	5	2	8
	Female	0	0	0	0

		CANDIDATE ENGINEERING TECHNICIAN			
		TOTAL REGISTRATIONS	3 YEARS AND LESS	4 - 5 YEARS	OVER 6 YEARS
TOTALS		7 318	2 628	1 184	3 493
African	Male	4 022	1 567	658	1 795
	Female	2 007	772	340	895
White	Male	567	94	65	398
	Female	44	3	7	35
Indian/Asian	Male	341	83	51	205
	Female	83	15	20	48
Coloured	Male	191	74	31	85
	Female	64	20	12	32

Figure 3: Candidate Category Registration Statistics by Category and Race

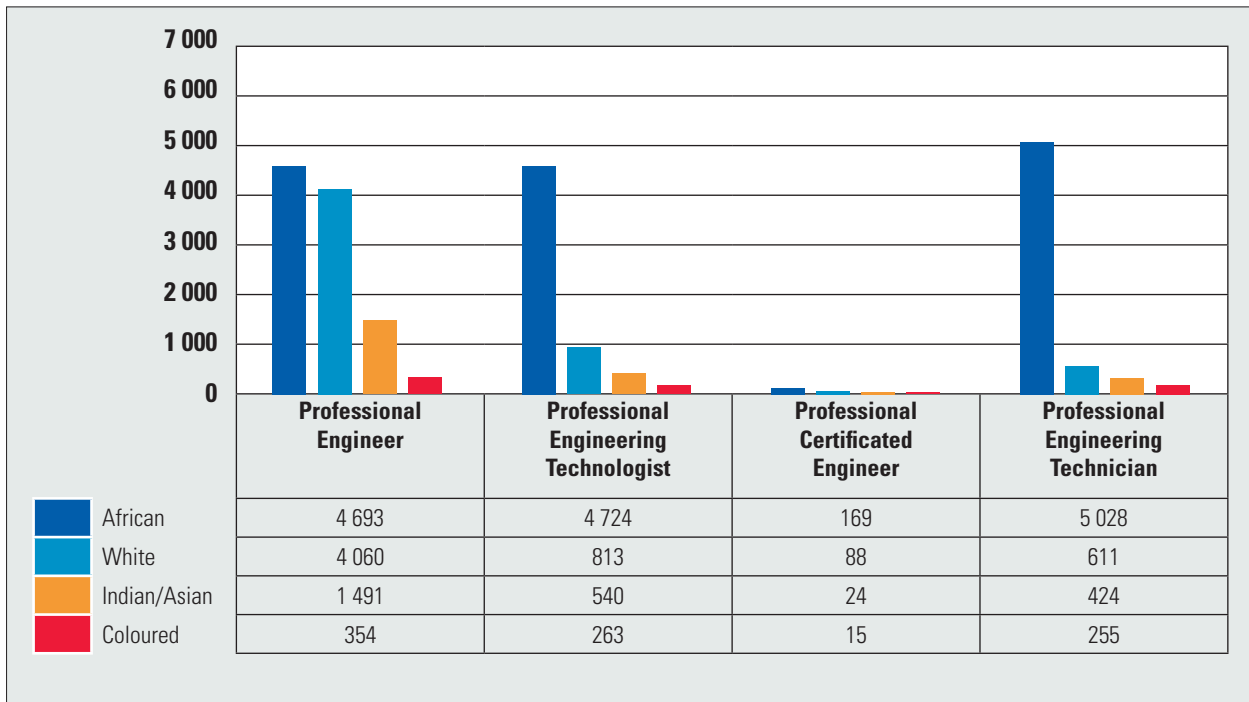


Table 4: Candidate Category Registration Statistics by Gender and Category

CATEGORY	MALE	FEMALE	TOTAL
Candidate Engineer	8 120	2 478	10 598
Candidate Engineering Technologist	4 744	1 594	6 338
Candidate Certificated Engineer	280	14	294
Candidate Engineering Technician	5 119	2 197	7 316

Figure 4: Candidate Category Registration Statistics by Gender and Category

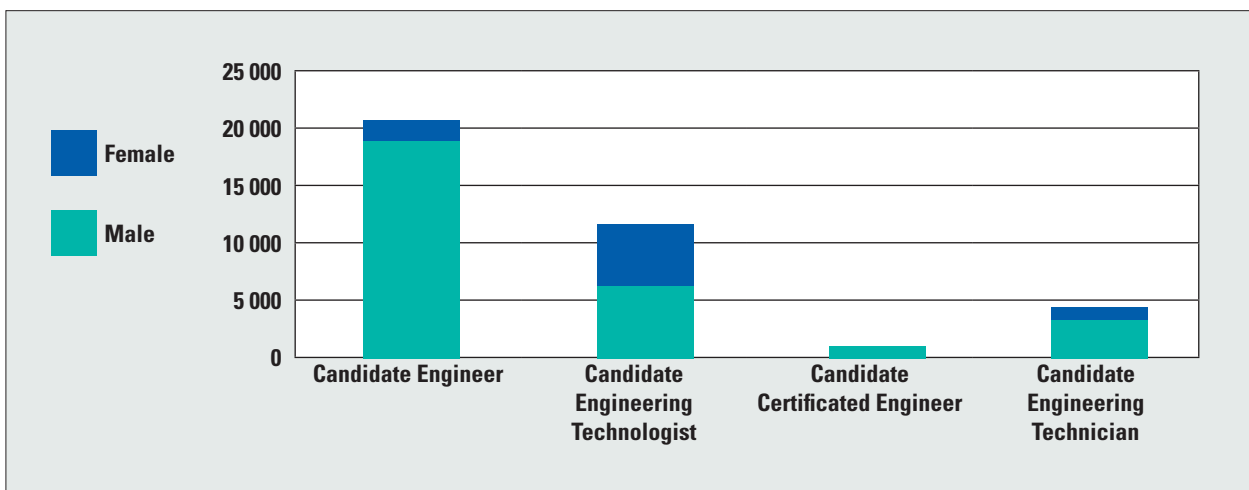


Table 5: Specified Category Registration Statistics

		TOTAL REGISTRATIONS	REGISTERED LIFTING MACHINERY INSPECTORS	REGISTERED MEDICAL EQUIPMENT MAINTAINERS	REGISTERED FIRE PROTECTION SYSTEM PRACTITIONERS	REGISTERED LIFT INSPECTORS
TOTAL		203	148	1	10	44
African	Male	48	45	1	1	1
	Female	4	4	0	0	0
White	Male	131	86	0	8	37
	Female	2	2	0	0	0
Indian/ Asian	Male	10	8	0	0	2
	Female	0	0	0	0	0
Coloured	Male	8	3	0	1	4
	Female	0	0	0	0	0

Table 6: Specified Category Registration Statistics by Category

CATEGORY	MALE	FEMALE	TOTAL
Registered Lifting Machinery Inspectors	45	4	49
Registered Medical Equipment Maintainers	1	0	1
Registered Fire Protection System Practitioners	1	0	1
Registered Lift Inspectors	1	0	1

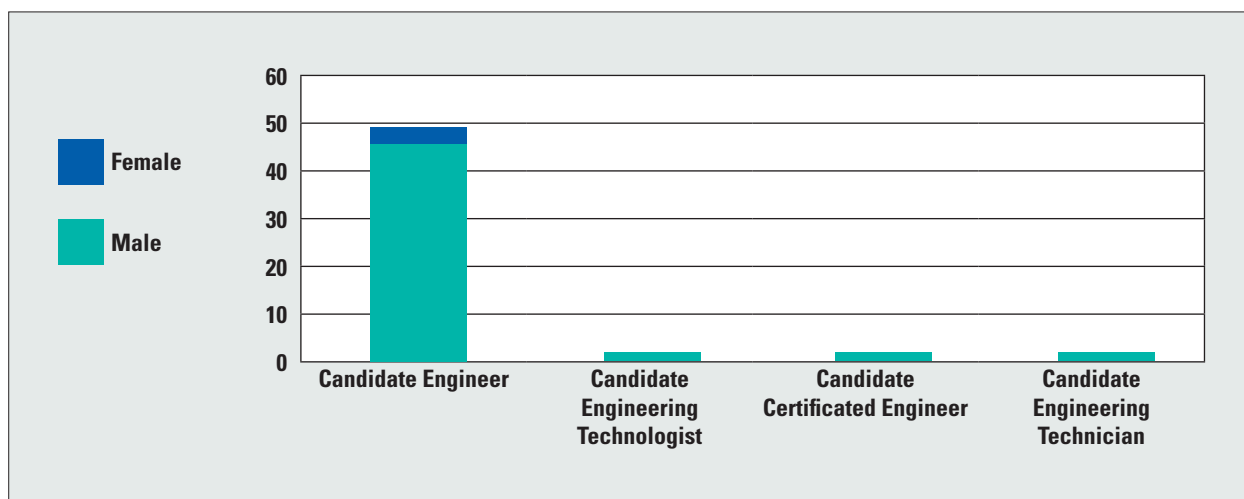
Figure 5: Specified Category Registration Statistics by Gender and Category

Table 7: New Registration Statistics from 2015 to 2021 (per Calendar Year)

	2016	2017	2018	2019	2020	2021
PROFESSIONAL CATEGORY						
Professional Engineer	932	521	549	522	299	380
Professional Engineering Technologist	346	320	330	359	264	223
Professional Certificated Engineer	23	20	20	18	6	22
Professional Engineering Technician	366	360	186	235	194	174
CANDIDATE CATEGORY						
Candidate Engineer	1 532	1 754	1 433	1 108	769	1 006
Candidate Engineering Technologist	882	1 050	1 044	830	664	785
Candidate Certificated Engineer	30	50	55	29	17	18
Candidate Engineering Technician	1 349	1 460	1 255	1 012	660	711
SPECIFIED CATEGORY						
Registered Lifting Machinery Inspectors	69	28	60	38	27	8
Registered Medical Equipment Maintainers	7	5	0	0	1	1
Registered Fire Protection System Inspectors	0	1	2	2	1	2
Registered Lift Inspectors	0	0	1	1	3	5
INTERNATIONAL CATEGORY						
IPEA	4	4	1	1	3	8
IETA	0	0	0	0	0	0
GRAND TOTAL	5 540	5 573	4 936	4 155	2 905	3 343

Figure 6: Professional New Registration Statistics Trends 2015 to 2021 (per calendar year)

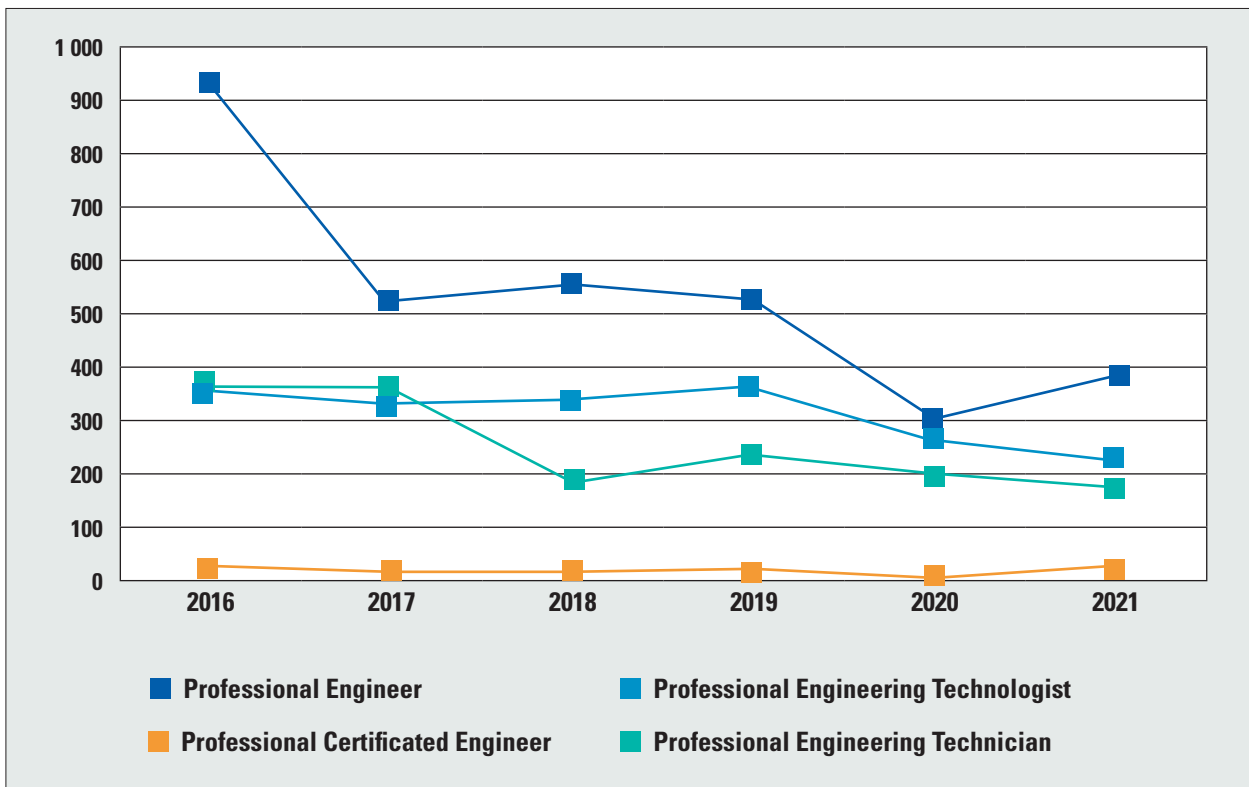


Figure 7: Candidate New Registration Statistics Trends 2015 to 2021 (per Calendar Year)

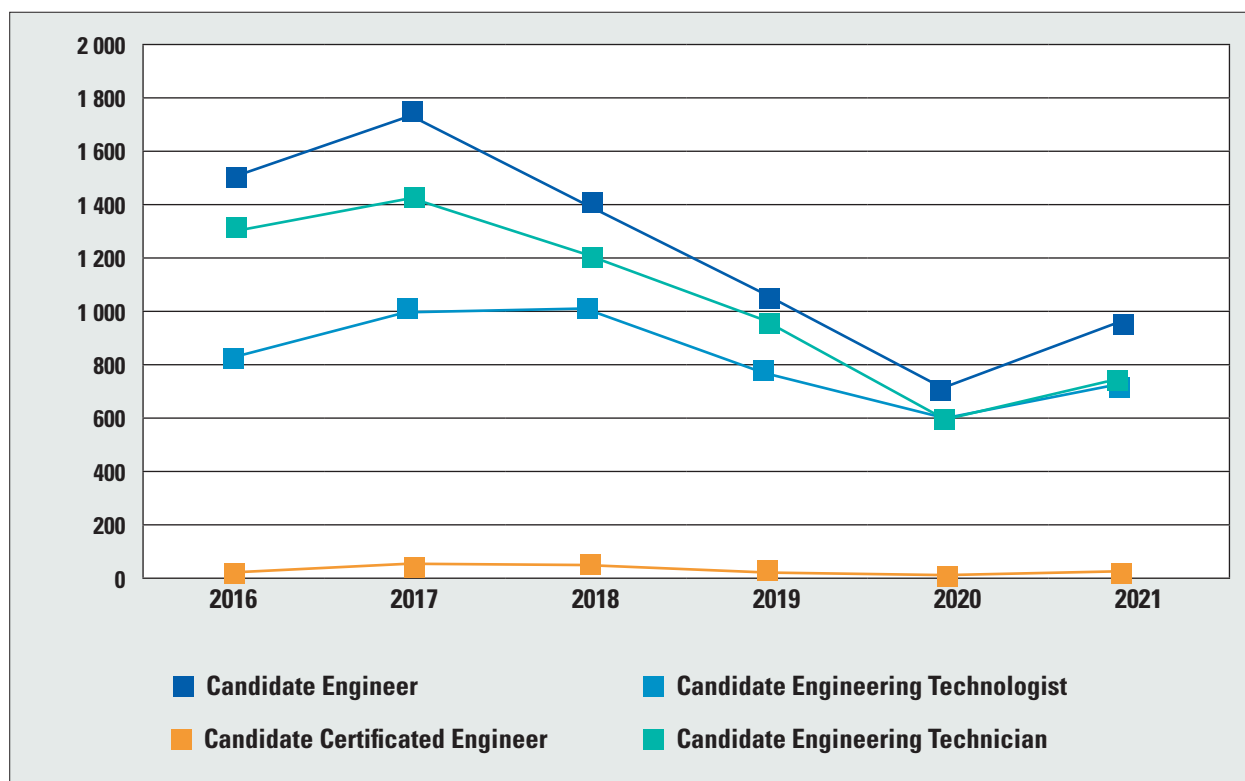


Figure 8: Specified Category New Registration Statistics Trends 2015 to 2021 (per Calendar Year)

