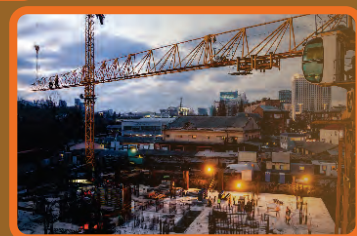


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C O U N C I L
F O R T H E B U I L T
E N V I R O N M E N T



ANNUAL REPORT 2022/23





COUNCIL FOR THE BUILT ENVIRONMENT
ANNUAL REPORT
2022/23



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Annual Report

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C O U N C I L
F O R T H E B U I L T
E N V I R O N M E N T

2022/23 Financial Year

a

GENERAL
INFORMATION



1. GENERAL INFORMATION

REGISTERED NAME: COUNCIL FOR THE BUILT ENVIRONMENT

PHYSICAL ADDRESS: Hillcrest Office Park
2nd Floor, Lourie Place
179 Lunnon Road
Hillcrest
Pretoria

POSTAL ADDRESS: P O Box 915
Groenkloof
0027

TELEPHONE NUMBER/S: +27 (0) 12 346 3985
+27 (0) 87 980 5009

FAX NUMBER: +27 (0) 12 346 3986

EMAIL: registrar@cbe.org.za

WEBSITE: www.cbe.org.za

EXTERNAL AUDITOR: Nexia SAB&T

BANKER: Standard Bank

COMPANY SECRETARY:

JUDIRISDICTION: The CBE is a Schedule 3A Public Entity under the
Department of Public Works and Infrastructure

ACCOUNTING AUTHORITY: CBE Council

2. ABBREVIATIONS/ACRONYMS/DEFINITIONS

AGSA	Auditor-General South Africa
APP	Annual Performance Plan
ASA	Agrément South Africa
B-BBEE	Broad Based Black Economic Empowerment
BE	Built Environment
BIM	Building Information Modelling
BEP/s	Built Environment Profession/s
The CBE Act	Council for the Built Environment Act 43 of 2000
CBE	Council for the Built Environment
CBEP	Councils for the Built Environment Professions
CC/CCSA	Competition Commission South Africa
CEO	Chief Executive Officer
CETA	Construction Education and Training Authority
CFO	Chief Financial Officer
CHS	Construction Health and Safety
CIDB	Construction Industry Development Board
CIOB	Chartered Institute of Builders
COO	Chief Operations Officer
COGTA	Cooperative Governance and Traditional Affairs
Council	CBE Council (the accounting authority of the organisation)
CPD	Continuous Professional Development
CRM	Central Registration Management
CSSO	Chief Shared Services Officer
CTO	Chief Transformation Officer
DDM	District Development Model
DoA	Delegation of Authority
DM	District Municipality
DPSA	Department of Public Service and Administration
DPWI	Department of Public Works and Infrastructure
ECDPW	Eastern Cape Department of Public Works and Infrastructure
EPWP	Expanded Public Works Programme
ERRP	Economic Recovery and Reconstruction Plan
ESD	Eastern Seaboard Development

FIDPM	Framework for the Infrastructure Delivery and Procurement Management
4IR	Fourth Industrial Revolution
GBRT	Green Building Rating Tool
GRAP	Generally Recognised Accounting Practice
HDI	Historically Disadvantaged Individuals
HR	Human Resources
IA	Internal Audit
ICT	Information Communications Technology
IDoW	Identification of Work
IEBES	Integrated Electronic Built Environment System
iGRAP	Interpretation of the Generally Recognised Accounting Practice
IT	Information Technology
IoT	Internet of Things
King IV™	King IV Report on Corporate Governance for South Africa
KPI	Key Performance Indicator
LG	Local Government
LGSETA	Local Government Sector Education Training Authority
LM	Local Municipality
merSETA	Manufacturing, Engineering and Related Services SETA
Minister	Minister of Public Works and Infrastructure
MISA	Municipal Infrastructure Support Agent
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NT	National Treasury
NDP	National Development Plan
NDPIP	National Development Plan Implementation Plan
NEF	National Empowerment Fund
NIP	National Infrastructure Plan
NQF	National Qualifications Framework
NSG	National School of Government
NT	National Treasury
OMA	O.M.A. Chartered Accountants Inc.

OSD	Occupation Specific Dispensation
PDI	Previously Disadvantaged Individual
PFMA	Public Finance Management Act
PMI	Project Management Institute
POPIA	Protection of Personal Information Act
PPC	Parliamentary Portfolio Committee
PSETA	Public Service Sector Education and Training Authority
PWD	Persons with Disabilities
PWI	Public Works and Infrastructure
REMS	Real Estate Management Services
RP	Registered Person
RPL	Recognition of Prior Learning
RICS	Royal Institution of Chartered Surveyors
SASCE	Southern African Society for Co-operative Education
SCF	Structured Candidacy Framework
SCM	Supply Chain Management
SETA	Sector Education Training Authority
TVET	Technical and Vocational Education and Training
UA	Universal Access
UART	Universal Access Rating Tool
UMP	University of Mpumalanga
UoT	University of Technology
VA	Voluntary Association
WIL	Work Integrated Learning
WSU	Walter Sisulu University

Definitions

Candidate	A person who meets only the academic requirements for registration in the Professional Categories and who is undergoing professional development (preferably) through a Commitment and Undertaking.
IDoW (Identification of Work)	Work that is ring-fenced, only to be undertaken by suitably qualified and registered professionals within the South African Built Environment categories.
Professional	A person registered in terms of an act of a council for a profession; and has met all educational and training requirements set by the council concerned.
Professionalisation of the State (public sector)	The collective drive to ensure that only qualified and competent individuals are appointed into positions of authority, in pursuit of a transformed, professional, ethical, capable and developmental public sector. Public officials must have the right qualifications and technical skills, and be inducted into Batho Pele principles. To serve the South African public, they must attain professional registration in their respective field of practice, deliver quality work, and be accountable for their delivery and performance.
Registered Person	A person registered by a council for the professions in the category of professional or candidate or another specified category.
Voluntary Association (VA)	An association that is recognised by the Built Environment professions as a voluntary association in terms of the professions' Acts.

Committees/Sub-Committees of Council

ARC	Audit and Risk Committee
AC	Appeals Committee
BETC	Built Environment Transformation Committee
EXCO	Executive Committee
ITSC	Information Technology Steering Committee
ORMC	Operational Risk Management Committee
SSC	Shared Services Committee

Councils/Bodies for the Built Environment Professions (CBEP)

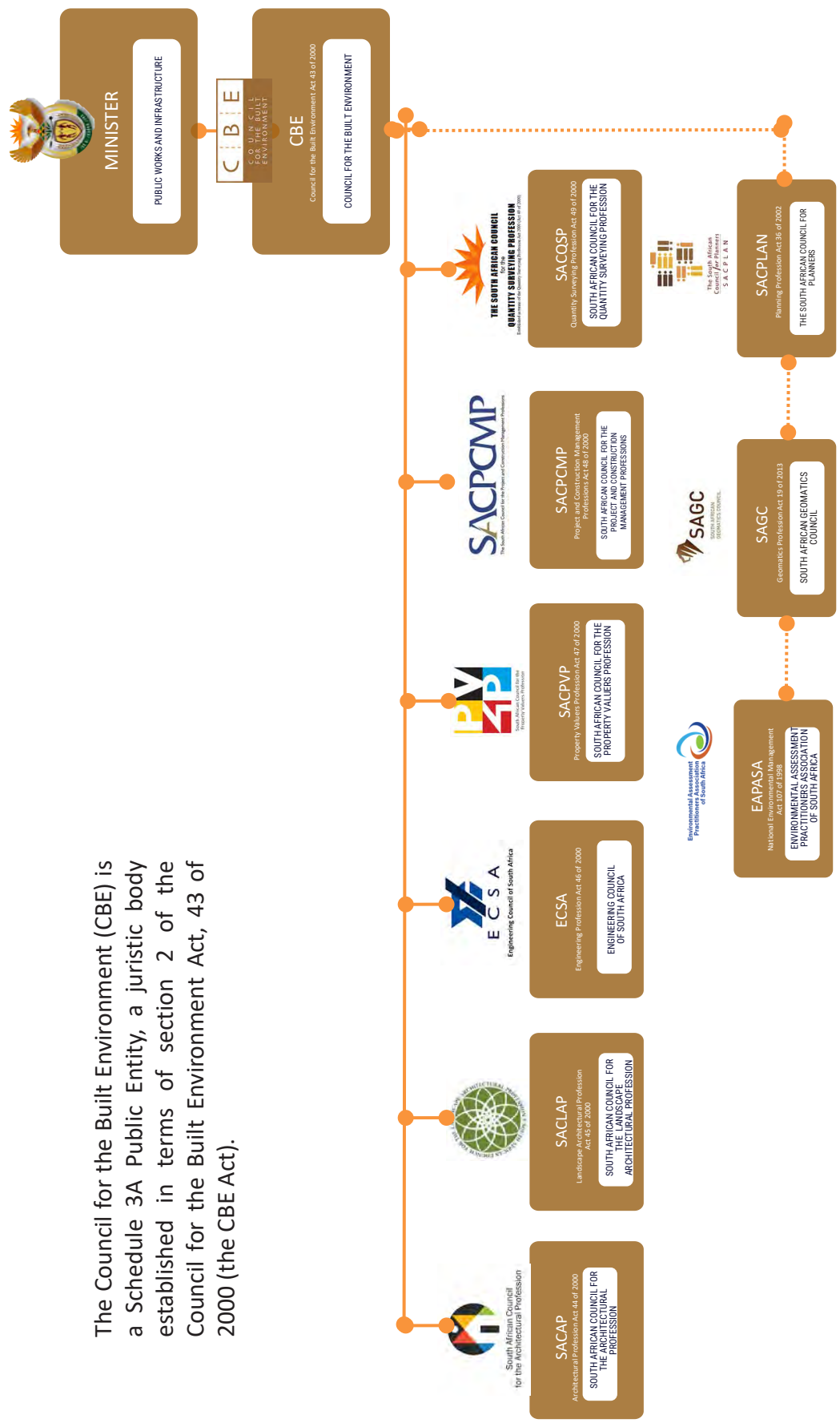
SACAP	South African Council for the Architectural Profession
SACLAP	South African Council for the Landscape Architectural Profession
ECSA	Engineering Council of South Africa
SACPVP	South African Council for the Property Valuers Profession
SACPCMP	South African Council for the Project and Construction Management Professions
SACQSP	South African Council for the Quantity Surveying Profession
EAPASA	Environmental Assessment Practitioners Association of South Africa
SACPLAN	The South African Council for Planners
SAGC	South African Geomatics Council

CBE Programmes

Programme 1	Administration
Programme 2	Empowerment and Economic Development
Programme 3	Professional Skills and Capacity Development
Programme 4	Research and Knowledge Management
Programme 5	Public Protection, Policy and Legislation

Collaborative Forums (formerly Transformation Collaborative Committees)

PPLSED	Procurement, Policy, Legislation and Socio-Economic Development
WEGE	Women Empowerment and Gender Equality
ES	Environmental Sustainability
PSCD	Professional Skills and Capacity Development
HSPPUA	Health, Safety, Public Protection and Universal Access



The Council for the Built Environment (CBE) is a Schedule 3A Public Entity, a juristic body established in terms of section 2 of the Council for the Built Environment Act, 43 of 2000 (the CBE Act).

Figure 1: Overview of the CBE

3. FOREWORD BY THE MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE



Mr Sihle Zikalala (MP)
Minister of Public Works and Infrastructure

I am pleased to present the Council for the Built Environment's (CBE) 2022/23 Annual Report, which complies with all statutory reporting requirements, notably section 40(1) of the Public Finance Management Act (PFMA) of 1999, and paragraph 18 of the National Treasury Regulations. I am proud to announce that the CBE has once again received a clean audit for the seventh consecutive year. This achievement reflects our commitment to accountability, transparency, and good governance.

Despite financial constraints, we have made significant progress in fulfilling our responsibilities. Our ongoing efforts to regulate the Built Environment Professions and enhance their capacity have continued to yield positive results. We remain committed to fostering a conducive environment for professionals in the Built Environment sector, as their expertise is crucial for sustainable development and infrastructure delivery.

Looking ahead, the CBE recognises the urgent need to address challenges posed by climate change. We are committed to incorporating climate change considerations into our policies, regulations, and practices. This includes promoting sustainable building practices, advocating for the use of renewable energy sources, and encouraging the adoption of green technologies. To this end, we are actively engaging with stakeholders, including government departments, industry professionals, and civil society organisations to develop a comprehensive framework that will guide our efforts in mitigating and adapting to climate change. We believe that by working together, we can create a Built Environment that is resilient, sustainable, and responsive to the needs of future generations.

Furthermore, I am excited to share our plans, which include a strong focus on professionalisation of the state. The importance of having competent and skilled Built Environment Professionals within the government sector cannot be underplayed, hence we are actively collaborating with the National School of Government (NSG) to develop programmes and initiatives that will create a cadre of fit-for-purpose professionals.

Through this partnership, we aim to enhance the knowledge and skills of government officials working in the Built Environment sector so that they have the necessary expertise to effectively fulfill their roles and responsibilities. By providing targeted training and development opportunities, we aim to empower these professionals to make informed decisions and contribute to the sustainable development of our country.

As we move forward, we remain committed to our vision of a well-regulated, sustainable and inclusive Built Environment sector. We will continue to engage with stakeholders, listen to their concerns and suggestions, and adapt our strategies to meet the evolving needs of our society and planet. By harnessing the collective efforts and expertise of all stakeholders, we can create a Built Environment that enhances the quality of life for all South Africans.

In closing, I would like to express my gratitude to the CBE Council, management, and staff for their unwavering commitment to the organisation's objectives. I would also like to thank the Councils for the Built Environment Professions (CBEP) and our stakeholders for their continued support and collaboration. Together, we can build a better future for all.



Mr Sihle Zikalala (MP)

Minister of Public Works and Infrastructure

31 August 2023

4. FOREWORD BY THE CHAIRPERSON OF THE COUNCIL FOR THE BUILT ENVIRONMENT



Ms Holovisa Amelia Mtshali
Chairperson: CBE Council

It gives me great pleasure to present my first Annual Report on behalf of the Accounting Authority as Chairperson of the Council for the Built Environment's (CBE) new Sixth Term Council. This Council took office on 24 January 2023. I would like to thank the Fifth Term Council, whose tenure expired at the end of October 2022, for their unwavering support and dedication in ensuring that they leave an excellent platform for the Sixth Term Council to continue building the CBE's legacy.

The CBE's performance is measured against its Key Performance Indicators (KPIs). The overall performance of the CBE against its annual targets for the 2022/23 financial year was 83% (translated as 15 of 18 targets achieved).

Transformation of the Built Environment system continues to be a national priority. To this end, the CBE developed Transformation Collaborative Forums (TCFs) to guide its contribution to transformation of the Built Environment system. Three Built Environment publications were developed during the 2022/23 financial year. Two advisory briefs on matters emanating from the TCFs were developed and submitted to stakeholders. These focused on:

- i. Assessment of candidacy programmes implemented within the public sector
- ii. Preferential frameworks to drive transformation in the Built Environment

On skills development and capacitation of the State, thirty-six district municipalities and three metro municipalities were engaged on the implementation of the CBE Structured Candidacy Framework. This is in preparation for the implementation of the candidacy programme and placement of candidates in 2023/24 financial year. Approved programmes were established for professionals and candidates appointed by the State for implementation by the National School of Government (NSG).

The National Development Framework (NDP) identifies the need for building a credible evidence base to support decision-making. As part of contributing to evidence-based decision making, the CBE in the 2022/23 financial year developed the final research report on the assessment of Built Environment candidacy programmes within the public sector.

On issues of governance and public protection in the Built Environment, the CBE finalised all lodged appeals within the statutory 60 days from the date of lodgement. The CBE conducted Corporate Governance assessment of the six Councils for the Built Environment (CBEP) on their compliance with the provisions of the adopted Governance Framework. As part of ensuring good corporate governance, the CBE partnered with NSG to train council members of the nine professional councils on governance and compliance. The training will continue into the new financial year.

Strategic Relationships

Strategic relationships are pivotal for the successful delivery of the CBE mandate. One of CBE's core purposes in working with partners or the Built Environment Professions is to proactively identify, investigate, and explain trends and changes that are likely to have an impact on regulation and the future of the Built Environment Professions. Some significant collaborative partnerships of the 2022/23 financial year were with:

- NSG - to drive professionalisation of the state by promoting relevant training programmes to Built Environment Professionals towards becoming capable and fit for purpose.
- Department of Employment and Labour – collaboration on offering of free public employment services to work-seekers , which is aimed at placing work-seekers to various available vacancies as advertised on employment Services of South Africa System
- Sustainability Institute – collaboration relating to areas of Research and Advisory around issues of sustainability in the built environment.

Strategic focus over the medium- to long-term period

As we conclude the final year of the plan, we are eagerly embarking on drafting the 2024-2029 strategic plan. Woven throughout the new strategic plan will be areas where we will collaborate to strategically position our professions in the Built Environment to address trends and risks, adapt to a changing regulatory landscape, select and adopt best practices, and remain relevant across the Republic of South Africa. As part of professionalising the State, over the medium-term the CBE will work with NSG, Built Environment Professions and the public sector to support employees to obtain professional registration with the respective Built Environment Professional bodies.

Climate Change mitigation and adaptation is rapidly becoming an integral part of infrastructure development that Built Environment professions, professionals, municipalities and infrastructure departments need to embrace when planning for infrastructure. Over the medium-term the CBE will host a series of engagement with relevant stakeholders to address climate change mitigation and adaptation.

Challenges faced by the CBE Council

There was the delay in the appointment of the Sixth Term Council. The CBE's Fifth Term Council concluded its term of office on 31 October 2022. Following Cabinet's approval, the Minister of Public Works and Infrastructure appointed and inaugurated the Sixth Term Council in January 2023. During this interim, the Chief Executive Officer (CEO) was the Accounting Authority of the entity.

Council noted the specific challenges associated with the reduced Medium Term Expenditure Framework (MTEF) budget allocation for funding the CBE mandate. The funding constraints require a refocus of resources and innovative ways to source funding to ensure that the CBE's delivery is inclusive and impactful across all areas of its mandate.

Acknowledgements / Appreciation

I wish to acknowledge and thank the Ministry of Public Works and Infrastructure for their continued support and considered input. On behalf of the Sixth Term Council, I would like to thank the Fifth Term Council, the CEO, management and all CBE colleagues who have demonstrated resilience, tenacity and resourcefulness to continue achieving results despite the many resource and capacity constraints.



Ms Holovisa Amelia Mtshali

Chairperson: CBE Council

Date: 31 May 2023

5. CHIEF EXECUTIVE OFFICER'S OVERVIEW



Dr Msizi Myeza
Chief Executive Officer

From a strategic perspective, the CBE continued to implement core focus areas of transforming the Built Environment industry, creating skilled Built Environment Professionals and expediting the empowerment of women, youth and people living with disabilities.

General financial review of the reporting period

The CBE's performance is measured against its Key Performance Indicators (KPIs). The overall performance of the CBE against its annual targets for the 2022/23 financial year was 83%. Seventeen percent of the targets not achieved were mainly due to third-party reliance. As part of resolving the issue, the CBE started a process of engaging all the partners ensuring that their roles and responsibilities are clearly articulated in preparation for the 2023/24 financial year.

The CBE does not provide services for which fees are charged. The CBE had a budget of R58.395 million to execute its mandate in the 2022/23 financial year. This budget originates from the following funding sources:

- a. Transfer Grant from National Department of Public Works and Infrastructure
- b. Retained surplus from 2021/22 and other sources
- c. Levies from the six Councils for the Built Environment Professions (CBEP)
- d. Other income

Spending trends

The CBE utilises its grant allocation to deliver on its planned projects in the Annual Performance Plan (APP), as well as on priority projects identified during the year. The budget expenditure for the year was R58.395 million, which was reduced to R57.8 million. The actual financial performance of the CBE resulted in a surplus of R0.052 million for the year. The CBE's financial performance is outlined in detailed financial statements for the 2022/23 financial year in PART E of this report. The actual expenditure incurred for the financial year amounted to R54.016 million, against the budget of R57.8 million. The net favourable variance of R0.349 million arose from the following:

- i. There was no suitable service provider identified for the CBE's twenty-year strategic review
- ii. Online webinar platforms, utilised for both Youth Development as well as Women Empowerment activities, resulted in cost savings

Capacity constraints and challenges

The primary challenge for the CBE in delivering its mandate is its budget, an allocation from DPWI. Due to the economic recession, government's squeezed fiscal space directly impacts on the CBE through proposed reductions in the medium-term budget allocations. The slow growth in the core baseline funding and increased costs of compliance is an ongoing challenge, which is not sustainable without focussed efforts. The increasing governance and compliance demands continue to precipitate unfunded additional investments in human capacity in the organisation. As part of addressing this challenge, the CBE developed a revenue enhance strategy. The purpose of this strategy is to explore challenges faced by the Council in enhancing its own sources of revenue and to identify ways to overcome these challenges.

The CBE's Fifth Term Council concluded its term on 31 October 2022. Following Cabinet's approval, the Minister appointed and inaugurated the Sixth Term Council in January 2023. During this interim, the CEO was the Accounting Authority of the entity.

Two Executives i.e. the Chief Operations Officer (COO) and Chief Financial Officer (CFO) resigned at the end of July 2022; the new appointments for these positions were effective on 01 February 2023 and 1 April 2023 respectively.

Lack of capacity in ICT was a challenge. In response, the CBE:

- i. established an IT Steering Committee
- ii. appointed fixed-term contract staff in the IT department

Discontinued key activities / activities to be discontinued

No activities were discontinued as operations during the 2022/23 financial year.

New or proposed activities

Climate Change mitigation and adaptation is rapidly becoming an integral part of infrastructure development that Built Environment professions, professionals, municipalities and infrastructure departments need to embrace when planning for infrastructure. As part of addressing this challenge the CBE established an Environmental Sustainability Forum.

Requests for rollover of funds

National Treasury (NT) approved the CBE's request to retain and utilise the surplus funds of R5.855 million for multi-year contractual commitments and the outcome of the contingent liability during the 2022/23 financial year. A request for the current year's surplus to the amount of R3.383 million will be submitted to NT.

Supply chain management

The Supply Chain Management (SCM) department developed systems and procedures to align procurement processes with the requirements of section 217 of the Constitution. The SCM function is governed by the provisions of the Public Finance Management Act (No 1 of 1999) (PFMA), the Preferential Procurement Policy Framework Act (Act No. 5 of 2000) (the PPPFA) and NT Regulations. These systems and procedures focus on managing the interdependent activities of demand, acquisition, and contract administration. The procurement plan for 2022/23 financial year was submitted as required by the relevant prescripts.

Unsolicited bid proposals for the year under review

The CBE's Supply Chain Policy discourages unsolicited bids. None were entertained or considered during the reporting period.

Unauthorised, irregular and fruitless and wasteful expenditure

The CBE has effective measures in place to prevent and detect irregular and fruitless and wasteful expenditure. The determination for one instance of irregular expenditure was finalised after year end. An amount of R 29 576, was found to be irregular and consequence management processes are currently underway.

Audit report matters in the previous year

The external auditors expressed a clean audit opinion for the 2022/23 financial year, with no irregular expenditure incurred during the financial year. The CBE continues to work on good governance, sound financial management and maintaining a sound internal control environment. Testimony of this is the CBE's sixth consecutive clean audit outcome. The CBE's procurement spend for 2022/23 financial year was 84% on Historically Disadvantaged Individuals (HDI) and youth.

Outlook / Plans for the future

The CBE will continue with its broad plans to become effective and efficient at protecting the interest of the public in the Built Environment, while playing a key role in implementing the transformation and skills development initiatives.

Events after the reporting date

Voluntary severance packages were paid to two employees after year-end. No other significant events after year-end were recorded.

Economic viability

During the year under review, the CBE continued to maintain its going concern status by displaying sustainable financial performance and a resilient balance sheet. A Government Grant and levies from the six CBEP, who depend solely on registration fees from their professionals, sustain the CBE.

Acknowledgement

The CBE experienced the transition from the Fifth-Term Council to the Sixth-Term Council during the reporting period. I want to take this opportunity to thank our previous and current Councils for their considerable time and commitment they give off so generously to the CBE. I also want to note some challenges of the reporting period such as the severe stages of load shedding and office relocation that make me especially grateful of being surrounded by a grounded Council and supportive staff. I applaud their resilience, professionalism and positivity.



Dr Msizi Myeza

Chief Executive Officer

Date: 31 May 2023

6. 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 are consistent with the annual financial statements audited by the external auditors.

The annual report is complete, accurate and free from any purposeful 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 E) has been prepared in accordance with the Generally Recognised Accounting Practice (GRAP) standards applicable to the Council for the Built Environment.

The accounting authority is responsible for the preparation of the annual financial statements and for judgements made on this information.

The accounting authority is responsible for establishing and implementing a system of internal control, which has been designed to provide reasonable assurance on the integrity and reliability of the performance information, 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 reflects the operations, performance information, human resources information and the financial affairs of the Council for the Built Environment fairly for the financial year ended 31 March 2023.

Yours faithfully



Dr Msizi Myeza
Chief Executive Officer
Date: 31 May 2023

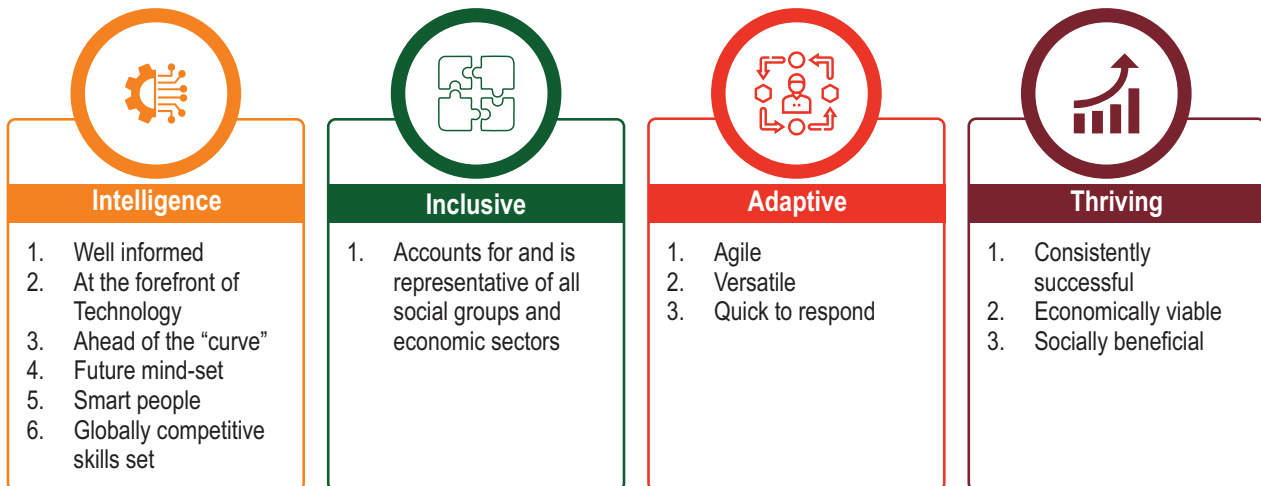


Ms Holovisa Amelia Mtshali
Chairperson: Council for the Built Environment

7. STRATEGIC OVERVIEW

7.1 Vision

An intelligent, inclusive, adaptive, and thriving Built Environment by 2035



7.2 Mission

Lead, regulate, advise and coordinate professions and their councils to meet the National Built Environment and Transformation Future of the industry.

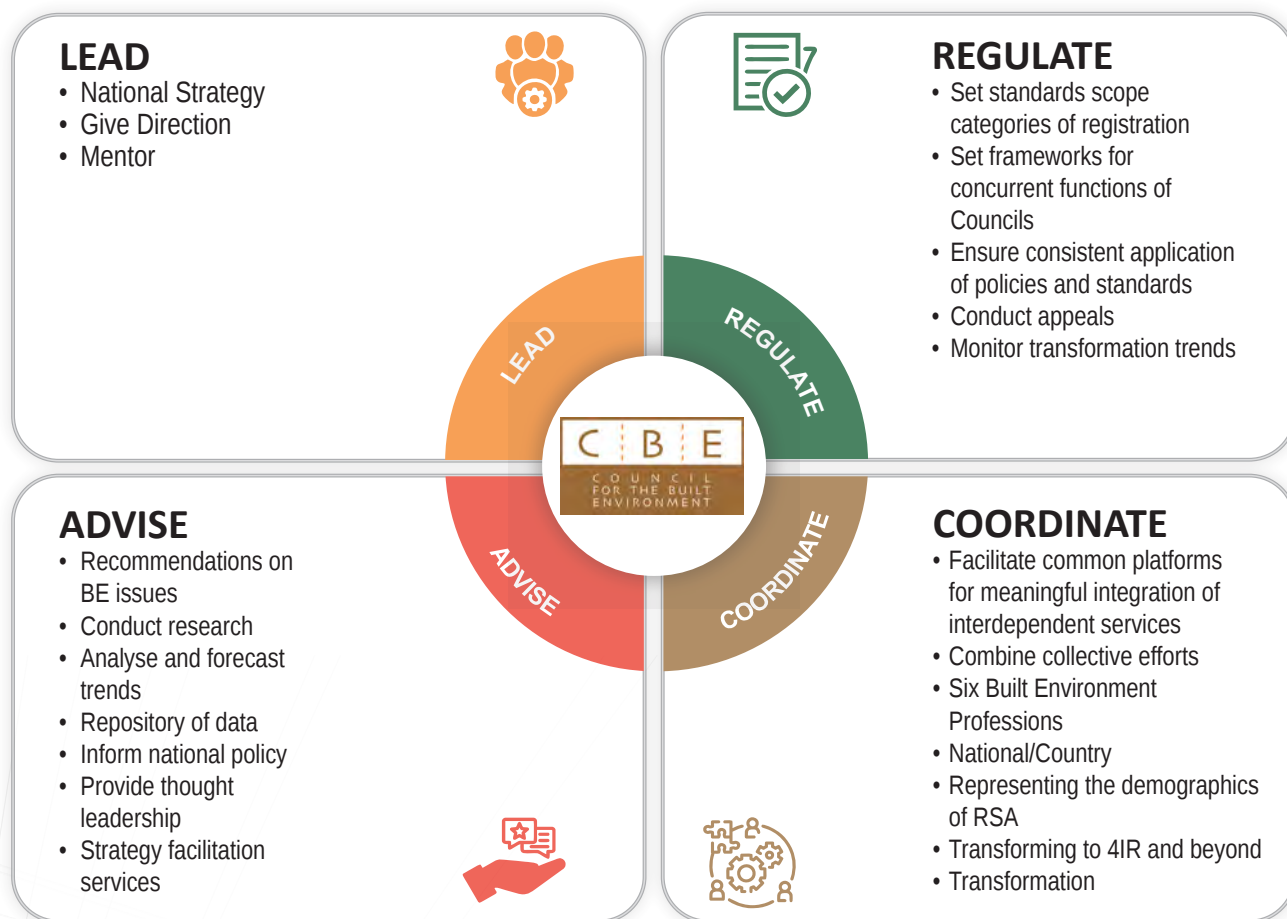


Figure 2: Underlying Principles of the Mission Statement

7.3 Values



Quality is
non-negotiable



Professionalism
in all that we do



Future
orientated



All-round
inclusiveness

7.4 Brand Promise



Building South Africa's Future

8. LEGISLATIVE AND OTHER MANDATES

The Council for the Built Environment (CBE) is a Schedule 3A Public Entity as per the Public Finance Management Act (PFMA). The CBE is a statutory body in existence since the enactment of the Council for the Built Environment Act (No 43 of 2000) (The CBE Act) in 2000. It is an entity of the Department of Public Works and Infrastructure (DPWI). The CBE is responsible for regulating the following CBEP in South Africa - Architecture, Landscape Architecture, Engineering, Property Valuation, Project and Construction Management Professions, and Quantity Surveying.

The objectives of the CBE as per section 3 of the CBE Act are to:

- a. *promote and protect the interest of the public in the built environment;*
- b. *promote and maintain a sustainable built environment and natural environment;*
- c. *promote ongoing human resources development in the built environment;*
- d. *facilitate participation by the built environment professions in integrated development in the context of national goals;*
- e. *promote appropriate standards of health, safety and environmental protection within the built environment;*
- f. *promote sound governance of the built environment professions;*
- g. *promote liaison in the field of training in the Republic and elsewhere and to promote the standards of such training in the Republic;*
- h. *serve as a forum where the built environment professions can discuss relevant—*
 - (i) required qualifications;*
 - (ii) standards of education;*
 - (iii) training and competence;*
 - (iv) promotion of professional status; and*
 - (v) legislation impacting on the built environment; and*
- i. *ensure uniform application of norms and guidelines set by the councils for the professions throughout the built environment.*

8.1 Functions, Powers and Duties of the Council (section 4 of the CBE Act)

The Council may:

- (a) *advise Government on any matter falling within the scope of the built environment, including resource utilisation, socio-economic development, public health and safety and the environment, and for this purpose carry out such investigations as it or the relevant Minister deems necessary;*
- (b) *communicate to the Minister¹ information on matters of public importance acquired by the council in the course of the performance of its functions under this Act;*
- (c) *make recommendations to the Minister on the composition, functions, assets, rights, employees or financing of the council;*
- (d) *advise the Minister with regard to the amendment of this Act, if necessary, in order to support the norms and values of the built environment professions;*
- (e) *facilitate inter-ministerial co-operation concerning issues relating to the built environment;*
- (f) *provide advice and consultation on national policy that could impact on the built environment, human resource development in relation to the built environment professions, and the recognition of new professions;*
- (g) *comment, if necessary, on all proposed legislation impacting on health and safety in the built environment;*
- (h) *direct communication from the Minister or the relevant Minister to the councils for the professions;*
- (i) *advise the councils for the professions on matters of national importance where the needs of the State, as communicated to the council through the relevant Minister, require joint and co-ordinated action by the built environment professions;*
- (j) *coordinate the establishment of mechanisms for professionals to gain international recognition;*
- (k) *ensure the consistent application of policy by the councils for the professions with regard to:*
 - (i) *accreditation;*
 - (ii) *the registration of different categories of registered persons;*
 - (iii) *key elements of competence testing of registered persons;*
 - (iv) *codes of conduct to be prescribed by the councils for the professions;*
 - (v) *the principles upon which the councils for the professions must base the determination of fees which registered persons are entitled to charge in terms of any of the professions' Acts, and in accordance with any legislation relating to the promotion of competition;*
 - (vi) *standards of health, safety and environmental protection within the built environment;*
 - (vii) *the recognition of voluntary associations for the built environment professions, by approving the framework for that recognition submitted by the councils for the professions, taking due cognisance of the characteristics of each built environment profession;*

1

Minister of Public Works and Infrastructure

- (l) *investigate or initiate investigations into matters pertaining to its functions and policies with regard to the built environment and, if necessary, recommend legislation in this regard;*
- (m) *act as an appeal body with regard to matters referred to it in terms of the law regulating the built environment professions;*
- (n) *in consultation with councils for the professions, obtain recognition for the councils for the professions as bodies responsible for the establishment of education and training standards in terms of the South African Qualifications Authority Act, 1995 (Act No. 58 of 1995);*
- (o) *ensure the consistent application of policy throughout the built environment by encouraging coordination between the councils for the professions;*
- (p) *promote coordination between the Council on Higher Education and the councils for the professions in relation to the accreditation of education institutions;*
- (q) *liaise with the Competition Commission, established in terms of the Competition Act, 1998 (Act No. 89 of 1998), on behalf of the councils for the professions regarding the identification of work for the built environment professions;*
- (r) *review fees published by the councils for the professions to ensure the consistent application of the principles regarding such fees;*
- (s) *charge:*
 - (i) *membership fees in the prescribed manner from the councils for the professions, calculated pro rata to the number of persons registered with that council;*
 - (ii) *fees payable for appeals in terms of section 21; and*
 - (iii) *any other fee it considers necessary;*
- (t) *institute legal proceedings to recover all outstanding membership fees payable under this Act;*
- (u) *consider proposals from the councils for the professions with regard to the determination of policy contemplated in paragraph (k);*
- (v) *receive and assimilate the annual reports of the councils for the professions and submit a summary to the Minister;*
- (w) *purchase, hire or otherwise acquire or dispose of property, borrow money on the security of the assets of the council or accept and administer any trust or donation;*
- (x) *subject to this Act, approve standing orders for the regulation of its proceedings and of all other matters relating to the management, powers and duties of the council;*
- (y) *perform such functions as may be prescribed; and*
- (z) *generally, do all such things as the council deems necessary or expedient to achieve the objectives of this Act.*

9. LEGISLATIVE AND POLICY MANDATES

The scope of the CBE and councils for the professions in the Built Environment value chain is to regulate those Built Environment Professions who conceptualise, design, build, maintain and transfer social and economic infrastructure. The CBE executes its mandate from the Council for the Built Environment Act (No 43 of 2000) (the CBE Act), while also being mindful of the following legislations, regulations, policies and best practices guidelines to exercise good governance, ethical leadership and corporate citizenship. The CBE adopted a Compliance Policy and implements a compliance action plan for identified obligations with quarterly closure.

Table 1: Key Legislation and Best Practices

Short Title	Purpose
Construction Industry Development Board Act, 38 of 2000	To provide for the establishment of the Construction Industry Development Board; to implement an integrated strategy for the reconstruction, growth and development of the construction industry and to provide for matters connected therewith.
Council for the Built Environment Act, 43 of 2000	To provide for the establishment of a juristic person to be known as the Council for the Built Environment; to provide for the composition, functions, powers, assets, rights, duties and financing of such a council; and to provide for matters connected therewith.
Architectural Profession Act, 44 of 2000	To provide for the establishment of a juristic person to be known as the South African Council for the Architectural Profession; to provide for the registration of professionals, candidates and specified categories in the architectural profession; to provide for the regulation of the relationship between the South African Council for the Architectural Profession and the Council for the Built Environment; and to provide for matters connected therewith.
Landscape Architectural Professional Act, 45 of 2000	To provide for the establishment of a juristic person to be known as the South African Council for the Landscape Architectural Profession; to provide for the registration of professionals, candidates and specified categories in the landscape architectural profession; to provide for the regulation of the relationship between the South African Council for the Landscape Architectural Profession and the Council for the Built Environment; and to provide for matters connected therewith.
Engineering Profession Act of South Africa, 46 of 2000	To provide for the establishment of a juristic person to be known as the Engineering Council of South Africa; to provide for the registration of professionals, candidates and specified categories in the engineering profession; to provide for the regulation of the relationship between the Engineering Council of South Africa and the Council for the Built Environment; and to provide for matters connected therewith.