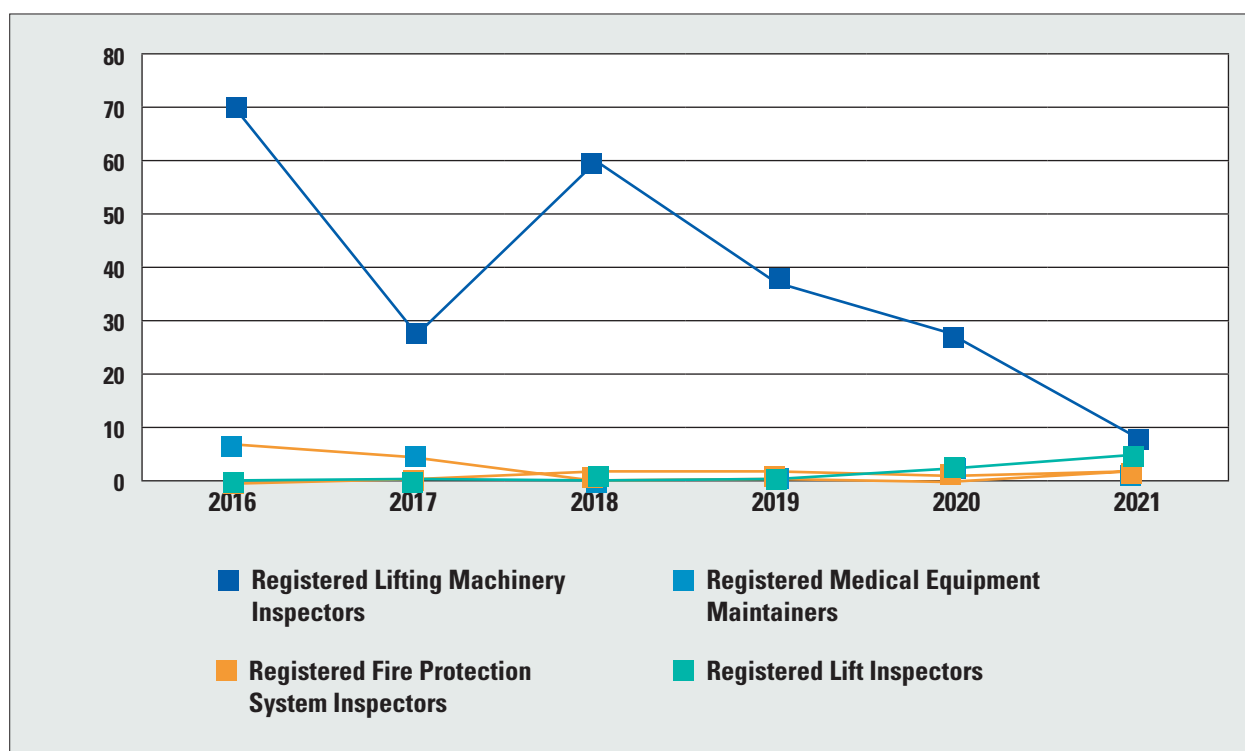


Figure 9: Professional Category Age Analysis

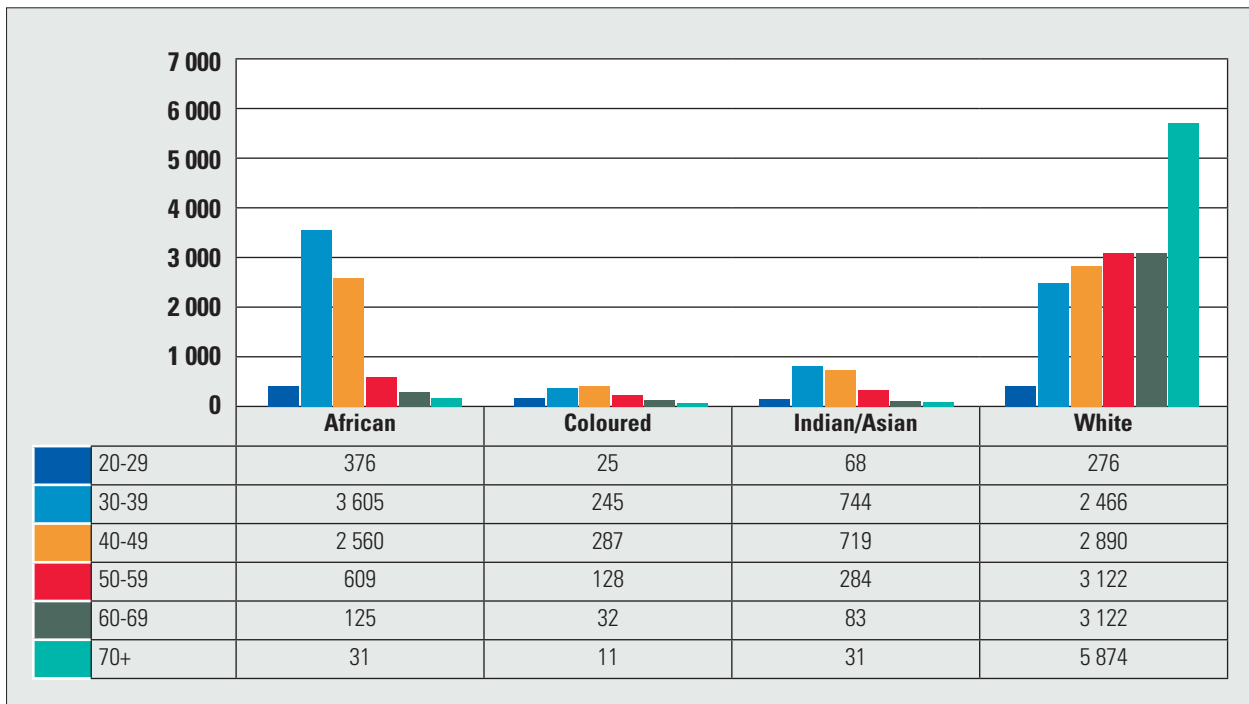


Figure 10: Candidate Category Age Analysis

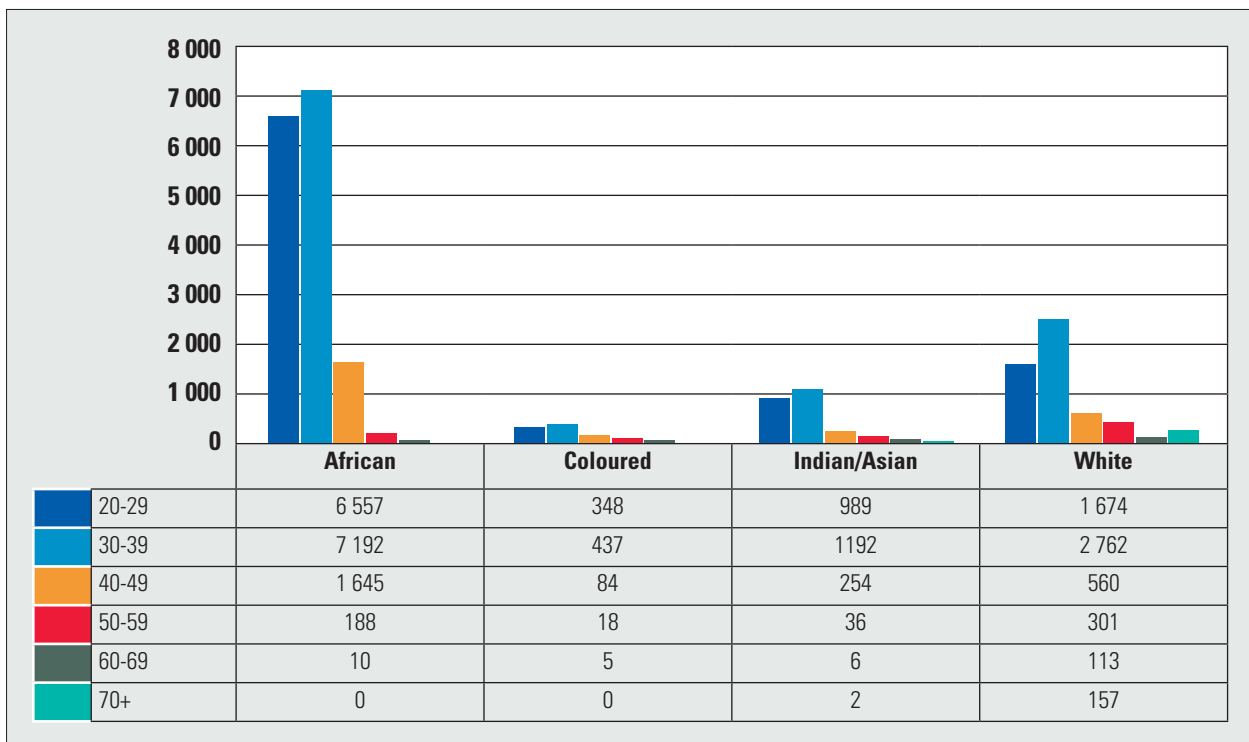
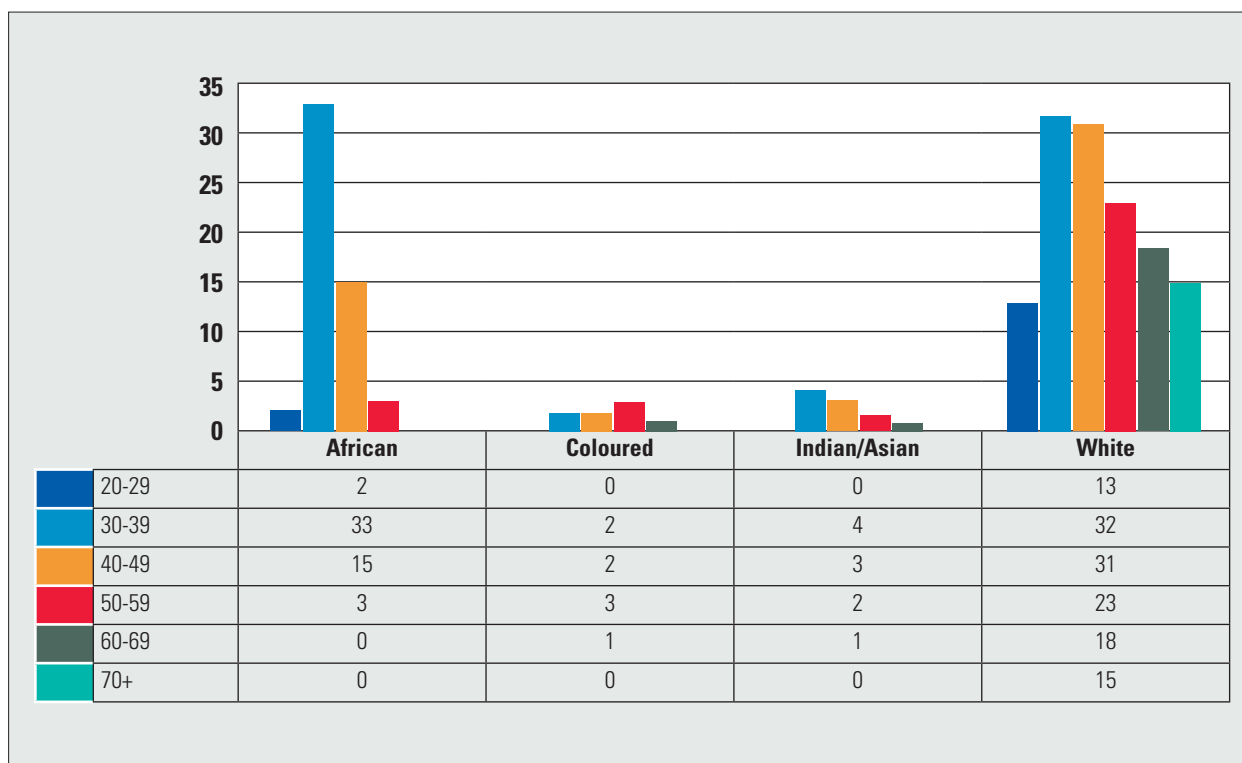


Figure 11: Specified Category Category Age Analysis



4. EDUCATION AND QUALITY ASSURANCE OVERVIEW

The Engineering Council of South Africa is mandated to accredit engineering programmes at Higher Education Institutions, evaluate non-accredited engineering educational qualifications, identify the engineering scope of work, register persons in the prescribed categories of registration, regulate the professional conduct of Registered Persons and implement a system of continuous professional development.

The education and quality assurance mandate of ECSA (accreditation and education evaluation) is derived from Sections 5 and 6 of the Higher Education Act (Act No. 101 of 1997). Section 13 of the Engineering Profession Act

further requires that ECSA collaborate with the Council for Higher Education (CHE), other quality assurance bodies, the South African Qualifications Authority (SAQA) as well as other voluntary non-statutory engineering professional bodies to effectively execute its mandate.

ECSA is committed to upholding the highest education standards through the accreditation of engineering programmes aligned with the Higher Education Qualifications Sub-Framework (HEQSF); the evaluation of non-accredited education qualifications; processing of applications for endorsement of new HEQSF-aligned qualification programmes in terms of CHE requirements; the certification of workplace engineering training academies as well as the accreditation of workplace engineering academy training programmes.

4.1. ACCREDITATION OF ENGINEERING EDUCATION PROGRAMMES

Accreditation is the process of evaluation and recognition by ECSA of education programmes offered by higher education providers relating to the engineering profession through a quality assurance process in line with ECSA's policies, standards and approved procedures. ECSA uses a peer review mechanism in which teams of trained assessors undertake the accreditation process and make a recommendation to the Education Committee, which is mandated to make a final decision on accreditation.

Both private and public engineering education providers can request ECSA to accredit the programmes using the renowned and internationally aligned ECSA policies, standards and procedures as envisaged in the existing legislative framework.

4.2. EVALUATION OF ENGINEERING EDUCATIONAL QUALIFICATIONS

Individuals seeking registration to practice as engineers but in possession of non-accredited qualifications (local or international engineering qualifications) or none recognised by ECSA through the International Engineering Alliance-IEA accords, (including the Washington Accord, Dublin Accord and Sydney Accord) may request ECSA to evaluate such qualifications to determine their substantial equivalence so as to be eligible for registration in various categories with ECSA.

ECSA uses a peer review mechanism in which teams of trained evaluators undertake to determine the substantial equivalence of the educational qualification in terms of ECSA's rigorous education evaluation policy and processes that are aligned to international standards for making a recommendation to ECSA.

4.3. ENDORSEMENT OF ENGINEERING PROGRAMMES

Before accrediting engineering programmes in the HEQSF, CHE requires that education providers offering qualifications that lead to professional registration approach ECSA for endorsement prior to CHE granting initial accreditation.

ECSA's endorsement of an engineering programme is a high-level assessment used to determine if the programme has potential, in the fullness of time, to be successfully accredited by ECSA after fulfilling CHE and SAQA requirements. ECSA's endorsement is therefore confirmation to CHE by ECSA that a programme has the necessary elements to be considered an engineering programme. Endorsement is therefore not accreditation of an engineering programme by ECSA.

4.4. CERTIFICATION OF ENGINEERING TRAINING ACADEMIES AND ACCREDITATION OF ACADEMIES ENGINEERING TRAINING PROGRAMMES

Following a national consultative process undertaken by ECSA to identify and address gaps that exist around training, development and mentoring programmes that provide support and exposure to candidate engineers, technologists, and technicians, ECSA has developed a Training Academies Development Framework, including a suite of policies, standards and procedures for implementation. The policies, standards and procedures cover the certification of workplace engineering training academies, accreditation of training programmes as well as the monitoring of the implementation of training programmes.

The Training Academies Development Concept is being implemented to structure and monitor the development of its registered candidates with the intention of reducing the number of practitioners that are lost in the engineering skills pipeline between graduation and professional registration.

5. EDUCATION STATISTICS FOR THE PERIOD APRIL 2021 – MARCH 2022

5.1. ACCREDITATION STATISTICS

To mitigate risks associated with the Covid-19 pandemic and the subsequent introduction of government regulations, 129 accreditations were conducted through online and hybrid modes during the period under review.