Short Title	Purpose
Property Valuers Profession Act, 47 of 2000	To provide for the establishment of a juristic person to be known as the South African Council for the Property Valuers Profession; to provide for the registration of professionals, candidates and specified categories in the property valuation profession; to provide for the regulation of the relationship between the South African Council for the Property Valuers Profession and the Council for the Built Environment; and to provide for matters connected therewith.
Project and Construction Management Professions Act, 48 of 2000	To provide for the establishment of a juristic person to be known as the South African Council for the Project and Construction Management Professions; to provide for the registration of professionals, candidates and specified categories in the project and construction management professions; to provide for the regulation of the relationship between the South African Council for the Project and Construction Management Professions and the Council for the Built Environment; and to provide for matters connected therewith.
Quantity Surveying Profession Act, 49 of 2000	To provide for the establishment of a juristic person to be known as the South African Council for the Quantity Surveying Profession; to provide for the registration of professionals, candidates and specified categories in the quantity surveying profession; to provide for the regulation of the relationship between the South African Council for the Quantity Surveying Profession and the Council for the Built Environment; and to provide for matters connected therewith.
Public Finance Management Act, 1 of 1999	To regulate financial management in the national government; to ensure that all revenue, expenditure, assets and liabilities of that government are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in that government; and to provide for matters connected therewith.
Skills Development Act, 97 of 1998	- To provide an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce; to integrate those strategies within the National Qualifications Framework contemplated in the South African Qualifications Authority Act, 1995; - To provide for learnerships that lead to recognised occupational qualifications; to provide for the financing of skills development by means of a levy-grant scheme and a National Skills Fund; to provide for and regulate employment services; and to provide for matters connected therewith.
Employment Equity Act, 55 of 1998	To provide for employment equity and to provide for matters incidental thereto.
Promotion of Administrative Justice Act, 3 of 2000	To give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996; and to provide for matters incidental thereto.

Short Title	Purpose
Promotion of Access to Information Act, 2 of 2000	To give effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights; and to provide for matters connected therewith.
Minimum Information Security Standards	(1) Maximises the degree to which unclassified geographic information from various sources can be made electronically compatible and accessible; and (2) Promotes the development of interoperable geographic information systems technologies that shall:- (a) allow widespread, low-cost use and sharing of geographic data by National, Provincial, local governments and state entities, and the public; and (b) enable the enhancement of services using geographic data.
Occupational Health and Safety Act, 85 of 1993	The Occupational Health and Safety Act aims to provide for the health and safety of persons at work and for the health and safety of persons in connection with the activities of persons at work and to establish an advisory council for occupational health and safety.
National Treasury Regulations	These regulations, issued regularly by National Treasury, are applicable to all public entities listed on Schedules 2, 3B and 3D.
National Archives of South Africa Act, 43 of 1996	To provide for a National Archives; the proper management and care of the records of governmental bodies; and the preservation and use of a national archival heritage; and to provide for matters connected therewith.
King IV Report™ on Corporate Governance for South Africa	Ethical and effective leadership is at the heart of the King IV Report on Corporate Governance for South Africa (King IV™). The 17 basic principles are universally applicable to all organisations, and all are required to substantiate a claim that good governance is practised.

10. ACCOUNTABILITY STRUCTURES

The CBE has accountability structures that direct, manage and hold the organisation accountable. These are based on the CBE Act, the Public Finance Management Amendment Act (PFMA) (Act 29 of 1999), and the National Treasury Reporting Framework. In addition, the CBE subscribes to the requirements of the King IV Report on Corporate Governance for South Africa (King IV™). Parliament, through the Parliamentary Portfolio Committee (PPC) on Public Works of the National Assembly, maintains high-level oversight of the entity, while the Executive Authority (the Minister of Public Works and Infrastructure) and the Accounting Authority (the CBE Council) are accountable for the entity.



12. STAKEHOLDER ENGAGEMENTS

The CBE promotes an inclusive approach towards engagement with stakeholders. The table below provides an overview of stakeholder engagement during the reporting period.

Table 2: Key Engagements in 2022/23

Engagements	Key Matters	Date
REGULATORS		
Technical MinMec	Preparing for MinMec	14 April 2022
Portfolio Committee on Public Works	Issues of Governance in the CBE	4 May 2022
Registrars Forum	IDoW matter to DPWI Transformation and Sector Code	10 May 2022
MinMec	Establishment of the workstreams and CBE is serving on two workstreams – transformation and skills	10 June 2022
National Department of Public Works and Infrastructure	Fraud Pledge	30 June 2022
	Report on Quarter Four Performance	7 July 2022
National Treasury	- Procurement Bill discussion with NT - Briefing note for the Minister	14 July 2022
Auditor-General South Africa (AGSA) / Internal Audit	Audit process – audit steering committee	Completed 31 July 2022
CETA (Construction SETA (Sector Education and Training Authority)	- Engagement on the joint programmes - Revising the MoU	Continuous process
ECSA	Participated in the ECSA's CEO Recruitment Process	23 July 2022
cidb / UJ	Establishing a Centre of Excellence	10 July 2022
CBE / ASA / IDT / cidb	Public Entity Collaboration – shared services, regional representations, SWOT analysis, structured meetings	27 July 2022 and going forward

Engagements	Key Matters	Date
Competition Commission	DG Letter to facilitate meeting between Minister, CCSA, CBE and CBEP	17 August 2022
GOVERNMENT DEPARTMENTS		
Limpopo Premier Office	Institutionalisation of the CBE through the DDM model	7 April 2022
National School of Government	Board Induction Training of KZN members	1 June 2022
Mpumalanga Premier Office	Institutionalisation of the CBE through the DDM model	21 June 2022
KZN Premier Office	Institutionalisation of the CBE through the DDM model	23 June 2022
National Youth Development Agency	Explore collaboration on programmes for young people in the Built Environment and entrepreneurship support	11 July 2022
National School of Government	Signing of MoU	14 July 2022
WC Premier Office	Institutionalisation of the CBE through the DDM model	19 July 2022
GPF	Signing of MoU	15 August 2022
TERTIARY INSTITUTIONS OFFERING BE PROGRAMMES		
Gauteng City Region Observatory	Explore possible partnership to support and capacitate the Research unit	1 April 2022
Walter Sisulu University	Explore possible partnership to establish a Built Environment Centre of Excellence	11 July 2022
UP Enterprise	Review of MoU	17 August 2022
Mpumalanga University Vice Chairperson and Principal	RESOLUTIONS: The structured model for skills development in the Built Environment Collaboration on establishing a virtual academy that are within the legislative frameworks Alignment of the research agenda and plan to introduce the Built Environment courses in 2025	16 September 2022
VOLUNTARY ASSOCIATION		
SACN State of Cities Report	State of local government focusing on governance, finance, and infrastructure	22 April 2022
SAIA	Corobrick/SAIA Rewards ceremony	10 June 2022
SACNASP	Presentation on Agile Leadership and Innovation	3 August 2022

Engagements	Key Matters	Date
STAKEHOLDER ENGAGEMENT		
NSE	National Stakeholder Engagement	5 July 2022
WEGE Webinar	Addressing Women Empowerment and Gender Equality in the Built Environment	5 October 2022
THOUGHT LEADERSHIP / PUBLICATIONS / SOCIAL MEDIA		
CEO	KZN flood devastation shows new approach to urban development needed – Rebuilding hopes and homes	26 April 2022
CEO	Young Unemployed Graduates Celebrating Freedom Day	26 April 2022
CBE	Media Post: Built Environment and KZN Flood Disaster Update	6 May 2022
From the Desk of the CEO (newsletter)	Reflecting on progress of CBE matters with the application of CPR+I and good governance	9 June 2022
CBE	Media Post: CBE supports infrastructure Built Environment Anti-Corruption Pledge	01 July 2022
CBE	Media Post: CBE co-signs Infrastructure Built Environment Anti-Corruption Pledge	04 July 2022
CBE and NSG	Media Post: Signing of the Memorandum of Collaboration	14 July 2022
From the Desk of the CEO (newsletter)	Reflecting on Mandela Day and the CBE's role in building the country of our dreams	31 July 2022
CBE and GPF	Media Post: Signing a Memorandum of Understanding	16 August 2022
CBE and GPF	Media Post: Collaborate on transforming the construction sector	17 August 2022
WEGE Webinar Awareness	Media Post: Achieving Gender Equality, Diversity, and Inclusion in the Built Environment Professions – covered by Concrete Trends	29 September 2022.
From the Desk of the CEO (newsletter)	Reflecting on Heritage Day and cultural diversity	30 September 2022
WEGE Webinar Awareness	Media Post: Shattering the Glass Ceiling: Gender, equality, diversity, and inclusion in the Built Environment Professions – covered by Media Update	30 September 2022.
WEGE Webinar Awareness	Media Post: Shattering the Glass Ceiling: Gender, equality, diversity, and inclusion in the Built Environment Professions – covered by Africa.com	4 October 2022.
WEGE Webinar Awareness	Media Post: Building Sector remains male dominated in SA – covered by Sunday World	4 October 2022.
WEGE Webinar Awareness	Media Post: Achieving gender equality in the Built Environment requires a multi - pronged approach- covered by Bizcommunity.com	5 October 2022

Engagements	Key Matters	Date
SKILLS ENGAGEMENTS		
PROVINCE: WESTERN CAPE		
West Coast District Municipality	CANDIDACY SUPPORT MEETING: PROGRAMME 3.1 PURPOSE: - Overview of CBE and Introduction of the Structured Candidacy Framework (SCF) - District Municipalities' (DM) Futuristic Plans of the Candidacy Programme - Challenges faced by DMs on the implementation of the Candidacy Programme RESOLUTIONS: - DM Database/List of Professionals and Interns in the Built Environment departments in the DM - Organogram of the DM and their B-category Municipalities - M&E Checklist completed per DM contextualising their position with implementing a Structured Candidacy Programme - Offer support in establishing a Structured Candidacy Programme	12 August 2022
Central Karoo District Municipality		11 August 2022
Garden Route District Municipality		29 July 2022
PROVINCE: NORTHERN CAPE		
John Taolo Gaetsewe (JTG) District Municipality	CANDIDACY SUPPORT MEETING PROGRAMME 3.1 PURPOSE: - Overview of CBE and Introduction of the Structured Candidacy Framework (SCF) - DMs' Futuristic Plans of the Candidacy Programme - Challenges faced by DMs on the implementing the Candidacy Programme - Engagements with LGSETA, BMF, NSA and SALGA as potential stakeholders for funding and partnership RESOLUTIONS: - DM Database/List of Professionals and Interns in the Built Environment departments in the DMs (Namakwa and JTG) - Organogram of the DM and their B-category Municipalities - M&E Checklist completed per DM contextualising their position with implementing a Structured Candidacy Programme - Offer support in establishing a Structured Candidacy Programme	09 June 2022
Kuruman PSDF Forum		06-09 June 2022
Upington PSDF And INTERSETA Forum		21-23 June 2022
Namakwa District Municipality		12 July 2022
PROVINCE: MPUMALANGA		
Mpumalanga & Limpopo DG	RESOLUTION: - Mpumalanga Public Works WIL student placements - MoU for partnership	21 June 2022

Engagements	Key Matters	Date
PROVINCE: FREE STATE		
Free State LGSETA	CANDIDACY and WIL SUPPORT MEETING PROGRAMME 3.1 & 3.2 PURPOSE: - Bring Provincial LGSETAs as funders of Candidacy and WIL Programmes in Free State DMs on board RESOLUTION: - Possible partnership in economic recovery and infrastructure development through DDM pillar of LGSETA - Anticipate meeting with LGSETA National ACOO and CBE Executives	10 June 2022
PROVINCE: KWAZULU-NATAL		
eThekwinini	CANDIDACY SUPPORT MEETING PROGRAMME 3.1 PURPOSE: - Overview of CBE and Introduction of the SCF - DMs' Futuristic Plans of the Candidacy Programme RESOLUTIONS: - Share Database of Candidates - Possible partnership on how the Metro can assist the 10 DMs with implementing the Structured Candidacy Programme and cross-pollination	27 June 2022
NORTH WEST		
Department of Human Settlements, DPWI & Environmental Affairs	RESOLUTIONS: - Explore areas of partnership in mentorship and candidacy programmes - CBE to participate in North West Province Infrastructure Forum re: formulating skills development programmes aimed at assisting unemployed graduates - Collaboration on the research and knowledge management as well as Climate Smart Resilience Infrastructure	15 September 2022

Engagements	Key Matters	Date
ORGANISATIONS		
Infrastructure Skills Development Grant (ISDG) PRESENTATION	PURPOSE: - Bring them on board as funders RESOLUTION: - Potential partnership in funding skills development programmes	15 June 2022
NSG	PROGRAMME 3.3: Partnership on the development of reskilling programmes for Built Environment candidates and professionals RESOLUTION: - MoU	15 June 2022
SACQSP	CANDIDACY SUPPORT MEETING PROGRAMME 3.1 PURPOSE: - Share SACQSP Professional Registration Processes - Share CBE Programme 3.1 & 3.2 Targets RESOLUTION: - Assist with Employer Contacts (Raubex and WBHO) - Assist with VA information - Assist with Retired Professionals Database to source mentors	21 July 2022
IMESA	PURPOSE: Collaboration on Professionalising the Built Environment (specifically Engineering) in the public sector, including municipalities RESOLUTION: - Potential partnership for professionalising the Built Environment (Engineering) in the public sector - Collaboration on Career Awareness programmes for townships and rural areas - MoU required for Practicalities on the Collaboration: * Capacity for technical service delivery * Training and Skills Development * Retaining Professionals in local government * Support Engineers in local government - IMESA will be a respondent for the CBE Research Study on Candidacy and Professionals in the Built Environment	02 August 2022

Engagements	Key Matters	Date
SAIV (Voluntary Association)	CANDIDACY SUPPORT MEETING PROGRAMME 3.1 PURPOSE: - Overview of CBE and Introduction of the SCF - VAs Futuristic Plans of the Candidacy Programme - Challenges faced by the VAs on the implementation of the Candidacy Programme RESOLUTION - SAIV to review the SCF - Follow up meeting to focus on SAIV Candidacy Programme, Model and Best Practices - Partnership to cross-pollinate the Structured Candidacy Programme in DMs	11 August 2022
KZN COGTA	CANDIDACY SUPPORT MEETING PROGRAMME 3.1 & 3.2 PURPOSE: - Overview of CBE and Introduction of the SCF - Potential partnership on the Structured Candidacy and WIL Programmes RESOLUTION: - Support on Implementing the Structured Candidacy Programme through the DDM Model: * G-Cluster Unit for Capacity Development will assist in accordance with the Cabinet-Lekgotla directive to assist technical skills and shared services * Access to 10 DMs and the Metro * Open up DMs as workplaces for WIL students * Invitation to present to the 10 DMs at Provincial Forums - CBE requested to be a standing stakeholder at KZN COGTA	18 August 2022
UNIVERSITIES		
UNISA	WIL PLACEMENTS & MONITORING PROGRAMME 3.2 PURPOSE: - Assist UNISA in placing and monitoring WIL students RESOLUTION: - Follow up meeting required for further discussion - Sharing of TUT WIL monitoring and evaluation form	31 May 2022
CPUT	WIL PLACEMENTS & MONITORING PROGRAMME 3.2 PURPOSE: - Assist CPUT in placing and monitoring WIL students RESOLUTION: - Monitor 25 WIL students after four weeks of placement exposure - Sharing of CPUT WIL monitoring and evaluation form	21 July 2022

Engagements	Key Matters	Date
TUT	WIL PLACEMENTS & MONITORING PROGRAMME 3.2 PURPOSE: - Assist TUT in placing and monitoring WIL Students RESOLUTION: - CBE will receive numbers of WIL students from TUT requiring placement - CBE will be a co-applicant in funding applications to SETAs and other funders - CBE will monitor students along with TUT - Sharing of TUT WIL monitoring and evaluation form	22 July 2022

Career Exhibition: Eastern Cape

On 16 February 2023 the CBE joined Eastern Cape Department of Public Works and Infrastructure (ECDPWI), Walter Sisulu University (WSU), and the Chief Pokwana Royal House for a career exhibition in Ngcobo. The exhibition was held at Nyanga High School, one of the top-performing schools in the Eastern Cape. More than 700 students from surrounding schools attended the exhibition to learn about available opportunities and careers in the Built Environment. The expo followed up with a meeting with WSU and the ECDPWI on 17 February 2023 to develop support-focused solutions for reimagining and establishing a Built Environment and Engineering Faculty at WSU and ECDPWI.

Engagement with the Public Protector South Africa 02 March 2023

The legislative framework of the Built Environment consists of seven enabling acts, one for the Council for the Built Environment (the CBE) and one for each of the six Councils for the Built Environment Professions (the CBEP). The professions' Acts focus mainly on accreditation of educational programmes, the registration of applicants in applicable categories of registration and the regulation of the professional conduct of registered persons. The professions' Acts do not enable enforcement of professional standards of conduct against unregistered practitioners.

The CBE has a statutory mandate to promote and protect the interest of the public in the Built Environment. Although the CBE has investigative powers, and a reporting obligation to the Minister of Public Works and Infrastructure, the CBE does not have enforcement powers. It is against this background that a meeting was convened with the Public Protector Office South Africa to explore areas of collaboration and partnership in driving the ethical conduct of the Built Environment sector.

Municipal Infrastructure Support Agency (MISA)

In another development, MISA conceived a plan of action to strengthen and improve municipal service delivery. This collaboration will serve as a platform for knowledge exchange and mutual learning in relation to structured candidature, mentorship programmes, professional registration, placement of unemployed youth graduates at municipalities, maximisation of resource utilisation, and expanding the scope of technical capacity building initiatives in the Built Environment. CBE and MISA are currently finalising the Memorandum of Understanding to concretise the working relationship and implementation plans.

Eastern Seaboard Development (ESD) Skills Revolution Summit

The CBE, entities, and other government departments joined the Department of Cooperative Governance and Traditional Affairs and MISA at the inaugural Eastern Seaboard Development (ESD) Skills Revolution Summit on February 27, 2023, at WSU in Mthatha. The Eastern Seaboard Development is an initiative with a multifaceted vision to create a new smart city and bring new developments to KwaZulu-Natal and Eastern Cape.

Revising the Transformation Collaborative Forums and Repositioning the CBE Stakeholder Engagement Forum

The CBE has in the past convened the Stakeholder Engagement Forums on a quarterly basis. The Stakeholder Engagement forums served as a platform for CBE leadership to report back to the industry and stakeholder on various issues pertaining to the sector, namely Register of Professional Service Providers, Identification of Work Regulations, DPWI unlimited liability, Procurement legislations and policies, etc. It is against this background that the Transformation Collaborative Forums have been revised, with their reporting lines and addressing industry matters emanating from the TCF perceived as follows:

TRANSFORMATION COLLABORATIVE FORUMS



PROCUREMENT, POLICY, LEGISLATION & SOCIO-ECONOMIC DEVELOPMENT

The impact of procurement policies, frameworks, and regulations on the built PPLSED Forum. The forum also describes the desired procurement reforms taking into account the difficulties with legislative transformation that have been found.



PROFESSIONAL SKILLS & CAPACITY DEVELOPMENT

The PSCD TCF focuses on ensuring that Councils, Professional Bodies, Universities and Stakeholders have successful working relationships, lobbying for 4IR and digitalization, and aligning with the CBE mandate and strategic objectives in relation to the Built Environment skills pipeline.



WOMEN EMPOWERMENT & GENDER EQUALITY

The WEGE TCF is charged with advocating for a Built Environment that is and more inclusive for women, youth and persons with disabilities. In addition, the CBE's fundamental mandate is to transform the Built Environment industry, produce qualified Built Environment professionals, and accelerate the empowerment of women, youth, and persons with disabilities.



HEALTH, SAFETY PUBLIC PROTECTION & UNIVERSAL ACCESS

The HSPPUA TCF especially deals with issues pertaining to defending the public's interest in the fields of universal design and accessibility, as well as health and safety in the South African Built Environment. The Forum places emphasis on compliance with H&S regulations, inclusion of H&S in procurement procedures and the perseverance of the rights of dignity of vulnerable groups.



OCCUPATION SPECIFIC DISPENSATION

The OSD TCF was charged with the facilitation of industry inputs into the Department of Public Services and Administration (DPSA) process to modify the adopted OSD policy. The formal submission was made to the DPSA and the Department of Public Works and Infrastructure (DPWI), the PPLSED TCF will be used to advance issues going forward.



ENVIRONMENTAL SUSTAINABILITY

The ES Forum focuses on issues related to natural environment in the Built Environment, namely National Environmental Management Act (NEMA Act), CoP 27 Agenda, Built Environment industry's implementation, 17 Sustainable Development Goals, Presidential Climate Change Commission and National Disasters.

Figure 4: Transformation Collaborative Forums





Annual Report

C | B | E

C O U N C I L
F O R T H E B U I L T
E N V I R O N M E N T

2022/23 Financial Year

b

PERFORMANCE
INFORMATION

1. EXTERNAL AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

Nexia SAB&T, in its capacity of external auditor currently performs the necessary audit procedures on the CBE's performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in this report, with material findings reported under Predetermined Objectives in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 226 of the Auditors Report, published in Part E: Financial Information.

2. SITUATIONAL ANALYSIS

The CBE is a Schedule 3A Public Entity as per the PFMA. It is a statutory body in existence since the enactment of the CBE Act. It is an entity of the National Department of Public Works and Infrastructure. The CBE is responsible for regulating the following Built Environment Professions in South Africa- Architecture, Landscape Architecture, Engineering, Property Valuation, Project and Project and Construction Management Professions, and Quantity Surveying- in the Built Environment and lends valuable support to government's development initiatives through, among others:

- (i) providing structured advice on development proposals and policy issues
- (ii) mobilising expertise for implementing development projects from the public and private sectors
- (iii) compiling development specifications and standards

The CBE is entrusted with powers and duties to ensure:

- (a) government has access to the coordinated support of the professions with regard to national development priorities and the regulation of the professions
- (b) coordination of the various professional regulatory systems
- (c) coordination between the professions to support matters of high priority for the country

Service Delivery Environment

According to the *policy document on the statutory regulation of the Built Environment Professions (1999)*, professional expertise in the country is a national asset and should be managed as a scarce resource of high value. This expertise is a resource that is renewable, but also subject to degradation if standards are allowed to decline and/or interest in entering the professions as a career is not promoted. The intrinsic value of professions lies in their essential role and function in socio-economic development. While socio-economic development and the improvement of the quality of life in South Africa enjoys priority attention, professional expertise needs to be nurtured, professional standards need to be maintained and professional services need to be within reach of all communities. To develop a profession and keep it healthy, the profession must be regulated from within, as well as by government. Government has the duty to protect the public, while self-regulation by the professions ensures quality and development within the professions. Government is of the opinion that in the Built Environment, self-regulation by the professions manifests itself in voluntary associations and institutes. Government involves itself by recognising the competence levels set by the professions and protecting the public interest by legislation.

General Performance

The CBE's performance is measured against its Key Performance Indicators (KPIs). The overall performance of the CBE against its annual targets for the 2022/23 financial year was 83% (translated as 15 of 18 targets achieved).

On outcome 1: optimum functioning council, the CBE continues to work on good governance, sound financial management and maintaining a sound internal control environment.

Advancing Transformation: Transformation of the Built Environment system continues to be a national priority. To this end, the CBE developed Transformation Collaborative Committees (TCCs) to guide its contribution to transformation of the Built Environment system. Three Built Environment publications were developed during the 2022/23 financial year. Two advisory briefs on matters emanating from TCCs were developed and submitted to stakeholders. These focused on:

- i. Assessment of candidacy programmes implemented within the public sector
- ii. Preferential frameworks to drive transformation in the Built Environment

On skills development and capacitation of the State, thirty-seven district municipalities and three metro municipalities were engaged on the implementation of the CBE Structured Candidacy Framework. This is in preparation for the implementation of the candidacy programme and placement of candidates in 2023/24 financial year. Approved programmes were established for professionals and candidates appointed by the State for implementation by NSG.

The National Development Framework (NDP) identifies the need for building a credible evidence base to support decision-making. As part of contributing to evidence-based decision making, the CBE in the 2022/23 financial year developed the final research report on the assessment of Built Environment candidacy programmes within the public sector.

On issues of governance and public protection in the Built Environment, the CBE finalised all lodged appeals within the statutory 60 days from the date of lodgement. The CBE conducted Corporate Governance assessment of the six CBEP on their compliance with the provisions of the adopted Governance Framework. As part of ensuring good corporate governance, the CBE partnered with NSG to train council members of the nine professional councils on governance and compliance. The training will continue into the new financial year.

The KPI targets not achieved are outlined below.

The annual target for **Programme 2.4** was not achieved due to the non-availability of stakeholders and the expiry of the Fifth Term Council's term of office. One stakeholder engagement was hosted in the second quarter, translating to 25% achievement of the annual target. To ensure continuity, it was resolved that the next stakeholder engagement should include the new Sixth Term Council.

The annual target for **Programme 3.1** was not achieved. Thirty-six out of the forty-four district municipalities were supported through monitoring the implementation of the Structured Candidacy Programme, translating to 82% achievement of the annual target. The non-achievement of the annual target is due to the non-response of the district municipalities, even after various platforms were employed to secure an audience with them. Moreover, district municipalities are not directly involved in infrastructure projects, hence candidacy programmes are not their priority.

The annual target for **Programme 3.2** was not achieved. A total of 6 (out of 400) work integrated learning (WIL) students were placed at workplaces for practical work experience during the financial year, translating to 1.5% achievement of the annual target. One challenge on the programme was the sharing of information by universities, who cited Protection of Personal Information Act (POPIA) adherence. This impacted negatively

on the implementation of this APP target. The recommendation is for the CBE to enter into Memoranda of Understanding (MoUs) with universities to address POPIA challenges. The CBE will also enter into an MoU with the Southern African Society for Cooperative Education (SASCE) in supporting individuals and institutions in integrating academic studies with quality work integrated learning.

Strategic focus areas currently on the CBE's radar

It was pointed out in the 2023/24 Budget Vote Debate that the CBE is participating in a few ongoing programmes that extend beyond its objectives.

Over the medium-term, it will focus on transforming the Built Environment, creating skilled Built Environment Professionals (fit-for-purpose), and expediting the empowerment of women, youth and the disabled. The CBE will work with district municipalities through the District Development Model (DDM) and infrastructure departments to implement these interventions. The CBE Council will drive programmes aimed at creating economic opportunities for previously disadvantaged groups, embark on policy reforms hindering transformation in the Built Environment and collaborate with various sectors to professionalise the Built Environment (viz. addressing poor workmanship, construction mafias, corruption).

One of the CBE's key interventions is to transform and build partnerships and collaborations with emphasis on including women and young graduates into the skills pipeline. The CBE will continue to focus on coordinating and enabling the Built Environment skills pipeline by implementing the structured candidacy programme in workplaces.

The CBE is working on establishing a functional database of Built Environment mentors to mentor candidates employed by the State, which will assist with:

- supporting youth absorption into employment beyond internships
- growing young entrepreneurs and support youth-owned businesses
- providing work exposure for unemployed youth
- implementing mentorship and coaching programmes to enable proper support during the internship

Another key intervention for the CBE is to rebuild the Built Environment by ensuring that the sector drives demand and increases productivity. An estimated R16.693 million has been set aside to conduct these activities for the required expert advisory services. Four transformation advisory reports are expected to be developed per year over the medium-term. These reports will detail the progress made in the Built Environment to reassess the achievability of the targets per year.

Over the medium-term the CBE will continue to advocate for the CBEP' contributions to social, environmental and economic development. Having a strong, independent, national voice that influences public policy and builds and maintains a strong reputation for the Built Environment Professions will continue to be a distinctive feature of the CBE's work. Climate Change mitigation and adaptation is rapidly becoming an integral part of infrastructure development that Built Environment professions, professionals, municipalities and infrastructure departments need to embrace when planning for infrastructure. As part of its initiatives, the CBE will host a Climate Change Indaba in August 2023 in Durban. An estimated R1,9 million has been set aside to conduct these activities.

The CBE intends to shape public policy through independent study and engagement as an impartial adviser to Government on topics such as Health and Safety in the Built Environment, climate action, infrastructure investment and the National Infrastructure Plan (NIP), and procurement legislation affecting the Built Environment Professions.

Organisational Environment

During the period under review, the CBE managed to fill its critical vacancies. Amongst the key posts filled were the appointments of the Chief Shared Service Officer (CSSO), the Chief Financial Officer (CFO) and other strategic management positions critical to services delivery. The fit-for-purpose macro-organisational structure was implemented. The upskilling of staff in the new positions are in the process of being identified, costed and executed.

The primary challenge for the CBE in delivering its mandate is its budget, an allocation from DPWI. Due to the economic recession, government's squeezed fiscal space directly impacts on the CBE through proposed reductions in the medium-term budget allocations. The slow growth in the core baseline funding and increased costs of compliance is an ongoing challenge, which is not sustainable without focussed efforts. The increasing governance and compliance demands continue to precipitate unfunded additional investments in human capacity in the organisation. As part of addressing this challenge, the CBE developed a revenue enhancement strategy. The purpose of this strategy is to explore challenges faced by the CBE in enhancing its own sources of revenue and to identify ways to overcome these challenges.

The CBE's Fifth Term Council concluded its term of office on 31 October 2022. Following Cabinet's approval, the Minister appointed and inaugurated the Sixth Term Council in January 2023. During this interim, the CEO was the Accounting Authority of the entity.

Two Executives i.e. the Chief Operations Officer (COO) and Chief Financial Officer (CFO) resigned at the end of July 2022; the new appointments for these positions were effective on 01 February 2023 and 1 April 2023 respectively.

Lack of capacity in Information Communications Technology (ICT) was a challenge. The Information Technology (IT) unit has been inundated with temporary staff who resign at short notice. The unit requires permanency in staff to ensure a stable service and address the numerous audit findings. To mitigate these challenges, the CBE:

- i. established an IT Steering Committee
- ii. appointed fixed-term contract staff in the IT department

The work of the IT Steering Committee in the past two years has made strides into addressing majority of audit findings.

Policy Development and Legislative Changes

There were no changes in the policy and legislative environment affecting the CBE in the period under review. CBE awaits the Ministry's directive on the review of the CBE Act.

3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

Strategic Outcome 1: Optimum Functioning

There was progress on the following items towards achieving an optimum functioning CBE:

- i. CBE obtained clean audit for four consecutive years (2018/19, 2019/20, 2020/21 and 2021/22)
- ii. Revenue from the grant and levies increased by 2%
- iii. Migration to IT Cloud service. However, the CBE continues to face capacity challenges in the IT department
- iv. During the year under review the CBE implemented a fit-for-purpose structure, with identified prioritised positions and positions to be filled in the long-term. The inability to fully implement the structure is due to non-funded positions
- v. All business processes documented in standard operating procedures were approved
- vi. CBE's footprint increased locally and internationally through marketing communication activities on mainstream media (radio, television and published articles) and social media:
 - a. CBE's LinkedIn followers increased by 1332 (including 63 international followers), to 2 325 by 31 March 2023
 - b. CBE's Facebook page has shown improvement in terms of followers and post reach, both locally and internationally (UK, Australia, Botswana, Lesotho, Nigeria, Zambia, Namibia, Ethiopia, and Zimbabwe)

- c. Media coverage generated significant traffic to the CBE's website resulting in over 85 000 page views for an average of 3 minutes and 15 seconds

Strategic Outcome 2: Transformed Built Environment

Over the medium-term, the CBE focused its efforts on transforming the Built Environment, by expediting the empowerment of women, youth, and persons with disabilities. Significant milestones in this area were the following:

- i. Developing a Broad-Based Long-Term Transformation Strategy which established and institutionalised five Transformation Collaborative Committees (TCCs). Each of the TCCs focused on a specific workstream viz.
 - a. Procurement, Policy, Legislation and Socio-Economic Development (PPLSED)
 - b. Women Empowerment and Gender Equality (WEGE)
 - c. Health, Safety, Public Protection and Universal Access (HSPPUA)
 - d. Professional Skills and Capacity Development (PSCD)
 - e. Occupation Specific Dispensation (OSD) (which subsequently evolved to Environmental Sustainability [ES] upon its expiry)
- ii. To date there is a 38% improvement on the 2019 baseline on transformation in the Built Environment Professions

Strategic Outcome 3: Skilled Built Environment Professionals

To contribute towards the ten percent reduction of Built Environment Skills Gap against requirement forecasts, the CBE undertook the following:

- i. Produced an advisory throughput report on the Built Environment skills pipeline (supply and demand)
- ii. Partnered with NSG to provide upskilling and reskilling programmes on project management, entrepreneurship, mentorship, infrastructure delivery and procurement management for both Built Environment candidates and professionals
- iii. Partnered with universities of technology and other Built Environment stakeholders to implement the Work Integrated Learning programme to increase the throughput of Built Environment graduates
- iv. Monitored and evaluated forty-six workplaces (over two financial years: 2020/21 and 2021/22) and thirty-six district municipalities (2022/23) on the implementation of Structured Candidacy programmes to ensure an increase in the conversion rate of candidates
- v. Undertook 109 Built Environment career awareness initiatives for school learners in all nine provinces through partnerships with provincial departments of education, South African National Roads Agency (SANRAL), South African Agency for Science and Technology Advancement (SAASTA) other and key stakeholders

Strategic Outcome 4: Informed Decision-making which Impacts the Current and Future Operational Requirements of the Industry

- i. The CBE made contributions to the National Infrastructure Plan (NIP) and the Procurement Bill to ensure sustainable development in the Built Environment
- ii. Provided OSD policy recommendations to the Minister of Public Service and Administration (DPSA)
- iii. Investigated issues that impact on the Built Environment and submitted six advisory briefs to relevant stakeholders, resulting in 120% achievement of the five-year target:
 - a. The institutionalisation of the Framework for Infrastructure Delivery and Procurement Management (FIDPM) and skills requirements
 - b. Potential implications of the Fourth Industrial Revolution on Expanded Public Works Programme
 - c. The role of Built Environment Professions in the Effective Implementation of the FIDPM
 - d. Built Environment Skills Requirements to Support the Implementation of the DDM
 - e. Preferential frameworks to drive transformation in the Built Environment
 - f. Assessment of candidacy programmes implemented within the public sector

Strategic Outcome 5: Public Interest in the Built Environment Promoted and Protected

The CBE plays the public protection role through its appeals function and through ensuring consistent application of policy by the professional councils:

- i. A total of nineteen appeals were lodged during the mid-term and were all finalised within the prescribed 60-day period, translating to hundred percent finalisation of the lodged appeals
- ii. Additionally, in an effort to fulfil its public protection function, the CBE developed a public complaints procedure manual to give effect to its legislative mandate in sections 4(a) and (l)- three complaints were finalised within 90 days from the date of lodgement, translating to hundred percent finalisation
- iii. Three periodic corporate governance assessments of the six CBEP were conducted on their compliance with the provisions of the adopted Governance Framework to identify potential governance weaknesses, which translates to 60% achievement of the five-year target

4. STRATEGIC OUTCOMES AND IMPACT STATEMENTS

The strategic goals listed below were developed to guide the work of the CBE and to co-ordinate work with the CBEP:

Table 3: Strategic Outcome 1: Optimum Functioning CBE

Strategic Outcome 1	Optimum Functioning CBE
Impact Statement	Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions
Programme Name	Programme 1: Administration
NDP Five Year Priority	Priority 6: A capable, ethical and developmental State
NDP Five-Year Implementation Plan Outcome	Ethical, efficient operations and effective accountability mechanisms

Table 4: Strategic Outcome 2: Transformed Built Environment

Strategic Outcome 2	Transformed Built Environment
Impact Statement	Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions
Programme Name	Programme 2: Transformation
NDP Five Year Priority	Priority 1: Economic Transformation and Job Creation
NDP Five-Year Implementation Plan Outcome	Increased ownership and participation by historically disadvantaged individuals

Table 5: Strategic Outcome 3: Skilled Built Environment Professionals

Strategic Outcome 3	Skilled Built Environment Professionals
Impact Statement	Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions
Programme Name	Programme 3: Skills and Capacity Development
NDP Five Year Priority	Priority 1: Economic Transformation and Job Creation Priority 2: Education, Skills and Health
NDP Five-Year Implementation Plan Outcome	Improved education, training, and innovation Improved employability of youth through skills training

Table 6: Strategic Outcome 4: Informed Decision-making which Impacts the Current and Future Operational Requirements of the Industry

Strategic Outcome 4	Informed decision-making which impacts the current and future operational requirements of the industry
Impact Statement	Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions
Programme Name	Programme 4: Research and Advisory
NDP Five Year Priority	Priority 6: A capable, Ethical and Developmental State
NDP Five-Year Implementation Plan Outcome	Ethical, efficient operations and effective accountability mechanisms

Table 7: Strategic Outcome 5: Public Interest in the Built Environment Promoted and Protected

Strategic Outcome 5	Public interest in the Built Environment promoted and protected
Impact Statement	Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions
Programme Name	Programme 5: Regulation and Public Protection
NDP Five Year Priority	Priority 6: A capable, Ethical and Developmental State
NDP Five-Year Implementation Plan Outcome	Ethical, efficient operations and effective accountability mechanisms

5. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

The strategic direction is implemented through five budget Programmes that enable organisation-wide coordination and consolidation of steering, monitoring and control of execution and achievements against commitments. The CBE's five Programmes are as follows:

- Programme 1: Administration
- Programme 2: Empowerment and Economic Development
- Programme 3: Professional Skills and Capacity Development
- Programme 4: Research and Knowledge Management
- Programme 5: Public Protection, Policy and Legislation

Alignment to DPWI Outcomes and National Development Plan (NDP) Priorities

The Department of Planning, Monitoring and Evaluation has outlined Priorities to drive the planning and implementation of strategic plans over the 2020/21-2024/25 National Development Plan (NDP Five-Year Implementation Plan [NDPIP]) period. During this Medium-Term Strategic Framework (MTSF) period, the CBE will have contributed to and reported on the following Outcomes:

Table 8: Alignment with DPWI, NDP Priorities and NDPIP Outcomes

NDP Priorities	NDPIP Outcomes	DPWI Outcomes	CBE Outcomes	Objective of CBE Act
				
Priority 6: A capable, ethical and developmental State	Ethical, efficient operations and effective accountability mechanisms	A Resilient, Ethical and Capable DPWI	Optimum Functioning Council	
Priority 1: Economic transformation and job creation	Increased ownership and participation by historically disadvantaged individuals	Transformed Built Environment	Transformed Built Environment	3(d) facilitate participation by the built environment professions in integrated development in the context of national goals 3(f) promote sound governance of the built environment professions; (3h) serve as a forum where the built environment professions can discuss relevant issues
Priority 2: Education, skills and health	Improved education, training and innovation Improved employability of youth through skills training	Transformed Built Environment	Skilled Built Environment	3(c) promote ongoing human resources development in the built environment 3(g) promote liaison in the field of training in the Republic and elsewhere and to promote the standards of such training in the Republic

NDP Priorities	NDPIP Outcomes	DPWI Outcomes	CBE Outcomes	Objective of CBE Act
Priority 6: A capable, ethical and developmental State	Ethical, efficient operations and effective accountability mechanisms	A Resilient, Ethical and Capable DPWI	Informed decision-making which impacts the current and future operational requirements of the industry	4(a) advise government on any matter falling within the scope of the built environment, including resource utilisation, socio-economic development, public health and safety and the environment; and for this purpose carry out such investigations as it or the relevant Minister deems necessary;
Priority 6: A capable, ethical and developmental State	Ethical, efficient operations and effective accountability mechanisms	A Resilient, Ethical and Capable DPWI	Public interest in the Built Environment promoted and protected	3(a) promote and protect the interest of the public in the built environment; 3(b) promote and maintain a sustainable built environment and natural environment 3(e) promote appropriate standards of health, safety and environmental protection within the built environment 3(j) ensure the uniform application of norms and guidelines set by the councils for the professions throughout the built environment

5.1 Programme 1: Administration

Purpose: To ensure that CBE has the necessary capacity and capability to support Government's development priorities within the Built Environment.