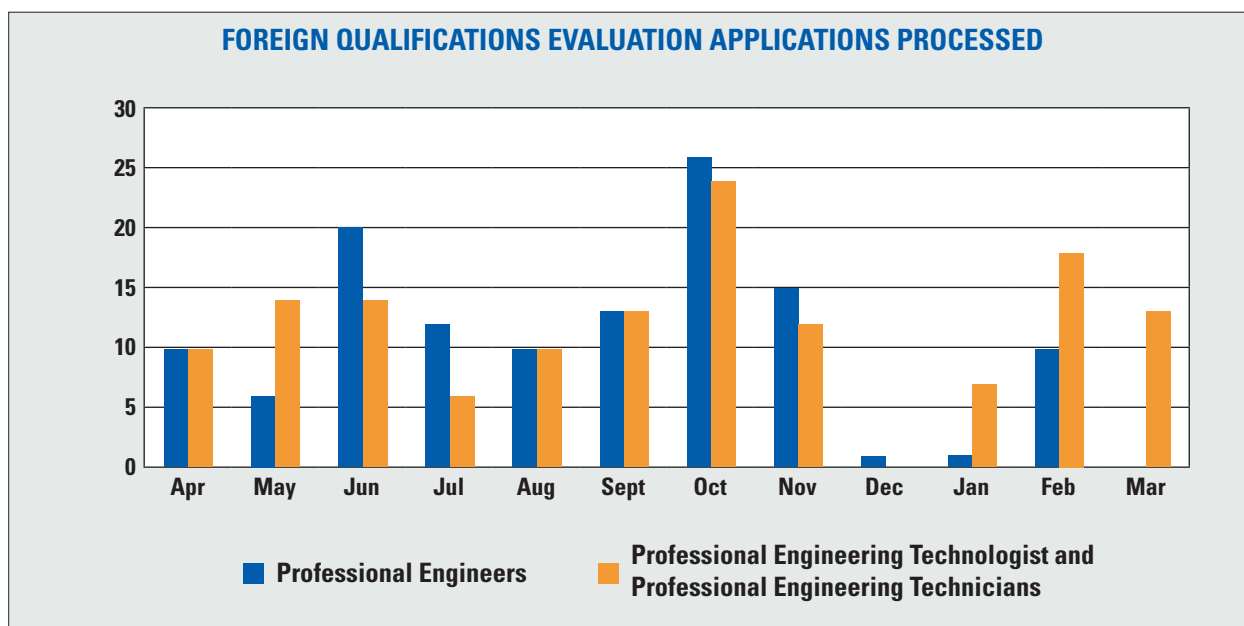
5.2 EVALUATION OF EDUCATIONAL QUALIFICATION STATISTICS

5.2.1 FOREIGN QUALIFICATION APPLICATIONS PROCESSED

Table 1: Foreign Qualification Evaluation Applications Processed

FOREIGN QUALIFICATION EVALUATION APPLICATIONS PROCESSED													
CATEGORIES	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	TOTAL
Professional Engineers	10	6	20	12	18	13	26	15	1	1	10	0	132
Professional Engineering Technologist/ Technologist	10	14	14	6	10	13	24	12	0	7	18	13	141
	20	20	34	18	28	26	50	27	1	8	28	13	273

Figure 1: Foreign Qualifications Evaluation Applications Processed

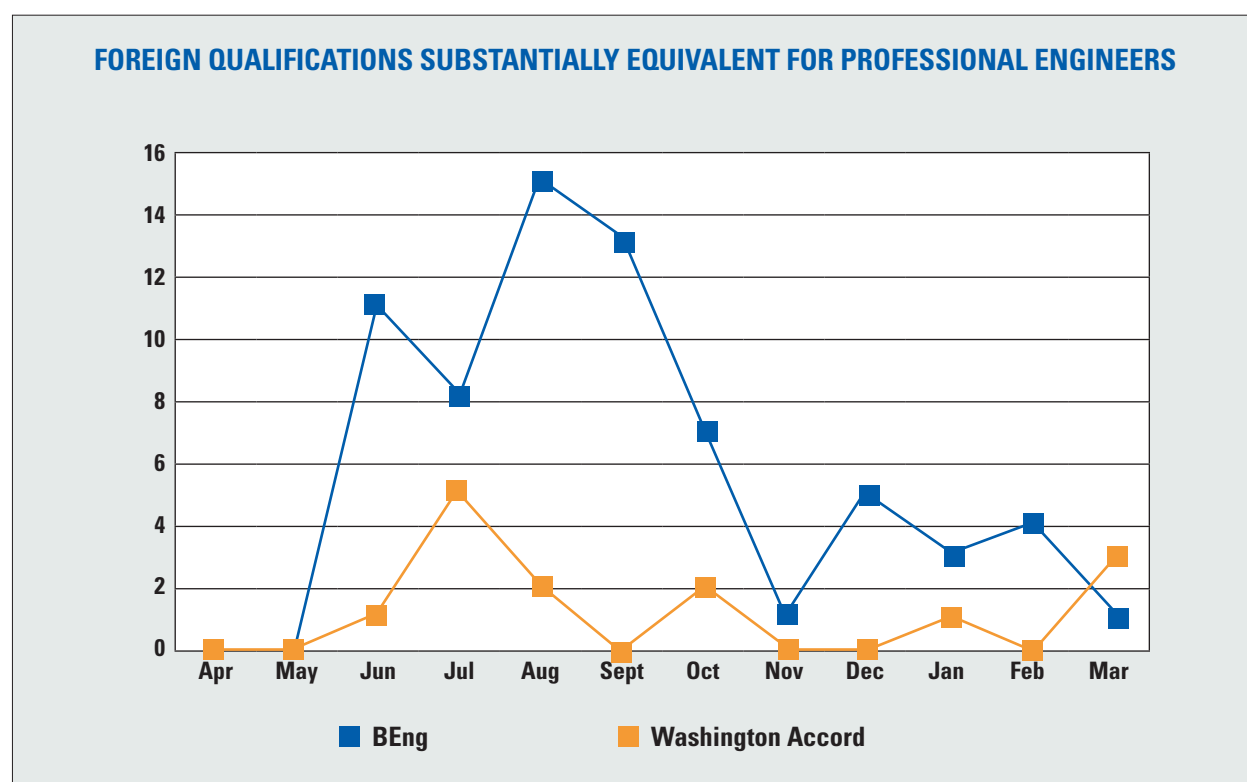


5.3 FOREIGN QUALIFICATION SUBSTANTIALLY EQUIVALENT FOR PROFESSIONAL ENGINEERS

Table 2: Foreign Qualification Substantially Equivalent for Professional Engineers

FOREIGN QUALIFICATIONS SUBSTANTIALLY EQUIVALENT FOR PROFESSIONAL ENGINEERS													
CATEGORIES	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	TOTAL
BENG	10	6	5	5	3	4	7	3	0	1	10	0	54
Washington Accord	0	0	0	0	0	1	1	0	0	1	0	0	3
ECSA Recognised	0	0	0	0	0	0	0	0	0	0	0	0	0
	10	6	5	13	3	5	8	3	0	2	10	0	57

Figure 2: Foreign Qualifications Substantially Equivalent for Professional Engineers

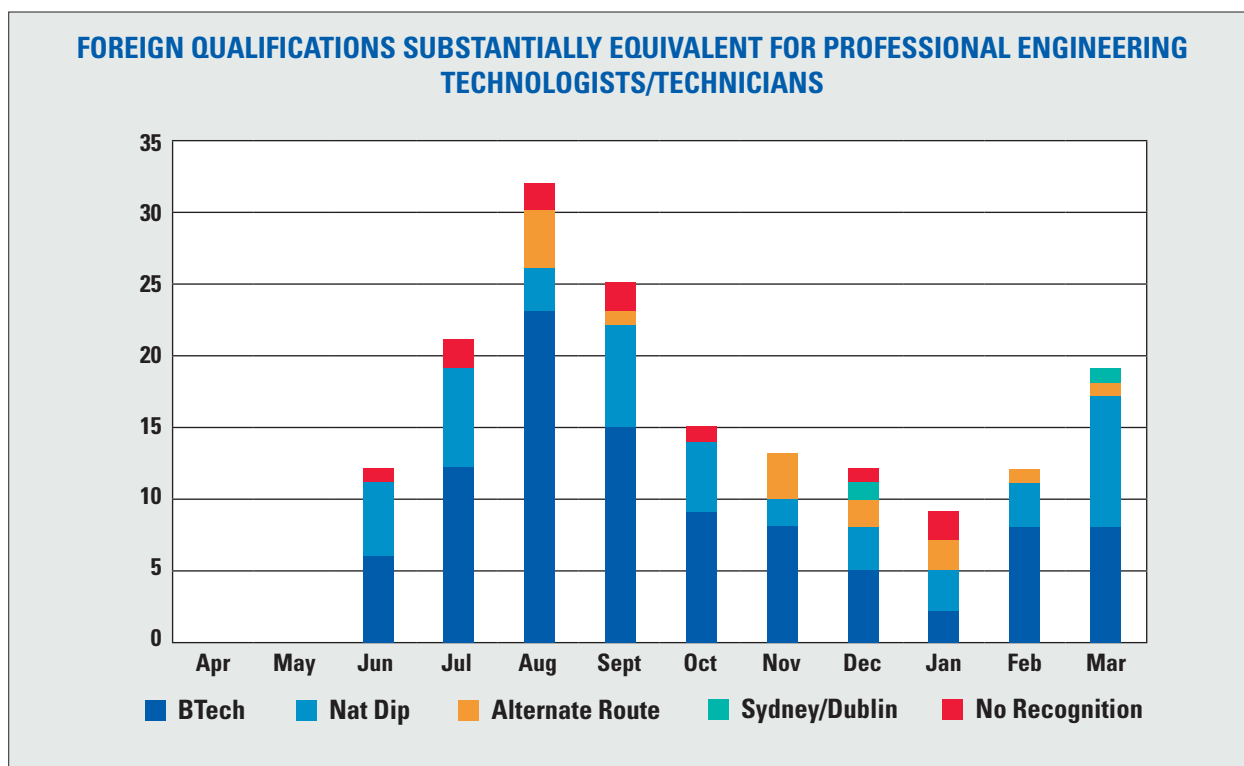


5.4 FOREIGN QUALIFICATIONS SUBSTANTIALLY EQUIVALENT FOR PROFESSIONAL ENGINEERING TECHNOLOGISTS AND PROFESSIONAL ENGINEERING TECHNICIANS

Table 3: Foreign Qualifications Substantially Equivalent for Professional Engineering Technologists and Professional Engineering Technicians

FOREIGN QUALIFICATIONS SUBSTANTIALLY EQUIVALENT FOR TECHNOLOGISTS/TECHNICIANS													
CATEGORIES	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	TOTAL
BTech	7	9	8	5	6	6	10	9	0	2	8	6	76
Nat. Dip	3	5	6	1	4	7	14	3	0	5	10	7	65
Alternate Route	0	3	0	0	0	3	3	0	0	2	1	1	13
Sydney/Dublin	0	0	0	0	0	0	0	0	0	0	0	0	0
No recognition	1	0	0	0	1	0	0	0	0	0	0	0	2
	11	17	14	6	11	16	27	12	0	9	19	14	156

Figure 3: Foreign Qualifications Substantially Equivalent or Professional Engineering Technologists/Technicians

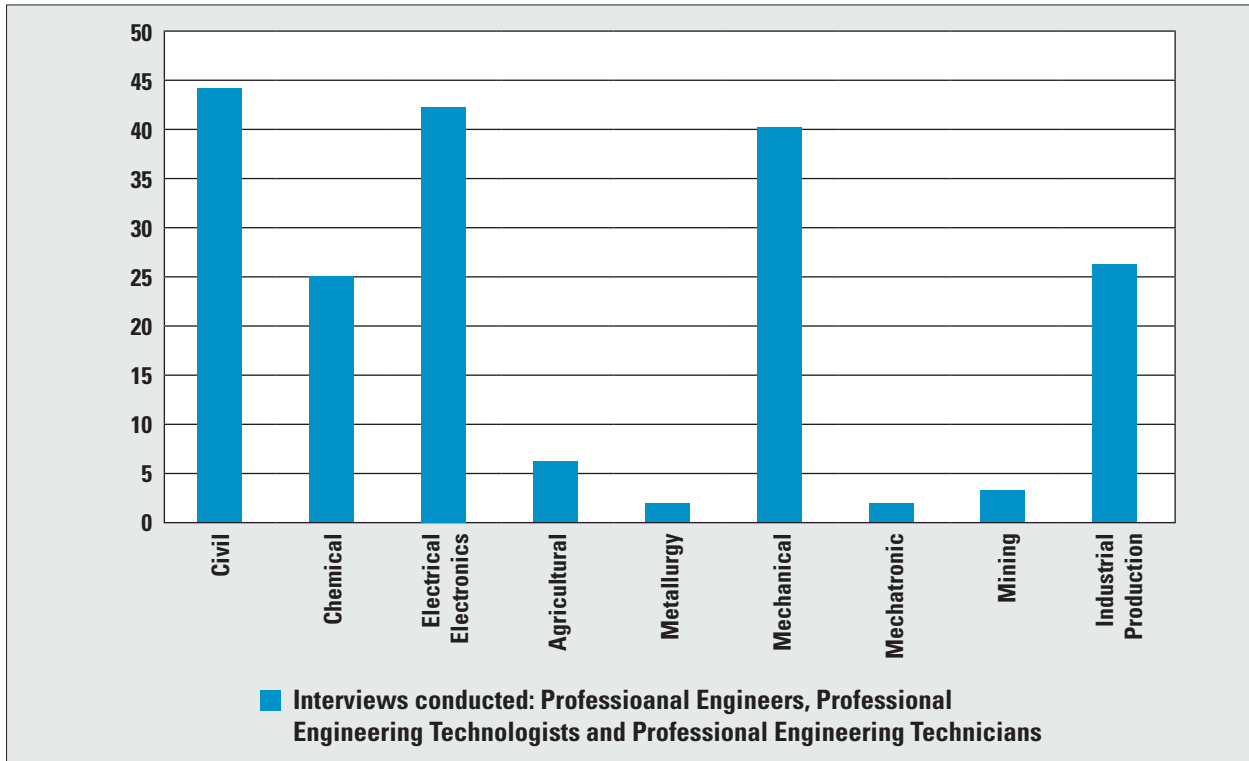


5.5 NUMBER OF INTERVIEWS CONDUCTED: PROFESSIONAL ENGINEERS, PROFESSIONAL ENGINEERING TECHNOLOGISTS AND PROFESSIONAL ENGINEERING TECHNICIANS

Table 4: Interviews Conducted: Professional Engineers, Professional Engineering Technologists and Professional Engineering Technicians

INTERVIEWS CONDUCTED: ENGINEERS AND TECHNOLOGISTS/TECHNICIANS													
CATEGORIES	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	TOTAL
Civil	5	2	4	3	3	6	2	0	0	2	14	6	44
Chemical	5	2	2	1	1	5	1	0	0	1	1	6	25
Electrical/Electronics	0	1	6	4	5	1	6	6	1	5	5	2	42
Agricultural	1	0	3	0	0	2	0	0	0	0	0	0	6
Metallurgy	0	0	0	0	0	1	1	0	0	0	0	0	2
Mechanical	4	5	7	0	5	3	5	6	0	3	1	1	40
Mechatronic										0	0	2	2
Mining	0	1	0	1	0	0	0	0	0	0	0	1	3
Industrial/Production	0	3	1	2	4	2	3	0	0	4	2	5	26
	15	14	23	11	18	20	18	12	1	15	23	23	188

Figure 4: Interviews Conducted: Professional Engineers, Professional Engineering Technologists and Professional Engineering Technicians



6. INTERNATIONAL ACCORDS AND COMPETENCY AGREEMENT MATTERS

ECSCA is, on behalf of the South African jurisdiction, elected to be a member of a multiplicity of International Engineering Alliance (IEA) education accords and competence agreements so as to ensure mobility of registered engineers, technologists and technicians and for the latter to gain recognition of their qualifications and professional status in other countries. This mandate is consistent with section 13 (e) of the Engineering Profession Act.

By means of ECSCA, South Africa is, therefore, a signatory to international and competence agreements itemised and briefly unpacked below:

6.1 INTERNATIONAL AGREEMENTS

- Washington Accord (WA): a mutual recognition of educational qualifications for the education of engineers.
- Sydney Accord (SA): a mutual recognition of educational qualifications for the education of engineering technologists.
- Dublin Accord (DA): a mutual recognition of educational qualifications for education of engineering technicians.

6.2 COMPETENCE AGREEMENTS

- International Professional Engineers Agreement (IPEA): for engineers.

- International Engineering Technologists Agreement (IETA): for technologists.
- Agreement of International Engineering Technician (AIET): for technicians.

A review of whichever type has the purpose of determining or confirming that the standards and processes of the jurisdiction being reviewed meet the requirements of the Accords or Agreements and are substantially equivalent to those of other members or signatories and are robust and likely to remain so until the next review. Reviews may be of various kinds:

- Assessment: New applicants for full signatory status of an Accord.
- Evaluation: New applicants for full membership of an Agreement.
- Periodic review (for renewals).
- Continuous review (Accords only, for renewals).

The SA and DA have been renewed for six (6) years until **2025** and the WA review will be conducted in **2023**.

EDUCATIONAL ACCORDS	WASHINGTON ACCORD	SYDNEY ACCORD	DUBLIN ACCORD
Year of last review	2017	2019	2019
Year of next scheduled review	2023	2025	2025

7. RELATIONSHIP WITH KEY STAKEHOLDERS

7.1 MEMORANDUMS OF UNDERSTANDING (MOUS)

ECSA as enjoined by section 13 of the Engineering Profession Act initiated a process of reviewing a Memorandum of Understanding (MoU) with SAQA to rationalise the two entities' education evaluation processes consistent with respective mandates and for the realisation of the spirit and letter of the Intergovernmental Relations Framework legislative framework.

7.2 STAKEHOLDER ENGAGEMENT

As part of its strategic imperative, ECSA, as mandated by its founding legislation, has continuously engaged with recognised Voluntary Associations within the engineering sector and with the deans of engineering faculties of various universities through the Deans Forum around several strategic initiatives and interventions.

8. CROSS BORDER ASSISTANCE

ECSA has, in compliance with its international obligations and cross-border assistance programmes and initiatives, continuously aided countries outside of its borders by, *inter alia*, attending meetings and conferences of international bodies and conducting reviews of countries that are signatories to international accords and those aspiring to be members of the IEA. ECSA has provided capacity building to countries like Botswana, Zambia and Mauritius.

ECSA has been instrumental in aiding countries in the South African Development Community (SADC) and Africa as part of the South African Federation of Engineering Organisation (SAFEEO) and has further participated in global engineering forums as a member of the World Federation of Engineering Organisation (WFEO).