Key Sub Programmes

The Administration Programme is organised to carry out its work according to the following sub programmes:

- 1) Human Capital and Facilities Management
- 2) Information and Communications Technology
- 3) Marketing and Communications
- 4) Finance

Programme 1 provides the organisation with enabling governance structures, strategy and planning capacity, and shared services supported by fit-for-purpose business and information systems, policies, and procedures and Marketing and Communications and financial support services. In addition, the Programme provides strategic analysis and systems intelligence. Programme 1 contributes towards Priority 6: A capable, ethical and developmental State.

On building a capable State, the NDP emphasises the importance of building institutional capacity in South Africa, particularly in the public sector. It devotes a chapter on building a capable and developmental State, underlining the importance of good management, a commitment to high performance, an uncompromising focus on ethics, and continuous learning. The emphasis is on an efficient, effective, and development-oriented public service and an empowered, fair, and inclusive citizenship. According to the NDP, a developmental State needs to be capable, but a capable State does not materialise by decree, nor can it be legislated or waived into existence by declarations. It must be built, brick by brick, institution by institution, and sustained and rejuvenated over time. It requires leadership, sound policies, skilled managers and workers, clear lines of accountability, appropriate systems, and consistent and fair application of rules. A capable State (chapter 13), with functioning, well-run utilities, departments, and municipalities, will help ensure efficient regulation.

The 2019-24 MTSF emphasises the importance of modernising business processes in the public sector to ensure effective and efficient service provisioning to our people. Over the midterm, the CBE will review its business processes and Information Technology (IT) to ensure that these are effective and efficient to support the Built Environment sector. A capable state requires effectively coordinated state institutions with skilled public servants who are committed to the public good and capable of delivering consistently high-quality services, while prioritising people in the achievement of the nation's developmental objectives. This vision requires a State that has the capacity to formulate and implement policies that serve national interest and address the root causes of poverty and inequality.

The CBE will have sustained and improved its good governance practices and systems, evident by clean audits for the past three financial years, complemented by effective accountability practices. The CBE will finalise the business process mapping and re-engineering initiative to remove operational bottlenecks, streamline systems and processes and design optimised, efficient and effective delivery platforms with a view to enhance accountability, value for money and improved stewardship of resources.

To achieve the above, Administration's targets for the year were the following:

*5.1.1 Hundred percent of the CBE's revised organisational structure action plan's identified priorities implemented by 31 March 2023. – **Achieved***

The output of this target is to implement the priorities identified in the action plan developed to implement the organisational structure. The structure was reviewed to align it with business needs, workforce planning processes, as well as to respond to key events (such as changes in client needs, funding, technology, processes, priorities).

This target aims to achieve effective, efficient, and quality service delivery. The CBE works continuously on staff development and strengthening its internal processes through an improved planning framework, efficient systems, and relevant programmes. It will strive to achieve an excellent organisational culture through avenues such as a change management strategy to support a competitive working environment.

The annual target was achieved. Hundred percent of the CBE's revised organisational structure action plan's identified priorities were implemented by 31 March 2023:

- Job profiling interviews were held for new and prioritised positions
- Job Evaluation report was finalised
- The review report on salary costing for prioritised positions was approved
- Internal staff placed and external prioritised positions advertised during August and September 2022 respectively
- Nine appointments successfully concluded during the financial year. Seven of the candidates commenced their duties during the year under review, while the remaining two will do so in the next financial year
- Induction for all newly appointed employees

*5.1.2 IT Strategy Plan that includes IoT and 4IR Initiatives Roadmap completed and implemented by 31 March 2023. – **Achieved***

This target is to enable the CBE to meet its organisational strategic goals through technological platforms and solutions, while ensuring that it aligns to Fourth Industrial Revolution (4IR) and Internet of Things (IoT) changes across industries and around the world.

Business modernisation is a key strategic intent with the outcome that an organisation is resilient, efficient, and innovative where information science is a prime mover of an end-to-end pro-user system. This would be achieved through:

- innovating and modernising current manual business processes
- establishing sustainable enterprise architecture capability as the basis for ICT strategic plan development
- developing, implementing, and monitoring ICT corporate governance and improving the overall ICT control environment to mitigate risks
- implementing knowledge management capability for the organisation to institutionalise knowledge sharing, and to harvest and harness innovation, idea generation and corporate thinking power

The annual target was achieved. The IT Strategy Plan that includes IoT and 4IR Initiatives Roadmap was completed and implemented by 31 March 2023. Cloud Additional Servers and Disaster Recovery initiatives were implemented:

- i. Migration- Lift and shift to Data Centre over line and converted to Cloud
- ii. Remote Access- Netskope installed
- iii. Servers – all virtual serves operational in cloud
- iv. Firewall- Fortinet firewall

5.1.3 Four marketing communication activities to raise the profile of the CBE by 31 March 2023. – **Achieved**

The CBE's aim is to improve public awareness and recognition of the crucial role of Built Environment Professionals everywhere in the country. Raising awareness of the role and contribution of Built Environment Professionals (BEPs) through the media, social media and public events will help excite and inspire potential Built Environment Professionals and keep citizens informed. Improving stakeholder relations and engagement is a crucial strategic objective.

The annual target was achieved. The overall performance for 2022/23 financial year was above average with a total of 23 marketing communication activities undertaken to raise the profile of the CBE. There is an overall positive variance of 19 marketing communication activities. The reasons for the over achievement of the target can be put down to the following:

- The CBE gradually increased its presence in the media (particularly self-generated social media platforms) space.
- Procuring a service provider to facilitate specific programme activities (viz. WEGE webinars) outsourced the publicity element by default. This is recommended as a way forward for the CBE to continue this trajectory of increasing its media presence.
- Collaborative ventures (e.g., the Feenix crowdfunding platform) benefitted the CBE with joint publicity a significant spin-off.

Impact of the Marketing Communication activities

The increase in marketing communication activities and media coverage generated traffic to CBE's website and social media platforms, thus positively raising the profile of the CBE:

- i. The analytics show that CBE's LinkedIn followers increased by 1332 (including 63 international followers), bringing the total number of followers to 2 325 by 31 March 2023:

386	Construction
286	Architecture and Planning
60	Civil Engineering
69	Real Estate
28	Building Construction
13	Community Development and Urban Planning
6	Transportation Systems
4	Housing and Community Development
3	Building Equipment Contractors

The remaining followers are in the other sectors of economy including government, private sector, NGOs, professional services and so forth.

- ii. CBE's Facebook page has shown improvement in terms of followers and post reach, both locally and internationally during the year under review:
- South Africa – 94.6% with the highest reach in Gauteng, followed by Western Cape, KZN and Eastern Cape
 - Lesotho – 0.7%
 - Botswana and Nigeria – 0.6% respectively
 - United Kingdom – 0.4%
 - Ethiopia and Zambia – 0.3% respectively
 - Australia and Zimbabwe – 0.2% respectively
 - Namibia – 0.1%
- iii. Website- the increase in media coverage generated significant traffic to the CBE's website resulting in over 85 000 page views for an average of 3 minutes and 15 seconds. The analytics further indicates that the top referrals are from Google, LinkedIn, cibd, Bing, Nationalgovernment.co.za and direct referrals. The most visited pages include the Homepage, Vacancies, About and Procurement. The overall analytics highlight that the 2022/23 marketing communication activities has to some great extent successfully raised the profile of the CBE.

The next table provides details on the marketing communication activities that resulted in media publicity to raise awareness on the existence and profile of the CBE:

Table 9: Marketing Communication Activities

No	Topic	Publicity Platform	Links to the Media Coverage	Date	Quarter
1	CBE calls for changes in approach to urban development	Engineering News	https://www.engineeringnews.co.za/article/cbe-calls-for-changes-in-approach-to-urban-development-2022-04-26	26 April 2022	1
2	CBE co-signs Infrastructure Built Environment Anti -Corruption Pledge	Engineering News	https://www.engineeringnews.co.za/article/cbe-co-signs-infrastructure-built-anti-corruption-pledge-2022-07-04	04 July 2022	2
3	GPF, CBE to collaborate on transforming the construction sector	Engineering News	https://www.engineeringnews.co.za/article/gpf-cbe-to-collaborate-on-transforming-the-construction-sector-2022-08-17	17 August 2022	
4	Achieving Gender Equality, Diversity, and Inclusion in the Built Environment Professions	Concrete Trends	https://www.concretetrends.co.za/events/achieving-gender-equality-diversity-and-inclusion-in-the-built-environment-professions/	29 September 2022	
5	Shattering the Glass Ceiling: Gender, equality, diversity, and inclusion in the built environment professions	Media Update	https://www.mediaupdate.co.za/publicity/152764/shattering-the-glass-ceiling-gender-equality-diversity-and-inclusion-in-the-built-environment-professions	30 September 2022	
6	Shattering the Glass Ceiling: Gender, equality, diversity, and inclusion in the built environment professions	Association of African Exhibitions Organisation (AAXO)	https://www.aaxo.co.za/shattering-the-glass-ceiling-gender-equality-diversity-and-inclusion-in-the-built-environment-professions/	03 October 2022	3

No	Topic	Publicity Platform	Links to the Media Coverage	Date	Quarter
7	Advocating for Women Empowerment in the built environment	Channel Africa (Radio)	Recording	04 October 2022	
8	Built sector remains male dominated in SA	Sunday World	https://sundayworld.co.za/news/business/building-sector-re-mains-male-dominated-in-sa/	04 October 2022	
9	Achieving gender equality in the built environment requires a multi-pronged approach	BizCommunity	https://www.bizcommunity.com/Article/196/640/232196.html	05 October 2022	
10	Biko's son and company not blacklisted	Sunday Independent News	https://www.iol.co.za/sundayindependent/news/bikos-son-and-company-not-blacklisted-b12895b3-875f-458e-93ef-19e0558de821	07 February 2023	4
11	CBE announces efforts to stop non-registered people from leading infrastructure projects	Engineering News	https://www.engineeringnews.co.za/article/cbe-announces-efforts-to-stop-non-registered-people-from-leading-infrastructure-projects-2023-02-08	08 February 2023	
12	Improving the Built Environment Sector for Women	SA Business Integrator	https://sabusinesintegrator.co.za/latest-news/improving-the-built-environment-sector-for-women/	9 March 2023	
13	A push to improve the built environment sector for women	Concrete Trends	https://saprofilemagazine.co.za/business-news/improving-the-built-environment-sector-for-women/	9 March 2023	
14	Improving the Built Environment Sector for Women	SA Profile Magazine	https://saprofilemagazine.co.za/business-news/improving-the-built-environment-sector-for-women/	9 March 2023	
15	Improving the Built Environment Sector for Women	SA Building Review	https://sabuildingreview.co.za/latest-news/improving-the-built-environment-sector-for-women/	9 March 2023	

No	Topic	Publicity Platform	Links to the Media Coverage	Date	Quarter
16	Improving the Built Environment Sector for Women	The Build	https://tobuild.co.za/news/improving-the-built-environment-sector-for-women/	9 March 2023	
17	Improving the Built Environment Sector for Women	Construction World	https://www.crown.co.za/construction-world/marketplace/23979-improving-the-built-environment-sector-for-women	9 March 2023	
18	Unregistered constructors are criminals, says building council	Sunday Independent News	https://www.google.com/url?sa=t&source=web&rct=j&url=https://www.pressreader.com/south-africa/the-sunday-independent/20230312/281642489395608&ved=2ahUKEwjC5pz1j-b9AhVWNsAKHZvpA714HhAWegQl-CRAB&usq=AOvYaw2B4NQ_xXIMtIUfDLBNde	12 March 2023	
19	Unregistered constructors are criminals	The Mercury	https://pressreader.com/article/281646784364295	14 March 2023	
20	Improving the Built Environment Sector for Women	Engineering News	https://www.engineeringnews.co.za/article/improving-the-built-environment-sector-for-women-2023-03-14/searchString:council+for+the+built+environment	14 March 2023	
21	CBE Improving the Built Environment Sector for Women	eNCA TV	https://youtu.be/fSGt6TdQXIU	17 March 2023	
22	Build A Dream Crowdfunding Initiative For Built Environment Students	ShowbizScope	https://www.showbizscope.co.za/build-a-dream-a-crowdfunding-initiative-for-built-environment-students/	28 March 2023	
23	Council for the Built Environment partners with Feenix to help construction students	Engineering News	https://www.engineeringnews.co.za/article/council-for-the-built-environment-partners-with-feenix-to-help-construction-students-2023-03-31	31 March 2023	

*5.1.4 Increase revenue by 1% of the grant and levies received by 31 March 2023. – **Achieved***

The planned workshop to provide feedback on the revenue enhancement strategy was conducted on 12 September 2022. The shared services model was widely welcomed by all attendees. The alternative dispute resolution process is yet to be mapped due to capacity constraints in the Legal Department. The CBE achieved the target through monitoring its cash reserves and investing its funds optimally.

Table 10: Programme 1: Objectives/Purpose, Planned Targets and Actual Achievements

PROGRAMME 1: ADMINISTRATION							
Objectives/Purpose	Overall Audited Actual Performance 2020/21	Overall Audited Actual Performance 2021/22	Planned Annual Targets 2022/23	Overall Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations	
Ensuring that the CBE is in the best shape to achieve goals set out in the Strategic Plan.	Two	Four	Four	Four	All the targets were achieved. A total of 23 marketing communication activities undertaken to raise the profile of the CBE. There is an overall positive variance of 19 marketing communication activities.	The CBE gradually increased its presence in the media (particularly self-generated social media platforms) space.	
Promoting awareness about the CBE and its functions to all relevant stakeholders.						Procuring a service provider to facilitate specific programme activities (viz. WEGE webinars) outsourced the publicity element by default.	
To provide effective and efficient financial and supply chain management services.						Collaborative ventures (e.g., the Feenix Crowdfunding platform) benefitted the CBE with joint publicity a significant spin-off.	

Table 11: Programme 1: Outcome, Outputs, Output Indicators, Targets and Actual Achievements

SUB – PROGRAMME: HUMAN CAPITAL AND ICT								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations
Optimum Functioning CBE.	Revised organisational structure action plan priorities implemented.	1.1 Approved CBE's Organisational design and structure.	Not Achieved Revised organisational design and structure not approved by 31 March 2021.	Achieved Hundred percent of the revised organisational structure action plan identified priorities implemented by 31 March 2022.	Hundred percent of the CBE's revised organisational structure action plan's identified priorities implemented by 31 March 2023.	Achieved Hundred percent of the CBE's revised Organisational structure action plan's identified Priorities implemented by 31 March 2023.	N/A	N/A
	IT Strategy that includes IoT and 4IR Initiatives Roadmap completed and implemented.	1.2 IT Strategy that includes IoT and 4IR Initiatives Roadmap completed and implemented.	Not Achieved Cloud strategic Plan that includes IoT and 4IR initiatives Roadmap not completed and implemented by 31 March 2021.	Not Achieved ICT Cloud Strategic Plan that includes IoT and 4IR Initiatives Roadmap was not implemented by 31 March 2022.	IT Strategy that includes IoT and 4IR Initiatives Roadmap completed and implemented by 31 March 2023.	Achieved IT Strategy that includes IoT and 4IR Initiatives Roadmap completed and implemented by 31 March 2023. Cloud Additional Servers and Disaster Recovery initiatives were implemented: 1. Migration - Lift and shift to Data Centre over line and converted to Cloud 2. Remote Access -Netskope installed 3. Servers – all virtual serves operational in cloud 4. Firewall- Fortinet firewall	N/A	N/A

SUB - PROGRAMME: COMMUNICATIONS, MARKETING AND STAKEHOLDER MANAGEMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations
Optimum Functioning CBE.	CBE Brand Awareness Campaign.	1.3 Number of CBE Brand Awareness Campaigns conducted.	Achieved Nine (9) marketing communication activities to raise the profile of the CBE by 31 March 2021.	Achieved Four marketing communication activities were undertaken in the provinces of KwaZulu-Natal, Limpopo, Eastern Cape and Mpumalanga to raise the profile of CBE.	Four marketing communication activities to raise the profile of the CBE by 31 March 2023.	Achieved Twenty-three marketing communication activities were undertaken to raise the profile of CBE by 31 March 2023.	There is a positive variance of 19 marketing communication activities undertaken to raise the profile of the CBE	The CBE gradually increased its presence in the media (particularly self-generated social media platforms) space. Procuring a service provider to facilitate specific programme activities (viz. WEGE webinars) outsourced the publicity element by default. Collaborative ventures (e.g., the Feenix Crowdfunding platform) benefitted the CBE with joint publicity a significant spin-off.
Optimum Functioning CBE.	Effective Revenue/Income generation.	1.4 Percentage Increase of income generated.	N/A	Achieved Revenue increased by 1% of the grant and levies received by 31 March 2022.	Increase the CBE's revenue by 1% of the grant and levies received by 31 March 2023.	Achieved Increase the CBE's revenue by 1% of the grant and levies received by 31 March 2023.	N/A	N/A

Table 12: Programme 1: Linking Performance with Budget

Programme /Activity/ Objective	2021/22			2022/23		
	Budget	Actual Expenditure	(Over) / Under Expenditure	Budget	Actual Expenditure	(Over) / Under Expenditure
Performance Indicator	R'000	R'000	R'000	R'000	R'000	R'000
1.1 High-level and sub business processes developed and approved.	200	200	-	-	-	-
1.2 Approved CBE's organisational design and structure.	-	265	(265)	29	12	17
1.3 ICT Cloud Strategic Plan that include IoT and 4IR Initiatives Roadmap completed and implemented.	1 380	-	1 380	1 434	376	1 058
1.4 Number of CBE Brand Awareness Campaigns conducted.	393	221	172	55	-	55
1.5 Percentage increase of income generation.	-	21	(21)	-	-	-

5.2 Programme 2: Empowerment and Economic Development

Programme 2 contributes to Priority 1: Economic Transformation and Job Creation. The overall objective of the CBE's Transformation unit is to become the sector-coordinating arm of the CBE. Specifically, the transformation programmes aim to:

- (i) generate focus and synergy in facilitating the development of a unified Transformation Agenda for the Built Environment sector of South Africa
- (ii) promote collaboration in driving the Transformation agenda of the Built Environment sector of South Africa
- (iii) participate actively in joint initiatives, conferences and platforms that advances Transformation in the sector
- (iv) coordinate efforts in transforming the Built Environment through various initiatives and actions
- (v) support/coordinate efforts to unblock the skills pipeline and ensure a sustainable supply of aptly skilled and quality individuals to meet future demands
- (vi) establish and facilitate partnerships and working relationships, local and international and across private and public sectors to drive Transformation initiatives
- (vii) provide expert guidance, consultation and services to support internal change management initiatives and organisational development

For the 2022/23 APP, Programme 2 had four annual targets. Three of the annual targets were achieved:

*5.2.1 One programme supporting the involvement of women-owned professional practices in the delivery and maintenance of Built Environment infrastructure developed by 31 March 2023. – **Achieved***

This programme is part of CBE's strategic priority to empower women in the Built Environment. In the previous financial year, research was undertaken to develop a functional database of women-owned professional practices. The research revealed that majority of women-owned professional practices do not receive work from government entities or departments responsible for infrastructure.

The objectives of the programme are as follows:

- Promoting and facilitating the empowerment of women in the Built Environment sector infrastructure delivery by lobbying for a 30% minimum allocation of infrastructure department's budget for women-owned projects
- Lobbying for a comprehensive policy and regulations to implement gender-responsive procurement
- Enhancing entrepreneurial development and increasing the number of expertise of women firms and SMME's* providing services and products with sector stakeholders/partners
- Building partnerships with key sector stakeholders from government, SOEs** and private sector in implementing incubator programmes
- Profiling women in the Built Environment sector
- Identifying challenges, skills required and develop support systems for emerging women-owned professional practices
- Lobbying for the empowerment and career advancement of women in the Built Environment professions and placing them in leadership positions

*SMME *Small, Medium and Micro Enterprise*

**SOE *State-Owned Enterprise*

The main objective of programme 2.1 is to identify interventions to empower women-owned professional practices in the Built Environment to ensure their participation in the delivery and maintenance of infrastructure projects. The goal is to increase the number of women-owned professional practices supported through the following areas of intervention amongst others:

- a) Enterprise development programmes
- b) Building a pipeline of female talent
- c) Advocating and creating awareness to promote gender-inclusive procurement
- d) Creating active forums for women in the Built Environment

The annual target was achieved. One programme supporting the involvement of women-owned professional practices in the delivery and maintenance of Built Environment infrastructure was developed by 31 March 2023. The concept document which examined the challenges hindering the participation of women-owned professional practices in infrastructure development was approved. A four-part webinar series was identified as one of the projects to deliver the CBE's programme on the involvement of women-owned professional practices in the delivery and maintenance of Built Environment infrastructure. Four key focus areas were identified for the holistic empowerment of women in the Built Environment, viz.

- I. empowerment
- II. leadership
- III. capacity building
- IV. amplifying the role of women

The proposed interventions for implementation were derived from the key focus areas to achieve the expected outcomes. During the 2022/23 financial year, two webinars were delivered – one each in the third and fourth quarters:

Table 13: Women Empowerment Webinars

Item Description	Inaugural webinar - #Women Forward: Shattering the Glass Ceiling	2nd webinar - #Women Multiply- Bringing economic resilience for women in the Built Environment
Webinar Date	5 October 2022	15 March 2023
Focus areas covered	Empowerment, Leadership, Capacity Building, Role of women)	Empowerment
Programme Duration	337 minutes	283 minutes
Webinar Links	https://www.youtube.com/watch?v=2o5Jey-hau-k	https://www.youtube.com/watch?v=GL_zCfR6BQ
Attendance		
Pre-Registration Attendees	589	696
Attendees	318	323
Persons living with disabilities	3.5%	2%
Gender	56% - Female 44% - Male	75% - Female 25% - Male
Race	84% - Black	81.1% - Black
	4% - Coloured	5.3% - Coloured
	5% - Indian	3.4% - Indian
	7% - White	9.6% - White
	0% - Other	0.6% - Other

Item Description	Inaugural webinar - #Women Forward: Shattering the Glass Ceiling	2nd webinar - #Women Multiply- Bringing economic resilience for women in the Built Environment
Age	6% - (16 – 25)	6% - (16 – 25)
	26% - (26 -35)	35.5% - (26 -35)
	36% - (36 – 45)	31.7% - (36 – 45)
	19% - (46 – 55)	19.60% - (46 – 55)
	7% - (56 – 65)	7.1% - (56 – 65)
Registration Category		
Candidates	54	50
Professionals	96	94
None of the Above	168	179
Geographic Spread of Attendees		
Eastern Cape	16	11
Free State	8	9
Gauteng	206	204
KwaZulu – Natal	34	26
Limpopo	9	16
Mpumalanga	6	6
North West	5	13
Northern Cape	3	8
Western Cape	31	30

Item Description	Inaugural webinar - #Women Forward: Shattering the Glass Ceiling	2nd webinar - #Women Multiply- Bringing economic resilience for women in the Built Environment
International Participation		
	Kenya	Botswana
	Nigeria	Cameroon
	Saudi Arabia	Ethiopia
	USA	Germany
	UK	Kenya
	Germany	Lesotho
		Netherlands
		Rwanda
		Saudi Arabia
		Singapore
		USA

(1) Inaugural Webinar – #Women Forward: Shattering the Glass Ceiling

The CBE's inaugural webinar on women empowerment was on 5 October 2022 with its focus on "the glass ceiling" which persists for many women in the Built Environment sector thus preventing career progression. The webinar also unpacked practical solutions to addressing barriers that hinder women empowerment and gender equality in the Built Environment sector. This first webinar in the series incorporated four key themes- Empowerment, Leadership, Capacity Building, and the Role of Women in the sector.

The "Women Forward" webinar was dedicated to drive the institutionalisation of a female focus within the Built Environment sector. This webinar was an attempt towards creating a gender sensitive culture within which female professionals can participate equally and make a significant contribution in the Built Environment sector in a conducive environment for their development, empowerment, leadership development and sustainability.

The webinar highlighted that the Built Environment requires a multi-prolonged approach that combines hard and soft laws, training programmes and mentorship/coaching support. The engagement reiterated the need for gender responsive strategies, especially to set targets that are enforced and monitored. This requires intentional alignment between South Africa's economic, gender, and procurement policies that become instrumental for attaining transformation in the Built Environment sector. This can be achieved through the formulation of gender sensitive policy frameworks and interventions to improve the working conditions of women in the sector.

The discussion themes of the webinar delivered by the selected speakers intended to:

- a) address barriers faced by women entrepreneurs in the Built Environment, including the market supply-side gap preventing women from accessing finance and equal opportunities as their counterparts
- b) support women, particularly those who are disadvantaged, to learn business and vocational skills
- c) enhance educational outcomes for women by prioritising candidacy and mentorship programmes
- d) promote women's advancement in the public and private sector
- e) improve the business and legal environment for women entrepreneurs in the industry
- f) support public and private sector industry players to eliminate discrimination against women in their organisations or supply chains, including in government procurement

Recommendations and way forward

- a) The CBE must investigate the reasons behind the low completion of Built Environment qualifications among young women.
- b) Explore crowd funding platforms such as FEENIX to assist struggling young female Built Environment students financially.
- c) Create opportunities for networking/collaborations of women in the Built Environment to strengthen their business and professional relationships.
- d) WEGE webinars to profile more women that can inspire other women in the sector.
- e) Facilitate the constitution of a dedicated organisation for women in Built Environment Professions that can zoom into their issues.
- f) Use the CBE database of women-owned enterprise to champion the implementation of gendered procurement, coupled with the revived consultant's roster.
- g) Create a platform for Built Environment women professionals to conduct 'women-to-women' mentoring on a volunteer basis as a start.
- h) Develop incentives for companies that implement gender inclusive procurement.

- i) WEGE TCC to explore opportunities for women and youth in the BE to partner with South African Chapter of BRICS* Women Business Alliance, on the Innovative & Building Technologies Construction Biz Capacity Development Programme and other programmes.
- j) The CBE to champion gender responsive training for the CBEP and industry stakeholders.

**BRICS Acronym for five leading economies: Brazil, Russia, India, China, and South Africa.*

(2) Second webinar - Women Multiply: Bringing economic resilience for women in the Built Environment

The second instalment of the Women Empowerment webinar series took place on 15 March 2023, under the theme: “#WOMEN MULTIPLY: Bringing economic resilience for women in the built environment”. The focus of this webinar was on economic empowerment, specifically on funding opportunities and strategies for the economic empowerment of women and youth in the Built Environment.

Speakers addressed the following areas of socio-economic importance: stimulating women’s entrepreneurship growth and sustainability of women-owned practices/businesses, women’s access to economic opportunities, how businesses can build a future of “work” that works for women and thriving vs surviving- removing barriers to economic successes/breakthroughs for women.

The keynote address, delivered CBE Council Member Ms Mandisa Pepeta-Daki, focused on women championing the advancement of transformative innovative technology in the Built Environment. She was joined by panellists:

- a) Ms Bulumko Govuza, a highly experienced project engineer who presented the financial and non-financial support programmes for women economic empowerment rendered by the National Empowerment Fund (NEF), particularly focusing on the Women Empowerment Fund (WEF)
- b) Ms Mihloti Mahlaule of Agrément SA (ASA) who presented on innovation in women-owned business: How Built Environment entrepreneurs can leverage on alternative building technologies and materials
- c) Ms Sanna Sebone of Sebongi Construction, a trailblazer entrepreneur who provided insights on building a sustainable women-owned Built Environment enterprise

To achieve sustainable development objectives, empowering women in the workforce and closing the gender pay gap are crucial. It found that increasing the number of women in the workforce will increase economies, so why not apply the same logic to the Built Environment. Given that women's economic equality benefits businesses, it is important to acknowledge the role and significance of women in the economy. It was emphasised that according to data from UN Women, women are less likely to be business owners than men, and that this is because they experience greater obstacles when starting a business. For sectors like the Built Environment to function effectively and thrive, it is crucial to give women more access to funding, employment, and leadership possibilities. This can also be advantageous for growth of industries such as ours and can be beneficial for businesses.

Recommendations and way forward

- a) The CBE, through its WEGE TCF, will create focus groups for the CBE, ASA and women-owned enterprises to collaborate and partner on alternative building technologies/ products.
- b) The CBE to facilitate funding for software/programmes to assist consulting practitioners to have a competitive edge in the industry.
- c) The CBE to approach the NEF to continue support of entrepreneurship on:
 - i. further workshops on funding criteria and processes
 - ii. engaging with independent contractors on their individual journeys

Highlights and challenges

The Women Empowerment webinar series, whose presenters and themes were informative and well-received by all attendees, were responsible for some of this programme's highlights. Of special note is the degree of networking and interaction on the platform, to the point of attendees requesting live seminars. Women and young people working in the Built Environment make up most of the attendees.

The CBE's sustained focus on the empowerment of women and youth has spurred collaborations:

- BRICS Businesswomen Alliance is keen to come on board
- Industry stakeholders are increasingly requesting to work with the CBE

However, the challenge is that formal approvals and agreements take too long to be finalised. Through Eskom, numerous opportunities have been lost in that direction.

*5.2.2 One CBE programme promoting the empowerment of people with disabilities in the Built Environment developed by 31 March 2023. – **Achieved***

The CBE is mandated to protect public interest in areas of Universal Design and Accessibility, to ensure that persons with disabilities do not experience challenges to access public buildings that are designed and built by Built Environment Professionals. The primary focus of this programme is to promote and strengthen already existing empowerment programmes for persons with disabilities in the Built Environment. Organisations representing persons with disabilities are represented in the Health, Safety, Public Protection and Universal Access Transformation Collaborative Committee (HSPPUA TCC) to provide input on empowering persons with disabilities in the Built Environment sector.

The annual target was achieved. One CBE programme promoting the empowerment of people with disabilities in the Built Environment was developed by 31 March 2023. The CBE engaged eight stakeholders on the empowerment of people with disabilities (PWD) in the Built Environment in the areas of:

- i. impact of the White Paper on the rights of persons with disabilities
- ii. employment statistics on professionals living with disabilities by the CBEP
- iii. role of the professional councils in ensuring universal access
- iv. ways to empower professionals living with disabilities
- v. participation of the CBEP in the TCCs
- vi. challenges faced by PWD in the Built Environment
- vii. empowerment of vulnerable individuals, groups and communities, including PWD

Stakeholders engaged during the 2022/23 financial year

The Japan International Cooperation Agency (JICA) was informally engaged during October- December 2022 for possible collaboration to promote universal design and access in the Built Environment. On 20 March 2023, the CBE engaged with ASA with the view of integrating the universal access rating tool (UART) into the green building rating tool (GBRT). DPWI tasked ASA to conduct a feasibility study and prepare a business plan for the GBRT in the 2022/23 financial year. With the UART, the CBE intends to develop a rating tool that would grade public infrastructure into “STAR Rating”. ASA’s preliminary report reveals that the current GBRT is lacking in addressing social aspects like job creation, social inclusion etc., hence the CBE is of opinion that the UART can be part of the social dimension of the GBRT.

ECSA and SACAP were engaged on 24 March 2023 and 30 March respectively on accommodating Universal Access (UA) Consultants. In both meetings it was resolved that the UA Consultants meet with ECSA and SACAP individually to take the matter forward. South African legislation requires a wide range of public premises to be accessible to vulnerable people including PWD. UA Consultants have a passion for creating services, products and environments that are accessible and user-friendly to all people, with a focus on PWD. Built Environment Professionals involved in projects in these buildings can benefit from the expertise of an access consultant.

Other stakeholders engaged include the Department of Women, Youth and People with Disabilities (DWYPWD), SACPCMP and SACPVP, DPWI and Department of Social Development.

*5.2.3 One CBE programme promoting youth involvement and development in the Built Environment by 31 March 2023. – **Achieved***

The CBE intends to endorse youth development programmes in the Built Environment (BE) that address the CBE's medium-term priority areas viz.:

- i. Transforming the Built Environment
- ii. Producing skilled (fit-for-purpose) Built Environment Professionals
- iii. Expediting the empowerment of the women, youth and the disabled

To achieve transformation in the Built Environment, more collaborative efforts are necessary between industry role players in the public and private sector to professionalise the sector. Critical to the development of young people in the Built Environment is for the following to be addressed - access to/and equal opportunities to quality education, fit-for-purpose capacity training as well as valuable industry mentoring and coaching. This will ensure better career prospects for the youth by providing more exposure to opportunities for development through internships, candidacy, and entrepreneurial and incubator programmes. As a result, their chances of attaining employment and professional registration will be enhanced.

The Framework for the programme on Built Environment youth development produced articulated the objectives as follows:

- Identify key drivers for youth development in the 18–35 year cohort
- Propose interventions for widespread implementation of the Framework
- Advocate and lobby industry stakeholders/partners to implement the Framework
- Monitor the impact of interventions and report as required

The key drivers identified for youth development were to provide educational support at tertiary institutions; workplace internships for graduates; candidacy capacity-building programmes and youth entrepreneurship and empowerment programmes.

The annual target was achieved. One CBE programme promoting youth involvement and development in the Built Environment took place by 31 March 2023:

i. Women empowerment webinars

The Women Empowerment webinar series is part of CBE's programme to develop youth in the Built Environment. A four (4) part webinar series was identified to promote, support, educate and advance young women in the sector as well as those wanting to enter and remain in the industry to create a sustainable pipeline.

The webinars were formulated to inspire the youth who are in the sector and looking to take on careers in the Built Environment, by compiling a list of industry related speakers who would impart knowledge on pertinent subjects related to the themes of the women empowerment focus areas.

The webinars unpacked practical solutions to addressing barriers that hinder women empowerment and gender equality in the Built Environment sector.

A way forward and action items emanated from the discussions for the CBE to implement matters such as:

- a) Women-to-women coaching and mentoring
- b) Create networking and information sharing platforms
- c) Explore study funding opportunities for the youth such as Feenix
- d) Explore opportunities for Built Environment youth entrepreneurs to partner with the South African Chapter of BRICS Women Business Alliance, on the "Innovative & Building Technologies Construction Biz Capacity Development Programme

The second webinar in the Women Empowerment series, titled "#WOMEN MULTIPLY: Providing economic resilience for women in the Built Environment," was held on 15 March 2023. Rooted in the theme of economic empowerment, its emphasis was on funding options and initiatives for economic empowerment of women and young people, in particular, in the Built Environment.

Inspiring young women's entrepreneurship growth and sustainability of women-owned businesses, women's access to economic opportunities, how businesses can build a future of "work" that works for women and thriving vs. surviving- removing barriers to economic successes/breakthroughs for women- were all topics of socioeconomic importance that were covered by the dynamic speakers who made up the day's programme. The youth cohort made up 38% and 41.5% of the first and second webinars' respective attendance.

ii. CBE/Feenix 'Build a Dream' Giving campaign

One of the key drivers identified in the Framework for Built Environment youth involvement and development was providing education support at tertiary institutions.

The CBE/Feenix 'Build a Dream' Giving Campaign was launched on 28 March 2023. Through the CBE website and social media platforms, a press release announced this initiative. This initiative seeks to assist historically indebted students pursuing Built Environment qualifications to graduate. It shares a synergy with the intermediate phase of the CBE skills pipeline strategy, aimed at addressing serious challenges confronted by the Built Environment sector such as the slow pace of transformation, ageing personnel, shortage of critical skills, funding gaps and high unemployment rates, especially amongst our youth. The recent spate of protests on financial exclusions due to fees have once again brought to the fore the need for crowdfunding to mitigate challenges faced by students in accessing funding at the higher education institution.

In the first phase of the campaign, the CBE elected to assist six Built Environment students. The campaign is supporting these students to raise funds for current and historic debt incurred for tuition fees, prescribed books, meals, and student accommodation.

All students on the CBE Campaign page were verified and confirmed to satisfy the following requirements:

- a) Holds South African citizenship, permanent residency status in South Africa, or refugee / asylum status
- b) Annual household income below R600 000 or R850 000 for students living with a disability
- c) Registered at one of the 26 public universities in South Africa
- d) Up-to-date university fee statement and ID copy

The CBE supports students who align with its plan for building a pipeline of talent for the nine councils for the Built Environment Professions.

The six students' combined university fees is R489 802, 47. A communication and marketing plan was developed to ensure that the CBE maximises the potential to crowdfund with its stakeholders.

iii. Industry engagements

Western Cape Government (WCG): Department of Transport & Public Works

The CBE and the Western Cape Government (WCG): Department of Transport & Public Works engaged to identify areas of collaboration and a draft concept document was developed. A workshop held on 10 March 2023 dealt in detail on the proposed project drivers namely:

- Schools programme
- Bursary programme
- Candidacy programme
- Entrepreneurship programme

The entrepreneurship programme is key to the youth development agenda. This programme is still at its concept stage and is awaiting commitment to funding for the necessary training.

iv. Built Environment unemployed graduate placements at DPWI Real Estate Management Services (REMS)

In April 2022, DPWI requested the CBE to source unemployed BE graduates on their database to assist REMS with data capturing of lease information and the updating of leases on sites to ensure proper interference articulation of lease information on the Archibus and SAGE systems. This was initiated by the Deputy Minister to implement a Ministerial top Management (MINTOP) resolution. This initiative is aimed to enhance capacity within REMS and to improve or address shortcomings of the audit findings on leases. In October 2022, twenty candidates from the CBE Unemployed Graduate database were placed on a two-year internship programme.

5.2.4 Four stakeholder engagements hosted by the CBE by 31 March 2023. – **Not Achieved**

The aim of sector coordination is to allow for more integrated, joined-up conversation and coherent responses timeously to advise government policy. From a sector perspective, this interface will demonstrate the importance of the industry, facilitate more resilient workforce planning, and increase appropriately qualified people with relevant certified lifelong skills that will benefit the economy. The objectives of sector coordination are to:

1. establish and facilitate working relationships across local, international, private, and public sectors to drive Transformation initiatives
2. generate focus and synergy towards a unified Transformation Agenda for the Built Environment sector of South Africa
3. promote collaboration in driving the Transformation agenda of the Built Environment sector of South Africa
4. participate actively in joint initiatives, conferences, and platforms to advance Transformation in the sector
5. coordinate efforts in transforming the Built Environment through various initiatives and actions
6. support/coordinate efforts to unblock the skills-pipeline and ensure a sustainable supply of aptly skilled and quality individuals to meet future demands
7. provide expert guidance, consultation, and services to support internal change management initiatives and organisational development

The annual target was not achieved due to the non-availability of stakeholders and the expiry of the Fifth Term Council's term of office. One stakeholder engagement was hosted in the second quarter, translating to 25% achievement of the annual target. To ensure continuity, it was resolved that the next stakeholder engagement includes the new Sixth Term Council.

Table 14: Programme 2: Objectives/Purpose, Planned Targets and Actual Achievements

PROGRAMME 2: EMPOWERMENT AND ECONOMIC DEVELOPMENT						
Objectives/Purpose	Overall Audited Actual Performance 2020/21	Overall Audited Actual Performance 2021/22	Planned Annual Targets 2022/23	Overall Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations
Ensuring that the CBE is in the best shape to achieve goals set out in the Strategic Plan.	Two	Three	Four	Three	One target was not achieved. Three annual targets were achieved, translating to 75% overall achievement of programme two annual targets.	Annual target for indicator 2.4 was not achieved due to the non-availability of stakeholders and the expiry of the Fifth Term Council's term of office.
Providing platforms for the sharing of knowledge and the establishment of partnerships.						