ECSA continues to support countries in the region in different forms, including education qualification evaluations for engineering graduates throughout the continent, as it is the only IEA member on the continent at present. The countries that benefited from mentoring and training in the financial year 2021-2022 are itemised below:

BOTSWANA

ECSA continues to work closely with the Engineering Registration Board (ERB) of Botswana.

NAMIBIA

The Engineering Council of Namibia has approached ECSA for assistance and proposed the initiation of an MOU be concluded between the two Councils, discussions are ongoing.

MAURITIUS

Over the past three years, ECSA has been building strong relations with the Institution of Engineers Mauritius (IEM) and Engineering Accreditation Board (EAB) of Mauritius. During these engagements, it was identified that the IEM/ EAB is interested in becoming a member of the IEA as a WA signatory.

ECSA has been assisting Mauritius in two areas: capacity building and accreditation. In terms of capacity building, ECSA signed an MOU with the IEM and EAB to facilitate a signatory status with the IEA for the WA.

In terms of accreditation, ECSA has conducted a Provisional Accreditation to (1) engineering programme offered by the University of Mauritius (UOM) and a Regular Accreditation of the five (5) programmes on 08 to 10 November 2021.

9. CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

9.1 INTRODUCTION

The Engineering Council of South Africa is responsible for regulating the practice of engineering in South Africa in terms of the Engineering Professions Act No. 46 of 2000 (the Act). Section 13(k) of the Act empowers the Council to determine, in consultation with Voluntary Associations and Registered Persons, requirements for continuing professional development and training. The Council is enjoined by Government in terms of the Act to serve and protect the safety and health of the public by establishing and maintaining minimum standards of practice, knowledge and skills of Registered Persons in the country as well as by establishing and maintaining standards of professional ethics amongst these Registered Persons.

Registered Persons are required by the Rules of Conduct for Registered Persons to practice strictly within their area of competence. They therefore have the responsibility to keep abreast of developments and knowledge in their areas of expertise in order to remain employable. In addition to maintaining their own competence, they should strive to contribute to the advancement of the body of knowledge in which they practice and to the engineering profession in general.

Section 22(1) of the Act imposes a duty on all professional and specified category of Registered Persons to comply with the Rules on Continuing Professional Development (CPDs) and Renewal of Registration, which was originally published in the Government Gazette No. 28328 of December 2005. ECSA has, in terms of section 36(1), made amendments to the Rules published in Board Notice 86 of 2017 dated 19 May 2017 in relation to continuing professional development as contemplated in section 13(k) of the Act and in relation to renewal of registration as contemplated in section 22(2) of that Act.

The five-year cycle of each Registered Person registered in the professional and specified categories begins on the

anniversary date on which such Registered Person initially became registered with the Council. This date appears on the Registered Person's certificate of registration, which also constitutes the expiry of their registration.

The Council must notify the Registered Person at least five (5) months prior to the relevant expiry date of this, as the Registered Person is required in terms of these Rules to apply for their registration at least three (3) months prior to the expiry date.

The following are the three fundamental Rules of the CPD system, which each Registered Person should comply with:

1. During each five (5) year cycle the Registered Person must accumulate a minimum of twenty-five (25) credits to qualify for the renewal of their registration.
2. The Registered Person must obtain at least five (5) credits per five-year cycle from Category 1: developmental activities for the attendance of validated activities.
3. A minimum of three (3) CPD credits must be obtained in at least two of the three CPD categories per year.

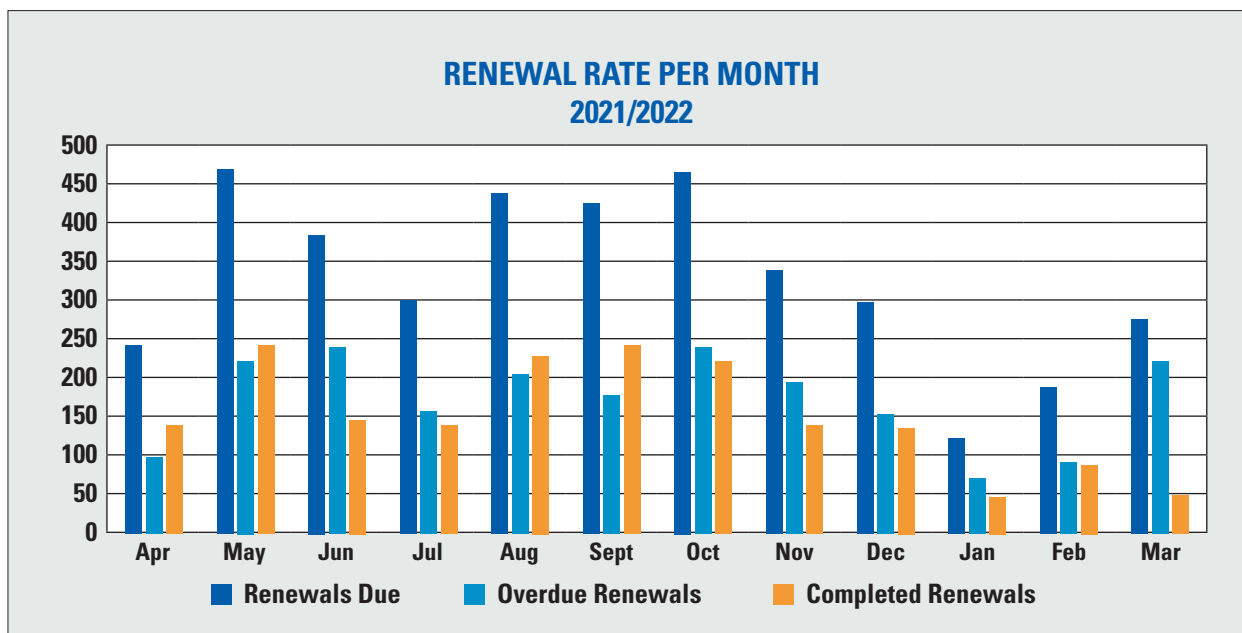
The types of activities that constitute CPD are described in the CPD Rules.

RENEWAL OF REGISTRATION

Compliance with renewal of registration is necessary every five years and is linked to CPD. Registered Persons are unable to renew their registration without following CPD requirements first. The Registered Person should submit their CPD credits and renewal application form (Form R1.1 to R1.5) to ECSA at least three (3) months prior to the prescribed expiry date of their registration(s). The submission will be processed by the CPD administrative staff within a month of the Registered Person's expiry/ renewal date, if submitted in accordance with the rules, after which the Registered Person will be notified of the outcome.

RENEWAL STATISTICS

Renewal of Registration Statistics for the Period 1 April 2021 to 31 March 2022



The submission of CPD renewal applications has decreased during the period under review. In particular, the last two quarters of the 2021-2022 financial year saw a decline in these. This was primarily due to a delay in the distribution of notifications to Registered Persons five months prior to their renewal date. This was subsequently corrected in the last quarter of the financial year. The extended lockdown due to the Covid-19 pandemic will continue to impact submission rates negatively. The overall renewal rate for the 2021-2022 year is currently at **52.4%** compared to **53.5%** for 2020-2021 period.

CANCELLATIONS DUE TO CPD NON-COMPLIANCE

Registered Persons are reminded regularly of the legal requirement under the Act and, in line with the Central Registration Committee recommendation of 2017, a formal request for cancellation was approved by the responsible committee on Monday, 14 February 2022. A total of 1 461 Registered Persons registrations were cancelled due to non-compliance.

The same process will be followed for all Registered Persons who do not renew their registrations as and when they are due.

AUDITING OF REGISTERED PERSONS

In terms of the Rules on CPD, ECSA, as a regulatory body, must monitor the process used to determine whether the Registered Persons comply with the requirements of the CPD rules by conducting random audits. Such audits shall be in the form of an audit on cycle of all CPD records belonging to the selected Registered Person.

In 2021/2022, ECSA randomly selected one hundred (100) Registered Persons across all professional categories and disciplines of registration and requested documentary evidence of all their recorded CPD activities. The CPD administration is currently finalising the audit submissions for the year and the results of this exercise will be used to improve CPD processes and support to the Registered Person and facilitate more efficient compliance to the CPD rules.

CHALLENGES

The CRM system remains a challenge for both internal CRM users and the Registered Person using the portal. To this effect, ECSA is embarking on a company-wide digitization project, which will include enhancements of the CPD system which will, in turn, provide a lasting solution to challenges currently faced regarding the monitoring and implementing of the CPD processes and non-compliance by users

STANDARD ON CONTINUING PROFESSIONAL DEVELOPMENT (ECPD-01-STA)

ECSA has introduced a new Continuing Professional Development Standard in line with the Engineering Profession Act (No. 46 of 2000), the Rules: Continuing Professional Development and Renewal of Registration as seen in the Government Gazette, No. 40847 of 19 May 2017 as well as the CPD Standard developed in 2018.

The CPD Standard designates ECSA as the sole custodian of CPD, while other role players such as Voluntary Associations, higher education institutions and CPD service providers assume important functions that are primarily delegated and monitored by ECSA. The Standard intends to provide additional clarification about the implementation of the CPD provisions contained in the Act and the Rules. The operationalisation of the CPD Model also addresses issues related to the quality and credibility of CPD activities for the benefit and advancement of the engineering profession in South Africa.

CONCEPTUAL STRUCTURE OF CONTINUING PROFESSIONAL DEVELOPMENT

Figure 1 below illustrates the conceptual structure of the CPD in terms of the standard. The figure also illustrates the various levels and criteria involved, which are further unpacked around roles and responsibilities.

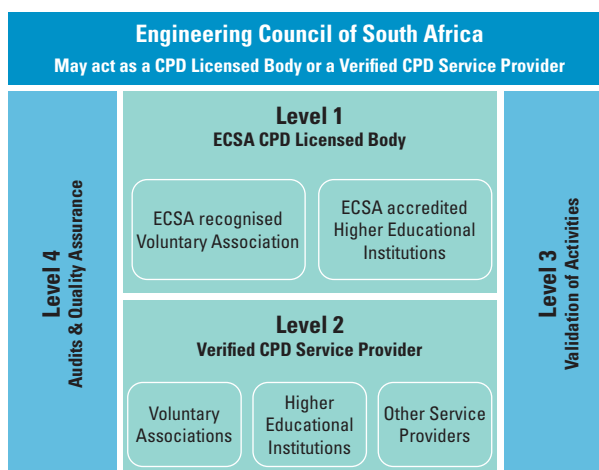


Figure 1: CPD structure

CPD PROJECT PLAN AND THE 2021-2022 ANNUAL PERFORMANCE PLAN

The four-year Implementation Project Plan was developed to support and track the development of the operationalisation of the framework as directed by the Act, CPD Rules and Standard. The CPD Model and Programme were also placed on the ECSA Annual Performance Plan and will remain on the ECSA APP for the duration of the Project Plan.

MITIGATION			INDEPENDENTLY AUDITED/ACTUAL PERFORMANCE			PLANNED PERFORMANCE 2021/2022	MEDIUM TERM TARGET		
OUTCOME	OUTPUT	OUTCOME INDICATOR	2018/19	2019/20	2020/21		2022/23	2023/24	2024/25
6. CPD Model and Program in place with enhanced accessibility to remote professionals	6.1 Implemented CPO Model and Program	6.1.1. Percentage Implementation of the Gazetted CPD Framework according to the project plan	CPD Standard (CPD-STD-01)	Four-Year Project Plan revised	10% of the Four-Year Project Plan completed	50% of the Four Year Project Plan Completed	0% of the Four-Year Project Plan completed	20% of the Four-Year Project Plan Completed	Monitor, review and improve areas of non-compliance

The Project Plan for 2021-2021 focused on the following:

- Firstly, for the CPD Task Team to develop, finalise and train the CPD Licensed Bodies on the principles stipulated in the CPD Standard.
- Secondly, to start the assessment process of verification of the CPD Licensed Bodies as per Level 2 of the conceptual structure of Continuing Professional Development, the latter as per the Standard.
- Thirdly, to audit and quality assure a percentage of the CPD Licensed Bodies as per Level 4 of the conceptual structure of Continuing Professionals Development, the latter as per the Standard.

COMPLETED TO DATE:

LEVEL	HIGH LEVEL IMPLEMENTATION ACTIONS	RESPONSIBLE PERSON	DEPARTMENT	TIMELINES	FINALISED BY	% OF IMPLEMENTATION AS PER THE APP	NARRATIVE
1	Recognition of licensed Bodies who meet the requirements as per the Standard	Carmen Wright	CPD	1 April 2021 to 31 March 2022	31 March 2022	100%	6 qualifying Voluntary Associations and Higher Education Institutions recognised Licensed Bodies as per the CPD Standard resulting in 48 recognised Licensed Bodies
2	Verification of CPD Service Providers who meet the requirement as per the Standard	Ivan Horner	CPD	1 April 2021 to 31 March 2022	31 March 2022	100%	18 of the qualifying Licensed Bodies verified as CPD Service Providers as per the CPD Standard
3	Validation of CPD Activities by ECSA if and when required as per the Standard	Ivan Horner	CPD	1 April 2022 to 31 March 2023	31 March 2023	TBC	Level 3 of the CPD Project revised: CPD Activities to be validated by ECSA Licensed Bodies as per the CPD Standard
4	Audits and Quality Assurance of Licensing Bodies/Service Providers as per the standard	Ivan Horner	CPD	1 April 2021 to 31 March 2024	31 March 2024	8.7%	4 out of 48 Recognised Licensed Bodies audited and reviewed. Note finalisation date of 31 March 2024.

- Reviewed Audit and Preparation schedule for 2021-2022 and auditees notified of scheduled the audits.
- Training programme developed and rolled out for internal and external stakeholders.
- Forty-eight (48) qualifying VAs and HEIs recognised as ECSA Licensed Bodies.
- Eighteen (18) Licensed Bodies verified as CPD service providers.
- Four (4) Licensed Bodies audited and reviewed in the 2021-2022 financial year.

CONCLUSION

The successful implementation of the CPD Rules and associated Standard will ensure that ECSA, as the sole authority and regulator for CPD in the engineering sector, closely monitors, oversees and regulates CPD functions such as the verification of providers and validation of activities. This will also ensure that CPD activities are objectively assessed regarding quality, accessibility and affordability.



10. RESEARCH, POLICY AND STANDARDS

10.1. OVERVIEW

The Research, Policy, and Standards Division (RPSD) oversees the process of conducting research and developing all the regulatory policies, standards, procedures, and guidelines for the Engineering Council of South Africa (ECSA) in line with the ECSA Strategy and International Engineering Alliance (IEA) standards. The development process for regulatory documents entails identifying the need, conducting the research, and developing related regulatory documents as indicated in Figure 1.

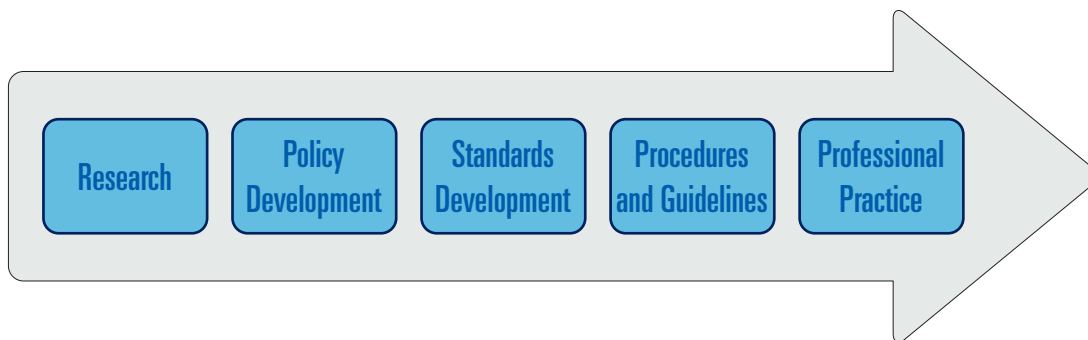


Figure 1: Research, Policy and Standards Value Chain

For this reporting period, the Research, Policy and Standard Division (RPSD) was responsible for the execution of a number of research activities, and regulatory documents development/review. The illustration in Figure 2 below shows the overall contribution of the RPSD in the Organisational Performance.

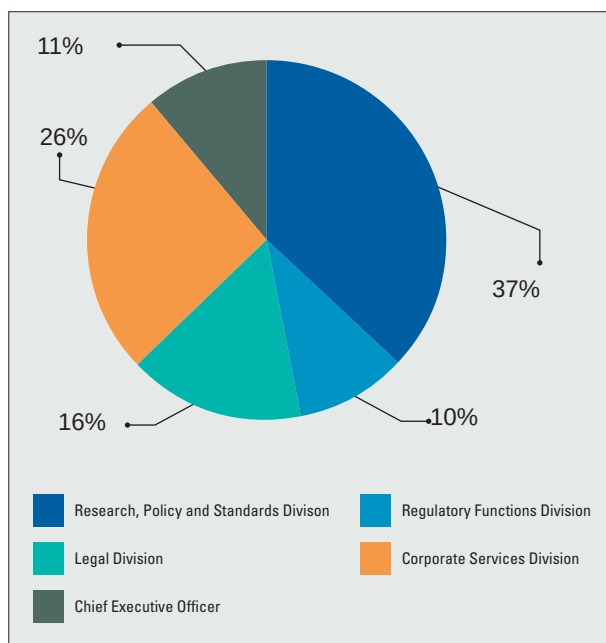


Figure 2: APP Targets for 2021/2022

10.2. RESEARCH

The Engineering Profession Act (Act No. 46 of 2000) enjoins ECSA in terms of section 14(f) to encourage and undertake research into matters relating to the engineering profession. ECSA has conducted research for the introduction of additional specified categories to be responsive to the evolution of the engineering sector. The other research activities that have been undertaken to respond to such evolution are as follows: "The impact of the Fourth Industrial Revolution on engineering technology programmes, the Emerging Engineering Registration Disciplines and Specified Categories, Environmental Scan to determine the prevalence of unaccredited engineering programmes and the Engineering Skills Pipeline".