Table 15: Programme 2: Outcome, Outputs, Output Indicators, Targets and Actual Achievements

PROGRAMME 2: EMPOWERMENT AND ECONOMIC DEVELOPMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations
Transformed Built Environment.	Report on CBE's programme supporting women-owned professional practices in the delivery and maintenance of Built Environment infrastructure.	2.1 Number of programmes supporting the involvement of women-owned professional practices in the delivery and maintenance of Built Environment infrastructure.	N/A	Achieved Three Functional Databases of women-owned Built Environment Professionals and Built Environment companies by 31 March 2022: a. Women-owned construction companies b. Women-owned material supplier companies c. Women-owned professional practices in the Built Environment	One programme supporting the involvement of women-owned professional practices in the delivery and maintenance of Built Environment infrastructure developed by 31 March 2023.	Achieved One programme supporting the involvement of women-owned professional practices in the delivery and maintenance of Built Environment infrastructure developed by 31 March 2023.	N/A	N/A
	Report on CBE's programme	2.2 Number of programmes promoting.	N/A	N/A	One CBE programme promoting	Achieved One CBE programme	N/A	N/A

PROGRAMME 2: EMPOWERMENT AND ECONOMIC DEVELOPMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations
	promoting empowerment of people living with disabilities.	empowerment of people with disabilities in the Built Environment.			empowerment of people with disabilities in the Built Environment developed by 31 March 2023.	promoting empowerment of people with disabilities in the Built Environment developed by 31 March 2023.		
	Report on CBE's programme promoting youth development in the Built Environment.	2.3 Number of programmes promoting youth development in the Built Environment.	N/A	N/A	One CBE programme promoting youth involvement and development in the Built Environment by 31 March 2023.	Achieved One CBE programme promoting youth involvement and development in the Built Environment by 31 March 2023.	N/A	N/A
	One annual online event and four sector collaborative engagements were hosted,	2.4 Number of sector collaborations on Transformation in the Built Environment.	Achieved Twenty-two Sector Collaboration Forums and One National Stakeholder workshop (online) held by 31 March 2021.	Achieved One online event and five sector collaborative engagements were hosted, and the CBE Advice Desk was launched.	Four stakeholder engagements hosted by the CBE by 31 March 2023.	Not Achieved One stakeholder engagement hosted by 31 March 2023	There is a negative variance of three stakeholder engagements, translating to 25% achievement of the annual target	The annual target was not achieved due to the non-availability of stakeholders and the expiry of the Fifth Term Council's term of office.

Table 16: Programme 2: Linking Performance with Budget

Programme /Activity/ Objective	2021/22			2022/23		
	Budget	Actual Expenditure	(Over) / Under Expenditure	Budget	Actual Expenditure	(Over) / Under Expenditure
Performance Indicator	R'000	R'000	R'000	R'000	R'000	R'000
2.1 Number of programmes supporting the involvement of women-owned professional practices in the delivery and maintenance of Built Environment infrastructure.	-	28	(28)	468	411	57
2.2 Number of programmes promoting empowerment of people with disabilities in the Built Environment.	-	-	-	65	65	-
2.3 Number of programmes promoting youth development in the Built Environment.	-	-	-	80	65	15
2.4 Number of sector collaborations on Transformation in the Built Environment.	463	636	(173)	323	331	8

5.3 Programme 3: Professional Skills and Capacity Development

The NDP prioritises building a capable State, to play a developmental and transformative role in improving the quality of education, skills development, and innovation to increase employment opportunities through faster economic growth. The lack of skilled people in the infrastructure sector across the Republic of South Africa is a major liability. This skills gap needs to be addressed- to find more skilled people, as well as to better use existing resources. This acutely affects small municipalities as they often lack Built Environment Professionals in the infrastructure field.

Infrastructure development needs a capable workforce to deliver lasting transformational change. For the Built Environment to be sustainable, and deliver on its targets, there is a need to ensure that the appropriate skills base is in place. This will require the CBE to support building capacity in the STEM (science, technology, engineering, mathematics) areas and thus create a pipeline for students to develop the high-tech skills needed to meet national demand in the Built Environment in support of the sector. The CBE Skills Pipeline Strategy has three components viz.

- (i) Push Strategy
- (ii) Intermediate Strategy
- (iii) Pull Strategy

The CBE aims to provide leadership and coordination on all skills development issues in the Built Environment, and will work with industry, government organisations and relevant sector education and training authorities (SETAs) to ensure that the requisite skills and capacity issues in the Built Environment and construction sector are addressed in a strategic manner.

This Programme responds to section 3 of the CBE Act to:

- (c) promote ongoing human resource development in the built environment;*
- (g) promote liaison in the built environment in the field of training, both in the Republic and elsewhere, and to promote the standards of such training in the Republic;*

The following projects are part of the CBE's 2022/23 APP for Programme 3 and are informed by the key strategic objective to drive and facilitate skills development and transformation within the Built Environment. The focus areas of these projects are:

- a) Candidacy support to district municipalities implementing the District Development Model (DDM). The project seeks to assist 44 district municipalities in the implementation of structured and focused candidacy programmes in accordance with the CBE Structured Candidacy Framework
- b) Student placements for work integrated learning (WIL). This programme focuses on supporting universities of technology (UoTs) with work placements for students to complete the practical component of their academic qualification
- c) Reskilling and upskilling programmes for professionals and candidates. This programme aims to identify and develop skills programmes for Built Environment professionals and candidates in pursuit of professionalisation of the State

*5.3.1 Forty-four districts identified in the District Development Model (DDM) supported through monitoring the implementation of the BE Structured Candidacy Programme by 31 March 2023. – **Not Achieved***

This project is part of CBE's strategic priority to reposition itself as a strategic partner in the implementation of the District Development Model (DDM). The CBE's professional skills and capacity development programme aims to ensure increased capacity of Built Environment Professionals across the six CBEP in district municipalities of the nine provinces of South Africa.

In fulfilling its mandate of ensuring transformation in the Built Environment, the CBE aims to monitor and support candidacy programmes implemented in the 44 districts identified by the Department of Cooperative Governance and Traditional Affairs (COGTA) across the country implementing the DDM. The district municipalities were selected by COGTA to support coherent coordination and planning in the local government sphere. The CBE aims to introduce its Structured Candidacy Framework and assess workplace readiness for an optimal organisation-wide candidacy programme in the identified municipalities. The programme further aims to build on the foundation of the Economic Recovery and Reconstruction Plan (ERRP), government's anchor programme to revitalise the South African Economy.

The CBE is focused on increasing Built Environment professional capacity in the district municipalities to resource them adequately for infrastructure development. Built Environment Professionals are an important development partner and facilitator in the design and construction of economic and social infrastructure of the country, which enables economic growth and development.

The annual target was not achieved. Thirty-six district municipalities were engaged on the implementation of the CBE Structured Candidacy Framework. Most district municipalities do not have structured candidacy programmes highlighting that infrastructure projects are mainly based at local municipalities. Nonetheless, the district municipalities that were engaged on the CBE's Structured Candidacy Framework showed massive interest in the Structured Candidacy, Work Integrated Learning, Career Awareness, and the Upskilling and Reskilling programmes.

Additionally, the CBE engaged three metropolitan municipalities (eThekweni, City of Tshwane, and City of Ekurhuleni) to discuss issues of support and possible collaborations on the implementation of the district candidacy programme.

Eight district municipalities remain to be engaged from the 44 districts in the APP annual target. The District Municipalities that were not engaged due to inaccessibility are:

- i. Bojanala Platinum (North West)
- ii. Thabo Mofutsanyana (Free State)
- iii. Fezile Dabi (Free State)
- iv. Sedibeng (Gauteng)
- v. West Rand (Gauteng)
- vi. Chris Hani (Eastern Cape)
- vii. Joe Gqabi (Eastern Cape)
- viii. Uthukela (KwaZulu-Natal)

The non-achievement of the annual target is due to the non-response of the district municipalities, even after various platforms were employed to get an audience with them. In addition, the district municipalities assumed that the CBE was a private service provider offering them training programmes/services at a cost to the district municipality. Thus, they were not open to engaging with the CBE. This points to the lack of knowledge of the CBE and the professional councils. Moreover, district municipalities are not directly involved in infrastructure projects, hence candidacy programmes are not their priority. Local municipality institutional arrangements made it difficult to invite them to engagements on the structured candidacy programme. It would yield more success to implement the strategic focus of the Structured Candidacy Programme at local municipality level, given their involvement with infrastructure projects and they work directly with contractors with the expertise in various Built Environment fields. The latter can be beneficial to the development and mentorship of candidates.

Highlights and challenges

The municipality sector is beset by a myriad of challenges that hinder successful implementation of candidacy programmes. The CBE's assessment of the engaged district municipalities revealed some common challenges which include but are not limited to the following:

- a) Lack of and limited funding to establish and sustain candidacy programmes
- b) A shortage of registered in-house professionals to mentor candidates
- c) Lack of structured candidacy programmes
- d) Limited exposure for candidates as projects are outsourced to private contractors
- e) Limited understanding of the requirements of professionalisation
- f) The occupation specific dispensation is a hindrance to fast-tracking candidates to professional registration

The challenges faced by the South African municipalities calls for a robust and targeted approach to skills and capacity development. It is critical to acquire key partnerships with SETAs such as Construction SETA (CETA), Manufacturing, Engineering and Related Services SETA (merSETA), Public Sector SETA (PSETA) and Local Government SETA (LGSETA) to provide funding support towards the municipality candidacy programmes, including skills pipeline interventions. However, it is critical to also work with the CBEP to assist with roadmaps to professionalisation and creating a mentorship database from their professionals' database. Voluntary Associations should play a role to sponsor mentors to support the Candidacy programme. In terms of workplace exposure, local municipalities need to be the hosts of candidates as most infrastructure projects occur at that level.

Table 17: District Municipalities Monitored and Evaluated

No	District	Province	Structured Candidacy Programmes Status at District Municipality level	Date of Engagement
1	John Taolo Gaetsewe Municipality	Northern Cape	CBE and John Taolo Gaetsewe Municipality engagement focused on issues such as the need to support and collaboration on the implementation of the district candidacy programme	9 June 2022
2	Namakwa	Northern Cape	- The Namakwa DM* has graduates and candidates placed through the ISDG** programme under National Treasury. - The CBE has agreed to support the municipality on the implementation of their Candidacy programme - To solicit CETA, merSETA, PSETA and LGSETA funding for Candidacy and WIL programmes The Candidacy programme will be anchored in the DDM, Municipal Staff Regulations and Professionalisation of the State.	12 July 2022
3	Garden Route	Western Cape	The DMs does not have Built Environment graduates and candidates All the DMs have an appetite to start a Candidacy programme for the district municipalities, including the Category B municipalities The Candidacy programme will be anchored in the DDM, Municipal Staff Regulations and Professionalisation of the State. Funding - To solicit CETA, merSETA, PSETA and LGSETA funding for Candidacy and WIL programmes	29 July 2022
4	Karoo			11 August 2022
5	West Coast			12 August 2022
6	Cape Winelands			23 August 2022
7	Overberg			29 August 2022
8	Umkhanyakude	KwaZulu-Natal	- The DMs do not have Built Environment graduates and candidates - All the DMs have an appetite to start a Candidacy programme for the district municipalities, including the Category B municipalities The Candidacy programme will be anchored in the DDM, Municipal Staff Regulations and Professionalisation of the State.	21 September 2022
9	Ilembe			
10	Umzinyathi			
11	Umgungundlovu			28 September 2022

No	District	Province	Structured Candidacy Programmes Status at District Municipality level	Date of Engagement
12	Dr Ruth Mompoti	North West	- The DM does not have a candidacy programme as the focus of their skills development unit is Youth Employment in the district - The municipality expressed interest in the CBE Structured Candidacy Framework as they would like to professionalise the employees in their Engineering department	17 October 2022
13	Dr Kenneth Kaunda		- There are candidates in the DM registered with ECSA - Lack of funding and mentors were cited as the main constraints to the DM running a successful candidacy programme It was resolved that there would be further engagements once the M&E*** checklist was completed by the DM	19 October 2022
14	Ugu	KwaZulu-Natal	- The municipality has civil engineering practitioners - The municipality does not have and would like to resuscitate its bursary programme and start a candidacy support programme - The CBE has agreed to support the municipality on the implementation of their Candidacy programme. Support and collaboration on the implementation of the district Candidacy programme The Candidacy programme will be anchored in the DDM, Municipal Staff Regulations and Professionalisation of the State	19 October 2022
15	Ngaka Modiri Molema	North West	- The municipality does not have Built Environment graduates and candidates, however, its planning to improve its capacity by appointing civil engineers, town and regional planners - The municipality has an appetite to start a Candidacy programme for the district municipalities, including the local municipalities The Candidacy programme will be anchored in the DDM, Municipal Staff Regulations and Professionalisation of the State	28 October 2022
16	Sekhukhune	Limpopo	- The DM stated that they do not have any candidates as they are stationed at the local municipalities - The DM would like to collaborate with the CBE on a candidacy programme - The DM committed to compiling a list of the professionals and candidates in their local municipalities	15 November 2022
17	Amajuba	Eastern Cape	The DM does not have Built Environment graduates and candidates, however, it does have an appetite to start a Candidacy programme for the district municipalities, including the Category B municipalities The Candidacy programme will be anchored in the DDM, Municipal Staff Regulations and Professionalisation of the State.	22 November 2022

No	District	Province	Structured Candidacy Programmes Status at District Municipality level	Date of Engagement
18	Pixley Ka Seme	Northern Cape	- The municipality has a candidate technician with ECSA and supported by the SAICE**** programme - The municipality has an appetite to start a Candidacy programme for the local municipalities but does not have funding - The municipality also lacks projects to expose candidates to in areas required by ECSA and needs assistance from the CBE to assist The Candidacy programme will be anchored in DDM, Municipal Staff Regulations and Professionalisation of the State	24 November 2022
19	Nkangala	Mpumalanga	- The Nkangala DM expressed an interest in the CBE's Structured Candidacy Framework (SCF) as they do not have an active candidacy programme - The DM cited a lack of professionals/mentors as a main challenge in running a candidacy programme It was resolved that the DM would complete the CBE's M&E checklist and the analysis of the checklist would guide further engagements	28 November 2022
20	Amathole	Eastern Cape	- The municipality does not have an active candidacy programme and would welcome assistance from the CBE in establishing a structured candidacy programme - The DM cited a lack of mentors in the district as the main hurdle in running a candidacy programme It was resolved that the Amathole DM would complete the M&E checklist so that the CBE can assess the situation in the municipality to guide how the parties can engage further	29 November 2022
21	Vhembe		- The Vhembe district stated they are interested in the CBE's structured candidacy programme as professionalisation of their employees is on their internal agenda. - The DM stated that their biggest challenge is a lack of professionals which means a lack of mentors It was resolved that there would be further engagements between the DM and the CBE 2023	08 December 2022
22	Capricorn	Limpopo	- The DM is seeking to professionalise its staff and looking forward to collaborate with the CBE - The municipality's projects are outsourced to private contractors, hence it has few professionals and candidates It was agreed that there will be further engagements in early 2023 to determine how the CBE and the DM can collaborate on skills development matters	13 December 2022
23	Mopani		The municipality has shown interest in the CBE's structured candidacy programme and seeks to engage further It was also agreed that the local municipalities be included in future engagements	14 December 2022
24	Lejweleputswa	Free State	Lejweleputswa DM cited lack of mentors as an obstacle to candidacy programs and the inability of small towns to attract professionals.	16 January 2023

No	District	Province	Structured Candidacy Programmes Status at District Municipality level	Date of Engagement
25	Waterberg	Limpopo	Waterberg DM expressed the belief that the programmes that the CBE is proposing would yield better results at local municipality as that is where a lot of the Built Environment staff is stationed. Further engagements with the local municipalities were proposed. The DM committed to sending the CBE a list of all the BE personnel in the district and local municipalities.	20 January 2023
26	Alfred Nzo	Eastern Cape	The Alfred Nzo district has the following breakdown of candidates: two registered with ECSA, four registered with SACPM, and 3 registered with SACPLAN. The challenges affecting the candidacy programme in the DM were cited as a lack of projects.	10 February 2023.
27	Harry Gwala	KwaZulu-Natal	- The municipality does not have a structured candidacy programme; however, it has professionals and candidates in their DM placed in Infrastructure and Water services. - The municipality has shown great interest in establishing the structured candidacy programme, utilising their professionals as mentors, and assisting their artisans to upskill and technicians who are candidates to end up as professionals under ECSA and SACPCM. The meeting resolved that all parties will reconvene to collaborate further and roll out the skills development programmes.	13 February 2023
28	OR Tambo	Eastern Cape	- The OR Tambo district municipality does not have a candidacy programme as most projects are based in the local municipalities. However, it has three professionals whose disciplines would be verified. - The OR Tambo DM has a policy to pay membership fees for the registration of their professionals to a professional council. - The DM hosts students for WIL, however there is a current challenge with funding.	13 February 2023
29	ZF Mgcawu	Northern Cape	- The DM does not have a structured candidacy programme; however, there are professionals and candidates in the DM who require assistance with professional registration. The DM highlighted: - The need to professionalise the African population in the Built Environment. - The DM is undertaking a critical skills audit report to assess the DM's and LM's***** capacity to conduct organisational restructuring to align employees with their expertise. - great interest in establishing the structured candidacy framework, utilising their professionals as mentors, and assisting their artisans to upskill and candidates to end up as professionals under the respective CBEP. - That it has interns placed on the presidential stimulus programme assisting municipalities with capacity. They seek to collaborate with the CBE on a survey to profile engineers (professionals and candidates) in the District Municipality. The meeting resolved that all parties will reconvene to collaborate further and roll out the skills development programmes including the LMs.	14 February 2023

No	District	Province	Structured Candidacy Programmes Status at District Municipality level	Date of Engagement
30	Xhariep	Free State	The Xhariep district municipality stated that they have professionals and candidates; however, most of the BE personnel are in the local municipalities. The DM coordinates the activities in the local municipalities. The Xhariep district municipality committed to sending the CBE a list of all the BE personnel in the district and local municipalities, together with the M&E checklist which will guide future engagements.	16 February 2023
31	King Cetshwayo	KwaZulu-Natal	- The King Cetshwayo DM displayed an interest in all the programmes mentioned in the presentation, including structured candidacy programme, Work Integrated Learning (WIL), Career awareness and the Reskilling and Upskilling programmes with the NSG. The district municipality placed heavy emphasis on career awareness which is a target in the CBE APP for the 2023/24 financial year. - The King Cetshwayo DM previously had a candidacy programme funded by LGSETA; however, it was discontinued due to funding constraints. The DM is currently in discussion with a TVET***** college with plans to begin a programme for Artisan development and support. A lack of funding and limited exposure for candidates due to a lack of projects were cited as major challenges impacting the success of candidacy programmes. It was resolved in the meeting that the King Cetshwayo DM representatives will complete the M&E checklist and submit it to the CBE.	17 February 2023
32	Sarah Baartman	Eastern Cape	- The Sarah Baartman DM highlighted that it is lean and does not house most of the Built Environment activities, those are operated at local municipality level. They only have three Built Environment employees in the DM, one engineer and two technicians. - The Sarah Baartman district did however express interest in the reskilling and upskilling programmes and assistance with placing WIL students.	15 March 2023
33	Ehlanzeni	Mpumalanga	- Due to budget constraints the DM cannot initiate an additional training programme. - The Ehlanzeni DM has four Built Environment interns (BE Graduates) on a two-year programme and suggested for the CBE to investigate structuring their internship. - The DM further highlighted that technical tasks are based in the local municipalities. The DM committed to inviting the CBE to their district skills development meeting on 10 May 2023. Regarding Career Awareness, the DM offered the CBE a venue for one of the planned career expos with a capacity of 250. It was also resolved that further discussion would take place regarding the career awareness expo.	22 March 2023
34	Gert Sibande	Mpumalanga	Like the other district municipalities, Gert Sibande DM also stated that the district is lean on the technical side due to most of the technical tasks being undertaken at local municipality level. The municipality invited CBE to present in the district's DDM monthly meeting that technical staff from the local municipalities attend. The meeting is set to take place in April/May and the way forward will be determined thereafter.	24 March 2023

No	District	Province	Structured Candidacy Programmes Status at District Municipality level	Date of Engagement
35	Frances Baard	Northern Cape	The Frances Baard DM received CBE's presentation with great interest in all the skills pipeline programmes therein. Their challenge relates to mentorship and workplace exposure. Most of the technical staff possess Built Environment qualifications however, they are stuck in candidacy for almost 10 years now. They have eight candidates who require the CBE's assistance. The CBE would assist the DM technical staff to professionalise. The resolution of the meeting was for the Frances Baard DM to complete the M&E Checklist and a list of their candidates. Further engagements will be held to incorporate the LMs.	31 March 2023
36	Zululand	KwaZulu-Natal	The challenge in Zululand is the continuation of candidacy until completion due to mentorship challenges, workplace exposure, gaps to register, candidates are in the programme without guidance, the DM does not offer clear support for the candidates and professionalising the DM. They stated the importance of incorporating the LMs as there is technical staff stationed at the LMs. These candidates are facing white domination, most mentors are white and inaccessible. It was resolved that the DM will complete the M&E Checklist for analysis and a list all candidates in the municipality, Zululand DM colleagues stated that they will provide CBE with a date to engage the LMs.	31 March 2023

*DM
 **ISDG
 ***M&E
 ****SAICE
 *****LM'S
 *****TVET

District Municipality
 Infrastructure Skills Development Grant
 Monitoring and Evaluation
 South African Institution of Civil Engineering
 Local Municipalities
 Technical and Vocational Education and Training

5.3.2 Facilitate and report on the placement of 400 Built Environment students from seven Universities of Technology in workplaces for work integrated learning by 31 March 2023. – **Not Achieved**

The CBE is focused on increasing Built Environment professional capacity by facilitating the placement of students in workplaces to undertake the experiential learning component of their academic studies, which is key in ensuring a sustainable throughput of Built Environment graduates. Built Environment Professionals are an important development partner and facilitator as they are involved in the design and construction of the economic and social infrastructure of the country, which enables economic growth and development.

The annual target was not achieved. A total of six WIL students were placed for practical work experience during the financial year, translating to 1.5% achievement of the annual target. One challenge was the universities' inability to share students' information, citing adherence to the POPIA. The CBE will enter into MoUs to address this challenge. The other challenge is communication - engagement with students in workplaces in far-flung communities, out of communication network zones was difficult and impacted on timely approvals to attend stakeholder engagements. The CBE will enter into a MoU with The Southern African Society for Co-operative Education (SASCE) to support individuals and institutions in integrating academic studies with quality work integrated learning.

Category 2: Built Environment students placed for Work Integrated Learning

Table 18: Work Integrated Learning

Number of Students	Built Environment Qualification	Discipline	Host Company	Province	Date of Placement
2	National Diploma: Civil Engineering	Civil Engineering	Transcon Construction	Mpumalanga	March 2023
				Limpopo	
1	National Diploma: Building Sciences	Building and Construction Management/ Quantity Surveying		Gauteng	
2	National Diploma: Building Sciences	Building and Construction Management/ Quantity Surveying	NPE Construction	Gauteng	
1	National Diploma: Civil Engineering	Civil Engineering		KZN	

In the fourth quarter, there was a request for 12 students from the CBE database for placement on University of Mpumalanga (UMP) infrastructure projects. However, the annual validation process indicated that six out of the 12 students were successfully placed by UMP, hence, the overall annual performance of the target was revised to six WIL students placed.

The CBE further partnered with the UMP to place the following categories of students at the university's infrastructure projects:

Category 1: Eleven artisans placed for structured work experience learning:

- Two TVET students from Nkangala TVET College pursuing Electrical Infrastructure Construction and Bricklaying qualifications (N3-N6) were placed at Transcon Construction in Mpumalanga
- Nine TVET students from Gert Sibande and Nkangala TVET Colleges pursuing Civil Engineering, Building Construction and Electrical Infrastructure Construction qualifications (N3-N6) were placed at NPE Construction in Mpumalanga

Category 3: Twenty-two graduates placed for candidacy and mentorship towards the attainment of registration with professional bodies:

Table 19: Candidacy

Number of Candidates	BE Qualification	Discipline	Candidacy Registration	Host Company	Province	Date of Placement
1	Bachelor of Architectural Studies	Architecture	Yes	Cohen and Garson Architects	Mpumalanga	31 March 2023
4	Baccalaureus ingeneriae (civil engineering)	Civil/ Structural Engineering	Yes	GMH Tswelelo Consulting Engineers		
	Diploma in Engineering Technology in Civil Engineering					
	B Tech: Civil Engineering	Civil Engineering				
B Eng Civil Engineering						

Number of Candidates	BE Qualification	Discipline	Candidacy Registration	Host Company	Province	Date of Placement	
3	B Eng. Civil Engineering (Honours)	Civil/ Structural Engineering	Yes	Calliper Consulting Engineers			
	BEng Tech Structural Engineering		No				
	BSc (Hons) Civil Engineering		Yes		Gauteng		
4	BSc Mechanical Engineering	Mechanical Engineering	No	Muteo Consulting CC	Mpumalanga		
	B Tech Mechanical Engineering						
	B Tech Mechanical Engineering		In Progress		Gauteng		
	BEng Mechanical Engineering		No				
4	B Tech Electrical Engineering	Electrical/ Mechanical Engineering	Yes	PLP Consulting Engineers	Mpumalanga		
	B Tech Electrical Engineering						
	BSc Hons Electrical Engineering		No		Gauteng		
	BSc. Eng Electrical Engineering		Yes		KZN		
2	BSc Honours Quantity surveying	Quantity Surveying	Yes	Siyakha Quantity Surveyors	Gauteng		
	B Tech Quantity Surveying		In Progress				
1	Bachelor of Architecture	Architecture	Yes	Ludwig Hansen Architects			
2	Honours Quantity Surveying	Quantity Surveying	In Progress	SBDS Quantity Surveyors			
	BSc Hon. Quantity Surveying		Yes		Limpopo		
1	Bachelor of Architectural Studies	Architecture	Yes	Ikemeleng Architects	Mpumalanga		

5.3.3 Approved programmes established for BE professionals and candidates for implementation by the National School of Government by 31 March 2023. – **Achieved**

In December 2020, the Minister for Public Service and Administration approved the publication of the draft National Implementation Framework towards the Professionalisation of the Public Service for comment which was followed by stakeholder consultations. The draft Framework was in support of the sixth administration commitment to create a capable, ethical, and developmental public service. The Framework recommends, amongst other provisions, that the public service is merit-based and insulated from party politics. It also proposes five professional pillars, which are:

- i. pre-entry recruitment and selection within the public service
- ii. induction and onboarding
- iii. planning and performance management
- iv. continuous learning and professional development
- v. career management and management of career incidences

The annual target was achieved. Approved programmes were established for professionals and candidates appointed by the State for implementation by NSG by 31 March 2023. Through numerous consultations, the CBE and NSG identified key programmes to support Built Environment Professionals and candidates appointed by the State, namely, mentorship, project management, ethics and orientation and onboarding support for candidates.



Figure 5: Key identified Upskilling and Reskilling Programmes

Additionally, a course on infrastructure delivery and entrepreneurship was identified during stakeholder engagement.

Table 20: Stakeholder Engagements on Professionalisation of the State

No	Stakeholder	Purpose of the Engagement	Date
1	CBE/NSG Meeting	Identification of key Upskilling and Reskilling Programmes	22 April 2022 15 June 2022
		Signing of the NSG MoU	14 July 2022
2	CETA	Programme development and accreditation framework	28 September 2022
		Programme development and accreditation framework	29 September 2022
3	NSG	Programme mapping, quality assurance and accreditation	30 September 2022
4	Meeting with LGSETA	Possible funding for the municipal candidacy support programmes Source municipality contact details for engagements	03 October 2022
5	NSG	NSG Ethics course customisation for the Built Environment	20 October 2022
		Programme Development, Quality Assurance and Accreditation Management Committee Meeting	21 October 2022
6	CETA	Possible funding for the municipal candidacy support programmes Source municipality contact details for engagements	01 November 2022
7	NSG	Quality assurance on the Infrastructure Delivery and Procurement Management Course as part of the Development, Quality Assurance and Accreditation processes	30 November 2022
8	NSG	Programme (Infrastructure Delivery and Procurement Management Course) Development, Quality Assurance and Accreditation Management Committee Meeting	01 February 2023

As a government department, the NSG is fully mandated to lead on government skills and capacity development programme, including conceptualisation, development, accreditation, implementation, evaluation and certification of government training and development programmes. Hence, its approved learning programme structure will be followed.

Table 21: Programme 3: Objective/Purpose, Planned Targets and Actual Achievements

PROGRAMME 3: PROFESSIONAL SKILLS AND CAPACITY DEVELOPMENT							
Objective/Purpose	Overall Audited Actual Performance 2020/21	Overall Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Overall Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations	
Coordination of an enabling Built Environment Skills Pipeline from school to professional level.	Four	Three	Three	One	Two targets were not achieved. Thirty-six DMs were supported through monitoring the implementation of the Built Environment Structured Candidacy Programme, there is a negative variance of eight DMs.	The non-achievement of the annual target is due to the non-response of the district municipalities, even after various platforms were employed to get an audience with them.	
					Six WIL students were placed for practical work experience during the financial year, translating to 1.5% achievement of the annual target.	One of the biggest challenges was the universities' inability to share students' information, citing adherence to POPIA.	

Table 22: Programme 3: Outcome, Outputs, Output Indicators, Targets and Actual Achievements

PROGRAMME 3: PROFESSIONAL SKILLS AND CAPACITY DEVELOPMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations
Skilled Built Environment Professionals.	Monitoring and evaluation of the implementation of the Structured Candidacy Programme.	3.1 Number of districts (per DDM) supported through monitoring of implementation of the Built Environment Structured Candidacy Programme.	Achieved Fifteen workplaces monitored and evaluated in implementing the Structured Candidacy Programme by 31 March 2021.	Achieved Thirty-two workplaces monitored and evaluated in implementing the Structured Candidacy Programme.	Forty-four districts identified in the District Development Model (DDM) supported through monitoring the implementation of the BE Structured Candidacy Programme by 31 March 2023.	Not Achieved Thirty-six district municipalities were supported through monitoring the implementation of the BE Structured Candidacy Programme by 31 March 2023.	There is a negative variance of eight district municipalities that were not supported through monitoring the implementation of the Built Environment Structured Candidacy	The non-achievement of the annual target is due to the non-response of the district municipalities, even after various platforms were employed to get an audience with them.

PROGRAMME 3: PROFESSIONAL SKILLS AND CAPACITY DEVELOPMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations
	Four hundred Built Environment students and interns placed and assessed for work integrated learning.	3.2 Number of placements facilitated for BE students for work integrated learning.	N/A	N/A	Facilitate and report on the placement of 400 Built Environment Students from seven Universities of Technology in workplaces for work integrated learning by 31 March 2023.	Not Achieved Six WIL students were placed for practical work experience during the financial year.	There is a negative variance of 394 Built Environment Students	One of the biggest challenges was the universities' inability to share students' information, citing adherence to the Protection of Personal Information Act (POPIA).
	Approved programmes for professionals and candidates appointed by the State.	3.3 Approved reskilling programmes for BE professionals and candidates appointed by the State.	N/A	N/A	Approved programmes established for BE professionals and candidates for implementation by the National School of Government by 31 March 2023.	Achieved Approved programmes established for BE professionals and candidates for implementation by the National School of Government by 31 March 2023.	N/A	N/A

Table 23: Programme 3: Linking Performance with Budget

Programme /Activity/ Objective	2021/22			2022/23		
	Budget	Actual Expenditure	(Over) / Under Expenditure	Budget	Actual Expenditure	(Over) / Under Expenditure
Performance Indicator	R'000	R'000	R'000	R'000	R'000	R'000
3.1 Number of districts (per DDM) supported through monitoring of implementation of the Built Environment Structured Candidacy Programme.	864	918	(54)	423	186	237
3.2 Number of placements facilitated for BE students for work integrated learning.	-	-	-	2	24	(22)
3.3 Approved reskilling programmes for BE professionals and candidates appointed by the State.	-	-	-	-	-	-
3.4 Number of oversight report on CBEP accreditation of Built Environment academic programmes and institutions.	35	18	17	-	-	-

5.4 Programme 4: Research and Knowledge Management

The CBE Act mandates the CBE to advise government on any matter that falls within the scope of the Built Environment, as well as to create platforms for such engagements. The CBE and CBEP have a role to play in proactively identifying, investigating, and explaining trends and changes that are likely to have an impact on the Built Environment Professions and Professionals. Working with the six CBEP, the CBE will secure Built Environment experts as needed to help policy and decision-makers to propose, develop, and implement appropriate policies, procedures, and processes for long-term solutions that will improve public safety, reliability, and the value of public infrastructure. This information will be communicated to the regulators on an ongoing basis to input on their own decision-making and direction setting.

The objective of Programme 4 is to coordinate research outputs, provide advice and facilitate knowledge management on Built Environment matters, including the professions. Programme 4 responds to section 3(d) of the CBE Act to facilitate participation by the built environment professions in integrated development in the context of national goals. Programme 4 contributes following mandates of the CBE Act:

- 1) Sections 4 (a), (d), and (e) of the CBE Act impel the CBE to offer advice to the Minister of Public Works (the Minister) on BE matters, whilst the dynamic and changing BE sector requires regulatory intelligence to fine-tune Government's planning and infrastructure investment
- 2) Section 4(e): facilitate inter-ministerial co-operation concerning issues relating to the built environment
- 3) Section 4(f): provide advice and consultation on national policy that could impact on the built environment, human resource development in relation to the built environment professions, and the recognition of new professions

For the 2022/23 APP, Programme 4 had four annual targets:

*5.4.1 One research report on the assessment of BE Candidacy Programmes within public sector institutions produced by 31 March 2023. – **Achieved***

This project is part of CBE's strategic priority to reposition itself as a thought leader in the Built Environment through coordinating research outputs, providing advice and facilitating knowledge management on Built Environment matters. The strategic outcome of the CBE Strategic Plan 2020-2024 linked to this project is the attainment of informed decision-making that impacts the current and future operational requirements of the industry.

This outcome will be achieved through coordinating research and providing advice on issues affecting the Built Environment. As part of CBE's contribution to the Economic Recovery and Reconstruction Plan (ERRP), Programme 4 will prioritise the following research and policy areas:

- Identify policies and legislation impeding infrastructure delivery and transformation and propose regulatory changes.
- Boost education and skills development (by examining the efficacy of Built Environment candidacy programmes within the public sector).

The annual target was achieved. The final research report on the assessment of Built Environment candidacy programmes within the public sector was produced by 31 March 2023. The data for the study was collated from the entire Public Works and Infrastructure sector, National Treasury, Municipal Infrastructure Support Agent, North-West Department of Human Settlements, KwaZulu-Natal Department of Transport, KwaZulu-Natal Human Settlements and Mpumalanga Human Settlements.

The data was collected through a survey-based questionnaire and semi-structured interviews with human resource development practitioners, professionals, candidates, and mentors. Survey instruments were sent to all public sector institutions; the response rate was 6%. Based on this sample the key research findings are as follows:

- The data shows that there are 815 Built Environment candidates within public sector institutions- 614 are African, 25 white, 51 Indian, 46 coloured, and 79 not disaggregated in terms of race and gender
- The demographic data indicates that 771 are male and 193 are female Built Environment professionals
- The study found that most of Built Environment candidates within public sector institutions are between 30-39 years in age
- Built Environment candidacy programmes across the public sector are not structured and uniform in terms of duration, remuneration or policy
- Public sector institutions have a high turnover of registered professionals in-house resulting in the shortage of mentors and supervisors to guide candidates towards the attainment of professional registration
- Most public sector infrastructure projects are outsourced, thus limiting the exposure that Built Environment candidates require for professional registration
- Most public sector institutions lack systems to monitor the progress of Built Environment candidates

- Most mentorship programmes are not structured
- Internally based mentors (employed in the public sector) are not motivated to mentor candidates because of the lack of time and incentives for mentoring
- Remuneration for candidates on the Occupation Specific Dispensation is not market related. In most instances there is little difference in the salaries of candidates and registered Built Environment Professionals

The study recommended the following:

- a) CBE to advocate and partner with relevant stakeholder to aggressively roll-out (scale en masse) the Built Environment skills pipeline strategy and structured candidacy framework systematically throughout the public sector
- b) Develop and maintain a national, accessible database of mentors to supervise and guide Built Environment candidates in the public sector
- c) Strengthen the business case for the professionalisation of the Built Environment in the public sector through continuous collation of data on Built Environment skills (logbook) in the nine provinces
- d) CBE to partner with relevant public sector institutions to promote the pooling of financial and human resources, upskilling, improve skills planning, monitor, and facilitate the sharing of good practices in the sector

The final research report was tabled at the Occupation Specific Dispensation TCC on 04 February 2023 and Professional Skills and Capacity Development TCC on 08 February 2023. The findings and recommendations of the final research report informed the strategic priorities of the CBE's 2023/2024 Annual Performance Plan. The CBE will continue to collate data and monitor the progress of Built Environment candidates and professionals in public sector institutions (State-Owned Entities, government departments for infrastructure) in the 2023/2024 financial year.

*5.4.1.1 One research report analysing the implementation of legislation and policies impacting the Built Environment produced by 31 March 2023. – **Achieved***

The purpose of this research report was to analyse the implementation predicaments on key policy frameworks impacting the Built Environment, and to further propose alternatives for effective implementation and alignment of policy frameworks impacting the Built Environment.

The annual target was achieved. The final research report analysed the implementation of legislation and policies impacting the Built Environment in consideration of the following policy frameworks:

- a) Broad-Based Black Economic Empowerment: Codes of Good Practice
- b) Property Sector Charter Code
- c) Construction Sector Charter Code
- d) Public Procurement Bill, 2020
- e) Supply Chain Management

The analysis of the Broad-Based Black Economic Empowerment Strategy Implementation highlighted the following:

- a) Details of the transformation targets on the charter codes are not binding and lack effective implementation plan. Adoption and commitments towards the implementation of transformation targets require renewal
- b) The black industrialists programme for the Built Environment cluster lacks openness and transparency regarding beneficiary criteria and processes
- c) Inconsistent reporting and statistics make transformation goals problematic to achieve as there is usually no real benchmark or goal to attain. In the construction sector, the Construction Sector Charter Council (2014) identified data inconsistency, inaccuracy, and generally the absence of reliable data as one of the barriers to transformation
- d) Similarly, in the mining sector, hesitation to submit evaluation reports, unrealistic targets, and practicability of the scorecards used for evaluation were identified as barriers to transformation (Chamber of Mines, 2015)

The final research report recommends the following:

- a) Policy integration
- b) Targeted Procurement
- c) Implementation monitoring
- d) Addressing misinterpretation of policies

5.4.2 Three Built Environment publications developed by 31 March 2023. – **Achieved**

This project is part of CBE's strategic priority to reposition itself as a thought leader in the Built Environment through the coordination of research outputs, provision of advice and facilitation of knowledge management on Built Environment matters. The strategic outcome of the CBE Strategic Plan 2020-2024 linked to this project is the attainment of informed decision-making that impacts the current and future operational requirements of the industry. This outcome will be achieved through coordinated research advice on issues affecting the Built Environment.