10.2.1. FEASIBILITY STUDIES

Due to the sectoral demands, the following feasibility studies have been conducted:

a) Dolomite Specialists

Dolomite is a sedimentary calcium/magnesium carbonate rock that contains a high percentage of the mineral dolomite. It can dissolve in water combined with carbon dioxide, and it is a slow process that happens naturally as part of the weathering process.

The South African National Standards (SANS) 1936 states that “While opportunities exist in the development of such land, the adverse effects relating to the formation of sinkholes and subsidences, whether naturally or as a result of development, cannot be ignored”.

It is estimated that approximately 25 percent of the densely populated areas in Gauteng, some parts of the North West and most of the gold mining districts in the Far West Rand are underlain by dolomite. In addition, dolomite occurs in the Northern Cape, Mpumalanga and Limpopo. Over the past 50 years, 38 people had died as a direct result of sinkhole formation.

The Council for Geoscience (CGS) then published the Guidelines for engineering geological characterisation and development of dolomitic land.

The damage to property and infrastructure is estimated to have cost over a billion rand. Recently sinkholes forming on the N1, close to Pretoria, and the R21, close to the Olifantfontein Intersection, have caused significant delays on major routes and will cost the taxpayer millions of rands to be remediated.

A Dolomite specialist is a person who is qualified by virtue of their qualification, experience, training and in-depth contextual knowledge of development on dolomite land to interpret the necessary precautionary measures required on dolomite land into appropriate engineering design, construction and maintenance strategies to ensure that the development of dolomite land is in accordance with SANS 1936.

b) Dams Specialists

A dam is a barrier that impounds water or underground streams. Reservoirs created by dams suppress floods and provide water for activities such as irrigation, human consumption, industrial use, aquaculture, and navigability. Hydropower is often used in conjunction with dams to generate electricity.

The scope of a Dam Specialist is to undertake the planning, feasibility, design, and construction of dams of all sizes and types (e.g., earthfill, rockfill, concrete, etc.). It also includes the generation of appropriate engineering specifications, drawings and undertaking of dam safety inspections and evaluations, remedial works to existing dams, etc., to prevent dam failure and determine causes and remedies when there is a dam failure.

The design and construction must ensure that a dam will successfully resist the necessary structural and environmental requirements safely for the expected project longevity; with acceptable and predictable deflections, the meeting approved legislative requirements without

the structure failing and causing the loss of lives. A dam can also cause loss of life during flooding when the layout of infrastructure around or downstream of the dam is not considering the necessary flood lines.

The Dam Specialist should have in-depth knowledge of the common causes of dam failures, including common failures such as piping, overtopping, inadequate spillway design, slope or abutment failure, structural failure, etc. Extensive knowledge of analysing and assessing risks associated with dams is required.

A Dam Specialist should also have knowledge of operation and maintenance, especially of category II and III dams, to compile the Operation and Maintenance Manual (O&M) and Emergency Preparedness Plan (EPP) for the dam to ensure that the safety of the dam is not compromised during ineffective/inappropriate operation of the dam, or that the necessary steps can be taken when an emergency arises. The dam safety legislation required that an Approved Professional Person compile the O&M Manual and EPP for Category II and III dams.

A Dam Specialist covers all aspects of civil engineering with knowledge of mechanical (hydro-mechanical engineering), including field investigations, design of various dam types, construction planning, specifications, and knowledge of international standards and best practices by, amongst others, the International Commission on Large Dams (ICOLD) and the South African National Committee on Large Dams (SANCOLD). Dams have to withstand the anticipated loading and operational conditions during their design life, i.e., meeting suitable safety factors while being cost-effective and robust.

10.2.2. RESEARCH REPORTS

a) The Impact of the Fourth Industrial Revolution (4IR) on Engineering Technology Programmes

This research focused on the impact of the Fourth Industrial Revolution, hereinafter referred to as the 4IR, on engineering technology programmes in South Africa. It provided recommendations that would facilitate the adaptation of the Engineering Technology curriculum, modes of teaching and learning, and assessment methods that fit into the 4IR.

The 4IR is driven by digital technology and its ability to fuse physical, digital and even biological elements. It is described as the advent of a world where people move between digital domains and offline reality using connected technology to facilitate and manage their lives, powered by artificial intelligence and other related technologies.

The conclusion of the study has given rise to some recommendations, which include consideration of the following:

- Since most of the lecturers are unfamiliar with 4IR technologies and their impact on engineering and technology education, ECSA should provide a special mechanism to facilitate the registration of engineering educators and academics as professional engineers and technologists to address the low level of registered South African academics with ECSA.
- ECSA should encourage CPD providers, such as Sector Education and Training Authorities, to offer more relevant courses to enhance professionals' 4IR knowledge and skills.
- The universities should consider investing in more qualified 4IR-related manpower and resources for engineering technology and technician programmes.
- The universities should ensure that a conducive environment and policies are put in place for the adoption of 4IR-related technologies in teaching and learning and the mode of assessment of engineering technology and technician education programmes.
- The universities should integrate 4IR ethics and practice into their teaching and learning.

b) Emerging Engineering Registration Disciplines or Specified Categories

The key objective of the research was to identify global emerging engineering disciplines and categories of registration to be considered by ECSA due to major economic developments. The results of the research report will assist ECSA in introducing new disciplines and categories to grow the profession.

Following a survey and international benchmarking, the following disciplines were identified as possible registration disciplines:

- Biomedical Engineering;
- Biosystems Engineering;
- Control, Automation, and Instrumentation Engineering;
- Energy Systems Engineering;
- Environmental Engineering;
- Nano Engineering; and
- Maritime Engineering.

The research has identified further that "Fellow Engineer" or "Expert Engineer" may be considered by ECSA as an additional category.

c) Engineering Skills Pipeline

The engineering education system can be thought of as a pipeline. Of the many thousands of children who enter the schooling system in Grade One, only a very few meet the thresholds necessary to continue their studies in

engineering programmes and eventually be registered as engineering professionals. There is a significant loss of talented individuals along the way; leakage from the pipe.

This report presented a high-level snapshot of the students moving through the different pipeline stages for the year 2020.

A total of 725 034 students wrote their final National Senior Certificate (NSC) examinations in 2020. Only 20% of the 15 501 students were eligible for entrance to an engineering diploma qualification (having achieved Level 4, or 50%-59%) enrollment. 27% of eligible students enrolled in a technologist qualification, and 24% enrolled in an engineering degree qualification. While this may appear a reasonable conversion of students into engineering education, it does mean that up to three-quarters of eligible students do not study engineering.

The gazetting of the Identification of Engineering Work Regulations will impact the imperative for professional registration for all graduates that practise in the engineering fraternity, but this will not change what happens at the transition from school to university. Given the importance of engineering to the future of the economy and thus the country, it is imperative that students are encouraged to pursue careers in engineering right through the pipeline.

d) Environmental Scan to Determine the Prevalence of Unaccredited Engineering Programmes

The RPSD opted to conduct an environmental scan to determine the prevalence of the engineering programme as a response to the 2020-2025 ECSA Strategy. The following questions were adopted to determine the path of the research process and address the research aims:

- What is the extent of misrepresented engineering programmes?
- What are the unaccredited programmes provided by engineering institutions?

The over-arching mechanism guiding the environmental scan was the collaborative discussions in the focus group among the representatives of ECSA, South African Qualifications Authority (SAQA), Council on Higher Education (CHE) combined with desktop research and site visits.

The findings revealed that all the base qualifications/programmes provided by established public universities are accredited by ECSA except the Higher Certificates. From the private universities, only the Independent Institute of Education Monash South Africa (IIE MSA) has engineering programmes accredited by ECSA for the period year 2021.



While the majority of the private colleges operate legally, the study found that two private colleges have misrepresented qualifications.

Misrepresented programmes – misrepresented programmes are defined as an incorrect statement of fact or law made by one person to another (natural or juristic).

Qualifications have been misrepresented if

- the provider is not registered and/or accredited by the relevant authority
- the qualification is not registered by the relevant authority or does not form part of a national system of education, or
- the advertisement made for the particular qualification is misleading the public, i.e. if the institution advertises that a professional body accredits it while that is not the case.

It was also found that a number of Technical and Vocational Education and Training (TVET) and private engineering institutions providing NQF levels 5 to 6 may contribute to the growth of the engineering profession if they follow the prescribed registration pathway.

Based on the findings of the environmental scan of the institutions of higher learning in South Africa, the study suggested the following recommendations:

- ECSA needs to utilise the opportunity of accrediting engineering programmes offered by the private colleges as they are registered by Department of Higher Education and Training (DHET), which is an added advantage for ECSA.
- ECSA should regularly engage with SAQA, Quality Councils, DHET and providers of education and training to discuss and pursue instances of misrepresentation of which these entities may be aware.
- ECSA should fully implement the Recognition of Prior Learning Policy, allowing TVET graduates with experience and further training to register as professionals.
- ECSA should consider accrediting programmes offered by TVET and private institutions from NQF level 5 and above.
- ECSA should scan the environment after 5 years parallel to the accreditation cycle.

e) Guideline for the Introduction of a new Specified Category

This document aims at guiding the RPSC and the Council in assessing the feasibility study for the introduction of new Specified Categories for registration.

The methodology described in this document will assist the Research Business Unit in conducting the feasibility study to ensure that all the required information for a specified category is provided.

A Specified Category is the category created for persons other than Professional and Candidate Engineers, Certificated Engineers, Engineering Technologists and Engineering Technicians who have specific training and experience pertaining to a specialised field that must be regulated. It is a category of registration created for persons who must be registered through the EPA or a combination of the EPA and external legislation as having specific competencies related to an identified need to protect the safety, health and interest of the environment in relation to engineering activity.

10.3. POLICY AND STANDARDS

10.3.1. IDOEW CONSULTATIONS

On 26 March 2021, ECSA gazetted the Identification of Engineering Work (IDoEW) rule in accordance with the EPA. The IDoEW rule aims to ensure that all people that practice engineering work are registered with ECSA as a statutory body responsible for the engineering profession. Section 26 of the EPA stipulates that ECSA must consult with all voluntary associations, any person, anybody and any industry that may be affected by any laws regulating the built environment profession regarding the identification of the type of engineering work which may be performed by persons registered in any of the categories referred to in Section 18 of the Act, including work which may fall within the scope of any other profession regulated by the Acts referred to in the Council for the Built Environment (CBE) Act (Act No. 43 of 2000). ECSA then embarked on a two-year consultation process for 2021/2022 and 2022/2023 financial years with all the affected stakeholders. The status of the consultations is as illustrated in Figure 3 below.

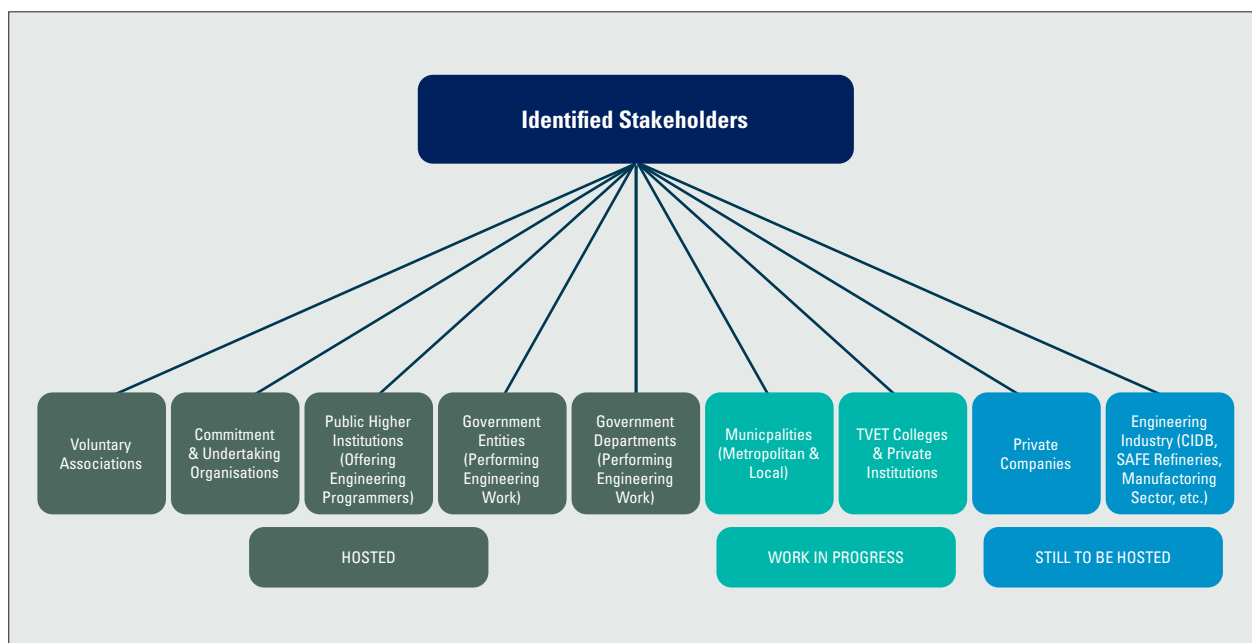


Figure 3: Status of the Identification of Engineering Work Consultations

10.3.2 NEW DOCUMENTS DEVELOPED

a) The IDoEW-01-STD: Standard for the Identification of Engineering Work

The gazetting of the IDoEW rule in March 2021 necessitated the development of the IDoEW Standard. The Standard provides a bridge that gives context and a better understanding between the IDoEW gazette and ECSA's registration policies. The IDoEW-01-STD: Standard for the Identification of Engineering Work was published on the ECSA website to solicit comments from the stakeholders, approved by the RPSC, and is available on the ECSA website.

b) STR-FRA-ECSA-003 Skills Transfer and Retention Framework

In 2018 ECSA conducted a mid-term review of its 2015-2020 Strategy where one of the threats for business continuity was heavy reliance on volunteers in conducting

business. ECSA then developed an ECSA Framework for Stakeholder Contribution with the assistance of some Voluntary Associations (VA). The latter was published on the ECSA website for comments to ensure involvement of all stakeholders and approved by ECSA in 2019. Although the ECSA Framework for Stakeholder Contribution includes engagement with Registered Persons, it does not deal with the skills transfer and retention, the Framework therefore focuses on transferring skills to Registered Persons who wish to participate in ECSA business activities and retain skills of those who are currently participating.

The Skills Transfer and Retention Framework creates a clear approach to skills transfer and retention in terms of conducting ECSA's activities and to ensure that staff members and Registered Persons or experts involved are competent. The objective of the Framework is to ensure the transferring and retaining of knowledge and skills of Registered Persons or experts that assist ECSA in conducting its day-to-day business is managed.

c) R-05-EMAN-SC: Sub-Discipline Specific Training Guide for Candidate Engineering Management Practitioner

In the 2020/2021 financial year, the council approved the introduction of the new specified category for Engineering Management as a sub discipline. The R-05-EMAN-SC: Sub Discipline Specific Training Guide for Candidate Engineering Management Practitioner will assist candidates that want to register under this Specified Category. The Guide is available on the ECSA website.

d) R-05-PCE: Discipline-Specific Training Guide for Candidate Certificated Engineers

R-05-PCE: Discipline-Specific Training Guide for the Candidate Certificated Engineers was reviewed as per the four-year review cycle and aligned to the Discipline-Specific Training Guide (DSTG) Framework. The review of this document resulted in a split of four (4) Sub-Discipline Training Guides according to the four (4) Government Certificates of Competence available within this Professional Certificated Engineer registration category. The documents were sent to the identified Voluntary Associations and further published on the ECSA website for broader consultation. The initial combined DSTG was not providing proper delineation and clarity required to different sub-disciplines within the professional certificated engineers' functional areas which are, Mines and Works, Factories, Mine Managers and Marine.

The following Four Sub-Discipline-Specific Training Guides for Candidate Certificated Engineers are as follows:

- R-05-MW-PCE: Sub-Discipline-Specific Training Guide for Candidate Certificated Engineers (Mines and Works);
- R-05-FE-PCE: Sub-Discipline-Specific Training Guide for Candidate Certificated Engineers (Factories);
- R-05-MM-PCE: Sub-Discipline-Specific Training Guide for Candidate Certificated Engineers (Mine Managers); and
- R-05-ME-PCE: Sub-Discipline-Specific Training Guide for Candidate Certificated Engineers (Marine).

e) Codes of Practice

In terms of Section 27(1) of the Act, the council must draw up a Code of Conduct for Registered Persons and may draw up a Code of Practice in consultation with the CBE, VAs, and Registered Persons. The council is also responsible for administering the Code of Conduct and the Code of Practice and ensuring that these codes are available to all members of the public at all reasonable times. An "Overarching Code of Practice for the Performance of Engineering Work" was developed and published in the Government Gazette dated 26 March 2021, which is referred to as the "Overarching Code of Practice", for brevity. The Overarching Code of Practice applies to all engineering disciplines.

The approval of the Overarching Code of Practice led to the development of discipline specific codes. The discipline specific Codes of Practice are specifically aimed at specific engineering disciplines and should be read in conjunction with the Overarching Code of Practice. To date three discipline specific Codes of Practice have been developed and are being finalised for approval, namely:

- Electrical Engineering Code of Practice;
- Industrial Engineering Code of Practice; and
- Mechanical Engineering Code of Practice.

Figure 4 illustrates different new documents developed during the financial year.

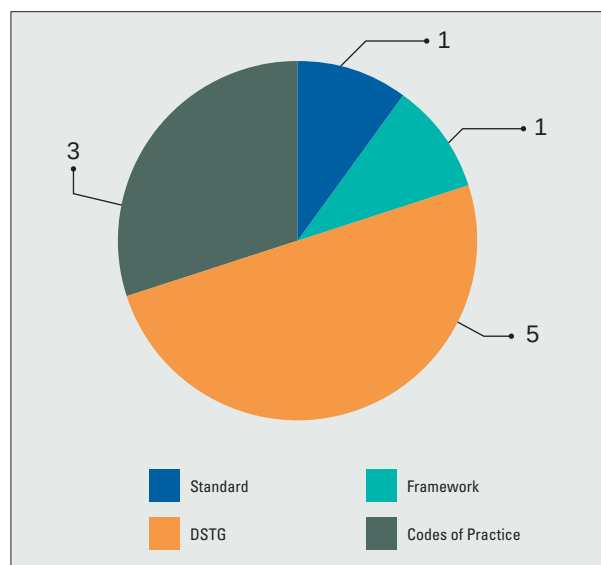


Figure 4: Development of documents



10.3.3. DOCUMENTS REVIEWED

Reviewed documents per 4-year Circle Review Period

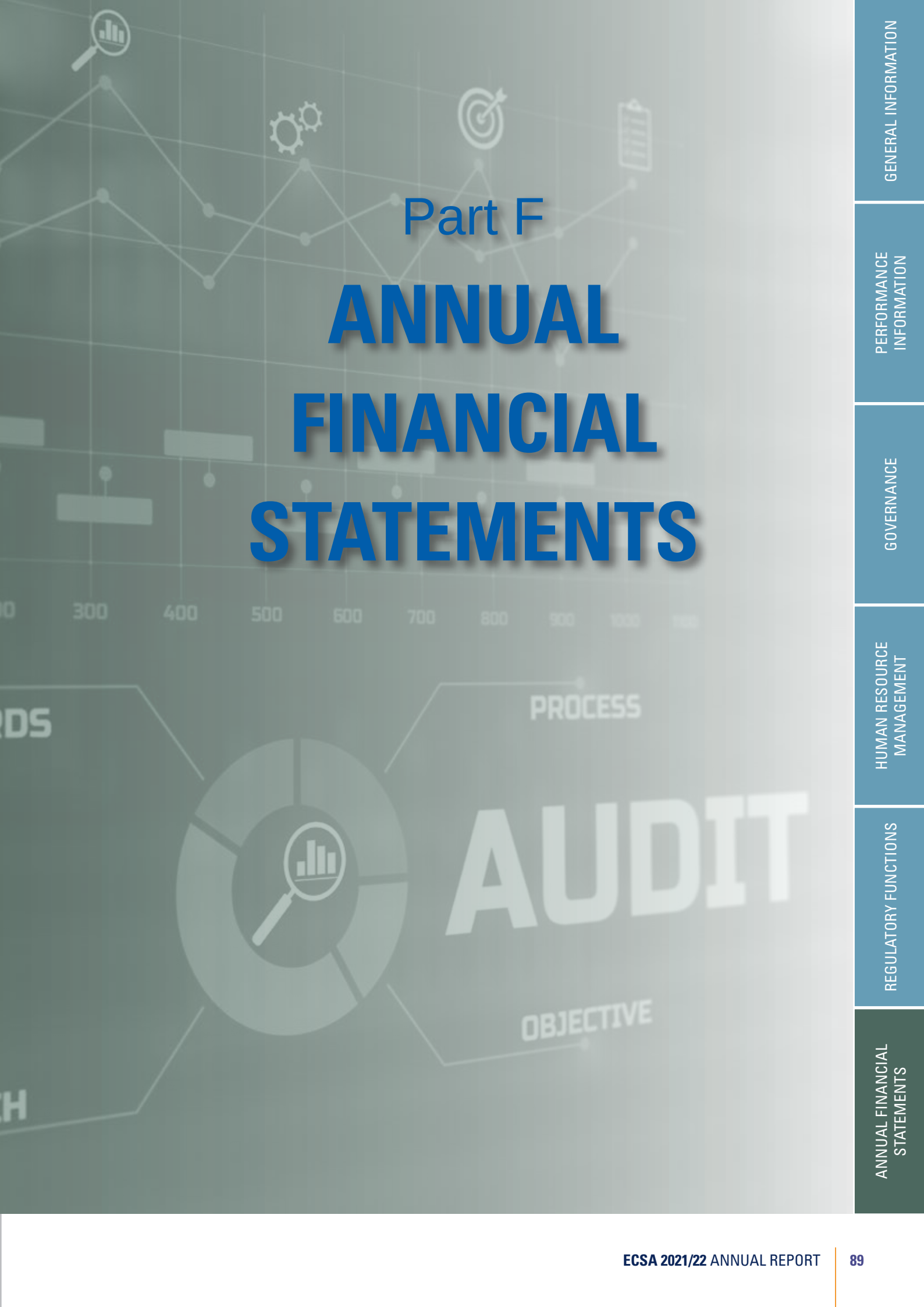
The regulatory instruments that were reviewed in the 2021/2022 financial year are illustrated in Figure 3 below.



Figure 5: Review of existing documents

In addition to the documents listed above, ECSA reviewed the Professional Guideline Fees and Scope of Services rendered by Professional Persons as stipulated by the Engineering Profession Act, Act 46 of 2000. The document was developed sent out for broader consultation, approve by the RPSC and ratified by the council in March 2022.





Part F

ANNUAL FINANCIAL STATEMENTS

GENERAL INFORMATION

PERFORMANCE
INFORMATION

GOVERNANCE

HUMAN RESOURCE
MANAGEMENT

REGULATORY FUNCTIONS

ANNUAL FINANCIAL
STATEMENTS

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Statutory Body
Registered office	1st Floor Waterview Corner Building 2 Ernest Oppenheimer Avenue Bruma Lake Office Park Johannesburg 2198
Bankers	Standard Bank South Africa
External Auditors	Lunika Inc Unit 5, Lonehill Office Park Sandton 2146 www.lunika.co.za 011 564 1867

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COUNCIL'S RESPONSIBILITIES

The council is required by the Engineering Professions Act 46 of 2000, to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the council to ensure that the annual financial statements fairly present the state of affairs of the ECSA at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The council acknowledges that it is ultimately responsible for the system of internal financial control established by ECSA and place considerable importance on maintaining a strong control environment. To enable the council to meet these responsibilities, the council sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout ECSA and all employees are required to maintain the highest ethical standards in ensuring ECSA's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in ECSA

is on identifying, assessing, managing and monitoring all known forms of risk across ECSA. While operating risk cannot be fully eliminated, ECSA endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The council is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The council has reviewed ECSA's cash flow forecast for the year to 31 March 2023 and, in the light of this review and the current financial position, it is satisfied that ECSA has or has access to adequate resources to continue in operational existence for the foreseeable future.

ECSA is wholly dependent on annual, application and accreditation visit fees for continued funding of operations. The annual financial statements are prepared on the basis that ECSA is a going concern and that ECSA has neither the intention nor the need to liquidate or curtail materially the scale of ECSA.

The external auditors are responsible for independently auditing and reporting on ECSA's annual financial statements. The annual financial statements have been examined by ECSA's external auditors and their report is presented on pages 7-8.

The annual financial statements set out on pages 11-38, which have been prepared on the going concern basis, were approved by the accounting authority on 28 July 2022 and were signed on its behalf by:



Ms Buthelezi RSM, Pr Eng
President



Mr Nxumalo EL
Acting Chief Executive Officer

REPORT OF THE AUDIT, RISK AND COMPLIANCE COMMITTEE

We are pleased to present the report for the financial year ended 31 March 2022. ARC is a sub-committee of council and it consists of independent and non-executive council members. Its overall objective is to assist the council with its responsibility of ensuring that adequate systems and controls are in place, thus ensuring the safe guarding of assets, assessing the going concern status, reviewing the financial information and overseeing the preparation of the annual financial statements.

The committee also assists the council in fulfilling its responsibilities of risk management by ensuring that management identifies and addresses significant risks impacting on its strategic objectives and the environment within which the council operates.

The committee meets at least four times a year as per its approved terms of reference. Management, internal auditors and external auditors attend these meetings by invitation.

Since this is a governance oversight committee, it does not perform any management functions nor does it assume any management responsibilities. Its role is that of an independent and objective advisor and it operates as an overseer, making recommendations to the council for approval. During this reporting period 7 meetings were held. The meetings attendance appears on page 42 of the annual report.

COMMITTEE RESPONSIBILITY

The committee has operated within its terms of reference, and discharged all its responsibilities as contained therein.

THE EFFECTIVENESS OF INTERNAL CONTROLS

The system of internal controls applied by the council over financial and risk management is effective, efficient and transparent. From the various reports of the internal auditors and the external auditors' independent audit report on the annual financial statements, it was noted that no significant findings or noncompliance with prescribed policies and procedures has been reported. Accordingly, we can report that the system of internal control over financial reporting for the period under review was efficient and effective.

RISK MANAGEMENT

The council is committed to a process of risk management that is aligned to the principles of good corporate governance. The council has delegated certain aspects of its authority to the ARC committee. In terms of good corporate governance, an organisational strategic risk assessment must be conducted and a plan developed to address the identified risks.

The committee is satisfied with the existing risk management processes which were revised during the year.

EVALUATION OF THE ANNUAL FINANCIAL STATEMENTS

The committee has:

- reviewed and discussed with the external auditors the audited annual financial statements to be included in the annual report;
- reviewed the external auditors' management report and management's responses thereto;
- reviewed changes in accounting policies and practices, where applicable, of which there were none;
- reviewed possible significant adjustments resulting from the audit, of which there were none;
- reviewed the information on predetermined objectives as reported in the annual report.

The committee concurs and accepts the external auditors' conclusions on the annual financial statements and is of the opinion that the audited annual financial statements should be accepted and read together with the report of the external auditors

INTERNAL AUDIT

The committee is satisfied that the internal audit function is operating effectively and that its internal audit procedures address the risks pertinent to ECSA.

The committee is responsible for ensuring that adequate frameworks and control systems are in place at ECSA to detect fraud and irregularities. The responsibility to detect

and prevent irregularities remains with management at an operational level. This is emphasized through continuous sensitisation of operational internal audit functions as well as inclusion of such focus in internal audit processes.

The internal audit function reports fraud, irregularities and ethics violations to operational management. These reports are escalated to the Audit, Risk and Compliance Committee. Such reports include associated remedial actions. The committee has resolved to ensure that the council operates in an open and transparent manner with a view to ensure that information is provided to all within the legal parameters within which the council currently operates.

EXTERNAL AUDIT

The Audit, Risk and Compliance Committee has met with the external auditors to ensure that there are no unresolved differences. As a supervisory committee, we have been addressing distinct issues by strengthening governance and controls across the organisation, whilst also providing support to the management and staff, and an appropriate degree of oversight of its activities.



Mr Mailula ME
Chairperson of the Audit, Risk and Compliance Committee
Date:

GOING CONCERN

ECSA's improved performance for the year under review together with cash flow forecasts indicate that the entity can, continue in operational existence for the foreseeable future, namely for 12 months after the date of approval of the 2021/22 Annual Financial Statements.

Management has determined that there are no material uncertainties that cast doubt on the entity's ability to continue as a going concern and discussed the above opinion and conclusions with the Audit, Risk and Compliance Committee, the council and the External Auditors. The committee concurs with management views.

APPRECIATION

I wish to express my appreciation to the members of the Committee for their commitment and support.

I also wish to express our appreciation to the external auditors Lunika Incorporated. Similarly, our gratitude goes to the internal auditors, Mrwebi Auditors and Accountants Incorporated as well as the management and staff of ECSA for their support.

INDEPENDENT AUDITOR'S REPORT

To the Council of Engineering Council of South Africa

Opinion

1. I have audited the financial statements of Engineering Council of South Africa (ECSA) set out on pages 99 to 128, which comprise the statement of financial position as at 31 March 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Engineering Council of South Africa as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA GRAP) and the requirements of the Engineering Profession Act.

Basis for opinion

3. I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of my report. I am independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. I have fulfilled my other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (including International Independence Standards). I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

4. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Material impairment - receivables from exchange transactions

5. As disclosed in note 7 to the financial statements, provision was made for impairment of R29.4 million (2021: R3.6 million) on receivables from exchange transactions. Amount written off as uncollectable of 18 million (2021: 31.2 million).

Other information

6. The Council is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements and my auditor's report thereon.
7. My opinion on the financial statements does not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
8. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Council for the Financial Statements

9. The Council is responsible for the preparation and fair presentation of the financial statements in accordance with the SA GRAP and the requirements of the Engineering Profession Act and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.
10. In preparing the financial statements, the Council is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

11. The Council is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

12. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether

a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

14. I communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

IRBA on Other Legal and Regulations

15. I terms of the IRBA Rule published in Government Gazette 39475 dated 4 December 2015; I report that Lunika Inc has been appointed as the auditor of Engineering Council of South Africa for 1 year.

Lunika Chartered Accountants and Auditors Incorporated

Samkelo Mxunyelwa (CA) SA, RA Partner
Chartered Accountant (SA) | Registered Auditor

29 July 2022

Unit 5

Lonehill Office Park Sandton Johannesburg

 **LUNIKA**

COUNCIL'S FIDUCIARY REPORT AND APPROVAL

The council submits its report for the year ended 31 March 2022.

1. REVIEW OF ACTIVITIES

Main business and operations

The Engineering Council of South Africa (ECSA) is established in terms of the Engineering Profession Act 46 of 2000. The Act empowers ECSA to perform the following functions, in order to protect the health and safety of citizens and the environment from the risks associated with engineering work:

- Set standards for engineering education and professional competency;
- Accrediting engineering education programmes, offered by public and private providers, that meet with the educational requirements for registration in the various categories;
- Register persons in professional categories who demonstrate competency against the standards for the categories;
- Evaluate educational qualifications that are not already accredited or recognised;
- Register persons who meet educational requirements in candidate categories;
- Establish specified categories of registration to meet specific health and safety licensing requirements and registered persons in these categories;
- Require registered persons to renew registration at intervals and under conditions that the Council prescribes;
- Enter into international agreements for the recognition of educational programmes and registration;

- Develop and maintain a code of conduct, supported where necessary by codes of practice;
- Investigate complaints of improper conduct against registered persons and conduct enquiries and impose sanctions as each case requires;
- Recognise Voluntary Associations;
- Recommend to the Council for the Built Environment (CBE), ECSA's identification of the type of the engineering work which may be performed by persons registered in any category.

2. GOING CONCERN

We draw attention to the fact that, during the year under review, ECSA has reported surplus of R7.2 million which resulted in the increase in accumulated reserves of the organisation from R85.2million in 2020/21 to R92.5 million in 2021/22.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. EVENTS AFTER THE REPORTING DATE

Subsequent to the reporting date, the Council elected its President. The Council also paid an amount to the value of R3.73m to furnish security in terms of section 145(8) of the Labour Relations Act, 66 of 1995.

4. REVENUE

The operations of ECSA are mainly funded by revenue from exchange transactions, being annual fees, application fees and accreditation visits.

5. COUNCIL MEMBERS

The council members of the organisation were as follows during the year and to the date of this report:

Mr Lebea ML (President)*	Ms Rampersad N
Ms Buthelezi RSM (President)**	Ms Theron E
Mr Mailula MI (Chairperson ARC)	Ms Madiba P
Ms Sampson N (Deputy Chairperson ARC)	Ms Ramagofu T
Ms Skorpen S (Chairperson IC)	Mr Sommer AH
Mr Daniels J (Deputy Chairperson IC)	Ms Ledwaba R
Ms Mthethwa O (Chairperson CRC)	Mr Smit N
Ms Lesufi R (Deputy Chairperson CRC)	Mr Zimu SN
Prof Nyembwe K (Chairperson EC)	Dr Legoabe RS
Mr Moloisane R (Deputy Chairperson EC)	Prof van Zyl C
Mr Madikane TC (Chairperson CPDC)	Dr Skeepers N
Mr Nhleko N (Deputy Chairperson CPDC)	Mr Gamedze T
Mr Mkhize S (Chairperson RPSC)	Ms Zweni P
Ms Mtshali A (Deputy Chairperson RPSC)	Adm Mvovo B
Mr Modipa ME (Chairperson F&S)	Ms Sibiya P
Ms Mutileni S (Vice Chairperson F&S)	Ms Mbola C
Ms Njomane L (Chairperson TADC)	Ms Mwelase T
Ms Mngomezulu S (Deputy Chairperson TADC)	Mr Ojageer K
Mr Jekwa S	Ms Chili T
Mr Memela T	Mr Keswa S
Mr Ramuhulu M	Ms Tolo S
Ms Mdletshe PP	Ms Smith L
Mr Boshomane L	Ms Olukunle A
Ms Moerane N***	

* Deceased - 07 December 2021

** Appointed as President - 05 May 2022

*** Resigned - 03 August 2021

6. SECRETARY

The duties of the council secretariat were fulfilled by the Executive Corporate Services and handed over to Executive Legal services.