The objective of the project is to develop three Built Environment publications on topical issues emanating from the TCCs or elsewhere inside the CBE that will:

- i. share knowledge generated and contributions of the CBE and TCCs
- ii. promote the positions of the CBE
- iii. facilitate knowledge management on Built Environment matters including the professions

The annual target was achieved. Three Built Environment publications were developed by 31 March 2023:

1) Gender equality, diversity, and inclusion in the Built Environment Professions

The publication was covered in numerous media including Concrete Trends Media Update, Africa.com, Sunday World and BizCommunity. The publication unpacked the status of gender transformation in the Built Environment, barriers that women encounter, opportunities, enablers and strategies required to achieve diversity and inclusion in the Built Environment Professions.

2) Status quo of digitalisation and priority strategies required to speed up digital transition in the South African Built Environment

The publication focuses on the status quo of digitalisation and on priority strategies required to speed up digital transition in the South African Built Environment. The publication is a product of a position paper on the digital transition in the South African Built Environment that the CBE and Centre of Advanced Research and Innovation in the Built Environment (CARINBE) is currently developing. The publication was published on the CBE website and LinkedIn on 14 December 2022.

The following are key findings highlighted in the publication:

- a) The survey revealed an average level of awareness on Building Information Modelling (BIM), with about 32% indicating average awareness about it and 29% identifying a low level of awareness. The uninspiring level of awareness, while not shocking, confirms the low level of adoption and implementation as further justified in other findings discussed below. The average level of awareness further supports the need for this position paper to guide and proffer strategic approaches to enhancing adoption by driving awareness and usage
- b) To establish the level of awareness in relation to adoption within organisations and institutions, the survey enquired if respondents have had some forms of training on BIM. Most participants revealed that no one has had any form of training with regard to BIM.
- c) Amongst the participants, 52% indicated they self-funded their training. Thirty-four percent mentioned that organisational support provided the training opportunity, 7% indicated some form of bursary/scholarship, 3% mentioned government incentives and 4% affirmed they had subsidised training/courses
- d) Sixty-six percent (66%) of respondents indicated that they had never used BIM-based cloud platforms while 30% stated they currently use a cloud-based environment
- e) More than half of the respondents (58.5%) affirmed not to have experienced any form of Digital twins on a project whereas 22.3% have had some form of participation on a Digital twin project
- f) In terms of BIM implementation stages within organisations, 44% of respondents revealed they were at the non-usage stage. Twenty percent indicated they are at the trial phase while only 5% had fully adopted and integrated BIM into daily construction operation

3) The efficacy of Built Environment candidacy programmes in the local government sector

The paper highlighted the following barriers to the professionalisation of Built Environment skills in local government:

- a) Most district municipalities do not have Built Environment candidacy programmes
- b) Built Environment candidacy programmes in local government are not structured and uniform in terms of duration, remuneration, policy and mentorship
- c) Local government has high vacancy rates resulting in the shortage of mentors and supervisors to guide candidates towards the attainment of professional registration
- d) Most public sector infrastructure projects are outsourced, thus limiting the exposure that Built Environment candidates require for professional registration. Lack of interest in professional registration owing to a perceived lack of benefits

- e) Perceived lack of power of the CBEP over unregistered individuals and municipalities employing unregistered/unregistrable persons
- f) Appointments of underqualified, inexperienced, and unregistrable employees
- g) Built Environment Professionals' salaries are uncompetitive and not market related
- h) Minimal or no financial subsidy assistance provided for continuing professional development and annual membership fees
- i) Lack of – or little – respect for professional integrity and work ethics by senior municipal management and councillors

The publication recommends the following:

- a) It is imperative for local government to review the existing infrastructure delivery models to build technical capacity and ensure that candidates obtain the exposure required for professional registration
- b) Local government to establish mechanisms and processes through partnerships to place and rotate Built Environment candidates across resourced municipalities, water boards and road authorities to ensure that they obtain the exposure required for professional registration
- c) Local government to re-introduce developmental career paths allowing junior technical staff to work towards seniority and attainment of specific competencies. This will provide clear paths to technical employees, allowing for upward mobility and allowing the municipality to benefit from the ever improving skills
- d) COGTA, in partnership with MISA, SALGA and LGSETA to collaborate in coordinating capacity building initiatives directed to address local government Built Environment skills challenges to avoid duplication of interventions
- e) A critical factor for attracting and retaining experienced Built Environment skills in local government is the requirement for autonomy and authority for infrastructure departments in municipalities. SALGA to actively discourage politicising the appointment of technical employees
- f) COGTA, SALGA and LGSETA to assist municipalities in the automation of human resource information systems to enhance workforce planning and training and development
- g) Local government to finance professional registration fees and Built Environment Professionals should be afforded the opportunity of attending continuous professional development to retain their professional registration
- h) The publication on structured candidacy programme as an enabler towards local government professionalisation was presented at the Local Government Professionalisation Indaba hosted by SALGA on 8 March 2023. The recommendations of the paper were well received and as a result the CBE has been requested to serve as a representative of professional bodies and the committee responsible for the drafting the framework for the professionalisation of local government

5.4.3 Two advisory briefs developed and submitted to relevant stakeholders by 31 March 2023. –
Achieved

This project is aligned CBE's strategic objective of coordinating research outputs, providing advice, and facilitating knowledge management on Built Environment matters, including the professions. The project objective is to develop and submit two advisory reports to relevant stakeholders by 31 March 2023. These are advisory briefs on matters emanating from the work of the TCCs. The objectives of the project are therefore, to:

- identify and examine priority issues emanating from TCCs on Built Environment matters, including the professions
- produce advisory briefs
- submit advisory briefs to relevant stakeholders

The annual target was achieved. Two advisory briefs on matters emanating from Transformation Collaborative Committees were developed by 31 March 2023:

1) Advisory brief on the assessment of candidacy programmes implemented within the public sector

The purpose of the advisory brief is to provide advisory to DPWI on the efficacy of Built Environment candidacy programmes in the public sector and on gaps and limitations of the Engineering and related professionals Occupation Specific Dispensation (OSD) Policy.

Key Research Findings

- i. Built Environment candidacy programmes across the public sector are not structured in terms of duration, remuneration or policy.
- ii. Public sector institutions have a high turnover of registered professionals in-house resulting in the shortage of mentors and supervisors to guide candidates towards the attainment of professional registration.
- iii. Most public sector infrastructure projects are outsourced, thus limiting the exposure that Built Environment candidates require for professional registration.
- iv. Most public sector institutions lack the systems to monitor the progress of Built Environment candidates and mentorship programmes are not structured.
- v. Internally based mentors (employed in the public sector) are not motivated to mentor candidates because of the lack of time and incentives for mentoring.
- vi. Public sector institutions lack holistic strategies to retain Built Environment graduates post the candidature mentorship period.

- vii. The Property Valuers Profession is not on the OSD Policy, this affects the quality of professionals employed by the State to perform functions of a registered professional property valuer without being professionally registered. It is therefore difficult to attract and retain professional Property Valuers as they are not incentivised at the same level with other technical professionals.
- viii. The Landscape Architecture Profession is not on the OSD Policy; it is therefore difficult to attract and retain professional Landscape Architects as they are not incentivised at the same level with other technical professionals.
- ix. OSD has occupations that are not recognised by CBEP; conversely, occupations recognised by CBEP are not on OSD Policy (e.g., Architectural Technician does not exist at SACAP; Quantity Surveying Technologist does not exist at SACQSP).

Recommendations

- i. Candidates must be supported for them to gain their professional status through structured mentorship programmes; financial support including training on public sector infrastructure development and management, legislation, and processes.
- ii. Placement and progress of graduates/candidates with the infrastructure projects through the Construction Industry Development Board (cidb) Standard for infrastructure, and the Strategic Infrastructure Projects (SIPs) must be monitored.
- iii. The public sector to develop retention strategies to absorb candidate mentorship period. For instance, the absorption rate of candidates needs to be widened to include other departments and spheres of government that require the skills as part of the repayment programmes. The public sector should consider implementing a graduate programme for the Built Environment graduates for placement for at least two years.
- iv. Need for a uniform structured programme for who candidates who are placed in various government departments, state entities and the private sector.
- v. Ensure that supervisors and mentors are professionally registered (in most cases they are not).
- vi. The current OSD title “Engineers and related Professionals” is exclusionary of other professions and should be amended to include all professionals in the Built Environment. It is therefore recommended that the OSD should be revised to “Respective Built Environment Professionals” or “Engineering and Built Environment Professionals.”

- vii. Candidate salaries are not market related across the industry. The salaries of candidates must be lower than those of registered professionals who possess a high degree of experience. This will motivate and encourage candidates to aspire and work very hard to register with their relevant Built Environment professional councils, and thus make a meaningful contribution to the work and service of the State. It is recommended that that DPSA should align the salaries of candidates within the industry.
- viii. It should be compulsory for professionals who are recipients of OSD Policy to mentor OSD candidates.

2) Advisory brief on preferential frameworks to drive transformation in the Built Environment.

The advisory brief originates from the CBE research report analysing the implementation of policies and legislation impacting the Built Environment. This advisory brief focusses on the preferential procurement framework as a driver for the transformation of the Built Environment as a sector. National Treasury, relevant Infrastructure Departments, and SOE's are the target audience in this regard.

Key Findings

The study revealed the key considerations and factors influencing policy implementation in which the Built Environment is impacted are listed:

Political interference

Procurement processes have become a space of contestation for political players to direct infrastructure expenditure towards ideal projects outlined in election manifestos. In several local councils, these actions have caused instability as this frustrates the progress of ongoing infrastructure projects and Built Environment Professionals risk reputational damage.

In the process, the Integrated Development Plans are abandoned and isolated.

Capacity barriers

The study indicates that several disabling institutional environments in both the procurement sector and the Built Environment affects the policy implementation process.

Lack of stakeholder engagement and involvement

Social facilitation approach in policy implementation has not been appropriately mainstreamed when delivering infrastructure. Social facilitation process orientates and prepares the communities for the infrastructure delivery and benefits are practical.

Policy misinterpretation

Deliberate distortion of facts by local business at infrastructure delivery sites for extortion purposes is an unfortunate action impacting the Built Environment. In South Africa, since about the year 2016, it has become a common practise for local business forums to invade infrastructure delivery sites and demand an allocation of 30% of the contract value be paid to the forum.

The advisory brief recommends the following:

Addressing Misinterpretation of Procurement Policies

Social facilitation is one of the critical elements in the success of infrastructure projects in South Africa. This is because it ensures effective cooperation and facilitates coordination of role-players by creating a conducive environment for the smooth implementation across and beyond the implementation of the project cycle. There is a dire need to mainstream the Social Facilitation process into procurement systems to induct society on the delivery of infrastructure and proactively assist in prevention of infrastructure destruction.

Targeted Procurement

Targeted Procurement approach is recommended because it enables procurement processes to be readily used as an instrument of social policy by public bodies both on a large scale and in a focused manner. This it does without compromising the requirements for a cost effective and practical procurement system.

Policy Integration

Policy integration is highly recommended to address incoherence in government initiatives meant for transformation. Furthermore, all the infrastructure frameworks must outline targeted initiatives in contribution to transformation.

Table 24: Programme 4: Objective/Purpose, Planned Targets and Actual Achievements

PROGRAMME 4: RESEARCH AND KNOWLEDGE MANAGEMENT						
Objective/Purpose	Audited Overall Actual Performance 2020/21	Audited Overall Actual Performance 2021/22	Planned Annual Targets 2022/23	Overall Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations
To coordinate research outputs, provide advice and facilitate knowledge on Built Environment matters, including the professions.	Three	Three	Four	Four	All the targets were achieved	N/A

Table 25: Programme 4: Outcome, Outputs, Output Indicators, Targets and Actual Achievements

PROGRAMME 4: RESEARCH AND KNOWLEDGE MANAGEMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations
Informed decision making that impacts the current and future operational requirements of the industry.	One research report on the assessment of BE Candidacy Programmes within public sector institutions.	4.1 Number of research reports on issues impacting transformation in the BE Professions.	Achieved Approved CBE Research Agenda by 31 March 2021.	Achieved Four research discussion papers were developed in line with the CBE Research Agenda.	One research report on the assessment of BE Candidacy Programmes within public sector institutions produced by 31 March 2023.	Achieved One research report on the assessment of BE Candidacy Programmes within public sector institutions produced by 31 March 2023.	N/A	N/A
	One research report analysing the implementation of legislation and policies impacting the Built Environment.					Achieved One research report analysing the implementation of legislation and policies impacting the Built Environment produced by 31 March 2023.	N/A	N/A

PROGRAMME: RESEARCH AND KNOWLEDGE MANAGEMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations
	Three Built Environment publications developed.	4.2 Number of Built Environment publications developed.	Achieved Established and functional Built Environment Research Hub by 31 March 2021.	Achieved Twenty-seven articles published on the Built Environment Knowledge and Information Hub in line with thematic areas.	Three Built Environment publications developed by 31 March 2023.	Achieved Three Built Environment publications developed by 31 March 2023 on: 1. Gender equality, diversity, and inclusion in the Built Environment Professions 2. Status quo of digitalisation and priority strategies required to speed up digital transition in the South African Built Environment 3. The efficacy of Built Environment candidacy programmes in the local government sector	N/A	N/A

PROGRAMME: RESEARCH AND KNOWLEDGE MANAGEMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations
	Advisory Briefs developed and submitted to relevant stakeholders.	4.3 Number of Advisory Briefs developed and submitted to relevant stakeholders.	Achieved Two Built Environment advisory reports developed and submitted to the Minister of PWI by 31 March 2021.	Achieved Two advisory reports were developed and submitted to relevant stakeholders: 1. Advisory Report on the Role of Built Environment Professions in the Effective Implementation of the FIDPM. 2. Advisory Report on the Built Environment Skills Requirements to Support the Implementation of the DDM.	Two advisory briefs developed and submitted to relevant stakeholders by 31 March 2023.	Achieved Two advisory reports were developed and submitted to relevant stakeholders: 1. Advisory brief on the assessment of candidacy programmes implemented within the public sector. 2. Advisory brief on preferential frameworks to drive transformation in the Built Environment.	N/A	N/A

Table 26: Programme 4: Linking Performance with Budget

Programme /Activity/ Objective	2021/22			2022/23		
	Budget	Actual Expenditure	(Over) / Under Expenditure	Budget	Actual Expenditure	(Over) / Under Expenditure
Performance Indicator	R'000	R'000	R'000	R'000	R'000	R'000
4.1.1 Number of research reports on issues impacting transformation in the BE Professions.	15	11	4	512	270	242
4.2 Number of Built Environment publications developed.	-	-	-	-	-	-
4.3 Number of Advisory Briefs developed and submitted to relevant stakeholders.	9	3	6	2	16	(14)

5.5 Programme 5: Public Protection, Policy and Legislation

This Programme is responding to sections 3, 4, 20 and 21 of the CBE Act.

Programme 5 contributes to Priority 6: A capable, ethical and developmental State. The CBE contributes towards this outcome by facilitating the capacity building of the six CBEP through corporate governance assessment, Built Environment Legislation Update, and the CBE's Appeal Function.

A nationally consistent approach to regulating the Built Environment is vital. Built Environment Professionals play a critical role in planning, developing, building, and maintaining public infrastructure. Whether it is water treatment facilities, bridges and roads, public transit, utilities and the electricity grid, Built Environment Professions play a part in all aspects of public infrastructure. Ultimately, the six CBEP use their expertise, experience, and knowledge to help create a safer, more sustainable, and prosperous future for South Africa.

The CBE will, over the mid-term, continue to act as an appeal body to members of the public aggrieved by a decision of a CBEP. Over the medium-term, the CBE will, working with the CBEP, investigate mechanisms and policies required to better regulate the Built Environment Professions. Relevant legislations and policies will be reviewed, and the recommendations submitted to DPWI.

Corporate governance today is part of business discourse the world over. It is now widely accepted that quality corporate governance is a prerequisite to ensure that public entities function with integrity and responsibility. Corporate governance norms are evolving and taking root thanks to heightened concern in South Africa regarding the need for checks and balances on public entities and the compulsion of protecting the interest of the multiple stakeholders. Over the medium-term the CBE will produce a report assessing the level of compliance with good corporate governance in the six CBEP; where there are shortfalls, the CBE will work and assist the councils towards compliance.

For the 2022/23 APP, Programme 5 had three annual targets. The targets performed as follows:

*5.5.1 One report on the state of compliance with Construction Health and Safety within the Built Environment sector produced by 31 March 2023. – **Achieved***

The purpose of the research report was to assess the state of compliance on identified areas of Construction Health and Safety (CHS) within the Built Environment sector to improve the level of compliance to identified areas. The CBE studied the cause of fatalities and injuries in the Built Environment sector and identified the top causes to identify areas of non-compliance with CHS.

The annual target was achieved. The final report on the state of compliance with Construction Health and Safety within the Built Environment sector was developed by 31 March 2023. The research findings revealed that the compliance with Construction Health and Safety regulations in the public sector was inadequate. The poor health and safety performance is largely attributed to the lack of commitment from leadership, capacity constraints, inadequate supervision and the inadequate and non-existent health and safety training.

The research findings further discovered that the state lacks a national reporting system to collect reliable data and statistics timeously which are crucial for the enforcement as well as monitoring of construction health and safety interventions implemented by the role players.

Research findings highlighted that no professional council within the Built Environment Professions spearheaded the discipline of construction health and safety until the establishment of the Association for Construction and Health and Safety Management (ACHASM), a voluntary association; this lack of championing resulted to the lack of professionalism in terms of construction health and safety.

*5.5.2 Hundred percent of lodged appeals finalised within the statutory 60 days from the date of lodgement by 31 March 2023. – **Achieved***

This programme addresses the CBE's mandate to act as an appeal body on matters referred to it in terms of the law regulating the Built Environment Professions. It also gives effect to the CBE's mandate to promote and protect the interest of the public in the Built Environment. Appeals lodged with the CBE must be decided within 60 days of lodgement.

The annual target was achieved. The overall report on compliance with the CBE's mandate to decide appeals within 60 days of lodgement was produced by 31 March 2023. Four appeals required decision during the financial year and were all decided within the prescribed 60 days:

I. MARK OATES VERSUS THE SOUTH AFRICAN COUNCIL FOR THE ARCHITECTURAL PROFESSION (SACAP)

Date of lodgement: 6 May 2022
Date of 60-day lapse: 5 July 2022
Date of appeal hearing: 23 June 2022
Date of decision: 4 July 2022

NATURE OF THE APPEAL

An appeal was lodged on 6 May 2022 against a decision of the Disciplinary Tribunal of SACAP for its finding and sanction imposed on the appellant.

The reason for lodging the appeal was the manner in which the respondent (SACAP) procedurally handled the complaint lodged by a member of the public against the appellant. It challenged the processes followed as irregular on the basis that the appellant was sanctioned for charges not initially included in the complaint; the charges were not investigated properly; and that the appellant was not afforded his rights in terms of section 33 of the Constitution, among others.

APPEAL COMMITTEE APPOINTED:

Mr James Ndebele	Chairperson (Admitted Attorney)
Mr Xolisa Mnyani	Generalist (Professional Construction Project Manager)
Ms Maria Caterina Paschini	Specialist (Professional Architect)

OUTCOME OF THE APPEAL

The appeal was upheld. The Appeal Committee found that SACAP acted beyond its powers and abused the processes when it acted against the appellant, and further that procedural laws were disregarded. As a result, the following key findings were made by the Appeal Committee:

- i. The complaint against the Appellant was not properly investigated by the Investigating Committee as envisaged by section 33 of the Constitution
- ii. The Appeal Committee raised issues of separation of powers in that the regulatory framework of SACAP clearly envisages a separation of powers between the Council and the Investigating Committee. The Appeal Committee held a view that there was no separation of powers or separation of power was not applied between Council and the Investigating Committee
- iii. The Appeal Committee further pointed out that the Disciplinary Tribunal was not properly constituted which amount to non-compliance with section 30(2) of the Act in that some of the Tribunal's members were not those envisaged therein
- iv. The Appeal Committee also held that the appellant was not offered enough time to make his submissions in that SACAP's appeal proceedings were rushed and the appellant was limited in making representations during the appeal, which in their view amount to gross irregularities and contravention of regulatory framework

- v. The Appeal Committee further raised issues of conflict in that some members of the Investigation Committee presided over the appeal proceedings. The aforesaid was held to be against the Board Notice 5 of 2021 more particularly Rule 10(5) which provides that no member of the appeal must have been a member of the Investigation Committee (which dealt with the matter)
- vi. In conclusion the Appeal Committee overturned SACAP's ruling, and sentence against the Appellant entirely and made several recommendations
- vii. Most importantly, the committee further recommended that the CBE must exercise its powers in terms of the CBE Act and investigate the processes followed as well as the persons who played a role in those processes

COSTS OF THE APPEAL

Mr James Ndebele	R 51 000.00
Mr Xolisa Mnyani	R 42 000.00
Ms Maria Caterina Paschini	R 37 500.00

II. THABO HLABELA VERSUS THE ENGINEERING COUNCIL OF SOUTH AFRICA (ECSA) AND ANOTHER

Date of lodgement:	11 July 2022 and 11 October 2022 following the postponement order
Date of 60-day lapse:	24 October 2022
Date of appeal hearing:	11 October 2022
Date of decision:	21 October 2022

NATURE OF THE APPEAL

The appeal lodged on 11 July 2022 was against ECSA's Investigation Committee for its alleged failure to prefer charges against a registered person. Initially, the appellant lodged this appeal on 8 November 2021. A ruling was made on it on 20 December 2021 which held that the CBE did not have jurisdiction to adjudicate on the matter as the decision on appeal was not made by ECSA's Council.

The Appeal Committee, in its ruling, referred the matter back to ECSA for confirmation that the decision of its Investigating Committee was adopted by its Council. Such confirmation was received on 4 July 2022 and the CBE has since advised the appellant of his option to lodge a fresh appeal. The appellant elected to proceed with a new appeal, based on the same papers.

APPEAL COMMITTEE APPOINTED

Adv Gagriel Mello	Chairperson (Admitted Advocate)
Mr Mark Pencharz	Generalist (Professional Architect)
Mr Clint Koopman	Specialist (Professional Engineer)

OUTCOME OF THE APPEAL

Following the postponement order which suspended the 60-day period to allow the first respondent (ECSA) to provide outstanding documents to the appellant, the matter was scheduled for hearing on 11 October 2022.

The appeal was dismissed because the CBE Appeal Committee could not find any prima facie evidence viz. there was no material contravention of the code of conduct that would warrant any action against the second respondent (Mr Nebotalo). Hence the Appeal Committee ordered that:

- The appeal is dismissed i.e., the decision of the first respondent (ECSA) that the second respondent did not contravene the code of conduct is upheld
- The first respondent, in terms of its Continuous Development Programme (CPD), must compel the second respondent to include a course in construction occupational health and safety regulations, as part of his current cycle of the professional registration renewal process
- The first respondent must develop an investigation guideline and procedure and ensure that it is communicated to all their appointed investigators

COST OF THE APPEAL

Adv Gabriel Mello	R 76 800.00
Mr Mark Pencharz	R 46 500.00
Mr Clint Koopman	R 54 000.00

III. MILFORT MOLOTO VERSUS SOUTH AFRICAN COUNCIL FOR THE PROJECT AND CONSTRUCTION MANAGEMENT PROFESSIONS (SACPCMP)

Date of lodgement:	17 August 2022
Date of 60-day lapse:	17 October 2022
Date of appeal hearing:	10 October 2022
Date of decision:	17 October 2022

NATURE OF THE APPEAL

An appeal was lodged on 17 August 2022 against SACPCMP's for failure to approve the appellant's registration application as a Professional Construction Manager.

APPEAL COMMITTEE APPOINTED:

Mr Sydwell Mketsu	Chairperson (Admitted Attorney)
Mr Shoayb Loonat	Generalist (Professional Quantity Surveyor)
Dr Watermeyer	Specialist (Professional Construction Manager)

OUTCOME OF THE APPEAL

The appeal was dismissed. The CBE Appeal Committee found that the appellant failed on the relevant experience criteria as he submitted projects which were executed more than four years ago; the policy on registration requires relevant experience to be measured against projects executed within the four years preceding the submission of the application.

The Appeal Committee held that the appellant failed to address the main issue of the relevant experience criteria, therefore his appeal cannot succeed. Hence the Appeal Committee ordered that:

- a) condonation for late filing of Heads of Arguments be granted
- b) the Appeal is dismissed

COST OF THE APPEAL

Mr Sydwell Mketsu	R 47 400.00
Mr Shoayb Loonat	R 22 500.00
Dr Watermeyer	R 18 000.00

IV. ERNEST DUNCAN VERSUS SOUTH AFRICAN COUNCIL FOR THE PROJECT AND CONSTRUCTION MANAGEMENT PROFESSIONS (SACPCMP)

Date of lodgement:	9 September 2022
Date of 60-day lapse:	7 November 2022
Date of appeal hearing:	31 October 2022
Date of decision:	29 October 2022

NATURE OF THE APPEAL

An appeal was lodged on 08 September 2022 against SACPCMP for failure to approve the appellant's registration application as a Professional Construction Health and Safety Agent.

APPEAL COMMITTEE APPOINTED:

Mr Bruno Segopotso Seabela	Chairperson (Admitted Attorney)
Mr Eugene Vaughan Barnard	Generalist (Professional Architect)
Ms Kenevove Rose Matete	(Professional Construction Health and Safety Agent)

OUTCOME OF THE APPEAL

The appeal was withdrawn on 29 October 2022, two days before the scheduled hearing.

COST OF THE APPEAL

Ms Kenevove Rose Matete	R 7 500.00 (perusal cost)
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5.5.3 Hundred percent of complaints received from the public finalised by 31 March 2023. – **Achieved**

The annual target was achieved. The Public Complaints Procedure Manual was developed, approved, and published on the CBE website for easy access by key stakeholders and the public who may wish to lodge a complaint with the CBE.

The procedural manual aims to give effect to CBE's legislative mandate in sections 4(a) and (l). Section 4(l) of the Act provides that the CBE may investigate or initiate investigations into matters pertaining to its function and if necessary, recommend legislation in this regard.

The complaints process focuses on protecting the public or any other person in their dealings with professional councils under the regulation of the CBE, as well as public and private role players within the Built Environment. The manual provides a procedure for conducting complaints in a lawful, reasonable, and procedurally fair manner that is cost and time effective.

Three complaints, lodged during the financial year, were all finalised within the period of 90 days from the date of lodgement:

I. DANIE TERREBLANCHE AGAINST SOUTH AFRICAN COUNCIL FOR THE PROJECT AND CONSTRUCTION MANAGEMENT PROFESSIONS (SACPCMP)

Date of lodgement:	17 June 2022
Date of 90-day lapse:	15 September 2022
Date of finalisation:	19 August 2022

NATURE OF THE COMPLAINT

The complaint was lodged against SACPCMP for non-recognition of the complainant's qualification for registration purposes.

AGREED OUTCOME OF THE COMPLAINT

The complaint was finalised on 19 August 2022, with the matter amiably resolved between the parties. SACPCMP is currently preparing a mechanism to assist applicants who do not fulfil all requirements as provided for in the legislative framework to overcome their requirement to only recognise full qualifications of a specific NQF Level. Details of the mechanisms will be communicated to all affected persons once the necessary approvals have been obtained. SACPCMP issued a letter confirming the agreement between the parties and the complainant confirmed such agreement.

II. DISABILITY INFO SOUTH AFRICA AGAINST 3ARTS VILLAGE SHOPPING CENTRE

Date of lodgement:	1 July 2022
Date of 90-day lapse:	30 September 2022
Date of finalisation:	29 September 2022

NATURE OF THE COMPLAINT

The complaint was lodged against 3Arts Village shopping centre on issues related to universal access.

The complaint related to access to the shopping centre for PWD. The CBE sent an email to the management of the shopping centre on 16 August 2022 requesting information to investigate the complaint fully. Management responded on 28 November 2022 with the following progress:

- External works are completed
- Repairs to doors of toilets for PWD await the delivery of the required ironmongery

AGREED OUTCOME OF THE COMPLAINT

The CBE has been monitoring this complaint to ensure that the alterations related to accessibility within the shopping centre by people living with disabilities are finalised; such confirmation was received from the respondent. The respondent was to provide pictures of the areas with the alterations, from which the CBE would determine whether a site visit was necessary. If pictures are not provided as agreed, CBE will arrange with the complainant, Mr Alan Downey, to view the alterations.

III. WILLIAM VAN DER POLL AGAINST KNYNSA MUNICIPALITY

Date of lodgement:	11 October 2022
Date of 90-day lapse:	9 January 2023
Date of finalisation:	24 October 2022

NATURE OF THE COMPLAINT

The complaint is on Knysna Municipality's non-recognition of the complainant's competencies to perform architectural work whilst registered as a Professional Engineering Technologist. The complaint relates to the Identification of Work (IDoW) where SACAP issued a Board Notice which allows only people who are registered with it to perform scoped work. One of the objectives in addressing a complaint is to identify a key stakeholder and direct the matter appropriately. In this instance, the matter is related to the implementation of SACAP's IDoW policy, hence it was directed to SACAP to address.

AGREED OUTCOME OF THE COMPLAINT

The matter was resolved after SACAP provided clarity to the complainant on issues related to IDoW and his competencies. As much as the complainant still feels aggrieved by the objective of IDoW Policy, SACAP further explained that the decision and confirmation related to his competencies was not taken by SACAP, but by ECSA as the professional council currently registering him.

Table 27: Programme 5: Objectives/Purpose, Planned Targets and Actual Achievements

PROGRAMME 5: PUBLIC PROTECTION, POLICY AND LEGISLATION						
Objectives/Purpose	Audited Overall Actual Performance 2020/21	Audited Overall Actual Performance 2021/22	Planned Annual Targets 2022/23	Overall Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Comment on Deviations
Ensuring that the CBE protects the interest of the public in the Built Environment.	Three	Three	Three	Three	All the targets were achieved	N/A

Table 28: Programme 5: Outcome, Outputs, Output Indicators, Targets and Actual Achievements

PROGRAMME 5: PUBLIC PROTECTION, POLICY AND LEGISLATION								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations
Promote and protect public interest in the Built Environment.	Providing advice and recommendations related to Built Environment related legislation to the DPWI.	5.1 Number of compliance reports on relevant BE legislation and policies.	Achieved Hundred percent of recommended Built Environment Legislative Updates action plan implemented by 31 March 2021.	Achieved Hundred percent of the Built Environment legislative updates action plan implemented.	One report on the state of compliance with Construction Health and Safety within the Built Environment sector produced by 31 March 2023.	Achieved One report on the state of compliance with Construction Health and Safety within the Built Environment sector produced by 31 March 2023.	N/A	N/A
	Finalise lodged appeals within 60 days.	5.2 Percentage of lodged appeals finalised within the statutory 60 days from the date of lodgement.	Achieved Hundred percent of lodged appeals finalised within the statutory 60 days from the date of lodgement by 31 March 2021.	Achieved A total of six appeals were lodged during the financial year, all of which were due for decision. All six appeals were decided within the statutory period of 60 days.	Hundred percent of lodged appeals finalised within the statutory 60 days from the date of lodgement by 31 March 2023.	100% Achieved Four appeals required decision during the financial year and were all decided within the prescribed 60 days.	N/A	N/A

PROGRAMME 5: PUBLIC PROTECTION, POLICY AND LEGISLATION								
Outcome	Output	Output Indicator	Audited Actual Performance 2020/21	Audited Actual Performance 2021/22	Planned Annual Target 2022/23	Actual Achievement 2022/23	Deviation from Planned Target to Actual Achievement for 2022/23	Reasons for Deviations
	Finalise public complaints within 90 days.	5.3 Percentage of complaints received from the public finalised.	N/A	N/A	Hundred percent of complaints received from the public finalised by 31 March 2023.	100% Achieved Three complaints were lodged during the financial year and were all finalised within the 90-day period.	N/A	N/A

Table 29: Programme 5: Linking Performance with Budget

Programme /Activity/ Objective	2021/22			2022/23		
	Budget	Actual Expenditure	(Over) / Under Expenditure	Budget	Actual Expenditure	(Over) / Under Expenditure
Performance Indicator	R'000	R'000	R'000	R'000	R'000	R'000
5.1 Number of compliance reports on relevant BE legislation and policies.	-	-	-	235	411	(176)
5.2 Percentage of lodged appeals finalised within the statutory 60 days from the date of lodgement.	658	650	8	567	597	(30)
5.3 Percentage of complaints received from the public finalised.	8	1	7	27	-	-

6. SUMMARY OF FINANCIAL INFORMATION

The CBE receives its funding from National Treasury via DPWI for its operations. During the reporting period, the CBE met its administrative obligations with the allocated amount of R54.495 million. The CBE's baseline budget allocation covers operational costs and core business projects- which entails the cost of employment, occupational costs (office rental), audit fees, travel and accommodation and consulting fees as the main cost drivers. The CBE received levy income from the CBEP which amounted to R2.102 million for the financial year.

7. REVENUE COLLECTION

The table below indicates the sources of revenue:

Table 30: Sources of Revenue

	2021/22			2022/23		
Source of revenue	Estimate	Actual Amount Collected	(Over) / Under Collection	Estimate	Actual Amount Collected	(Over) / Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Government grant from DPWI	53 528	53 528	-	54 495	54 495	-
Levies	2 308	1 711	597	2 405	2 102	303
Interest	553	584	(31)	469	492	(23)
Other operating income	1	241	(240)	431	414	17
Total	56 390	56 064	326	57 800	57 503	297

Reasons for the (Over) / Under Collection

7.1 Government Grant from DPWI

The grant income from DPWI was received as budgeted.

7.2 Levies Received

Less than budgeted levies were received from ECSA, due to less membership fees collected.

7.3 Interest Income

The CBE is optimising its revenue. The interest received was due to the receipt of the grant in four tranches instead of two tranches which resulted in less cash surpluses available for investing.

7.4 Other Operating Income

The major contributor for the amount over collected was from:

- a. proceeds from insurance claims for assets replaced
- b. accrued income for a claim finalised from the employment benefit service provider

7.5 Programme Expenditure

Table 31: Expenditure per Programme

	2021/22			2022/23		
Programme	Budget	Actual Expenditure	(Over)/ Under Expenditure	Budget	Actual Expenditure	(Over)/ Under Expenditure
Programme 1: Administration	52 271	50 280	1 991	55 061	54 964	97
Programme 2: Empowerment and Economic Development	571	805	(234)	935	872	63
Programme 3: Professional Skills and Capacity Development	2 084	2 064	20	453	321	132
Programme 4: Research and Knowledge Management	648	21	627	522	286	236
Programme 5: Public Protection, Policy and Legislation	816	616	200	829	1 008	(179)
Total	56 390	53 786	2 604	57 800	57 451	349
Assets (additions)	-	1 662	(1 662)		6 079	(6 079)
Total including assets (additions)	56 390	55 448	942	57 800	63 530	(5 730)

Reasons for (Over) / Under Expenditure

7.5.1 Administration

The shortfall is attributable to:

- a. A budget allocated for the CBE's 20-year strategic review; however, there was no suitable service provider identified to undertake the project
- b. Prior year committed funds, utilised for the revenue enhancement strategy, organisational redesign, and computer expenses (i.e., Microsoft 365, Kaspersky and the Integrated Electronic Built Environment System) resulted in actual expenditure exceeding budgeted expenditure. The difference was offset against the underspending indicated above

7.5.2 Empowerment and Economic Development

The surplus is attributed to a multi-year contract which is set to end after year end.

7.5.3 Professional Skills and Capacity Development

Fewer trips were undertaken than initially planned, and most engagements were conducted virtually.

7.5.4 Research and Knowledge Management

No suitable service provider was identified for a research project planned.

7.5.5 Public Protection, Policy and Legislation

There was a shortfall due to appeal committee fees. Due to the unpredictable nature of appeals, the number of appeals cannot be accurately determined at the beginning of the year. Prior year committed funds, utilised for the legal library resulted in actual expenditure exceeding budgeted expenditure. The difference was offset against the underspending indicated above.

7.5.6 Asset Additions

The overspending was mainly attributed to leasehold improvements to the CBE's leased premises, which was paid for by the landlord as well as prior year committed funds, utilised for the cloud migration.

The next table indicates that there were no infrastructure projects during the 2022/23 reporting period and the prior 2021/22 financial year:

Table 32: Infrastructure Projects

	2021/22			2022/23		
Infrastructure Projects	Budget	Actual Expenditure	(Over) / Under Expenditure	Budget	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
None	None	None	None	None	None	None

There were no major maintenance projects undertaken or backlogs experienced during the period under review.

8. CAPITAL INVESTMENT

The CBE did not have any infrastructure projects during 2022/23 and prior years.

9. IRREGULAR EXPENDITURE

Table 33: Reconciliation of Irregular Expenditure

R'000	2023	2022
Opening balance	3 430	11 536
Add: Irregular expenditure confirmed	29	-
Less: Irregular expenditure condoned	-	(8 164)
Less: Amount per determination found to be not irregular	-	(28)
Add: Additional irregular expenditure identified through determination finalised	-	(86)
Closing balance	3 459	3 430
Details of current and previous year irregular expenditure		
Under assessment	-	-
Under determination	29	-
Under investigation	439	439

Details of current and previous year disciplinary or criminal steps taken as a result of irregular expenditure

During the 2014/15 financial year, irregular expenditure incurred to the value of R438,718 was raised due to the issue of non-compliance with the competitive bidding threshold in the Supply Chain Management section. The CBE Council and Management have laid criminal charges against the former Supply Chain Management official responsible. Disciplinary steps were finalised against four employees for five cases. In two of the cases, two employees were found not to be negligent. The remaining officials were counseled.

There is currently one instance of irregular expenditure which was confirmed after year-end. Consequence management is being considered for corrective action.



Annual Report

C | B | E

COUNCIL
FOR THE BUILT
ENVIRONMENT

2022/23 Financial Year

C

GOVERNANCE

1. INTRODUCTION

Corporate Governance is essentially about effective leadership, the ethics of responsibility, accountability, fairness and transparency. In the context of the CBE, it entails:

- a. creating an appropriate, ongoing and dynamic monitoring system of checks and balances
- b. implementing a system to ensure the CBE complies with its legal and regulatory obligations
- c. implementing a process to identify and manage risks that threaten the sustainability of the CBE's mandate
- d. developing practices that make and keep the CBE accountable to its stakeholders

The CBE takes its governance responsibility from applicable legislation, the principles of the King IV™ Report and best practice.

According to this Report, Corporate Governance is about the exercise of ethical and effective leadership by the CBE Council (Council). Such leadership includes the following responsibilities for the Council:

- a. providing strategic direction to the CBE
- b. approving policy to put strategy into effect
- c. providing informed oversight of implementation and performance
- d. disclosing (Reporting)

The pursuance of ethical and effective leadership should result in the following beneficial outcomes for the CBE:

- a. an ethical culture
- b. sustainable performance and value-creation
- c. adequate and effective control by the Council
- d. protecting and building trust in the CBE as an organisation, its reputation and legitimacy

2. PORTFOLIO COMMITTEE ON PUBLIC WORKS AND INFRASTRUCTURE

The Parliamentary Portfolio Committee (PPC) of the National Assembly exercises oversight over the work of the CBE as an entity of DPWI. During the 2022/23 financial year, the CBE presented the following to the PPC:

- i. The CBE's 2021/22 Annual Report
- ii. The CBE's 2022/23 Annual Performance Plan

3. EXECUTIVE AUTHORITY

The Minister of Public Works and Infrastructure (the Minister) is the Executive Authority of the CBE. The table below lists the reports submitted to the Executive Authority during the 2022/23 financial year.

Table 34: Reports Submitted to the Minister of Public Works and Infrastructure

Report	Date
Fourth Quarterly Report 2021/22	April 2022
First Quarterly Report 2022/23	July 2022
Annual Report 2021/22	August 2022
Second Quarterly Report 2022/23	October 2022
Third Quarterly Report 2022/23	January 2023
Annual Performance Plan 2023/24	January 2023

4. THE CBE COUNCIL AS THE ACCOUNTING AUTHORITY

The CBE Council is appointed by the Minister of Department of Public Works and Infrastructure (the Minister) with the approval of Cabinet in terms of section 6 of the CBE Act. Council is the governing body of the CBE and determines the strategic direction of the CBE, approves policies to support its mandate and exercises oversight over the execution of the CBE mandate and APP deliverables.

The Fifth Term Council concluded its term of office on 31 October 2022.

The Sixth Term Council was appointed from 1 December 2022 to 30 November 2026 and inaugurated on 24 January 2023.

4.1 Council Charter

The Council operates in terms of an adopted Charter. The Charter was reviewed during the financial year to comply with the requirements of the King IV™.

The Charter confirms, inter alia, the Council's duty to:

- i. provide strategic direction based on the CBE's mandate
- ii. approve business plans, annual reports and annual financial statements
- iii. ensure that the CBE maintains a programme to effectively communicate with its stakeholders, employees and the public
- iv. be responsible for the governance of risk

The Fifth Term Council approved the revised Delegation of Authority Framework on 10 March 2021. The Sixth Term Council is reviewing the Delegation of Authority Framework.

Council appointed committees to assist with its oversight function as the governing body in terms of sections 12, 14 and 16 of the CBE Act. Council receives quarterly reports from its statutory and established committees.

4.2 The Role of Council

The role and responsibilities of the Council are to-

- (1) Act as the focal point for, and custodian of, corporate governance by managing its relationship with management, the councils for the professions, DPWI, the Ministry of Public Works and Infrastructure and other stakeholders of the organisation along sound corporate governance principles.
- (2) Appreciate that strategy, risk, performance and sustainability are inseparable and to give effect to this by:
 - a. Contributing to and approving the strategy.
 - b. Satisfying itself that the strategy and business plans do not give rise to risks that have not been thoroughly assessed by management.
 - c. Identifying key performance and risk areas.
 - d. Ensuring that the strategy will result in sustainable outcomes.
 - e. Considering sustainability as a business opportunity, that guides strategy formulation.
- (3) Provide effective leadership on an ethical foundation.
- (4) Ensure that the organisation is and is seen to be a responsible corporate citizen by having regard to not only the financial aspects of the business of the organisation, but also the impact that the business operations have on the environment and society within which it operates.
- (5) Ensure that the organisation's ethics are managed effectively.

- (6) Ensure that the organisation has an effective and independent Audit and Risk Committee.
 - (7) Be responsible for the governance of risk.
 - (8) Be responsible for Information Technology (IT) governance.
 - (9) Ensure that the organisation complies with applicable laws and considers adherence to non-binding rules and standards.
 - (10) Ensure that there is an effective risk-based internal audit function.
 - (11) Appreciate that stakeholder perceptions affect the organisation's reputation.
 - (12) Ensure the integrity of the organisation's quarterly and annual reports.
 - (13) Act in the best interests of the organisation by ensuring that members:
 - a. Adhere to legal standards of conduct.
 - b. Are permitted to take independent advice in connection with their duties following an agreed procedure.
 - c. Disclose real or perceived conflicts to the Council and deal with them accordingly.
 - (14) Appoint and evaluate the performance of the CEO and the Company Secretary.
- The Council should take all reasonable steps to fulfill its role as set out above.

4.3 Composition of the Council

Sections 5(1) and (2) of the CBE Act prescribes the composition of the Council as 20 members consisting of –

- a) *One representative from the department;*
- b) *Not more than three persons nominated by state departments within whose functional areas the professions are also practiced; taking due cognisance of provincial participation;*
- c) *Two representatives nominated by each council for the professions; and*
- d) *Not more than four persons nominated by the public through an open process of public participation.*

The Minister considered and appointed six additional members of Council in terms of section 5(3) of the CBE Act from the following professional bodies:

- Environmental Assessment Practitioners Association of South Africa (EAPASA),
- South African Council for Planners (SACPLAN), and
- South African Geomatics Council (SAGC)

(3) (a) *If a profession which is involved and active in the built environment establishes a council in terms of legislation similar to the professions' Acts, that council may make a request to the Minister to be represented on the council.*

(b) *On receipt of a request contemplated in paragraph (a), the Minister may appoint representatives to the council in accordance with this section for the remainder of the term of office of the council.*

4.4 Council's Term of Office

The CBE Act prescribes the nomination and appointment process. The Minister appoints the Chairperson, Deputy-Chairperson and members of the Council for a period of four years. A Committee Secretary supports the Council and its Committees on governance matters. The Chief Executive Officer (CEO), Chief Shared Services Officer (CSSO), Chief Financial Officer (CFO) and Chief Transformation Officer (CTO) attend meetings of Council and its relevant Committees. The CEO and CBE staff are responsible for operational matters.

Fifth Term Council

Cabinet approved the appointment of the Fifth Term Council on 7 November 2018, effective from 1 November 2018 to 31 October 2022.

The Minister determined the first meeting of Council as required by the CBE Act. The first meeting of the Fifth Term Council took place on 16 January 2019 and included an inauguration ceremony by the Minister. Council members underwent induction on 17 January 2019.

The appointed Chairperson and two members of Council resigned. The requisite two representatives from the South African Council for the Architectural Profession (SACAP) were not initially appointed to Council, leaving Council with five vacancies at one stage. The Minister appointed a new Chairperson and three new members to the Fifth Term Council on 20 January 2020, who were inducted on 6 February 2020.

Two Council members, nominated by the public, resigned in January 2021, leaving Council with a membership of 17. A nomination process took place to determine suitable nominees to fill the three vacancies in Council. Since June 2021 eight Council members resigned from Council citing various reasons.

The Minister appointed the three public representatives on 23 March 2022, however, one member declined the appointment.

Council remained with ten members of Council.

The Minister appointed the five CBEP representatives and one public representative on 2 June 2022. The DPWI representative resigned 30 June 2022.

Council concluded its term of office on 31 October 2022 with its 15 members.

Sixth Term Council

Cabinet approved the appointment of the Sixth Term Council on 30 November 2022, effective from 1 December 2022 to 30 November 2026.

The Minister determined the date of first meeting of Council (as required by the CBE Act) for 24 and 25 January 2023, to include Council's inauguration and onboarding.

4.5 Shareholder Compact between the Accounting Authority and Executive Authority

The Accounting Authority (CBE Council) and the Minister (Executive Authority) are in a Shareholder Compact to promote good governance and engagement between themselves.

4.6 Challenges

The following challenges confronted the CBE during the financial year:

- a. Council resignations and vacancies rendered Council inquorate and unable to function over a three-month period, during which Council consisted of only eight members.
- b. Resignations of the Chief Operations Officer (COO) and CFO at the end of July 2022.
- c. Moving to new office premises during December 2022.

4.7 Council Meetings

Date		Scheduled	Special	Workshop/ Training	Purpose
Fifth Term Council					
6 April 2022					Meeting with Deputy Minister of PWI
13 June 2022					Induction of New Members
13 June 2022					Special meeting to ratify decisions by EXCO
17 June 2022					Special meeting to ratify decisions by EXCO
4 August 2022					Special meeting to address Appeal Outcome
12 August 2022					Special meeting to address Appeal Outcome
25 August 2022					Q1 deliverables
7 September 2022					Policy Review Workshop
9 September 2022					Special meeting to address operational matters and feedback to Council
28 October 2022					Fifth Term Council Handover Report and last meeting
Sixth Term Council					
24 January 2023					Sixth Term Council Inauguration
25 January 2023					Sixth Term Council Onboarding
15 February 2023					Sixth Term Council Meeting #1
6 March 2023					NSG Board Induction Programme
7 March 2023					NSG Board Induction Programme
9 March 2023					NSG Board Induction Programme
16 March 2023					Sixth Term Council Meeting #2

Matters Approved by Council	Q1	Q2	Q3	Q4
2021/2022 Audited Annual Report and Financial Statements for statutory submissions				
2022/2023 Mid-Term Budget Review				
2023/2024 Annual Performance Plan for statutory submission				

Matters Approved by Council	Q1	Q2	Q3	Q4
2023/2024 Budget Allocation				
2022 Cost of Living Increase				
Appointment of chairpersons and members of the Standing Appeal Committee to serve on a rotational basis as per section 21(3) of the CBE Act, 43 of 2000				
Appointment of a service provider to provide infrastructure-as-a-service (24/7/365) data-centre cloud migration for a period of 18 months				
Reviewing of the Council Charter; Delegation of Authority; Terms of Reference: EXCO*, SSC**, BETC***				
CBE Micro Organisational Structure and Phased Implementation				
2021/2022 Quarterly Expenditure Report				
2022/2023 Quarterly Expenditure Reports				
2021/2022 Procurement Report and Procurement Plan				
2022/2023 Procurement Report and Procurement Plan				
Establish Sixth Term Council Committees:				
• EXCO Members 2023 in terms of sections 12, 13 and 16 of the CBE Act				
• Shared Services Committee in terms of section 14 and 16 of the CBE Act				
• Built Environment Transformation Committee in terms of sections 14 and 16 of the CBE Act				
Revising the Transformation Collaborative Forums – Environmental Sustainability Forum in terms of section 3(h) of the CBE Act				
Former CEO's Labour Court Matter				
Suspension of the former Company Secretary				
Bid: External Audit				
Bid: Internal Audit				
Bid: Travel				
Audit and Risk Committee External Members Appointment of three external members in terms of sections 76 and 77 of the PFMA****				
Voluntary packages approved for two employees				

*EXCO Executive Committee
 **SSC Shared Services Committee
 ***BETC Built Environment Transformation Committee
 ****PFMA Public Finance Management Act No 1 of 1999

Matters Considered by Council	Q1	Q2	Q3	Q4
External Audit Management Letter and Audit Report for the year ending 31 March 2022				
Chairpersons report of EXCO, ARC*, FHLC**, BEMC*** and Presidents Forum				
CEO's Report				
Compliance Report				
Strategic Risk Register				
Fifth Term Council Handover Report				

*ARC *Audit and Risk Committee*
 **FHLC *Finance, Human Resources and Legal Committee*
 ***BEMC *Built Environment Matters Committee*

National BE Industry Stakeholder Engagements

Date	Stakeholder Engagements
5 July 2022	National Stakeholder Engagement
5 October 2022	First WEGE Webinar
15 March 2022	Second WEGE Webinar

Table 35: Fifth Term Council (2018-2022)

Name	Designation	Date Appointed	Term of Office Expired	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Dr Sitsabo Samuel Dlamini (Chairperson)	Section 5(2)(c) Nominated by SACAP	20 January 2020	31 October 2022	PhD; MSc in International Construction Management; Architectural Technology	-	-	CBE: Chair Council Chair EXCO FHLC Member BEMC Member	68
Keafisha Ernestina Mapheto Mogodi (Deputy Chairperson)	Section 5(2) (b) read with section 6 (3)(b) Representative of state departments	1 November 2018	31 October 2022	BSc (Quantity Surveying)	-	-	CBE: Deputy Chair Council EXCO Member Chair BEMC FHLC Member	69
Ngwako Edward Hutamo	Section 5(2)(c) Nominated by SACLAP	1 November 2018	31 October 2022	BTech Horticulture; Nat Dipl Open Space and Recreation Management	-	-	CBE: Council Member Deputy Chair FHLC	6
Dr Keith Ivor Jacobs	Section 5(2)(c) Nominated by ECSA	1 November 2018	31 October 2022	PhD; Master Business Admin; Honours Business Admin; B.Ed; Nat Dipl	-	-	CBE: Council Member EXCO Member Chair FHLC	49

Name	Designation	Date Appointed	Term of Office Expired	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Sinenhlanhla Thuleleni Mthembu	Section 5(2)(d) Public nominee	1 November 2018	31 October 2022	LLB; Corporate Governance; SCM; Labour Law	-	Director/Attorney; ARC Jozini Municipality; Chairperson KZN Liquor Authority; Member KZN Gaming and Betting Board; Chairperson Valuation Appeal Board KZN COGTA; Member Bid Appeals Tribunal KZN Prov Treasury; Commissioner Small Claims Court	CBE: Council Member FHLC Member	18
Hendrick Ndlovu	Section 5(2)(c) Nominated by SACPVP	1 November 2018	31 October 2022	Nat Dipl Real Estate; Cert Strategic Management	-	-	CBE: Council Member BEMC Member	9
Willie Ofentse Mothowamodimo	Section 5(2)(c) Nominated by SACLAP	20 January 2020	31 October 2022	Architecture; BL Architecture (Honours); ML Architecture	-	-	CBE: Council Member BEMC Member	10

Name	Designation	Date Appointed	Term of Office Expired	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Asley Latchu	Section 5(2)(d) Public nominee	23 March 2022	31 October 2022	BSc IT Management; Honors Degree; MSc Degree; MCSE, MCSD, MCSA, MCDBA	Sitting on Boards, Steering Committees, Audit & Risk Committees, and Councils building my Leadership in aspects of governance and fiduciary duties	CIO – Human Sciences Research Council HSRC; Acting Group Executive: Shared Services (B&M Oversight); e-Tutor UNISA; Board Member – The Performing Arts Centre – Free State; Board Member – The National Arts Council – Gauteng; Board Member – Tertiary Education and Research Network of South Africa (TENET) – Western Cape; Board Member - William Humphreys Art Gallery (WHAG) – Kimberley; Risk Committee Member – HSRC; Audit & Risk Committee Member – PACOFS; Audit & Risk Committee Member – Eastern Cape Department of Transport – Mayibuye Transport Corp	CBE: Council Member BEMC Member	32

Name	Designation	Date Appointed	Term of Office Expired	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Ditaba Lucy Maraka	Section 5(2)(d) Public nominee	23 March 2022	31 October 2022	BA Art; BA Education; BA Hon; Psychometrist; Masters Diploma in HRM; Ethics Officer	Registered Psychometrist Certified Ethics Officer Coaching and Mentorship Facilitator Human Resources (HR) and Organizational Development (OD) consultant Compilation of Workplace Skills Plans and Employment Equity PI	Associate HR Auditor; Chartered HP Professional (CHRP); Ethics Officer-The Ethics Institute (TEI); University of Stellenbosch Business School (USB-ED); Business executive, specializing in HR / Training / Psychometrist / HR Audits / Career Development.	CBE: Council Member FHLC Member	25

Name	Designation	Date Appointed	Term of Office Expired	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Bafikile Bonke Simelane	Section 5(2)(c) Nominated by SACPCMP	2 June 2022	31 October 2022	National Diploma in Building Construction Management Degree Construction Management Programme (CMP) Certificate in Project Management for Built Environment Professionals	Construction project management, mainstream contracting, business strategy advisory, strategic marketing and business development, customer relationship management, problem-solving, conflict resolution, optioneering, compliance monitoring, change management, transformation, stakeholder engagement	Industry Advisory Boards at the Universities of Pretoria and Cape Town in his tenure as MBSA President	CBE: Council Member BEMC Member	16

Name	Designation	Date Appointed	Term of Office Expired	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
George Mbuthia	Section 5(2)(c) Nominated by SACPCMP	2 June 2022	31 October 2022	BA Building Economics MSc Construction Economics MBA	Policy analysis and development Research and management consulting Construction industry development programmes Impact assessments, monitoring & evaluation Programme and project delivery Enterprise development Infrastructure development Skills audits and assessments across the construction value chain Business Plans & Feasibility Studies	Chairperson – School Governing Board, Prinshof School	CBE: Council Member BEMC Member	11

Name	Designation	Date Appointed	Term of Office Expired	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Holovisa Amelia Mithali	Section 5(2)(c) Nominated by ECSA	2 June 2022	31 October 2022	National Diploma Electrical Engineering B-Tech Electrical Engineering (Cum Laude)	Directs engineering and technology for the Design Base and Outage process. Leads the specific Centre of Excellence in delivering exceptional engineering services (including designs, applications and technical support to the Operating Units). •Provides specialist strategic advice, solutions and support on the Customer Contact Centre processes, tools and technologies. Develop Technical Governance Framework for Distribution		CBE: Council Member BEMC Member	15

Name	Designation	Date Appointed	Term of Office Expired	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Letsabisa Shongwe	Section 5(2)(c) Nominated by SACAP	2 June 2022	31 October 2022	B Tech Applied Design M.Arch	Architect	SACAP Vice President	CBE: Council Member EXCO Member	25
Motebele Elvis Moshodi	Section 5(2)(b) Nominated by Department of Water Affairs and Sanitation	2 June 2022	31 October 2022	BSc Civil Engineering MSc Civil Engineering	Civil Engineering Strategic Asset Management		CBE: Council Member BEMC Member	2

Name	Designation	Date Appointed	Term of Office Expired	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Phuti Nehemia Phukubje	Section 5(2)(d) Public nominee	2 June 2022	31 October 2022	BCom; Hons BCompt; Diploma In Accounting; Hons BCom Acc CTA	External audit Internal audit Accounting & reporting Accounting Policies Review of the AGSA's Management and Audit report Review of in-year Monitoring Reports Risk Management Internal Control Pre-determined objectives Ethics & forensic investigations Financial statements, Compliance and ICT Fraud & hotline reporting	Registered SAIGA; SAID; SAIBA; SAITP; ARC Member, Board Member NEMISA; Act CEO NEMISA; Chair ARC Universal Service Fund of SA; ARC Dept Social Development	CBE: Council Member ARC Member	7

Table 36: Fifth Term Council Resignations (2018-2022)

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Florence Rabada	Section 5(2)(a) Representative Department of Public Works and Infrastructure	1 November 2018	30 June 2022	BSc (Hons), Town and Regional Planning	-	-	CBE: Council Member BEMC Member	3
Nokubonga Veronica Fakude	Section 5(2)(d) Public nominee	23 March 2022	23 March 2022	Practical Legal Training Certificate 2015, LLB 2013	-	Member National Archives Advisory Council	CBE: Council Member	0
Nonizi Qina	Section 5(2)(c) Nominated by SACQSP	1 November 2018	25 February 2022	MSc Project Management; BTech Quantity Surveyor	-	-	CBE: Council Member BEMC Member	0
Gert Hendrik Meyer	Section 5(2)(c) Nominated by SACQSP	1 November 2018	23 February 2022	BSc (QS); MSc (Building Management)	-	-	CBE: Council Member Deputy Chair: BEMC	9
Dr Jenitha Badul	Section 5(2)(b) Nominated by Department of Environmental Affairs	1 November 2018	9 February 2022	BSc Microbiology; MSc; PhD; BA Environment Management	-	-	CBE: Council Member BEMC Member	6

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Dr Claire Helen Deacon	Section 5(2)(c) Nominated by SACPCMP	1 November 2018	8 November 2021	Dipl Gen Nursing; Cert Occupational Health Nursing; Cert Audiometry Fundamental Management Programme; BTech Occupational Health; BSc Med (Hons) Biomedical Engineering; M Cur Research Capacity Initiative; PhD Construction Management	-	-	CBE: Council Member BEMC Member	6
Karuni Naidoo	Section 5(2)(c) Nominated by SACAP	20 January 2020	30 September 2021	B. Architecture	-	-	CBE: Chair Council BEMC Member	0
Zandile Yvonne Makhathini	Section 5(2)(b) Nominated by Department of Water Affairs and Sanitation	1 November 2018	27 August 2021	BProc; MBA; MSc in Construction Project Management	-	-	CBE: Council Member Chair BEMC	0
Cyril Vuyani Gamede	Section 5(2)(c) Nominated by ECSA	20 January 2020	Passed Away 1 August 2021	BSc Eng; Masters	-	-	CBE: Chair Council BEMC Member	0

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Jerry Leigh Margolius	Section 5(2)(c) Nominated by SACPVP	1 November 2018	7 July 2021	M Phil; Nat Dipl: Property Valuations; Arbitrations; Mediation; (Construction, Economics & Management) UCT Certificate in Real Estate	Property Valuation, Sectional Title, Arbitration and Mediation; Property Management Real Estate; Litigation Support and Expert Witness (Property matters); Property Law	Jerry L Margolius & Associates CC Arbitration & Appraisal Services CC Jonik Trust (Trustee), CTJC C (PTY) Ltd Rates Watch Cape CC Arabella Country Estate Homeowners Association (non-executive Director)	Margin Property valuation services (Pty) Limited (Consultant); Member of Western Cape Provincial Government Property Committee Chairman; Hatfield Management Committee; Ministerial Task Team Land Valuer-General; Editor-The Valuer manual (Lexus) CBE: Council Member FHLC Member	0
Hazel Nolutando Molao	Section 5(2)(c) Nominated by SACPMP	1 November 2018	30 June 2021	MBA; Postgrad Dipl Economics; Property Development and Management; BSc (Hons) QS	-	-	CBE: Council Member FHLC Member	0

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Dr Prittish Dala	Section 5(2)(d) Public nominee	1 November 2018	4 January 2021	PhD Info Tech; Masters Info Tech; BSc Computer Science Honours; Bachelor Info Tech; CISA; CISM; CIRSC; CGEIT; COBIT5; CISSP; CEH; CHFI; LA ISO 27001;	-	Council for the Built Environment Gautrain Management Agency	CBE: Council Member ARC Member	0
Ulandi Exner	Section 5(2)(d) Public nominee	1 November 2018	13 January 2021	BCom Informatics, CISA, CISSP	-	-	CBE: Council Member EXCO Member (Alternate) ARC Member FHLC Member	0
Absalom Mosabeni Molobe (Chairperson)	Section 5(2)(c) Nominated by SACLAP	1 November 2018	27 June 2019	BSc Landscape Architecture; BL Architecture (Honours); ML Architecture	-	-	CBE: Chair Council Chair EXCO FHLC Member BEMC Member	0
Inge M Vieira	Section 5(2)(d) Public nominee	1 November 2018	21 November 2019	CA, BCompt Honours & CTA; BCompt	-	-	CBE: Council Member FHLC Member	0

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Adv Boitumelo Thakung	Section 5(2)(c) Nominated by ECSA	1 November 2018	23 November 2018	BA Law; LLB; HDip/Masters Tax Law; HDip Master International Tax Law	-	-		0

Table 37: Sixth Term Council

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Holovisa Amelia Mtshali (Chairperson)	Section 5(2)(c) Nominated by ECSA	1 December 2022	-	National Diploma Electrical Engineering; B-Tech Electrical Engineering (Cum Laude)	Directs engineering and technology for the Design Base and Outage process; Leads the specific Centre of Excellence in delivering exceptional engineering services (including designs, applications and technical support to the Operating Units). Provides specialist strategic advice, solutions and support on the Customer Contact Centre processes, tools and technologies Develop Technical Governance Framework		CBE: Council Chair EXCO Chair	6

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Ditaba Lucy Maraka (Deputy Chairperson)	Section 5(2)(d) Public nominee	1 December 2022	-	BA Art; BA Education; BA Hon; Psychometrist; Masters Diploma in HRM; Ethics Officer	Registered Psychometrist; Certified Ethics Officer; Coaching and Mentorship Facilitator Human Resources (HR) and Organizational Development (OD) consultant; Compilation of Workplace Skills Plans and Employment Equity	Associate HR Auditor; Chartered HP Professional (CHRP); Ethics Officer-The Ethics Institute (TEI); University of Stellenbosch Business School (USB-ED); Business executive, specializing in HR / Training / Psychometrist / HR Audits / Career Development.	CBE: Council Deputy Chair EXCO Alternate Member SSC Member	5
Christopher Kobla Gavor	Section 5(2)(c) Nominated by SACPVP	1 December 2022	-	BTech (University of Science & Graduate Studies); BSc. (Hons) Land Economy (Kumasi-Ghana); MSc Urban & Regional Planning; MBA	Property Valuation		CBE: Council Member BETC Member	7
Ngwako Edward Hutamo	Section 5(2)(c) Nominated by SACLAP	1 December 2022	-	BTech Horticulture; Nat Dipl Open Space and Recreation Management	-	-	CBE: Council Member SSC Member	4

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Molefi Kubuzie	Section 5(2)(c) Nominated by SACPPV	1 December 2022	-	MBA B. Tech Real Estate; N. Diploma Real Estate; B.A Education and Economics; B. Ed; Certificate in Commercial Property Practice; Property Development Programme Certificate in Auctioneering, Personal computing; Diploma in Project Management; Certificate in Training and Development; Certificate in Adjudication	Property Valuation and reviews; Public Infrastructure Procurement Policies Development; Development of International Valuation Standards; Public Infrastructure Procurement and Sourcing Management; Asset Management and Property Management of Public Infrastructure; Estate Agency and International Valuation Standards Training; Environmental and Conservation Management Coaching; Mentoring and Teaching Skills Development Facilitation		CBE: Council Member BETC Member	3

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Ashley Latchu	Section 5(2) (d) Public nominee	1 December 2022	-	BSc IT Management; Honors Degree; MSc Degree; MCSE, MCSD, MCSA, MCDBA	Sitting on Boards, Steering Committees, Audit & Risk Committees, and Councils building my Leadership in aspects of governance and fiduciary duties	CIO – Human Sciences Research Council HSRC; Acting Group Executive: Shared Services (B&M Oversight); e-Tutor UNISA; Board Member – The Performing Arts Centre – Free State; Board Member – The National Arts Council – Gauteng; Board Member – Tertiary Education and Research Network of South Africa (TENET) – Western Cape; Board Member – William Humphreys Art Gallery (WHAG) – Kimberley; Risk Committee Member – HSRC; Audit & Risk Committee Member – PACOFS; Audit & Risk Committee Member – Eastern Cape Department of Transport – Mayibuye Transport Corp	CBE: Council Member ARC Member	5

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Salome Velma Mabilane	Section 5(2)(d) Public nominee	1 December 2022	-	Advanced Certificate in Municipal Management & Governance; BCompt Accounting; BTech in Cost and Management Accounting; National Diploma in Cost and Management Accounting	Auditing; Risk Management; Accountancy & Finance Business Management; Municipal Management & Governance; Performance Management; Human Resources Project Management		CBE: Council Member EXCO Member ARC Member	8
Thembinkosi Cedric Madikane	Section 5(2)(c) Nominated by ECSA	1 December 2022	-	Post Grad Dip (Business Management); Dip in Project Mgt; BSc (Elec Eng); National Diploma (Elec Eng)	Energy Management, Power Engineering, Project Management		CBE: Council Member EXCO Member BETC Chair	8
Anele Emanuel Mahlawe	Section 5(2)(b) Nominated by DFFE	1 December 2022	-	MSc Eng (Civil); Graduate Diploma in Engineering (Civil); B Tech Eng. (Structures); N Dip (Civil Eng.)	Construction of heavy civil structures - water supply schemes, pump stations, dams, reservoirs, tippler vault, bridges, roads, wastewater treatment works, sportsfield and building structures		CBE: Council Member BETC Member	7

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Seemole Angela Mahopo	Section 5(3)(a) SACPLAN	1 December 2022	-	Professional Town Planning; (Honours) degree in Urban and Regional Planning; master's degree in Town and Regional Planning; Bachelor of Law (LLB)	Spatial planning and land use management; Development planning; Local economic development; Property development, planning law and urban design		CBE: Council Member BETC Member	7
Snowy Mercy Makhudu	Section 5(3)(a) SAGC	1 December 2022	-	National Higher Diploma in Meteorology; National Diploma in Meteorology; Certificate in Local Government and Development Management	Environmental impact assessment; Waste project management	Chairperson EAPASA	CBE: Council Member BETC Deputy Chair SSC Member	4

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Modiehi Elisa Molebatsi	Section 5(3) (a) SAGC	1 December 2022	-	BSc. Land Surveying; Diploma in Financial Management; Diploma in Local Governance; Project Management; Bonds, Mergers and Acquisitions	Land Surveying; Land Claims; Land Reform Data Management; Land Management Business Development; Marketing and Sales Asset Registers; GRAP 17; Use of BAS in Government Institutions; Smart City Concept, Strategy and Plans Formulation; Project Management; Financial Management; Revenue Enhancement for Municipalities		CBE: Council Member BETC Member SSC Member	7
Tshepo Abia Monakedi	Section 5(3)(a) SACPLAN	1 December 2022	-	Professional Town Planner	Town Planning		CBE: Council Member SSC Member	7

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Sinenhlanhla Thuleleni Mthembu	Section 5(2) (d) Public nominee	1 December 2022	-	LLB; Corporate Governance; SCM; Labour Law	Legal practice	Director/Attorney; ARC Jozini Municipality; Chairperson KZN Liquor Authority; Member KZN Gaming and Betting Board; Chairperson Valuation Appeal Board KZN COGTA; Member Bid Appeals Tribunal KZN Prov Treasury; Commissioner Small Claims Court	CBE: Council Member SSC Deputy Chair	7
Dr Khangwelo Desmond Musetsho	Section 5(3) (a) EAPASA	1 December 2022	-	PhD Environmental Management; Master of Business Leadership; Master of Environmental Management; Bachelor of Environmental Management; Certificate Programme in Law (NQF Level 5) Project Management	Environmental Science		CBE: Council Member BETC Member	7

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Elizabeth Faith Nyaka	Section 5(2) (b) NSG	1 December 2022	-	Master of Education: Quality Assurance & Assessment; BEd: Education Management (Honours); Bachelor of Arts (Honours); Bachelor of Education	Planning, execution, and monitoring of new and existing functions and projects. Coordinating the Ministerial Task Team responsible for the development of a National Framework for the Implementation of Professionalisation of the Public Sector. Represented SAQA in international platforms dealing with the National Qualifications Frameworks		CBE: Council Member EXCO Member SSC Chair	9
Mandisa Pepeta-Daki	Section 5(2) (c) SACAP	1 December 2022	-	National Diploma: Architectural Technology; Building Design and Engineering Approaches to Airborne Infection Control Course	Architecture	SACAP Member	CBE: Council Member BETC Member	7

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Tinyiko Laurel Palesa Shipalana	Section 5(2) (b) DPMW	1 December 2022	-	Master of Commerce; LLB; Honours in Economics; Bachelor of Social Sciences	Economic research, policy formulation, analysis and review; Economic data interpretation and analysis; Strategy development and execution; Fiscal policy and Public finance management; Policy coordination and M&E; Problem Diagnosis and Problem Solving		CBE: Council Member SSC Member	7
Craig Victor Silva	Section 5(3) (a) SAGC	1 December 2022	-	Nat Dip Surveying; BTech Surveying	Professional Engineering Surveyor		CBE: Council Member BETC Member	3
Christiaan Johannes Steynberg	Section 5(2)(c) Nominated by SACLAP	1 December 2022	-	BL (Pret.) Urban design studies	Landscape Architecture		CBE: Council Member BETC Member	7

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Resignations								
Vangile Nene	Section 5(2)(a) Nominated by DPWI	1 December 2022	28 February 2023	-	-	-	-	-
Dr Sitsabo Samuel Dlamini	Section 5(2)(c) Nominated by SACAP	1 December 2022	16 December 2022	PhD; MSc in International Construction Management; Architectural Technology	-	-	-	-

4.8 Committees of Council

Fifth Term Committees of Council – Purpose and Composition

STATUTORY COMMITTEES					
Executive Committee (EXCO)	Audit and Risk Committee (ARC)				Appeal Committee
Presidents Forum	AUDIT AND RISK SUB-COMMITTEES				
	IT Steering Committee (ITSC)		Operational Risk Management Committee (ORMC)		
COMMITTEES OF COUNCIL ESTABLISHED AND RECOMMENDED					
BUILT ENVIRONMENT MATTERS COMMITTEE (BEMC)					
Social, Ethics and Governance Committee (SEGC)	Finance, Human Resources and Legal Committee (FHLC)	Stakeholder Management Marketing and Communications Committee (SMMCC)	Transformation Collaborative Committees (TCC)		
			Health, Safety, Public Protection and Universal Access Committee (HSPPUA)	Procurement Policy Legislation and Socio-Economic Development Committee (PPLSED)	Women Empowerment and Gender Equality Committee (WEGE)
					Occupational Specific Dispensation Committee (OSD)
					Professional Skills and Capacity Development (PSCD)

Council appointed five committees in terms of the provisions of the CBE Act and PFMA:

- Executive Committee (prescribed by section 12 of the CBE Act)
 - Audit and Risk Committee (prescribed by the PFMA)
 - Appeal Committee (prescribed by section 21(3) of the CBE Act)
 - Finance, Human Resources and Legal Committee (FHLC) (permitted by section 14 of the CBE Act)
 - Built Environment Matters Committee (BEMC) (permitted by section 14 of the CBE Act)
- Committees of Council operate in terms of a charter (ARC), terms of reference (EXCO, FHLC and BEMC) and a standard operating procedure.

Sixth Term Committees of Council – Purpose and Composition

STATUTORY COMMITTEES				
Executive Committee (EXCO)	Audit and Risk Committee (ARC)			Appeal Committee
	ARC OPERATIONAL COMMITTEES			
	IT Steering Committee (ITSC)	Operational Risk Management Committee (ORMC)		
ESTABLISHED COMMITTEES OF COUNCIL				
Shared Services Committee (SSC)		Built Environment Transformation Committee (BETC)		
ESTABLISHED FORUMS				
Presidents Forum	Registrars Forum	Transformation Collaborative Forums (TCF)		
		Procurement, Policy, Legislation and Socio-Economic Development Forum (PPLSED)	Women Empowerment and Gender Equality Forum (WEGE)	Environmental Sustainability (ES)
		Professional Skills and Capacity Development (PSCD)	Health, Safety, Public Protection and Universal Access (HSPPUA)	

Council appointed the following committees in terms of the provisions of the CBE Act and PFMA:

- Executive Committee (prescribed by sections 12, 13 and 16 of the CBE Act)
- Audit and Risk Committee (prescribed by the PFMA)
- Appeal Committee [prescribed by section 21(3) of the CBE Act]
- Shared Services Committee (SSC) (permitted by section 14 of the CBE Act)
- Built Environment Transformation Committee (BETC) (permitted by section 14 of the CBE Act)

Committees of Council operate in terms of a charter (ARC), terms of reference (EXCO, SSC and BETC) and a standard operating procedure.

4.8.1 Council Executive Committees

Fifth Term Council Executive Committee

Established in terms of the CBE Act, the EXCO may hold meetings as and when necessary, but at least four times per year. The mandate of EXCO is to:

- a. *ensure that the resolutions of the Council are carried out;*
- b. *consider any matter delegated to it by the Council in terms of any law, and advise the Council in connection therewith;*
- c. *prepare estimates of revenue and expenditure of the Council;*
- d. *control the expenditure of monies voted by Council in its approved estimates and all other monies or funds made available by the Council;*
- e. *exercise or perform any power, duty or function delegated to it by the Council and such other powers as may be delegated to it by Council in terms of section 16 of the CBE Act; and*
- f. *report at every ordinary meeting of the Council on the activities of the committee;*
- g. It is noted that (a) to (f) above are functions allocated to the EXCO by legislation. It must however be noted that Council, as the Accounting Authority, is empowered to consider all relevant steps to ensure good governance and adequate financial control. The need for Council not to involve itself in operational matters dictate that the functions (c) and (d) be performed by the CBE administration, as per the delegation of authority by Council, and overseen by Council supported by the Audit and Risk Committee (ARC);
- h. Oversee Risk Governance with reference to:
 - i. Review of performance information as per the quarterly and annual reports prepared by management.
 - ii. Review of mitigating measures proposed by management to address identified performance shortfalls and other identified risks and monitor and assist management in its execution of mitigating measures and/or propose mitigating measures.
 - iii. Make recommendations to Council on the above and inform Council of decisions finalised in terms of the Council's delegation.

Sixth Term Council Executive Committee

Established in terms of the CBE Act, the EXCO may hold meetings as and when necessary, but at least four times per year. The mandate of EXCO is to:

In terms of section 13 of the Act, *the executive committee has the power to—*

- (a) *ensure that the resolutions of the council are carried out;*
- (b) *consider any matter delegated to it by the council in terms of any law, and to advise the council in connection therewith;*
- (c) *prepare estimates of revenue and expenditure of the council;*

- (d) *control the expenditure of moneys voted by the council in its approved estimates and all other moneys or funds made available by the council;*
- (e) *exercise or perform any power, duty or function delegated to it by the council under section 16; and*
- (f) *report at every ordinary meeting of the council on the activities of the committee.*
- (g) It is noted that (a) to (f) above are functions allocated to the EXCO by legislation. It must however be noted that Council, as the Accounting Authority, is empowered to consider all relevant steps to ensure good governance and adequate financial control. The need for Council not to involve itself in operational matters dictate that the functions (c) and (d) be performed by the CBE administration, as per the delegation of authority by Council, and overseen by Council supported by the Audit and Risk Committee (ARC);

In terms of section 16 of the Act, Council delegates the following additional powers, duties and functions to the EXCO –

- (h) Oversee Risk Governance with reference to:
 - (i) The review of performance information as per the quarterly and annual reports prepared by management
 - (ii) The review of mitigating measures proposed by management to address identified performance shortfalls and other identified risks, and monitor and assist management in its execution of mitigating measures and/or propose mitigating measures
- (i) Make recommendations to Council on the above and inform Council of decisions finalised in terms of the Council's delegation
- (j) Approval of the quarterly reports for statutory submission after circulation to Council members for consideration and input, on –
 - Quarter 1: 1 April to 30 June by 31 July
 - Quarter 2: 1 July – 30 September by 31 October
 - Quarter 3: 1 October – 31 December by 31 January
 - Quarter 4: 1 January – 31 March by 30 April
- (k) Approval of the External Audit Management Letter and Audit Report; the audited Financial Statements and the audited Annual Report for statutory submission and sign off by the Council Chairperson by 31 July
- (l) Monitor and guide the CBE's Stakeholder Management Strategy

With regard to Finance Matters

- (i) Consider matters of financial strategy and policy (including procurement and SCM), risk management and insurance as they relate to the operation of the CBE, in particular the optimum use of available and potential financial resources (including internal investment options and their rate of return);
- (ii) Consider and assess investment opportunities available to the CBE in respect of all funds, which it administers, and determine the manner and extent to which funds are to be invested with a view to ensuring both security and optimisation of income;
- (iii) Review the annual financial statements of the CBE in conjunction with ARC, and make recommendations to Council;
- (iv) Receive and consider budget proposals from the Executive and recommend the annual operating and capital budgets to Council;
- (v) Monitor compliance with the PFMA in respect of matters relating to the CBE Act;
- (vi) Review the adequacy of the working capital by comparing cash focus against the actual;
- (vii) Receive reports of fraud relating to the CBE;
- (viii) Report on activities of the Committee at every ordinary meeting of the Council;
- (ix) Establish an annual work plan to ensure that all relevant matters of the Committee's roles and responsibilities are covered;
- (x) Receive recommendations from the Bid Specification, Bid Evaluation, and Bid Adjudication Committees as prescribed in the SCM policy; and
- (xi) Take resolutions, make recommendations, receive information and consult as required by the Delegation of Authority (DoA).