7. AUDITORS

Lunika Inc. was appointed as the external auditors for the current financial year

8. LEGAL FORM

ECSA is a statutory body established in terms of the Engineering Profession Act 46 of 2000.

The annual financial statements set out on pages 99 to 128, which have been prepared on the going concern basis, were approved by the accounting authority on 29 July 2022 and were signed on its behalf by:



Ms Buthelezi RSM, Pr Eng
President



Mr Nxumalo EL
Acting Chief Executive Officer

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

FIGURES IN RAND	NOTE(S)	2022	2021
Assets			
Non-Current Assets			
Property, plant and equipment	2	10 470 222	8 855 584
Intangible assets	3	1 722 181	2 778 649
Investments	4	17 457 652	16 172 340
Retirement benefit asset	5	6 180 000	6 295 000
		35 830 055	34 101 573
Current Assets			
Receivables from exchange transactions	7	13 569 740	17 156 167
Prepayments	6	1 278 319	1 555 188
Cash and cash equivalents	8	75 256 531	55 824 019
		90 104 590	74 535 374
Total Assets		125 934 645	108 636 947
Liabilities			
Current Liabilities			
Payables from exchange transactions	10	29 699 814	21 866 362
Provisions	9	3 749 298	1 530 626
		33 449 112	23 396 988
Total Liabilities		33 449 112	23 396 988
Net Assets		92 485 533	85 239 959
Accumulated surplus		92 485 533	85 239 959
Total Net Assets		92 485 533	85 239 959

STATEMENT OF FINANCIAL PERFORMANCE

FIGURES IN RAND	NOTE(S)	2022	2021
Revenue	11	128 287 741	125 117 363
Other income	13	8 640 574	5 526 172
Operating expenses		(134 112 280)	(87 271 772)
Operating surplus		2 816 035	43 371 763
Investment revenue	14	6 529 233	5 642 162
Fair value adjustments	18	834 308	2 570 314
Actuarial gains / (losses)	5	(821 000)	(920 000)
Finance costs	16	(2 113 000)	(2 017 000)
Surplus for the year		7 245 576	48 647 239

STATEMENT OF CHANGES IN NET ASSETS

FIGURES IN RAND	ACCUMULATED SURPLUS	TOTAL NET ASSETS
Balance at 01 April 2020	36 592 720	36 592 720
Changes in net assetsSurplus for the year	48 647 239	48 647 239
Total changes	48 647 239	48 647 239
Balance at 01 April 2021	85 239 957	85 239 957
Changes in net assetsSurplus for the year	7 245 576	7 245 576
Total changes	7 245 576	7 245 576
Balance at 31 March 2022	92 485 533	92 485 533

CASH FLOW STATEMENT

FIGURES IN RAND	NOTE(S)	2022	2021
Cash flows from operating activities			
Receipts			
Cash receipts from customers		131 656 110	129 259 802
Interest income		3 710 233	2 307 462
		135 366 343	131 567 264
Payments			
Cash payments to suppliers and employees		(112 784 451)	(100 326 831)
Net cash flows from operating activities	20	22 581 892	31 240 433
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(3 149 380)	(16 958)
Purchase of intangible assets	3	-	(6 000)
Proceeds from sale of other asset		-	153 099
Net cash flows from investing activities		(3 149 380)	130 141
Net increase/(decrease) in cash and cash equivalents		19 432 512	31 370 574
Cash and cash equivalents at the beginning of the year		55 824 019	24 453 446
Cash and cash equivalents at the end of the year	8	75 256 531	55 824 020

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

BUDGET ON CASH BASIS

FIGURES IN RAND	APPROVED BUDGET	ADJUSTMENTS	FINAL BUDGET	ACTUAL AMOUNTS ON COMPARABLE BASIS	DIFFERENCE BETWEEN FINAL BUDGET AND ACTUAL	REFERENCE
Statement of Financial Performance						
Revenue						
Revenue from exchangetransactions						
Annual fees	108 871 681	-	108 871 681	106 744 665	(2 127 016)	27
Application fees	9 509 407	-	9 509 407	11 671 511	2 162 104	27
Accreditation visits	7 552 700	-	7 552 700	9 871 565	2 318 865	27
Fees earned	-	-	-	89 293	89 293	
Recoveries	2 100 737	-	2 100 737	8 326 933	6 226 196	27
Disciplinary fines	-	-	-	147 826	147 826	
Sundry income	-	-	-	76 522	76 522	
Interest received - investment	1 839 325	-	1 839 325	6 529 233	4 689 908	27
Total revenue	129 873 850	-	129 873 850	143 457 548	13 583 698	
Expenditure						
Personnel	(60 493 768)	163 368	(60 330 400)	(60 654 184)	(323 784)	
Depreciation and amortisation	-	(2 530 008)	(2 530 008)	(2 591 209)	(61 201)	
Finance costs	-	-	-	(2 113 000)	(2 113 000)	
Debt impairment provision	(10 887 168)	-	(10 887 168)	(28 438 226)	(17 551 058)	27
General Expenses	(57 882 806)	(700 452)	(58 583 258)	(42 428 661)	16 154 597	27
Total expenditure	(129 263 742)	(3 067 092)	(132 330 834)	(136 225 280)	(3 894 446)	
Operating surplus / (deficit)	610 108	(3 067 092)	(2 456 984)	7 232 268	9 689 252	
Investment revenue	-	-	-	834 308	834 308	
Actuarial gains/(losses)	-	-	-	(821 000)	(821 000)	
	-	-	-	13 308	13 308	
Surplus before taxation	610 108	(3 067 092)	(2 456 984)	7 245 576	9 702 560	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	610 108	(3 067 092)	(2 456 984)	7 245 576	9 702 560	

Please refer to note 27 for explanations on material differences.

ACCOUNTING POLICIES

FIGURES IN RAND	NOTE(S)	2022	2021
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1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Engineering Professions Act 46 of 2000.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, are disclosed below.

These accounting policies are consistent with the previous period.

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the entity.

Interests in other entities

1.2 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Other significant judgements, sources of estimation uncertainty and/or relating information, have been disclosed in the relating notes.

Trade receivables, held to maturity investments and other receivables

The council assesses its trade receivables, held to maturity investments and other receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, management makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for trade receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio.

Post-retirement benefits

The present value of the post-retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post-retirement obligations.

The council determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the council considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
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1.2 Significant judgements and sources of estimation uncertainty (continued)

Other key assumptions for pension obligations are based on current market conditions. The assumptions used are consistent with assumptions used in the statutory valuation. However, GRAP 25 requires the valuation to be carried out on a prescribed market value basis and a number of the assumptions therefore differ from those used in the statutory valuation. Valuation rate of interest – GRAP 25 requires rates to be determined by reference to the current market yield of government bonds. The bulk of the liabilities have a short term, whilst one remaining pensioner has a potentially very long remaining outstanding term.

Additional information is disclosed in Note 5.

1.3 Significant judgements and sources of estimation uncertainty (continued) Allowance for doubtful debts

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cashflows discounted at the effective interest rate, computed at initial recognition.

1.4 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the council; and
- the cost of the item can be measured reliably. Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of financial performance during the financial period in which they are incurred.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. The useful lives of items of property, plant and equipment have been assessed as follows:

ITEM	DEPRECIATION METHOD	AVERAGE USEFUL LIFE
Buildings	Straight-line	50 years
Furniture and fixtures	Straight-line	10 years
Motor vehicles	Straight-line	5 years
Office equipment	Straight-line	5 years
IT equipment	Straight-line	3 years
Computer servers	Straight-line	6 years
Other property, plant and equipment	Straight-line	10 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
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1.4 Property, plant and equipment (continued)

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the council. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The council assesses at each reporting date whether there is any indication that the council expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the council revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.5 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the council or from other rights and obligations.

Intangible assets are initially recognised at cost.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred. An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- there is an ability to use or sell it.
- it will generate probable future economic benefits or service potential.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably. Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
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1.5 Intangible assets (continued)

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

ITEM	DEPRECIATION METHOD	AVERAGE USEFUL LIFE
Computer software, internally generated	Straight-line	5 years
Computer software, other	Straight-line	5 years

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one council and a financial liability or a residual interest of another council.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Derecognition is the removal of a previously recognised financial asset or financial liability from an council's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an council shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options)

ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
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1.6 Financial instruments (continued)

but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the council shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash;
- a residual interest of another council; or
- a contractual right to:
 - receive cash or another financial asset from another council; or
 - exchange financial assets or financial liabilities with another council under conditions that are potentially favourable to the council.

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another council; or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the council.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an council in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loans payable are financial liabilities, other than short-term payables on normal credit terms.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Classification

The council has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

CLASS	CATEGORY
Cash and cash equivalents	Financial asset measured at amortised cost
Trade and other receivables	Financial asset measured at amortised cost
Investments	Financial asset measured at amortised cost

ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
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1.6 Financial instruments (continued)

The council has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

CLASS	CATEGORY
Trade and other payables	Financial liability measured at amortised cost

The entity has the following types of residual interests (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

1.7 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Operating leases - lessor

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term. The difference between the amounts recognised as income and the contractual receipts are recognised as an operating lease liability. This liability is not discounted.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

Income for leases is disclosed under revenue in statement of financial performance.

1.8 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
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1.8 Impairment of cash-generating assets (continued)

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher its fair value less costs to sell and its value in use. Useful life is either:

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

1.9 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party (as defined in the Standard of GRAP on Related Party Disclosures) of the reporting entity, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting entity's own creditors (even in liquidation) and cannot be paid to the reporting entity, unless either:

- the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or
- the proceeds are returned to the reporting entity to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

- an entity's decision to terminate an employee's employment before the normal retirement date; or
- an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide post-employment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

1.10 Provisions and contingencies

Provisions are recognised when:

- the council has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
1.10 Provisions and contingencies (continued)			
Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.			
Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.			
A provision is used only for expenditures for which the provision was originally recognised.			
Provisions are not recognised for future operating surplus (deficit).			
Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 23.			
1.11 Commitments			
Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.			
Disclosures are required in respect of unrecognised contractual commitments.			
Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, if both the following criteria are met:			
• Contracts should be non-cancellable or only cancellable at significant cost (for example, contracts for computer or building maintenance services); and • Contracts should relate to something other than the routine, steady, business of the entity.			
1.12 Revenue from exchange transactions			
Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.			
Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.			
Control of an asset arises when the entity can use or otherwise benefit from the asset in pursuit of its objectives and can exclude or otherwise regulate the access of others to that benefit.			
Fee income consists of annual fees, applications fees and accreditations visits.			
Professional fees are payable by members who are in the Professional or Registered categories. Fee income is recorded in the financial statements in the period to which it relates.			
Candidate fees are payable by members who are not yet qualified Professional or Registered persons.			
Application fees are once-off fees payable on submission of an application form. These fees are to compensate for the costs incurred during the evaluation process and are recognised when received.			
An exchange transaction is one in which the council receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.			

ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RMB	NOTE(S)	2022	2021
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1.12 Significant judgements and sources of estimation uncertainty (continued)

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Annual fees, Application fees and Accreditation visit revenue is recognised as revenue from exchange transactions.

Interest

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised when:

- It is probable that the economic benefits or service potential associated with the transaction will flow to the council, and
- The amount of the revenue can be measured reliably.

Interest is recognised in surplus or deficit using the effective interest rate method.

1.13 Revenue from non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the council either receives value from another council without directly giving approximately equal value in exchange, or gives value to another council without directly receiving approximately equal value in exchange.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the council satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the council.

When, as a result of a non-exchange transaction, the council recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability.

Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue.

ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
1.14 Budget information The council are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar. General purpose financial reporting by council shall provide information on whether resources were obtained and used in accordance with the legally adopted budget. The approved budget is prepared on a accrual basis and presented by programmes linked to performance outcome objectives. The approved budget covers the fiscal period from 2021/04/01 to 2022/03/31. The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.			
1.15 Related parties A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers). Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged. Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies. Management are those persons responsible for planning, directing and controlling the activities of the council, including those charged with the governance of the council in accordance with legislation, in instances where they are required to perform such functions. Close members of the family of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the council. The council discloses transactions related parties not at arm's length or not in the ordinary business.			
1.16 Events after reporting date Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified: - those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and - those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date). The council will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.			

ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
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1.16 Events after reporting date (continued)

The council will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.17 Risk and capital management

The council's objectives when managing capital are to safeguard the ECSA's ability to continue as a going concern in order to provide services as enacted by the Engineering Profession Act no 46 of 2000, and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the ECSA consists of debt, which includes the cash and cash equivalents disclosed in note 8, and equity as disclosed in the Statement of Financial Position. All borrowings relating to the purchasing of office space in Waterview Corner, Bruma, have been paid up.

There are no externally imposed capital requirements.

There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Financial management risk management

The ECSA's activities expose it to a variety of financial risks: market risk (including fair value and interest rate risk), credit risk and liquidity risk. The ECSA's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the ECSA's financial performance. Risk management is carried out by an Audit Compliance and Risk Committee under policies approved by the council. The council provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk and credit risk and investment of excess liquidity.

Liquidity risk

Cash flow forecasting is performed by the council. The ECSA's finance division monitors rolling forecasts of the organisation's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. The council invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned forecasts.

Interest rate risk

As the ECSA has no significant interest-bearing assets, the its's income and operating cash flows are substantially independent of changes in market interest rates.

The council analyses its interest rate exposure on a regular basis. Interest rate fluctuations that could impact on its surplus or deficit are the rates earned on ECSA's short-term investments. It is not foreseen that the actual revenue earned compared to the budgeted revenue will negatively deviate by more than R200,000 per annum. This translates into a possible fluctuation of 0.1% to 0.2% in total revenue.

ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
1.17 Risk and capital management (continued)			
Credit risk			
Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. Refer to the information below for credit ratings.			
Standard Bank			
National long-term credit rating AA+ (ZAF)			
National short-term credit rating A1+ (ZAF) Investec National long-term credit rating AA (ZAF)			
National short-term credit rating A1+ (ZAF)			
Trade receivables comprise a widespread customer base, mainly being registered persons. Management evaluates credit risk relating to registered persons on an ongoing basis. The council has to comply with statutory obligations and no choice is exercised on the registered person's ability to pay membership fees.			