With regard to Planning, Monitoring and Evaluation Matters

Consider planning, monitoring and evaluation functions of the CBE and make recommendations to Council in pursuance of the Council's mandate and strategic objectives.

EXCO Meetings

Date	Scheduled	Special	Purpose
Fifth Term Council			
5 April 2022			Determine legal way forward due to inquorate Council
26 April 2022			Quarterly deliverables; address year-end statutory approvals
3 May 2022			CEO's Quarter 4 Performance Review
13 May 2022			Address urgent Council resolutions
19 May 2022			Address urgent Council resolutions
27 May 2022			Address the disclosure in draft financial statements
30 May 2022			Address Council quarterly matters and resolutions
29 July 2022			Quarterly deliverables; approve statutory submissions
23 September 2022			Address urgent Council matters
18 October 2022			Address the legal opinion relating to the former CEO's matter and the way forward regarding the suspended Legal Manager
21 October 2022			Address the follow-up legal opinion relating to the former CEO's matter
26 October 2022			Quarterly deliverables; approve statutory submissions
Sixth Term Council			
26 January 2023			Scheduled meeting was replaced by a full Council meeting
13 March 2023			Special meeting to recommend the ARC External Members

Matters Approved by EXCO	Q1	Q2	Q3	Q4
2021/2022 Quarterly Report				
2022/2023 Quarterly Reports				
External Audit Management Letter and Audit Report for the year ending 31 March 2022				
Audited Annual Report and Financial Statements				
EXCO items for inclusion in the Fifth Term Council Handover Report				

Matters Considered by EXCO	Q1	Q2	Q3	Q4
Risk Management Reports and Registers				
Audit Matrix for External and Internal Audit Findings				
Compliance Report				
Stakeholder Management Report				
Revised Council Charter				
Revised Standard Operating Procedure				
IA* Gap Analyses Report: Former CEO Settlement				
Appeal Matter: SACAP Ruling				
CBE Position Paper on BEP Framework				
Appointment of ARC External Members				

*IA Internal Audit

4.8.2 Audit and Risk Committee

The Audit and Risk Committee (ARC) is constituted in terms of section 77 of the PFMA, read with Chapter 9 of the Treasury Regulations. The ARC consists of three external members and two Council members. The ARC Chairperson is an external member. The ARC assesses CBE's risks, with reference to the entity's available resources, expertise, experience of financial management, supply chain management (SCM), and the internal audit function. The ARC has a charter that outlines its terms of reference.

The role of the ARC is to assist Council to ensure that:

- The CBE has implemented an effective policy framework and plan for Risk Management that will enhance the CBE's ability to achieve its strategic objectives;
- The disclosure regarding risk is comprehensive, timely, and relevant;
- Review the annual financial statements, and summarise integrated information;
- Comment on the annual financial statements, the accounting practices and the effectiveness of the internal financial controls;
- Review the disclosure of sustainability issues in the reporting to ensure that it is reliable and does not conflict with the financial information;
- Recommend to Council the engagement of an external assurance provider on material sustainability issues;

- g. Recommend quarterly and annual reports for approval by Council;
- h. Review the content of the summarised information for whether it provides a balanced view;
- i. Engage the external auditors to provide assurance on the summarised financial information; and
- j. Ensure that the Risk Register is updated in line with the APP on a bi-annual basis.

ARC Meetings

Date	Scheduled	Special	Purpose
Fifth Term Council			
25 April 2022			Q4 Report
19 May 2022			Consider the External Audit Strategy and Engagement Letter
27 May 2022			Address the draft Annual Report and draft Financial Statements
26 July 2022			Q1 Reports and Outcome of Audit
25 October 2022			Q2 Reports
26 January 2022			Q3 Report

Matters Recommended by ARC	Q1	Q2	Q3	Q4
2021/2022 Quarterly Report				
2022/2023 Quarterly Reports				
External Audit Management Letter and Audit Report for the year ending 31 March 2022				
Audited Annual Report and Financial Statements 2021/2022				
Review and recommend relevant policies				

Matters Considered by ARC	Q1	Q2	Q3	Q4
Finance/Expenditure/Procurement/Governance/Performance Reports				
Risk Management Report, Strategic and Operational Registers				
IT Governance Reports				
Audit Finding Matrix for External and Internal Audit				
Compliance Report				
Internal Audit Reports and Work Plans				

4.8.3 Appeal Committee

The CBE Act and the professions' Acts make provision for the lodgement of appeals against decisions of a Council for the Built Environment (CBEP). The CBE Act [section 21(3)] requires an Appeal Committee to be appointed for every appeal lodged, consisting of three persons, viz.

- i. a legally qualified and experienced person
- ii. a professional with appropriate experience
- iii. a specialist in the professional field concerning the appeal

The appointed Appeal Committee must decide an appeal within 60 days of its lodgement, as prescribed by section 21(5) of the CBE Act.

THE APPOINTED APPEAL COMMITTEE

EXCO, at its meeting of April 2022, appointed the following standing Appeal Committee for a period of 12 (twelve) months to be allocated for each appeal hearing on a rotational basis. The said appointment was ratified by Council on 17 June 2022:

Table 38: Appointed Appeal Committee

Name	Capacity (Chairperson or BE Generalist)
James Ndebele	Chairperson
Derick Jeffrey Block	Chairperson
Matsobane Gabriel Mello	Chairperson
Bruno Segopotso Seabela	Chairperson
Skhumbuzo Mncedi Vakalisa	Chairperson
Sydwell Sibongile Mketsu	Chairperson
Boitumelo Obert Mmusinyane	Chairperson
Linda Lydia Manyathi	Chairperson
Lebogang Cordelia Stroom-Nzama	Chairperson
Matolwane Ignatius Mokotjo	Chairperson
Selemo Ben Makubung	Chairperson
Xolisa Mnyani	BE Generalist
Charl de Villiers	BE Generalist
Mark Pencharz	BE Generalist

Name	Capacity (Chairperson or BE Generalist)
Makoy Serge Banza	BE Generalist
Darryl Robert Riley	BE Generalist
Tracey Leah Myers	BE Generalist
Shoayb Loonat	BE Generalist
Ronald Basil Watermeyer	BE Generalist
Jeffrey Frank Pipe	BE Generalist
Eugene Vaughan Barnard	BE Generalist

The following Appeal Committee Members were assigned with appeals during the 2022/23 financial year:

Name	Capacity (Chairperson or BE Generalist)
James Ndebele	Chairperson
Matsobane Gabriel Mello	Chairperson
Sydwel Sibongile Mketsu	Chairperson
Bruno Segopotso Seabela	Chairperson
Xolisa Mnyani	BE Generalist
Mark Pencharz	BE Generalist
Shoayb Loonat	BE Generalist
Eugene Vaughan Barnard	BE Generalist

SPECIALIST/S IDENTIFIED BY THE CEO AS PER COUNCIL RESOLUTION

Name	Appeal Matter
Maria Caterina Paschini	Mark Oates vs South African Council for the Architectural Profession (SACAP)
Clint Koopman	Thabo Hlabela vs Engineering Council of South Africa (ECSA)
Ronald Basil Watermeyer	Milfort Moloto vs South African Project and Construction Management Professions (SACPCMP)
Kenevove Rose Matete	Ernest Duncan vs South African Project and Construction Management Professions (SACPCMP)

APPEALS FINALISED DURING THE 2022/23 FINANCIAL YEAR

Table 39: Appeals

No	Appellant	Respondent CBEP	Registered Person (if applicable)	Date of Lodgement	Date of 60-Day Lapse	Nature of the Appeal	Date of Appeal Hearing	Date of Decision	Outcome
1	Mark Oates	SACAP	N/A	6 May 2022	5 July 2022	Disciplinary Tribunal Outcome	23 June 2022	4 July 2022	The appeal was upheld
2	Thabo Hlabela	ECSA	Asiene Thomson Nebotalo	11 July 2022 and 11 October 2022 (following the postponement order)	24 October 2022	Failure to prefer charges against the registered person	11 October 2022	21 October 2022	The appeal was dismissed
3	Milfort Moloto	SACPCMP	N/A	17 August 2022	17 October 2022	Failure to approve a registration application	10 October 2022	17 October 2022	The appeal was dismissed
4	Ernest Duncan	SACPCMP	N/A	8 September 2022	7 November 2022	Failure to approve a registration application	31 October 2022	29 October 2022	The appeal was withdrawn two days before the hearing

*Detailed information on appeal outcomes, appointed appeal committee and costs is provided under Programme 5.2

Fifth Term Council - Other Committees

- Finance, Human Resources and Legal Committee (FHLC)
- Built Environment Matters Committee (BEMC)

Sixth Term Council - Other Committees

- Shared Services Committee (SSC)
- Built Environment Transformation Committee (BETC)

4.8.4 Fifth Term Council Finance, Human Resources and Legal Committee (FHLC)

The mandate of the FHLC is as follows:

a. With regard to Finance

- (i) Consider matters of financial strategy and policy (including procurement and SCM), risk management and insurance as they relate to the operation of the CBE, in particular, the optimum use of available and potential financial resources (including internal investment options and their rate of return);
- (ii) Consider and assess investment opportunities available to the CBE in respect of all funds which it administers, and determine the manner and extent to which funds are to be invested with a view to ensuring both security and optimisation of income;
- (iii) Review the annual financial statements of the CBE in conjunction with ARC, and make recommendations to Council;
- (iv) Receive and consider budget proposals from the Executive and recommend the annual operating and capital budgets to Council;
- (v) Monitor compliance with the PFMA in respect of matters relating to the CBE Act;
- (vi) Review the adequacy of the working capital by comparing cash focus against the actual;
- (vii) Receive reports of fraud relating to the CBE;
- (viii) Report on activities of the Committee at every ordinary meeting of the Council;
- (ix) Establish an annual work plan to ensure that all relevant matters of the Committee's roles and responsibilities are covered;
- (x) Receive recommendations from the Bid Specification, Bid Evaluation, and Bid Adjudication Committees (BAC) as prescribed in the SCM policy; and
- (xi) Take resolutions, make recommendations, receive information and consult as required by the DoA.

b. With regard to Human Resources

- (i) Consider and make recommendations on the Human Resources (HR) Strategy to ensure that the CBE is able to attract, retain and develop the best possible talent to support business performance;
- (ii) Consider and make recommendations on the creation or review of an organisational culture, structure, and processes, which seek to support the development of staff and optimisation of their potential, in particular those who have been previously disadvantaged to address any existing inequalities in staff profiles and organisational practice;
- (iii) Ensure compliance with all employment legislation such as the Employment Equity Act, Labour Relations Act and Basic Conditions of Employment Act, etc.;
- (iv) Consider and make recommendations on a formal and transparent procedure for developing a policy on remuneration with particular reference to Senior Management;
- (v) Determine the annual remuneration adjustments for CBE staff; and
- (vi) Creation and abolition of Senior Management positions, appointments, transfers and promotions of Senior Managers; of the CEO's performance appraisal, and implementation of disciplinary action against the CEO.

c. With regard to Legal

- (i) Deal with the BE Policy proposal by DPWI relating to the repeal of the CBE Act;
- (ii) Deal with the Identification of Work (IDoW); Appeals; Planning, Monitoring and Evaluation; and other legal compliance matters within the CBEP;
- (iii) Deal with Corporate Governance matters in Council;
- (iv) Receive information on the data base of Appeals Committee members and recommend inclusions on the database to Council; and
- (v) Receive appeal findings and make recommendations to Council on required corrective action identified by Appeal Committees.

d. With regard to Planning, Monitoring and Evaluation Matters

Consider planning, monitoring and evaluation functions of the CBE and make recommendations to Council in pursuance of the Council's mandate and strategic objectives.

Fifth Term Council FHLC Meetings

Date	Scheduled	Special	Purpose
20 May 2022			Q4 Reports
22 July 2022			Q1 Reports and Outcome of Audit
24 October 2022			Q2 Reports

Matters Recommended by FHLC	Q1	Q2	Q3	Q4
2021/2022 Quarterly Expenditure Report				
2022/2023 Quarterly Expenditure Reports				
Expenditure Report per Council and Committees				
Revenue Enhancement Strategy				
2021/2022 Financial Statements and External Audit Management Letter and Audit Report				
Procurement Report and Procurement Plan				
Policy Review Process, Review and recommend relevant policies				
Cost of Living Increases; 2021/2022 Performance Bonuses				
Fifth Term FHLC Handover Report				

Matters Considered by FHLC	Q1	Q2	Q3	Q4
Human Resources Report				
Appeal Outcomes and Rulings				
Contract and Commitment Register				
Compliance Report				

Sixth Term Council Shared Services Committee (SSC)

The mandate of the SSC is as follows

In terms of section 16 of the Act, Council delegates the following powers, duties and functions to the SCC –

e. With regard to Human Capital Matters

- (i) Consider and make recommendations on the Human Capital Strategy to ensure that CBE is able to attract, retain and develop the best possible talent to support business performance;
- (ii) Consider and make recommendations on the creation or review of an organisational culture, structure, and processes, which seek to support the development of staff and optimisation of their potential, in particular those who have been previously disadvantaged to address any existing inequalities in staff profiles and organisational practice;
- (iii) Ensure compliance with all employment legislation such as Employment Equity Act, Labour Relations Act and Basic Conditions of Employment Act, etc.;
- (iv) Consider and make recommendations on a formal and transparent procedure for developing a policy on remuneration with particular reference to Senior Management;
- (v) Determine the annual remuneration adjustments for CBE staff;
- (vi) Create and abolish Senior Management positions, appointments, transfers and promotions of Senior Managers; and
- (vii) Ensure compliance of performance appraisals of Senior Management; the Council Chairperson performs the CEO's performance appraisal, and implementation of disciplinary action against the CEO.

f. With regard to Legal Matters

- (i) Deal with the BE Policy proposal by DPWI relating to the repeal of the CBE Act;
- (ii) Deal with the Identification of Work (IDoW); Appeals; Planning, Monitoring and Evaluation; and other legal compliance matters within the CBEP;
- (iii) Deal with Corporate Governance matters in Council;
- (iv) Receive information on the data base of Appeals Committee members and recommend inclusions on the database to Council; and
- (v) Receive appeal findings and make recommendations to Council on required corrective action identified by Appeal Committees.

g. With regard to Social, Ethics and Governance Matters

- (i) Ensure the establishment of an ethical culture and adherence to ethical standards;
- (ii) Promotion of good corporate citizenship and community development
- (iii) Ensure employee safety and health
- (iv) Ensure good governance practices

Sixth Term Council SSC Meetings

Meetings of the Sixth Term Council SSC will commence in the first quarter of the 2023/2024 financial year.

Council fulfilled its responsibility for corporate Citizenship in accordance with the Council Charter. The detail of activities undertaken is reflected under 14 below.

4.8.5 Fifth Term Council Built Environment Matters Committee

The mandate of BEMC is as follows:

- a. Consider progress reports from management on the achievement of APP targets per Programme, propose remedial action where required to management and follow up on the implementation thereof through the Project Champions;
- b. Project champions are members of the BEMC allocated the role to promote specific APP targets;
- c. Receive reports and information required in terms of the APP on behalf of Council;
- d. Monitor and guide the CBE's Transformation Strategy;
- e. Monitor and guide the CBE's Stakeholder Management Strategy;
- f. Receive and consider information reported by the six councils for built environment professions (CBEP) to the CBE on a quarterly basis, and recommend remedial steps or intervention where required;
- g. Monitor the execution of actions required of the CBE by the CBE EXCO/President's Forum; and
- h. Consider and recommend all CBE policies not considered by the FHLC to Council

BEMC Meetings

Date	Scheduled	Special	Purpose
16 May 2022			Q4 Reports
25 July 2022			Q1 Reports
17 October 2022			Quarterly meeting
18 October 2022			Continuation of quarterly meeting

Matters Recommended by BEMC	Q1	Q2	Q3	Q4
2019 Transformation Indaba Report				
Transformation Strategy				
WEGE Webinar Series				
TCC Radar Report				
TCC Terms of Reference: PPLSED, WEGE, OSD, PSCD, HSPPUA				
TCC Standard Operating Procedures				
Fifth Term BEMC Handover Report				

Matters Considered by BEMC	Q1	Q2	Q3	Q4
IDoW Implementation and Monitoring; Publishing of Guideline Professional Fees and MoU with CCSA*				
CBEP Quarterly Reports and Registrations				
Quarterly Performance Report / Dashboard				
Cuban Engineers				
Project Reports: Policy and Research, Skills, Transformation, Data Collection Feedback				
Advisory Reports: EPWP**, Institutionalisation of FIDPM, Skills Throughput				
Economic Reconstruction and Recovery Plan				
Stakeholder Management, Marketing and Communications Report				

*CCSA

Competition Commission

**EPWP

Expanded Public Works Programme

Sixth Term Council Built Environment Transformation Committee

The mandate of BETC is as follows:

In terms of section 16 of the Act, Council delegates the following powers, duties, and functions to the BETC –

- a. Consider progress reports from management on the achievement of the APP targets per Programme, propose remedial action where required to management and follow up on the implementation thereof through the Project Champions;
- b. Project champions are members of the BETC allocated the role to promote specific APP targets;
- c. Receive reports and information required in terms of the APP on behalf of Council;
- d. Monitor and guide the CBE's Transformation Strategy;
- e. Receive and consider information reported by the six councils for built environment professions (CBEP) to the CBE on a quarterly basis, and recommend remedial steps or intervention where required;
- f. Monitor the execution of actions required of the CBE by the CBE EXCO/President's Forum; and
- g. Consider and recommend all CBE policies not considered by the SSC to Council.

Sixth Term Council BETC Meetings

Meetings of Sixth Term Council BETC will commence in the first quarter of the 2023/2024 financial year.

Forums

Transformation Collaborative Committees: 2021 – 2023

Procurement, Policy, Legislation and Socio-Economic Development (PPLSED)	Women Empowerment and Gender Equality (WEGE)	Occupation Specific Dispensation (OSD)	Professional Skills and Capacity Development (PSCD)	Health, Safety, Public Protection and Universal Access (HSPPUA)
23 April 2021				
22 June 2021	-	-	-	-
29 June 2021	-	-	-	-
3 September 2021				
14 September 2021	16 September 2021	-	17 September 2021	14 September 2021
-	-	26 October 2021	1 October 2021	-
23 March 2022	-	-	-	-
30 March 2022	Launch of Advice Desk	-	-	-
11 April 2022	3 May 2022	6 May 2022	9 May 2022	13 May 2022
7 June 2022	9 June 2022	22 June 2022	28 June 2022	30 June 2022
-	-	-	-	3 August 2022
6 September 2022	8 September 2022	13 September 2022	15 September 2022	19 September 2022
2 February 2023	3 February 2023	6 February 2023 (Concluding Meeting)	8 February 2023	10 February 2023

Table 40(a): Fifth Term Council – Committees and Meetings

Council Committee	Number of Scheduled Meetings	Number of Meetings Convened (1 April 2022- 31 October 2022)	Committee Membership	No of Members
EXCO	8	14	Dr SS Dlamini (Chairperson)(Appointed 20 January 2020) KEM Mogodi Dr KI Jacobs L Shongwe	4
ARC	5	6	P Stock (External Member)(Chairperson) LM Mangquku (External Member) Dr L Konar (External Member) ST Mthembu (Council Member)(Appointed 10 March 2021) PN Phukubje (2 June 2022)	4
FHLC	4	3	Dr KI Jacobs (Chairperson) NE Hutamo (Deputy Chair) KEM Mogodi ST Mthembu Dr SS Dlamini DL Maraka	6
BEMC	4	4	KEM Mogodi (Chairperson from 28 August 2021) H Ndlovu Dr SS Dlamini WO Mothowamodimo A Latchu BB Simelane G Mbuthia HA Mtshali ME Moshodi	9
COUNCIL	4	10	Dr SS Dlamini (Chairperson)(Appointed 20 January 2020) KEM Mogodi (Deputy-Chairperson) NE Hutamo Dr KI Jacobs ST Mthembu H Ndlovu F Rabada (Resigned 30 June 2022) WO Mothowamodimo A Latchu (Appointed 23 March 2022) DL Maraka (Appointed 23 March 2022) BB Simelane (2 June 2022) G Mbuthia (2 June 2022) HA Mtshali (2 June 2022) ME Moshodi (2 June 2022) PN Phukubje (2 June 2022) L Shongwe (2 June 2022)	20

Table 40(b): Sixth Term Council – Committees and Meetings

Council Committee	Number of Scheduled Meetings	Number of Meetings Convened (24 January 2023- 31 March 2023)	Committee Membership	No of Members
EXCO	1	1	HA Mtshali (Chairperson) TC Madikane (BETC Chair) EF Nyaka (SSC Chair) SV Mabilane DL Maraka (Deputy Chair – Alternate member)	4
ARC	0	0	Three external ARC member appointments to be concluded in May 2023 SV Mabilane A Latchu	5
SSC	1	0	EF Nyaka (Chairperson) ST Mthembu (Deputy Chair) DL Maraka NE Hutamo SM Makhudu ME Molebatsi TA Monakedi TLP Shipalana	8
BETC	1	0	TC Madikane (Chairperson) SM Makhudu (Deputy Chair) CK Gavor M Kubuzie AE Mahlawe SA Mahopo ME Molebatsi Dr KD Musetsho M Pepeta-Daki CV Silva CJ Steynberg	11

Council Committee	Number of Scheduled Meetings	Number of Meetings Convened (24 January 2023- 31 March 2023)	Committee Membership	No of Members
COUNCIL	1	7	HA Mtshali (Chairperson) DL Maraka (Deputy Chair) CK Gavor NE Hutamo M Kubuzie A Latchu SV Mabilane TC Madikane AE Mahlawe SA Mahopo SM Makhudu ME Molebatsi TA Monakedi ST Mthembu Dr DK Musetsho EF Nyaka M Pepeta-Daki TLP Shipalana CV Silva CJ Steynberg Dr SS Dlamini (Resignation:16 December 2022) V Nene (Resignation: 31 January 2023)	20

4.9 Remuneration of Council Members

In terms of a National Treasury prescript, the Minister approved the remuneration rate for Council on 22 January 2013 as a Category Classification A2 (Part-time members), with an annual adjustment. The following members were/are not remunerated due to their public sector employment:

Council members not remunerated:

- i. F Rabada
- ii. H Ndlovu
- iii. NE Hutamo
- iv. Dr J Badul
- v. WO Mothowamodimo
- vi. CV Gamede
- vii. ZM Makhathini
- viii. HA Mtshali
- ix. ME Moshodi

Council members receive an amount claimed for a day tariff and preparatory time, parking, travel, and toll fees.

Fifth Term Council Remuneration Rate

Designation	Preparatory Time	Per Hour	Per Day
Chairperson	Council: 5 hours Special Council: 3 hours EXCO: 3 hours	R581	R4,646
Deputy Chairperson	Council: 5 hours Special Council: 3 hours EXCO: 3 hours	R493	R3,943
Chairpersons of Committees	Council: 5 hours Special Council: 3 hours EXCO: 3 hours ARC: 3 hours FHLC: 3 hours BEMC: 3 hours	R493	R3,943
Members of Council/ Committees	Council: 5 hours EXCO: 3 hours ARC: 3 hours FHLC: 3 hours BEMC: 3 hours	R459	R3,669

Table 41: Fifth and Sixth Term Council Remuneration

Name	Remuneration R'000	Other Allowances R'000	Other Reimbursements R'000	Total R'000
Dr SS Dlamini (Chairperson) (Appointed 20 January 2020)	321 570.00	0.00	5 990.35	327 560.35
KEM Mogodi (Deputy Chairperson) (Acting Chairperson 28 June 2019- 19 January 2020)	304 114.00	0.00	9 838.50	313 952.50
NE Hutamo	0.00	0.00	0.00	0.00
Dr KI Jacobs	236 588.00	0.00	6 592.00	243 180.00
WO Mothowamodimo (Appointed 20 January 2020)	0.00	0.00	0.00	0.00
ST Mthembu	129 740.00	0.00	13 918.21	143 658.21
H Ndlovu	0.00	0.00	1 216.00	1 216.00
F Rabada	0.00	0.00	0.00	0.00
A Latchu (Appointed 23 March 2022)	110 710.00	0.00	3 744.00	114 454.00
DL Maraka (Appointed 23 March 2022)	92 547.00	0.00	10 751.01	103 298.01
P Kgole	73 156.00	0.00	3 015.55	76 171.55
N Mkondweni	115 978.00	0.00	2 304.00	118 282.00
PN Phukubje	44 034.00	0.00	1 472.00	45 506.00
BB Simelane	66 051.00	0.00	1 696.00	67 747.00
A Mtshali	8 715.00	0.00	5 033.03	13 748.03
L Shongwe	35 319.00	0.00	704.00	36 023.00
M Pepeta-Daki	62 802.00	0.00	2 140.00	64 942.00
G Mbuthia	49 080.00	0.00	1 088.00	50 168.00
J Ngobeni	65 210.00	0.00	900.83	66 110.83
KD Musetsho	29 285.00	0.00	16 231.55	45 516.55
ME Molebatsi	29 285.00	0.00	835.00	30 120.00
SA Mahopo	29 285.00	0.00	1 159.34	30 444.34
CK Gavor	25 506.00	0.00	0.00	25 506.00
SV Mabilane	12 753.00	0.00	8 532.00	21 285.00
S Makhudu	17 948.00	0.00	4 283.20	22 231.20
T Monakedi	0.00	0.00	15 569.52	15 569.52

Name	Remuneration R'000	Other Allowances R'000	Other Reimbursements R'000	Total R'000
C Steynberg	29 285.00	0.00	3 362.20	32 647.20
TC Madikane	0.00	0.00	3 979.48	3 979.48
C Silva	0.00	0.00	1 614.59	1 614.59
F Nyaka	0.00	0.00	1 702.80	1 702.80
AE Mahlawe	0.00	0.00	2 735.81	2 735.81
Audit and Risk Committee				
P Stock (External Member)(Chairperson)	184 132.92	0.00	0.00	184 132.92
LM Mangquku (External Member)	88 361.31	0.00	192.00	88 553.31
Dr L Konar (External Member)	73 444.61	0.00	384.00	73 828.61

Sixth Term Council Remuneration Rate

Designation	Preparatory Time		Day Tariff	
	Number of Hours	Tariff per Hour	Meetings/Activities	Day Rate Only
Chairperson	Council: 3 hours + day rate EXCO: 2 hours + day rate	R598	Special Council Special EXCO Inauguration Induction CBE Workshops Selection Panel Strategic Sessions	R4,785
Deputy Chairperson and Chairpersons of Committees	Council: 3 hours + day rate EXCO: 2 hours + day rate SSC: 2 hours + day rate BETC: 2 hours + day rate	R508	Special Council Special EXCO Special SSC Special BETC	R4,061
Members of Council/ Committees	Council :3 hours + day rate EXCO: 2 hours + day rate SSC: 2 hours + day rate BETC: 2 hours + day rate	R472	Inauguration Induction CBE Workshops Selection Panel Strategic Sessions	R3,779

5. RISK MANAGEMENT

Risk management forms a central part of the CBE's strategic management with the task of identifying, assessing, managing, and monitoring risks across the organisation. In line with good governance, risk management and planning is an emphasised element for which the Accounting Authority is directly responsible. Risk Management is also a compliance requirement, as per the PFMA. The CBE risk management framework provides a common 'risk language', describes the roles and responsibilities of key players in managing enterprise risk, and measures the risk appetite of management.

6. INTERNAL CONTROL UNIT

The role of the internal audit function is to improve the CBE's operations. It helps the CBE to accomplish its objectives by embedding a systematic, disciplined approach to evaluate and improve risk management, control, and governance processes. The internal audit function reports to ARC meetings and, if necessary, meets with the ARC Chairperson prior to, and immediately after, each ARC meeting.

The CBE's internal auditors, Rakoma and Associates Inc. (Rakoma), contract will come to an end on 30 June 2023, and the internal auditors Molefi Business Experts appointment was approved by Council on 16 March 2023. Rakoma regularly submitted written audit reports to the ARC meetings, based on the approved audit plan.

Based on the approved internal audit plan for the 2022/23 financial year, the following audits were performed during the year under review:

- i. Risk Management
- ii. Quarterly Performance reviews
- iii. Supply Chain Management
- iv. Information Technology General Controls
- v. Cyber Security review
- vi. Human resource Management
- vii. Transformation
- viii. Legal Compliance Review
- ix. Financial Management review
- x. Corporate Governance review
- xi. Verification of levy income received by CBEP
- xii. Follow up on previous external and internal audit findings

- xiii. POPIA Compliance follow up
- xiv. Review of the 2023/24 Annual Performance Plan
- xv. Review of the Annual Financial Statements and Annual Performance Report

7. INTERNAL AUDIT FUNCTION

The CBE's internal auditor, OMA's contract ended on 30 June 2020; hence Council appointed Rakoma and Associates Inc (Rakoma) on 29 June 2020. The internal auditor regularly submitted audit reports to ARC meetings, based on the approved audit plan that covered:

- i. significant findings and management action plan
- ii. follow-up on previously reported audit findings
- iii. fraud and non-compliance with legislation
- iv. annual review of the Audit and Risk Committee and Internal Audit Charters
- v. development of a three-year rolling plan and one-year internal audit plan
- vi. internal audit fieldwork

Based on the approved internal audit plan, the following audits were performed during the period under review:

- i. Information Technology
- ii. Legal Compliance Review
- iii. Quarter 1-4 review of performance information against objectives
- iv. Follow up on findings raised by External Audit and internal audit for Quarter 1-4
- v. Review of Annual Performance Report
- vi. Review of the Financial Statements
- vii. Review of the Internal Audit Charter
- viii. Accreditation – Skills Development
- ix. Fraud and Risk Management Review
- x. Human Resources Management
- xi. Supply Chain Management
- xii. POPIA Implementation Review

Challenges faced during the financial year:

Management action and reaction to findings raised should become more immediate Recommendations:

- Follow-up audits are conducted on time to determine whether management is addressing audit findings and to prevent the same findings recurring in future reports.
- Continue to perform quarterly reviews on Performance Information prior to the submission thereof of to DPWI. These reviews should continue to be performed close to the ARC meeting at which the results are presented within a short period.
- Annual review of the Financial Statements for GRAP compliance.
- Continue to perform an annual review of the draft Annual Performance Plan and the Strategic Plan before submission to the Executive Authority to ensure that indicators and outcomes are SMART* and aligned to legislation.
- Continued co-ordination between Internal Audit and External Audit to enhance the benefits derived by management which outweighs the cost of the audits.

*SMART *specific, measurable, achievable, relevant, and time-bound*

The next table discloses relevant information on the ARC members.

Table 42: ARC Disclosure

Name	Qualifications	Internal/ External	Date Appointed	End of Contract	No of ARC Meetings Attended	No of Other Meetings Attended
P Stock	CA	External	11 April 2019	10 April 2023	5	1
LM Mangquku	CA	External	11 April 2019	10 April 2023	5	1
Dr L Konar	CA	External	11 April 2019	10 April 2023	5	1
ST Mthembu		Fifth Term Council Member	1 November 2018	31 October 2022	5	

8. COMPLIANCE WITH LEGISLATION

The CBE adopted and maintains a compliance policy which identified compliance obligations and mechanisms to ensure compliance, mitigation and disclosure. Disclosure is through quarterly reports on compliance to ARC, FHLC, EXCO and Council.

Council adheres to an approved Delegation of Authority Framework, approved on 10 March 2020.

Council declared that it is satisfied that the Delegation of Authority Framework contributes to role clarity and the effective exercise of authority and responsibility.

9. FRAUD AND CORRUPTION

The CBE has an all-encompassing policy in the CBE Fraud Prevention Plan. The CBE utilises the service of Whistle Blowers to manage this function. This service provider conducted quarterly workshops with CBE staff to remind and sensitise them to fraud detection and prevention. The office of the CFO circulated a fraud incident report.

10. MINIMISING CONFLICT OF INTEREST

A conflict of interest occurs when an individual or organisation is involved in multiple interests and where there is potential to possibly corrupt the motivation to act in one's or another's interests. Council members are required to declare all their financial, economic, and other interests upon appointment. Council and committee members are required to, at each meeting declare, in writing, any interest in matters on the meeting agenda.

11. CODE OF CONDUCT

A Code of Conduct for Council members was adopted, reviewable in the next financial year. The CBE adopted a code of ethics, values, and business conduct as part of its consolidated human resources policies and procedures. A Code of Conduct binds employees. Alleged transgression of the Code of Conduct is investigated and handled in accordance with an adopted Disciplinary Policy.

12. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The Occupational Health and Safety (OHS) Act prescribes specific compliance requirements for specific environments. In compliance with this Act, the CBE's Health and Safety Committee met quarterly on work-place-related health and safety issues. This committee also held scheduled and impromptu emergency evacuation drills, and the observation was that response times improved with each exercise.

13. COMPANY SECRETARY

The Fifth Term Council abolished the Company Secretary function and resolved to outsource the function when required.

14. SOCIAL RESPONSIBILITY

Council resolved to establish a Social, Ethics and Governance Committee with external independent members. Terms of reference for this committee was compiled and approved by Council.

Declaration by the Governing Body

The CBE Council, as the governing body of the CBE, declares it is satisfied that it has fulfilled its responsibilities in accordance with its Charter for the reporting period.

15. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the Broad-Based Black Economic Empowerment (B-BBEE) requirements of the B-BBEE Act, 2003 (Act 53 of 2013) and as determined by the Department of Trade and Industry.

Has the department/public entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regard to the following:		
Criteria	Response Yes/No	
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	The CBE does not issue any licences/concessions or authorisations to allow economic activity in terms of any law. This would likely only apply to entities responsible for issuing trade licences or mining/exploration licences and the like.
Developing and implementing a preferential procurement policy?	No	The CBE has appointed a service provider to assist in drafting a preferential procurement policy.
Determining qualification criteria for the sale of state-owned enterprises?	No	The CBE has appointed a service provider to assist in drafting a preferential procurement policy.
Developing criteria for entering into partnerships with the private sector?	No	The CBE does not generally engage in such sales.
Determining criteria for awarding incentives, grants and investment schemes in support of B-BBEE?	No	

16. AUDIT AND RISK REPORT

The Audit and Risk Committee (ARC) is pleased to present its report for the financial year ended 31 March 2023. The report details its responsibilities in terms of section 51 (1)(a)(ii) of the PFMA and Treasury Regulation 27.1.

Audit and Risk Committee Responsibility

The Audit and Risk Committee adopted appropriate, formal Terms of Reference as its Audit and Risk Committee Charter. It regulated its affairs in compliance with this Charter and discharged its responsibilities contained therein.

The Charter is updated regularly and complies with the principles of good governance as per King IV™ and the requirements of the PFMA. The ARC is accountable to Council and performs an oversight function over:

- i. Financial management
- ii. ICT governance
- iii. Risk management
- iv. Compliance with laws, regulations and ethical conduct
- v. Financial and Performance Reporting practices
- vi. External Audit
- vii. Internal Audit

Activities of the Audit and Risk Committee

During the period under review, the following activities were undertaken which demonstrate the commitment of the ARC to achieve its mandate:

- i. Reviewed quarterly management reports
- ii. Revised Audit and Risk Committee Charter for Council Approval
- iii. Reviewed and approved the revised Internal Audit Charter
- iv. Considered the risk management process
- v. Considered the Internal Audit plans and reports and made recommendations as appropriate
- vi. Monitored progress with the Internal Audit coverage plans as well as management's follow-up on matters requiring attention
- vii. Monitored compliance with CBE policies, procedures and applicable legislation
- viii. Conducted separate informal meetings with management, and internal and external audit
- ix. Reviewed the external audit plans, reports and management's follow-up of matters requiring attention
- x. Evaluated the internal audit, external audit and finance functions

- xi. Provided guidance to Council on ICT governance issues and alignment to applicable legislation and frameworks
- xii. Noted progress on ICT challenges experienced during the financial year; however, the IT deficiencies remain of concern
- xiii. Conducted a self-assessment. The results concluded that the ARC is effective in executing its duties. Minor areas of improvement were identified, and action plans were put in place to address these

The table below records the ARC meeting attendance:

Table 43: ARC Meeting Attendance

Members	Date of Appointment	Number of ARC Meetings Attended	Number of Additional Meetings Attended
Ms P Stock (External Member) (Chairperson)	11 April 2019	6/6	8/8
Mr LM Mangquku (External Member)	11 April 2019	6/6	1/1
Dr L Konar (External Member)	11 April 2019	6/6	0/1
Ms ST Mthembu (Council Member)	1 November 2018	6/6	-

Effectiveness of Internal Control

An enterprise risk management process is in place. The CBE's major risks are managed efficiently; however, some areas require improvement as reported by the internal auditors. The system of internal control was partially adequate and partially effective for the year under review, largely due to weaknesses detected in ICT control. The internal and external auditors reported some deficiencies in the design and implementation of the system of internal control. The Audit and Risk Committee however, based on the reports of the internal and external auditors, is of the opinion that the internal control system continues to improve.

The CBE's internal audit function is outsourced to Rakoma & Associates Inc. (Rakoma), which operates objectively and independently. The following internal audit engagements were completed during the year under review:

- i. Annual Internal Audit Plan
- ii. Quarterly Audit of Pre-Determined Objectives/Performance Information
- iii. Human Resources Management
- iv. Follow-up on previous Audit Findings

- v. POPIA Compliance Follow-up
- vi. Corporate Governance
- vii. Risk Management
- viii. Supply Chain Management
- ix. Cyber Security Review
- x. Review of 2023/2024 Annual Performance Plan
- xi. Information Technology General Controls
- xii. Financial Management
- xiii. Transformation
- xiv. Legal Compliance Reviews
- xv. Verification of levy income received from CBEP
- xvi. Review of Annual Financial Statements
- xvii. Review of Annual Performance Report

The internal audit findings, based on risk assessment in the CBE, revealed certain weaknesses, which were raised with the CBE. These were:

- a. Alignment of Project Scopes to the APP to ensure targets were achieved and proof of evidence in performance information showed improvement
- b. Risk Management improvement are required in some areas
- c. Management's action and remediation to findings raised should be more immediate
- d. IT governance

Finance Function Assessment

The ARC must consider and satisfy itself with the appropriateness of expertise and adequacy of resources of the finance function and the experience of senior members of management responsible for the Finance function. Evaluation of the finance function is conducted in the adoption of King IV™ principles and the public sector audit committee forum position paper. The ARC evaluated the function to be satisfactory; however, succession planning within the unit was identified as a risk due to the incapacity of a senior official. Furthermore, the risk function must be re-aligned in the organisational structure.

In-Year Management and Monthly/Quarterly Report

As a public entity, the CBE reports monthly and quarterly to the Executive Authority and National Treasury, as is required by the PFMA. The Audit and Risk Committee reported its satisfaction with the content and quality of the quarterly reports, prepared and submitted by the CBE during the year under review, to the Executive Authority.

Council approved the appointment of Nexia SAB&T (Nexia) for its second term as the CBE's external auditor on 16 March 2023.