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

FIGURES IN RAND

NOTE(S)

2022

2021

2. PROPERTY, PLANT AND EQUIPMENT

	2022			2021		
	COST / VALUATION	ACCUMULATED DEPRECIATION AND ACCUMULATED IMPAIRMENT	CARRYING VALUE	COST / VALUATION	ACCUMULATED DEPRECIATION AND ACCUMULATED IMPAIRMENT	CARRYING VALUE
Buildings	7 691 993	(2 383 202)	5 308 791	7 691 993	(2 229 362)	5 462 631
Furniture and fixtures	2 354 935	(1 718 963)	635 972	2 339 234	(1 606 696)	732 538
Motor vehicles	347 273	(187 527)	159 746	347 273	(125 018)	222 255
Office equipment	1 062 667	(917 903)	144 764	1 051 047	(773 268)	277 779
IT equipment	4 766 035	(3 044 347)	1 721 688	3 120 736	(2 491 756)	628 980
Computer servers	2 645 252	(2 153 846)	491 406	2 645 252	(1 917 087)	728 165
Other property, plant and equipment	4 501 187	(2 493 332)	2 007 855	3 024 428	(2 221 192)	803 236
Total	23 369 342	(12 899 120)	10 470 222	20 219 963	(11 364 379)	8 855 584

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 2022

	OPENING BALANCE	ADDITIONS	DEPRECIATION	TOTAL
Buildings	5 462 631	-	(153 840)	5 308 791
Furniture and fixtures	732 538	15 703	(112 269)	635 972
Motor vehicles	222 255	-	(62 509)	159 746
Office equipment	277 779	11 621	(144 636)	144 764
IT equipment	628 980	1 645 299	(552 591)	1 721 688
Computer servers	728 165	-	(236 759)	491 406
Improvements to property	803 236	1 476 757	(272 138)	2 007 855
	8 855 584	3 149 380	(1 534 742)	10 470 222

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 2021

	OPENING BALANCE	ADDITIONS	DISPOSALS	DEPRECIATION	TOTAL
Buildings	5 616 471	-	-	(153 840)	5 462 631
Furniture and fixtures	894 224	-	(50 406)	(111 280)	732 538
Motor vehicles	284 764	-	-	(62 509)	222 255
Office equipment	438 252	-	(3 824)	(156 649)	277 779
Computer equipment	1 371 259	-	(82 098)	(660 181)	628 980
Computer software	968 185	-	-	(240 020)	728 165
Improvements to Property	1 035 327	16 958	(23 359)	(225 690)	803 236
	10 608 482	16 958	(159 687)	(1 610 169)	8 855 584

Details of property

Details of land and buildings are available for inspection on request at ECSA's registered offices.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FIGURES IN RAND

NOTE(S)

2022

2021

3. INTANGIBLE ASSETS

	2022			2021		
	COST / VALUATION	ACCUMULATED AMORTISATION AND ACCUMULATED IMPAIRMENT	CARRYING VALUE	COST / VALUATION	ACCUMULATED AMORTISATION AND ACCUMULATED IMPAIRMENT	CARRYING VALUE
Computer software, internally generated	5 390 771	(3 930 599)	1 460 172	5 390 771	(3 012 749)	2 378 022
Computer software, other	833 435	(833 435)	-	833 435	(833 435)	-
Quality system	693 087	(431 078)	262 009	693 087	(292 460)	400 627
Total	6 917 293	(5 195 112)	1 722 181	6 917 293	(4 138 644)	2 778 649

RECONCILIATION OF INTANGIBLE ASSETS - 2022

	OPENING BALANCE	AMORTISATION	TOTAL
Computer software, internally generated	2 378 022	(917 850)	1 460 172
Quality system	400 627	(138 618)	262 009
	2 778 649	(1 056 468)	1 722 181

RECONCILIATION OF INTANGIBLE ASSETS - 2021

	OPENING BALANCE	ADDITIONS	AMORTISATION	TOTAL
Computer software, internally generated	3 288 172	6 000	(916 150)	2 378 022
Computer software, other	116 137	-	(116 137)	-
Quality system	539 244	-	(138 617)	400 627
	3 943 553	6 000	(1 170 904)	2 778 649

4. INVESTMENTS

Designated at fair value

Strategic Investment Services Inflation (SIS) Plus 1-3 investment	17 457 652	16 172 340
Non-current assets		
Strategic Investment Services (SIS) Inflation Plus 1-3 portfolio - opening balance	17 457 652	16 172 340

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
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5. RETIREMENT BENEFIT ASSET

The amounts recognised in the statement of financial position are as follows:

CARRYING VALUE

Present value of the defined benefit obligation-wholly unfunded	(16 994 000)	(19 572 000)
Fair value of plan assets	23 174 000	25 867 000
	6 180 000	6 295 000

Changes in the present value of the defined benefit obligation are as follows:

Opening balance	19 572 000	17 738 000
Interest cost	2 113 000	2 017 000
Re-measurements recognised	(3 151 000)	1 626 000
Benefits paid	(1 540 000)	(1 809 000)
	16 994 000	19 572 000

Changes in the fair value of plan assets are as follows:

Opening balance	25 867 000	24 181 000
Expected return	2 819 000	2 789 000
Actuarial gains (losses)	(3 972 000)	706 000
Benefits paid	(1 540 000)	(1 809 000)
	23 174 000	25 867 000

Key assumptions used

Discount rates used	10,55 %	11,22 %
Expected investment return	10,29 %	10,88 %
General inflation rate	6,29 %	6,88 %

The assumptions used are consistent with assumptions used in the statutory valuation of 31 March 2021. The yield of the R209 government bond was 10,55% per annum and the yield of the R202 government bond was 4,01% per annum as at 31 March 2022. The implied long-term inflation assumption is 6,29% per annum, which was derived from the R209 and R202. The duration of the R209 bonds is 8,21 years and the pensioner liabilities duration is estimated as 9,58 years.

The expected return on assets on an average balanced portfolio. The short term tactical investment positions were ignored (since they can be amended over time) as well as the effect of recent market movements on the current investment distribution (since these can change on a daily basis). The expected long term real return is 4%, calculated as follows:

	PORTFOLIO %	REAL RETURN %	WEIGHTED RETURN %
Equity	70,00	4,50	3,10
Bonds	30,00	3,00	0,90
-	100,00	-	4,00

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
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In accordance with the Pension Increase Policy, increases should be granted equal to the increase in the Consumer Price Index, subject to affordability.

In respect of the period after retirement, the published a(55) tables for males and females have been used.

	31 MARCH 2022	31 MARCH 2021
Number of pensioners	5,00	7,00
Annual pension (R'000)	1 322,00	1 758,00
Pension weighted average age	53,70	52,30

6. PREPAYMENTS

Prepaid expenses	5 652	396 533
Prepaid VAT	1 272 667	1 158 654
	1 278 319	1 555 187

7. RECEIVABLES FROM EXCHANGE TRANSACTIONS

Trade debtors and other debtors	28 882 032	22 773 663
Deposits	141 332	47 832
Impairment for bad debts	(16 086 640)	(5 665 328)
VAT receivable	633 016	-
	13 569 740	17 156 167

Fair value of trade and other receivables

Trade and other receivables	13 569 740	17 156 167
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Trade and other receivables impaired

As of 31 March 2022, trade and other receivables of R 18 016 914 (2021: R 31 299 435) were impaired and provided for

The amount raised for provision was R16 086 640 as of 31 March 2022 (2021: R 3 613 462).

Reconciliation of provision for impairment of trade and other receivables

Opening balance	5 665 328	33 351 301
Provision for impairment raised	16 086 640	3 613 462
Current year provision shortfall	12 351 586	-
Amounts written off as uncollectible	(18 016 914)	(31 299 435)
Closing balance	16 086 640	5 665 328

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
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8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash on hand	100	100
Bank balances	75 256 431	55 823 919
	75 256 531	55 824 019

9. PROVISIONS

RECONCILIATION OF PROVISIONS - 2022

	OPENING BALANCE	ADDITIONS	TOTAL
Leave pay provision	1 530 626	218 672	1 749 298
Provision for bonus	-	2 000 000	2 000 000
	1 530 626	2 218 672	3 749 298

RECONCILIATION OF PROVISIONS - 2021

	OPENING BALANCE	ADDITIONS	ADDITIONS
Leave pay provision	1 205 814	324 812	1 530 626

Entitlement to holiday and shutdown leave is recognised when it accrues to employees. A provision is made for the estimated liability of holiday leave due as a result of services rendered by employees up to the reporting date.

10. OPENING BALANCE

Trade payables	4 723 665	1 327 821
Payroll liabilities	1 239 023	1 130 573
Trade debtors with credit balances	10 781 149	7 624 622
Accrued expenses	3 107 538	2 889 055
Suspense accounts - membership and application fees	9 848 439	8 883 019
Value added tax	-	11 272
	29 699 814	21 866 362

11. REVENUE

Annual fees	106 744 665	115 003 270
Application fees	11 671 511	9 516 951
Accreditation visits	9 871 565	597 142
Appeal fees	89 293	38 357
Bad debts recovered	8 326 933	5 426 076
Disciplinary fines	147 826	61 739
Other income	76 522	-
Interest received - investment	6 529 233	5 642 162
	143 457 548	136 285 697

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
The amount included in revenue arising from exchanges of goods or services are as follows:			
Annual fees		106 744 665	115 003 270
Application fees		11 671 511	9 516 951
Accreditation visits		9 871 565	597 142
		128 287 741	125 117 363
12. LEASE RENTALS ON OPERATING LEASE			
Lease rentals on operating lease - 2			
Contractual amounts		742 004	771 677
13. OTHER INCOME			
Appeal fees		89 293	38 357
Bad debts recovered		8 326 933	5 426 076
Disciplinary fines		147 826	61 739
Sundry income		76 522	-
		8 640 574	5 526 172
14. INVESTMENT REVENUE			
Interest revenue			
Interest from short term investments		3 090 461	2 307 462
Expected return on Defined Benefit assets		2 819 000	2 789 000
Interest from long term investments		619 772	545 700
		6 529 233	5 642 162
15. PERSONNEL EXPENSES			
Basic salary		54 127 197	44 228 174
Medical aid - company contributions		1 142 244	1 135 754
Unemployment insurance fund		172 160	152 548
Skills development levy		475 677	256 909
Staff insurance		101 872	108 623
Defined contribution plans		3 769 234	3 525 880
Meal allowance		865 800	986 700
		60 654 184	50 394 588
16. FINANCE COSTS			
Other interest: Pension benefit		2 113 000	2 017 000

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
17. GENERAL EXPENSES			
Auditors remuneration		616 177	745 575
Bank charges		605 740	583 443
Consulting and professional fees		674 631	1 922 381
Legal expenses		12 373 855	2 287 880
Insurance		322 829	352 444
IT expenses		5 424 447	4 240 441
Motor vehicle expenses		44 173	12 487
Placement fees		457 867	455 714
Printing and stationery		278 931	291 028
Marketing and Branding		1 072 281	217 161
Strategic projects		777 096	2 279 776
Repairs and maintenance		902 136	1 084 134
Rent paid - satellite offices		-	159 142
Staff welfare		584 527	260 755
Subscriptions and membership fees		434 891	251 086
Telephone and fax		566 064	478 623
Staff study assistance		232 100	399 695
Travel - staff		362 837	195 597
Travel - overseas		940 559	12 568
Electricity		1 359 306	1 289 412
Outsourced call centre		287 459	1 090 212
Office expenditure		589 027	610 727
Investment fees		168 768	175 916
Rental expense		519 474	443 837
Council and committee meetings		12 035 393	9 787 487
Committee room expenses		18 924	43 341
Loss on sale of assets		-	6 588
Parking expenses		37 165	33 521
		41 686 657	29 710 971

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
18. FAIR VALUE ADJUSTMENTS			
Other financial assets			
• Investments (Designated as FV through P&L)		834 308	2 570 314
19. AUDITORS' REMUNERATION			
Fees - External Auditors		331 142	314 785
Fees Internal audit		285 035	430 790
		616 177	745 575
20. CASH GENERATED FROM OPERATIONS			
Surplus		7 245 576	48 647 239
Adjustments for:			
Depreciation and amortisation		2 591 209	2 781 074
Movement in investment earnings		-	175 917
Fair value adjustments		(610 083)	(3 116 013)
Movements in retirement benefit assets and liabilities		115 000	148 000
Movements in provisions		2 218 672	282 455
Changes in working capital:			
Receivables from exchange transactions		3 586 427	(17 038 354)
Prepayments		276 869	(189 336)
Payables from exchange transactions		7 200 429	(498 905)
Other liability		(42 207)	48 356
		22 581 892	31 240 433

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
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21. FINANCIAL INSTRUMENTS DISCLOSURE

Categories of financial instruments

2022

Financial assets

	AT FAIR VALUE	AT AMORTISED COST	TOTAL
Investments	17 457 652	-	17 457 652
Trade and other receivables from exchange transactions	-	12 898 124	12 898 124
Other receivables from non-exchange transactions	-	1 278 319	1 278 319
Cash and cash equivalents	-	75 256 531	75 256 531
	17 457 652	89 432 974	106 890 626

Financial liabilities

	AT AMORTISED COST	TOTAL
Trade and other payables from exchange transactions	29 014 630	29 014 630

2021

Financial assets

	AT FAIR VALUE	AT AMORTISED COST	TOTAL
Investments	16 172 340	-	16 172 340
Trade and other receivables from exchange transactions	-	17 099 991	17 099 991
Cash and cash equivalents	-	55 824 019	55 824 019
	16 172 340	72 924 010	89 096 350

Financial liabilities

	AT AMORTISED COST	TOTAL
Trade and other payables from exchange transactions	8 914 682	8 914 682
Taxes and transfers payable (non-exchange)	1 130 573	1 130 573
	10 045 255	10 045 255

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

FIGURES IN RAND	NOTE(S)	2022	2021
22. COMMITMENTS			
Authorised capital expenditure			
Authorised operational expenditure			
Already contracted for			
• Communication platform		2 403 411	-
Not yet contracted			
• External audit		1 389 300	-
Total operational commitments			
Already contracted for		2 403 411	-
Not yet contracted for and authorised		1 389 300	-
		3 792 711	-

This committed expenditure relates to operational expenditure and will be financed by available retained surpluses, existing cash resources and funds internally generated.

23. CONTINGENCIES

The council is aware of pending CCMA matters and has, in consultation with its legal representative assessed the outcome of the matters. The council's legal representative and management consider the likelihood of action against the council being successful as unlikely. The current matters should be resolved in the next two years.

24. RELATED PARTIES

All related party transactions that occurred during the financial year were in the normal course of business, in accordance with the mandate of ECSA.

Related party transactions		
Membership fees paid by ECSA		
President	3 800	3 800
Vice President	3 800	3 800
Chief Executive Officer	3 800	3 800
Full subsidisation of the annual fees of registered persons who are related parties.		
Amounts included in Trade and other payables regarding related parties		
Council for the Built Environment	641 949	-

The section 4(S) of the CBE Act payment accruing to the CBE has been netted-off against the annual fees included in revenue from exchange transactions.

CBE waived 2021 fees due to the negative impact of COVID 19 on revenue and collections.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

25. MEMBERS' EMOLUMENTS

Remuneration of management

Management class: Executive management

2022

NAME	ANNUAL REMUNERATION	CONTRIBUTIONS TO RETIREMENT PLAN	TRAVEL ALLOWANCE	CELLPHONE ALLOWANCE	BONUS	TERMINATION BENEFITS	TOTAL
Chief Executive Officer	1 912 476	197 497	94 286	18 556	-	122 689	2 345 504
Executive - Research Policy and Standards	1 550 672	151 010	72 000	23 061	100 290	-	1 897 033
Executive: Corporate Services	2 308 179	18 229	-	23 061	169 561	-	2 519 030
Executive - Legal Services	706 382	74 738	-	12 000	-	-	793 120
Executive Regulatory Functions	156 853	-	-	-	93 332	129 306	379 491

2021

NAME	ANNUAL REMUNERATION	CONTRIBUTIONS TO RETIREMENT PLAN	TRAVEL ALLOWANCE	CELLPHONE ALLOWANCE	BONUS	TOTAL
Chief Executive Officer	2 090 628	208 789	102 857	20 243	55 751	2 478 268
Executive - Research Policy and Standards	1 483 777	146 732	72 000	20 243	42 959	1 765 711
Executive - Corporate Services	2 167 436	-	-	20 243	92 438	2 280 117
Executive - Office of the CEO	1 724 441	163 331	-	20 243	87 226	1 995 241
	7 466 282	518 852	174 857	80 972	278 374	8 519 337

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (CONTINUED)

26. GOING CONCERN

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

27. EVENTS AFTER THE REPORTING DATE

The following events and transactions occurred subsequent to 31 March 2022, reporting date:

- On 05 May 2022, the Council elected its President.
- In July, the Council paid an amount to the value of R3.73m to furnish security in terms of section 145(8) of the Labour Relations Act, 66 of 1995.

28. BUDGET DIFFERENCES

Material differences between budget and actual amounts

REVENUE

Total revenue for the period ended 31 March 2022 is R143.5 million compared to the budgeted R129.87 million. The positive variance of R13.6 million is attributable to the following:

Annual fees

The negative variance of R2.13 million is due to membership cancellation requests processed during the year.

Application fees

The positive variance of R2.16 million is due to increased number of applications processed in the during the year.

Accreditation visit

The positive variance of R2.32 million is due to an increased number of programs accredited in the current year, mainly due to prior year backlog. Few visits were conducted in the prior year due to lockdown restrictions.

Bad debts recovered

The positive variance of R6.23 million is due to an increased number of reinstated accounts.

Interest received

The positive variance of R4.69 million emanated from improved cash reserves resulting in increased interest income.

EXPENDITURE

The total variance of R3.89 million is made up of the following material contributors:

Debt impairment

The negative variance of R17.55 million is due to higher than anticipated debt write off and new provision to support the current debtors book.

General expenditure

The positive variance of R16.15 million is mainly attributable to low spending on honoraria of the regulatory functions work- groups relating to Registrations, Research and Continued Professional Development. Another contributor was lower spending on budgeted travel expense and strategic projects which were still in progress at year end.

DETAILED INCOME STATEMENT

Revenue			
Accreditation visits		106 744 665	115 003 270
Application fees		11 671 511	9 516 951
Accreditation visits		9 871 565	597 142
Appeal fees		89 293	38 357
Bad debts recovered		8 326 933	5 426 076
Disciplinary fines		147 826	61 739
Sundry income		76 522	-
Interest received - investment	14	6 529 233	5 642 162
Fair value adjustments		834 308	2 570 314
Total Operating revenue		144 291 856	138 856 011
Expenditure			
Employee and staff related costs	15	(60 654 184)	(50 394 588)
Depreciation and amortisation		(2 591 209)	(2 781 074)
Finance costs	16	(2 113 000)	(2 017 000)
Lease rentals on operating lease	12	(742 004)	(771 677)
Debt Impairment		(28 438 226)	(3 613 462)
Actuarial losses		(821 000)	(920 000)
General Expenses	17	(41 686 657)	(29 710 971)
Total expenditure		(137 046 280)	(90 208 772)
Surplus for the year		7 245 576	48 647 239

The supplementary information presented does not form part of the annual financial statements and is unaudited

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