Evaluation of the Financial Statement and Annual Performance Report

The Audit and Risk Committee has:

- a. satisfied itself with the process followed for the re-appointment of the external auditors (Nexia SAB&T) for the audit of the year ended 31 March 2023, as concurred by the Auditor-General South Africa (AGSA)
- b. reviewed with the external auditors the audited financial statement for the Annual Report
- c. reviewed the reported performance against the predetermined objectives and noted with concern targets not achieved, with IT-related performance a repeat area of non-achievement
- d. reviewed the external auditors' management report and the adequacy of management's response thereto
- e. reviewed adjustments resulting from the audit
- f. reviewed the external auditor's reported opinion on financial statements and conclusions from the audit of performance against predetermined objectives and compliance
- g. reviewed and confirmed the independence of external auditors

Auditor's Report

The Audit and Risk Committee concurs and accepts the opinion of the external auditor on the annual financial statements and conclusion on the annual performance report and compliance and is of the opinion that the audited annual financial statements and annual performance report is accepted and read together with the report of the external auditors.



Ms Thobeka Njozela

Chairperson: Audit and Risk Committee

Date: 31 July 2023



WHARTON
MBA

2 COASTS
WHARTON

Embarcadero
AT&T Park

RIGHT LANE
MUST
TURN RIGHT

NO
LEFT
TURN

Annual Report

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C O U N C I L
F O R T H E B U I L T
E N V I R O N M E N T

2022/23 Financial Year

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HUMAN RESOURCE
MANAGEMENT

1. INTRODUCTION

The CBE Human Capital unit ensures accurate workforce planning to align in-house capacity and skills to the organisational strategy. To this end, the unit provides advice, consultation and support for equitable compensation, fair labour practice, recruitment and selection, transparent performance management systems, and training and development. The unit also ensures legislation updates and policy gaps are continually monitored and incorporated. The unit has a staff complement of three out of 69 posts approved for the organisation, viz. Senior Human Capital Business Partner, Human Capital Generalist and Human Capital Officer.

2. YEAR IN REVIEW

The CBE experienced instability at Executive Management level over the years, which led to insecurities in the workforce. In addition, the CBE was informed by NT of a R30 million budget cut over the MTEF period. As a result, the CBE was forced to review its capacity versus the strategy of the organisation. Hence, the CBE undertook an organisational structure review in line with its strategic approach. There was consultation with all relevant stakeholders (such as labour) to finalise the process.

The structural revisions are as follows:

- i. The former **Operations Division** is re-named **Transformation Division**; its new focus is on transformation programme management with the view to ensure the massification of CBE programmes.
- ii. A new **Shared Services Division** was created with the Human Capital, Legal Services, Special Programmes, Research and Information Technology units which are shared resources that support the organisation transversally.
- iii. The **Facilities Management unit** transferred to the **Finance Division** to align facilities operations with the asset management functions housed in the Finance Division.

In the year of reporting, the CBE faced another challenge when two top management members (**Chief Operations Officer** and **Chief Financial Officer**) exited the organisation. This vacuum impacted on operations in the organisation, hence it was necessary to prioritise these two positions for recruitment as soon as possible.

Employee performance management framework

CBE performance management framework timelines are aligned and guided by the DPSA performance management framework. All employees signed and submitted performance agreements by 30 April 2022. The performance moderation committee comprises Executive Management and Employee Representatives, assisted by the Human Capital unit. The committee convened quarterly and provided constructive feedback to employees and line management where applicable. No disputes or appeals were received for the period under review.

The organisation continues to encourage performance excellence and retention of the best performance through a performance recognition and reward system. Performance bonuses and pay progressions were paid to deserving employees and performance improvement was developed.

Employee wellness programmes

The Human Capital unit promotes work-life balance; hence it develops and implements strategies to ensure the well-being of its human resources. Employees were regularly alerted of the wellness service offering through the circulation of monthly awareness articles and posters and an Employment Assistance Programme rendered by a service provider.

Also on the wellness programme was a Change and Diversity Management workshop to support employees through the organisational changes which impacted their wellbeing at work. Employees are continuously encouraged to utilise the service offered by the CBE in promoting work-life balance.

Highlights

As noted, the Human Capital unit ensures that the organisation capitalises on its workforce skills. During the reporting period, this began with an intensive skills gap analysis audit to determine capacity for the new structure, and that internal capacitation is prioritised. This was to ensure that intrinsic knowledge and organisational investment in personnel development were not lost during the restructuring process.

The APP target was to have an approved structure that served the organisational goals and implementation thereof. An implementation plan for the approved structure was developed in consultation with executive management where prioritised posts for the 2022/23 financial year were identified and budgeted for. The Human Capital unit initiated, facilitated and successfully completed the recruitment project.

The Human Capital unit managed and facilitated a sound labour environment throughout the restructuring process by ensuring that representative unions were kept abreast of all decisions affecting employees, including changes in the scope of work of affected individuals. All pending labour issues that posed any reputational risk to the organisation were addressed.

Employee engagement and consultation meetings continued to ensure information dissemination to all stakeholders. A Change Management Plan was developed, followed by a workshop conducted by an external facilitator to ensure staff were comfortable in raising their issues and supported during the period of change.

Challenges

Funding for the required capacity of the structure remains the biggest challenge that continues to threaten the full potential of organisational performance.

Budget constraints continue to hinder the implementation of identified projects towards achieving organisational goals. The training and development function specifically has been impacted by budget constraints; the organisation does not afford to develop employees, especially those who retained their original positions from pre-structuring.

Future Human Capital plans/goals

- i. Implement the online self-service performance management and development system.
- ii. Implement the training plan for prioritised employees.
- iii. Continuously scan the effectiveness of the labour and employee engagements.
- iv. Review/renew the human capital strategy to meet and support the new organisational strategic direction.
- v. Workshop staff on approved policies.

3. HUMAN CAPITAL OVERSIGHT STATISTICS

Table 44: Personnel Cost by Programme

Programme	Total Expenditure for the Entity (R'000)	Personnel Expenditure (R'000)	Personnel Exp. as a % of Total Exp.	No. of Employees	Average Personnel Cost per Employee (R'000)
Programme 1: Administration	54 964	22 172	64%	32	693
Programme 2: Empowerment and Economic Development	871	1 717	5%	5	343
Programme 3: Professional Skills and Capacity Development	321	4 628	13%	4	1 157
Programme 4: Research and Knowledge Management	286	2 387	7%	3	796
Programme 5: Public Protection, Policy and Legislation	1 007	3807	11%	6	635
TOTAL	57 449	34 712	100%	50	694

Table 45: Personnel Cost by Salary Band

Level	Personnel Expenditure (R'000)	Personnel Exp. as % of Total Personnel Cost (R'000)	No. of Employees	Average Personnel Cost per Employee (R'000)
Top Management	4 555	13%	4	1 139
Senior Management	5 249	15%	6	874
Professionally qualified	14 881	43%	14	1 063
Skilled	7 495	22%	12	625
Semi-skilled	2 114	6%	12	176
Unskilled	419	1%	2	209
TOTAL	34 712	100%	50	694

Table 46: Performance Rewards

Level	Performance Rewards	Personnel Expenditure (R'000)	Performance Rewards as a % of Total Personnel Cost
Top Management	-	4 555	-
Senior Management	39	5 249	0.74%
Professionally qualified	117	14 881	0.78%
Skilled	-	7 495	-
Semi-skilled	-	2 114	-
Unskilled	-	419	-
TOTAL	156	34 712	0.45%

Table 47: Training Costs

Programme	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost	No. of Employees	Average Training Cost per Employee
Programme 1: Administration	22 172	126	0.57%	9	14
Programme 2: Empowerment and Economic Development	1 717	0	0%	0	0
Programme 3: Professional Skills and Capacity Development	4 628	8	0.17%	1	8
Programme 4: Research and Knowledge Management	2 387	6	0.25%	1	6
Programme 5: Public Protection, Policy and Legislation	3 807	0	0%	0	0
TOTAL	34 712	140	0.4%	11	13

The training expenditure reflected above represents educational assistance in tuition fees, books and professional membership subscriptions.

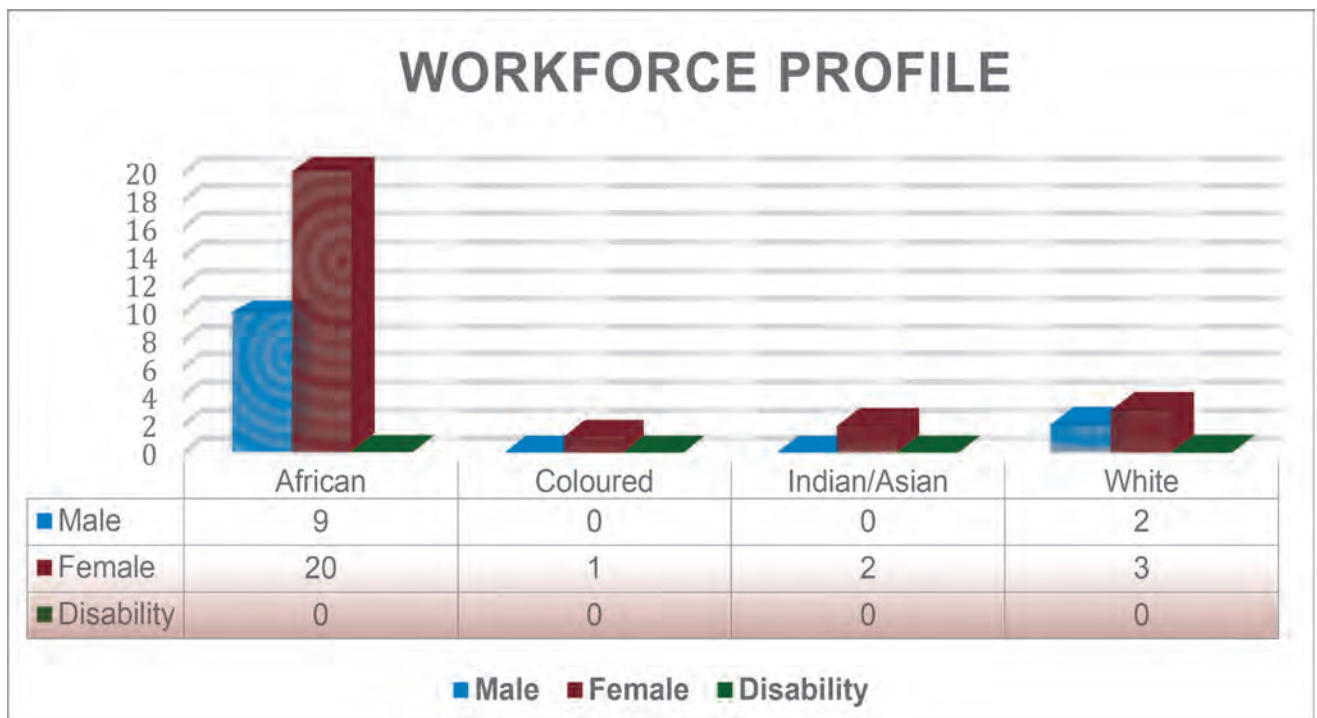


Figure 6: Workforce Profile

The CBE's restructuring expanded its structure to accommodate the revised strategic mandate. At the beginning of the 2022/23 financial year, the organisation still operated with its 'old' organisational structure of a total of 40 posts; the new approved structure with 69 posts was adopted and implemented as per the approved implementation plan.

Recruitment for vacant positions is implemented in a phased approach due to budget constraints; therefore positions are prioritised in each financial year. In the 2022/23 financial year, nine (9) positions were prioritised.

Table 48: Employment and Vacancies per Level

The table below indicates the number of approved positions, current employees and vacancies during the reporting period.

Level	Approved Posts	No. of Employees	Vacancies (Funded)	Vacancies (Unfunded)
Top Management	5	3	1	1
Senior Management	1	1	0	0
Professionally Qualified	18	11	3	4
Skilled	14	7	2	5
Semi-skilled	29	10	4	14
Unskilled	2	2	0	0
TOTAL	69	35	10	24

Vacancies

The following vacant positions were prioritised for the 2022/23 financial year:

Table 49: Prioritised Positions

Position	Division	Status / Way Forward
Chief Shared Services Officer	Shared Services	Appointed
Chief Transformation Officer	Transformation	Appointed
Information Technology Specialist	Shared Services	Re-advertised
Strategic Support and Engagement Specialist	Office of the CEO	Appointed
Researcher	Shared Services	Appointed
Secretary to CTO	Transformation	Appointed

Position	Division	Status / Way Forward
Secretary to CFO	Finance	Appointed
Monitoring and Evaluation Officer	Office of the CEO	Appointed
Senior IT Support Technician	Shared Services	Appointed
Paralegal	Shared Services	Appointed

The following changes took place during the period under review:

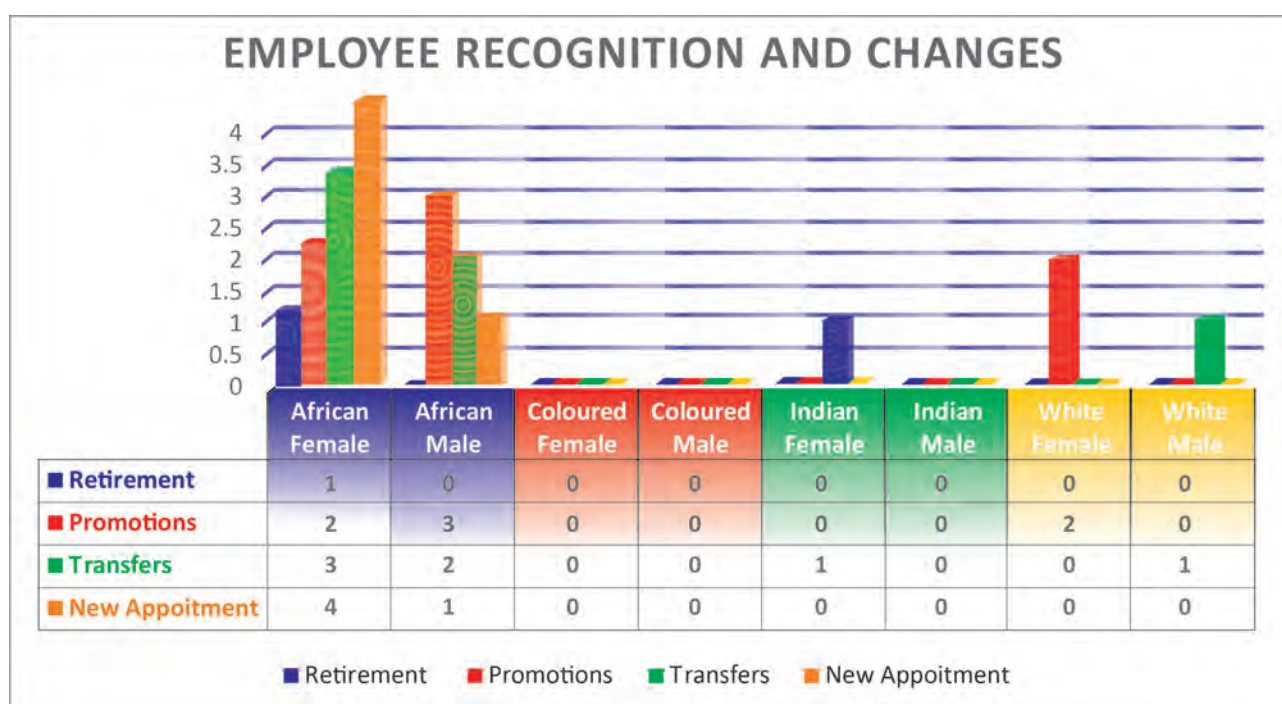


Figure 7: Employee Recognition and Changes

- i. The following positions were re-structured, re-evaluated and upgraded. The incumbents were promoted to a higher grade during the organisation review, as determined by the skill audit report and in line with the organisation's new strategic direction:

Former Position	Revised Position
Workplace Training Specialist	Transformation Programme Specialist: Women Empowerment and Gender Equality
Skills Development Practitioner	Transformation Programme Specialist: Health, Safety, Public Protection and Universal Access
Transformation Coordinator	Transformation Programme Specialist: Occupation Specific Dispensation
Skills Development Manager	Transformation Programme Specialist: Professional Skills Capacity Development
Policy Analyst	Transformation Programme Specialist: Policy, Procurement and Socio-Economic Development

- ii. The Researcher position was re-named **Senior Research Specialist** for the incumbent to lead the Research unit.
- iii. The revised structure rendered the Transformation Programme Manager role redundant; the incumbent moved to **Manager: Special Programmes**.
- iv. The **HR Manager** role was downgraded to one level lower. The incumbent opted for early retirement, hence an internal qualifying resource was promoted to the position.
- v. A Branding and Marketing unit was formed where two internal incumbents occupy the positions of **Branding, Marketing and Editing Specialist** and **Branding and Marketing Coordinator**.
- vi. A **Communications Associate** role was created in the Office of the CEO to focus on CBE's communication content. An internal qualified resource moved into the position.
- vii. The Executive Assistant role was upgraded to **Strategic Coordinator** and the incumbent was promoted.
- viii. A **Secretariat Specialist** role was created and the internal incumbent who served as Committee Secretary was promoted to the role.
- ix. The former Transformation Projects Officer was promoted to **Transformation Collaborative Committee: Committee Secretary**.
- x. The CBE celebrated the **retirement** of the **Human Resource Manager** who served the organisation for 19 years.
- xi. The **Senior IT Support Technician** was filled as a permanent position.

Staff turnover

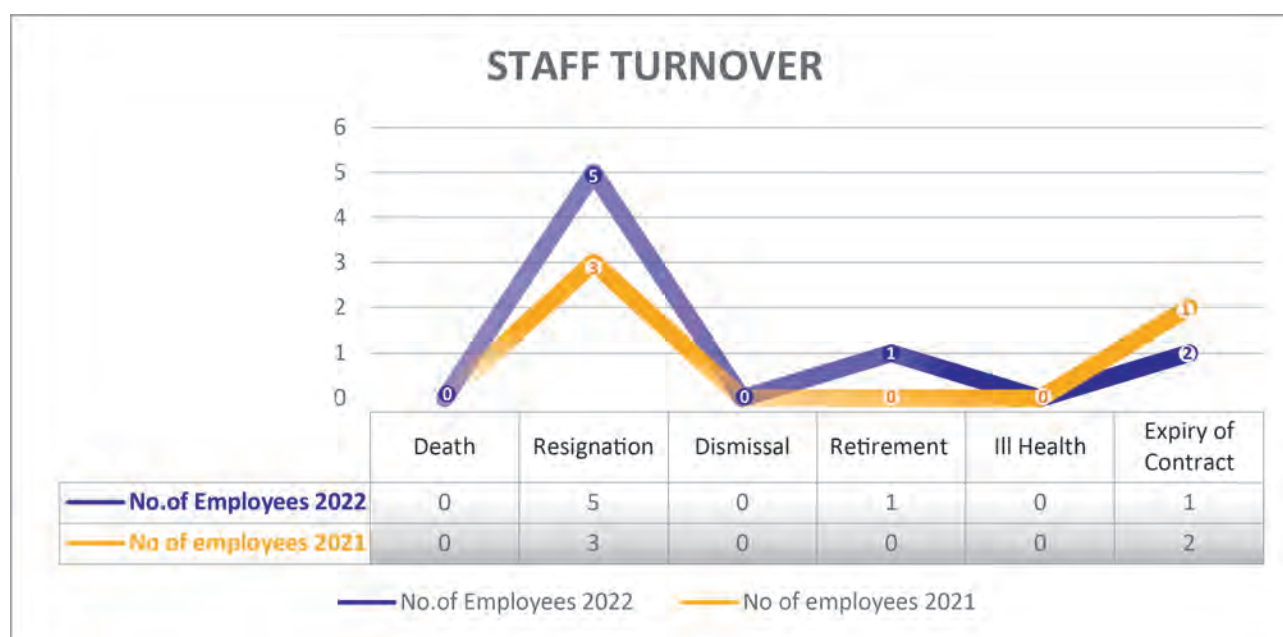


Figure 8: Reasons for Staff Leaving

These terminations listed below in 2022 significantly impacted the operations of the organisation:

- a) The **Chief Operations Officer** and the **Chief Financial Officer** exited the CBE on 31 July 2022, creating a vacuum at the executive level.
- b) **Legal Manager** and **IT Manager**: Temporary resources were acquired; however, the challenge with this alternative was that they were not familiar with CBE processes and IT performance and contracts management capability.
- b) The **Human Resources Manager** went on early retirement. There was a cost saving for the organisation in this exercise as the internal qualifying resource was appointed at a lower level.
- c) The contract of the temporary **Paralegal** ended.

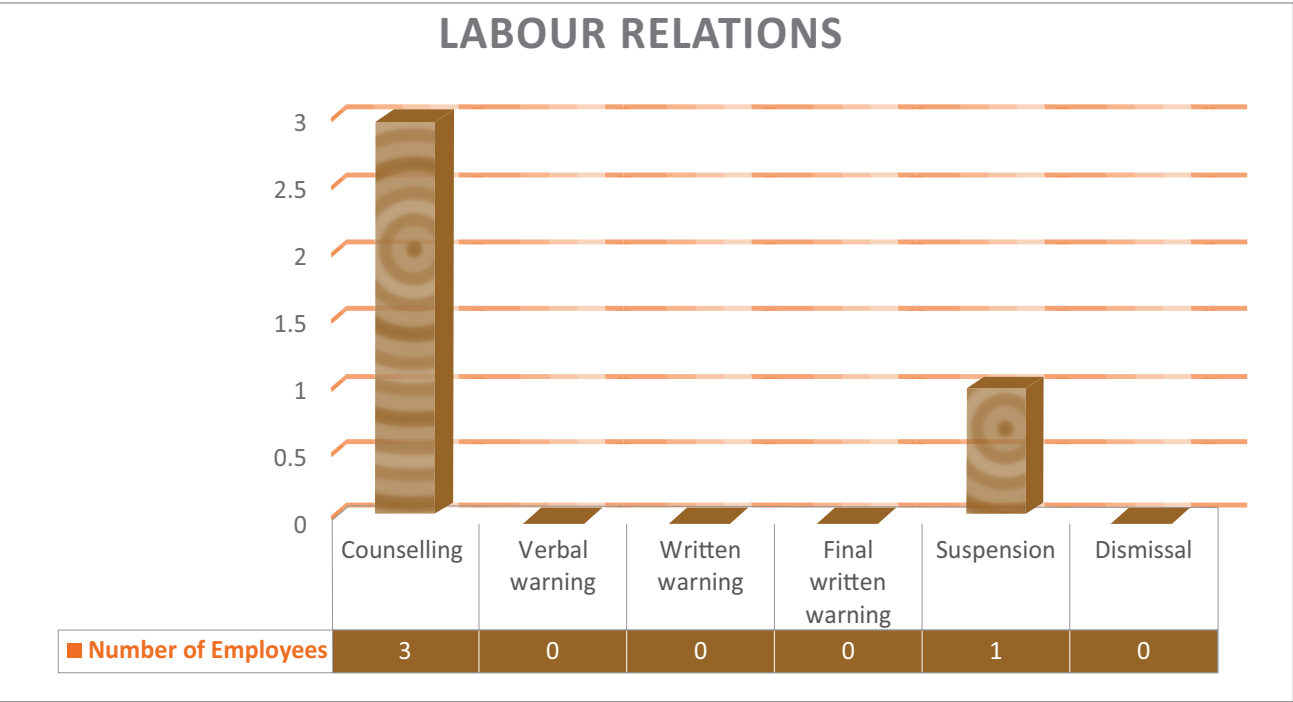


Figure 9: Labour Relations: Misconduct and Disciplinary Action

Counselling was administered in three (3) cases. One suspension was uplifted and the process finalised.

Table 50: Equity Targets and Employment Equity Status

Demographics:

The demographic representation below highlights the CBE's current statistics as compared to the latest Stats SA population data.

Population Group	Male			Female			Total		
	No	Percentage Male Distribution		No	Percentage Female Distribution		No	Percentage of Total Distribution	
		CBE	SA Population		CBE	SA Population		CBE	SA Population
African	8	80.0	81.0	16	69.6	81.0	24	72.7	81.0
Coloured	0	0.0	8.8	1	4.3	8.8	1	3.0	8.8
Indian /Asian	0	0.0	2.7	2	8.7	2.5	2	6.1	2.6
White	2	20.0	7.6	4	17.4	7.7	6	18.2	7.7
Total	10	100.0		23	100.0		33	100.00	

**Due to rounding off, the total may not add up to 100%. The target figures provided are benchmarked with the latest Statistics SA demographic data mid-year population estimates for South Africa by population group and sex, 2022, (P0302 July 2022)*

- Representations were exceeded with African male, white male and female as well as Indian/Asian female employees. The CBE will continuously endeavour to correct this with the appointment of African females and coloured males or females, and Indian/Asian males in its future recruitments.
- Disabled personnel are yet to be represented; the CBE continues to encourage applicants in its vacancy advertisements.



Annual Report

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C O U N C I L
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Highveld Technopark
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Independent auditor's report to Parliament on the Council for the Built Environment

Report on the audit of the financial statements

Opinion

1. We have audited the financial statements of the Council for the Built Environment set out on pages 237 to 285, which comprise the statement of financial position as at 31 March 2023, statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In our opinion, the financial statements present fairly, in all material respects, the financial position of the Council of the Built Environment as at 31 March 2023 and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, Act No. 1 of 1999 (PFMA).

Basis for opinion

3. We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

Audit. Tax. Advisory.

Chairperson: Mrs A Ramasike | Chief Executive Officer: Mr B Adam
SAB&T Chartered Accountants Incorporated t/a Nexia SAB&T
Company Registration Number: 1997/018869/21 | IRBA Registration Number: 921297
Offices in: Bloemfontein, Cape Town, Centurion, Durban, Johannesburg, Kimberley, Nelspruit, Polokwane, Port Elizabeth, Rustenburg
B-BBEE rating: Level 1 Contributor in terms of Generic Scorecard - B-BBEE Codes of Good Practice
SAB&T Chartered Accountants Incorporated is a member of Nexia, a leading, global network of independent accounting and consulting firms.
SAB&T Chartered Accountants Incorporated is an authorised financial services provider.
* A full list of directors is available for inspection at the company's registered office or on request.

4. We are independent of the public entity in accordance with the Code of professional conduct for auditors of the Independent Regulatory Board for Auditors (IRBA) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our 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 corresponding sections of the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards).
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the accounting authority for the financial statements

6. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with SA Standards of GRAP and the requirements of the PFMA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the accounting authority either intends to liquidate the public entity or to cease operations or has no realistic alternative but to do so.

Responsibilities of the auditor for the audit of the financial statements

8. Our 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 our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

9. A further description of our responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

10. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, we must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for selected programmes presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
11. We selected the following programmes presented in the annual performance report for the year ended 31 March 2023 for auditing. We selected programmes that measures the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Empowerment and Economic Development (Previously Transformation)	68-85	Providing platforms for the sharing of knowledge and the establishment of partnerships.
Professional Skills and Capacity Development (Previously Skills Development)	86-104	Coordination of an enabling Built Environment Skills Pipeline from school to professional level.

12. We evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.

13. We performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives;
- the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements;
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated;
- the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents;
- the reported performance information is presented in the annual performance report in the prescribed manner;
- there are adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

14. We performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion.

15. We did not identify any material findings on the reported performance information for the selected programmes.

Other matter

We draw attention to the matter below:

Achievement of planned targets

16. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and under achievements.

17. Reasons for the underachievement of targets are included in the annual performance report on pages 44 to 45.

Report on compliance with legislation

18. In accordance with the PAA and the general notice issued in terms thereof, we must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.
19. We performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA findings engagement methodology. This engagement is not an assurance engagement. Accordingly, we do not express an assurance opinion or conclusion.
20. Through an established AGSA process, we selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
21. We did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

22. The accounting authority 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, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
23. Our opinion on the financial statements and our findings on the reported performance information and the report on compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion on it.
24. In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements

and the selected programmes presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

25. If based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report that fact. We have nothing to report in this regard.

Internal control deficiencies

26. We considered internal control relevant to our audit of the financial statements, annual performance report and compliance with applicable legislation; however, our objective was not to express any form of assurance on it.
27. We did not identify any significant deficiencies in internal control.

Other reports

28. We draw attention to the following engagements conducted by various parties. These reports did not form part of our opinion on the financial statements or our findings on the reported performance information or compliance with legislation.
29. The investigation involving the assessment of the settlement agreement with a former employee was concluded in the current year. This decision to settle was withdrawn on 16 March 2023.
30. An investigation into allegations of misconduct by former key personnel and former Council members for the 2015/2016 to 2017/18 financial years was concluded on 25 August 2021. Disciplinary actions were executed and completed respectively on the 10 October 2022 and 11 April 2023.
31. Two cases related to non-compliance with the competitive bidding threshold in the Supply Chain Management Unit relating to the 2014/15 financial year are being investigated by the SAPS. The investigations by the SAPS are still ongoing at the time of this report.

32. Four alleged incidents of irregular expenditure were investigated. The final report was issued on 14 December 2020, and remedial controls that were recommended in the report were implemented on 19 January 2023.
33. A further case of irregular expenditure was identified during the 2022/23 financial year and is currently under investigation to determine whether any non-compliance has occurred. A draft report was compiled for consideration by those charged with governance at the date of this report.

Auditor tenure

34. In terms of the IRBA rule published in Government Gazette No. 39475 dated 4 December 2015, we report that Nexia SAB&T has been the auditor of the Council for the Built Environment for 4 years.

Nexia SAB&T

Nexia SAB&T
Per: Muhammed Fazel Sulaman
Director
Registered Auditor
31 July 2023



Annexure to the auditor's report

The annexure includes the following:

- the auditor's responsibility for the audit
- the selected legislative requirements for compliance testing.

Auditor's responsibility for the audit

Professional judgement and professional scepticism

1. As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the financial statements and the procedures performed on reported performance information for selected programmes and on the public entity's compliance with selected requirements in key legislation.

Financial statements

2. In addition to our responsibility for the audit of the financial statements as described in this auditor's report, we 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 our 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 public entity's internal control.
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the public entity to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify our opinion on the financial statements. Our conclusions are based on the information available to us at the date of this auditor's report. However, future events or conditions may cause a public entity to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance.

3. We communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
4. We also provide the accounting authority with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to have a bearing on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

5. The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA).	The Act, including the relevant regulations and instructions issued in terms of the Act
Preferential Procurement Policy Framework Act 5 of 2000.	The Act, including the relevant regulations and instructions issued in terms of the Act
Broad-based Black Economic Empowerment Act 53 of 2003	The Act, including the relevant regulations and instructions issued in terms of the Act

Annual Financial Statements for the year ended 31 March 2023

Accounting Authority's Responsibilities and Approval

The CBE Council is required by the Public Finance Management Act (Act 1 of 1999) 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 CBE Council to ensure that the annual financial statements fairly present the state of affairs of the CBE as 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 granted 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 CBE Council acknowledges that they are ultimately responsible for the system of internal financial control established by the CBE and place considerable importance on maintaining a strong control environment. To enable the CBE Council to meet these responsibilities, the Accounting Authority (the CBE 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 the CBE; all employees are required to maintain the highest ethical standards in ensuring the CBE's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the CBE is on identifying, assessing, managing and monitoring all known forms of risk across the CBE. While operating risk cannot be fully eliminated, the CBE endeavors to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The CBE 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 defalcation.

The CBE Council have reviewed the CBE's cash flow forecast for the year to 31 March 2024 and, in light of this review and the current financial position, it is satisfied that the CBE has or has access to adequate resources to continue in operational existence for the foreseeable future.

The CBE is dependent on the Department of Public Works and Infrastructure (DPWI) for continued funding of its operations. The annual financial statements are prepared on the basis that the CBE is a going concern and that the DPWI has neither the intention nor the need to liquidate or curtail materially the scale of the CBE's operations.

The external auditors are responsible for independently reviewing and reporting on the CBE's annual financial statements. The annual financial statements have been examined by the CBE's external auditors and their report is presented on page 226. The annual financial statements set out on pages 238 to 286, which have been prepared on the going concern basis, were approved by the Accounting Authority on May 31, 2023 and were signed on its behalf by:



Ms. Amelia Mtshali
Chairperson: Council for the Built Environment

Statement of Financial Position as at 31 March 2023

Figures in Rand thousand	Note	2023	2022
Assets			
Current Assets			
Cash and cash equivalents	3	10 625	10 197
Operating lease asset	4	-	96
Receivables from exchange transactions	5	-	152
Receivables from non-exchange transactions	6	1 778	943
		12 403	11 388
Non-Current Assets			
Other financial assets	7	53	52
Property, plant and equipment	8	5 226	2 449
Intangible assets	9	2 977	1 955
		8 256	4 456
Assets		20 659	15 844
Liabilities			
Current Liabilities			
Operating lease liability	4	397	-
Finance lease obligation	10	-	70
Payables from exchange transactions	11	3 745	2 960
Provisions	12	657	501
Employee benefit obligations	13	4 221	2 054
		9 020	5 585
Non-Current Liabilities			
Operating lease liability	4	1 328	-
Total Liabilities		10 348	5 585
Accumulated surplus		10 311	10 259
Total Net Assets		10 311	10 259

Statement of Financial Performance

Figures in Rand thousand	Note	2023	2022
Revenue			
Revenue from exchange transactions			
Appeal fees		5	10
Insurance proceeds		358	40
Other income		51	191
Interest received		492	584
Total revenue from exchange transactions		906	825
Revenue from non-exchange transactions			
Grants and subsidies		54 495	53 528
Levies		2 102	1 711
Total revenue from non-exchange transactions		56 597	55 239
Total revenue	14	57 503	56 064
Expenditure	15		
Employee costs	15	(36 828)	(32 599)
Governance Committees' remuneration	16	(2 059)	(2 186)
Depreciation and amortisation	17	(2 220)	(2 385)
Impairments of financial instruments		-	(48)
Finance costs	18	(6)	(39)
Lease rental on operating lease	19	(4 288)	(5 753)
Bad debts written off		(5)	(120)
Internal audit fees		(824)	(1 234)
Auditor's remuneration		(1 363)	(1 297)
Loss on disposal of assets and liabilities		(60)	(138)
General expenses	20	(4 942)	(4 083)
Computer expenses		(1 166)	(729)
Consulting and professional fees		(2 009)	(1 644)
Mentor fees		-	(897)
Travel - local		(1 681)	(634)
Total expenditure		(57 451)	(53 786)
Surplus for the year		52	2 278

Statement of Changes in Net Assets

Figures in Rand thousand	Accumulated surplus	Total net assets
Balance at 01 April 2021	7 981	7 981
Changes in net assets		
Surplus for the year	2 278	2 278
Total changes	2 278	2 278
Balance at 01 April 2022	10 259	10 259
Changes in net assets		
Surplus for the year	52	52
Total changes	52	52
Balance at 31 March 2023	10 311	10 311

Cash Flow Statement

Figures in Rand thousand	Note	2023	2022
Cash flows from operating activities			
Receipts			
Cash receipts from customers		1 304	1 134
Grants		54 495	53 528
Interest income		486	577
Other cash items	22	556	10
		56 841	55 249
Payments			
Payments to employees and suppliers		(52 029)	(52 688)
Finance costs		(6)	(39)
		(52 035)	(52 727)
Net cash flows from operating activities	21	4 806	2 522
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(1 978)	(565)
Purchase of other intangible assets	9	(2 330)	(1 097)
Receipts from financial assets		6	5
Net cash flows utilised in investing activities		(4 302)	(1 657)
Cash flows from financing activities			
Finance lease payments		(76)	(91)
Net increase/(decrease) in cash and cash equivalents		428	774
Cash and cash equivalents at the beginning of the year		10 197	9 423
Cash and cash equivalents at the end of the year	3	10 625	10 197

Budget on Cash Basis

Figures in Rand thousand	Approved Budget	Adjustments	Final Budget	Actual amounts on a comparable basis	Difference between final budget and actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Other income	558	-127	431	404	-27	
Interest received	937	-468	469	486	17	
Total revenue from exchange transactions	1 495	-595	900	890	-10	
Revenue from non- exchange transactions						
Transfer revenue						
Grants and subsidies	54 495	-	54 495	54 495	-	
Levies	2 405	-	2 405	1 304	(1 101)	31.1
Total revenue from non-exchange transactions	56 900	-	56 900	55 799	(1 101)	
Total revenue	58 395	-595	57 800	56 689	(1 111)	
Expenditure						
Personnel	(35 314)	586	(34 728)	(34 680)	48	
General expenses	(23 081)	9	(23 072)	(21 511)	1 561	31.2
Total expenditure	(58 395)	595	(57 800)	(56 191)	1 609	
Operating surplus -		-	-	498	498	

2023

2022

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance and are in compliance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with section 91(1) of the Public Finance Management Act (Act 1 of 1999).

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.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

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.

The amounts in the annual financial statements are rounded off to the nearest one thousand rand.

1.2 Going concern assumption

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.3 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements.

Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.4 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:

1.4 Significant judgements and sources of estimation uncertainty (continued)

Impairment testing

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in Note 12 - Provisions.

Effective interest rate

The entity used the prime interest rate to discount future cash flows.

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 cash flows discounted at the effective interest rate, computed at initial recognition.

Impairment of trade receivables

The entity assesses its trade 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.

Intangible assets

If computer hardware can operate without the software, then the software is recognised as an intangible asset and not property, plant and equipment.

Property, plant and equipment

Plant and equipment are considered for impairment if there is any reason to believe, after applying the internal and external impairment indicators, that impairments may be necessary. Residual values and estimated useful lives are assessed on an annual basis. The estimate is based on the industry norm. Depreciation is estimated on the pattern in which an asset's future economic benefits or service potential is expected to be consumed by the entity. The residual value of all other assets are estimated as the price which the entity will receive in an open market with willing buyers and based on historical disposal data.

1.5 Property, plant and equipment

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 entity
 - the cost of the item can be measured reliably
- Property, plant and equipment is initially measured at cost.

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

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment are 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
Furniture and fixtures	Straight-line	12 - 20 years
Office equipment	Straight-line	2 - 20 years
IT equipment	Straight-line	6 - 15 years
Leasehold improvements	Straight-line	5 years
Signage	Straight-line	5 years

The entity assesses at each reporting date whether there is any indication that the entity's 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 entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

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.

1.6 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity and
- the cost or fair value of the asset can be measured reliably

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

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. 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.

Amortisation is provided to write down the intangible assets to their residual values as follows:

Item	Amortisation method	Average useful life
Computer software	Straight-line	1 - 5 years

Intangible assets are derecognised:

- on disposal or
- when no future economic benefits or service potential is 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.

1.7 Financial instruments

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

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.

A concessionary loan is a loan granted to or received by an entity on terms that are not market related.

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 entity's statement of financial position.

The effective interest rate 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 entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) 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 entity 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 entity or
- a contractual right to:
 - receive cash or another financial asset from another entity
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

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

- deliver cash or another financial asset to another entity or

1.7 Financial instruments (continued)

- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity

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 entity 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.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

Initial recognition

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent measurement of financial assets and financial liabilities

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value
 - Financial instruments at amortised cost
 - Financial instruments at cost
- All financial assets measured at amortised cost, or cost, are subject to an impairment review.

Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties: and if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

1.8 Financial instruments (continued)

If there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, the entity uses that technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on entity-specific inputs. It incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. Periodically, an entity calibrates the valuation technique and tests it for validity using prices from any observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on any available observable market data.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

Impairment and uncollectibility of financial assets

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets measured at amortised cost:

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly or by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Derecognition Financial assets

The entity derecognises financial assets using trade date accounting.

1.7 Financial instruments (continued)

The entity derecognises a financial asset only when:

- * the contractual rights to the cash flows from the financial asset expire, are settled or waived
- * the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset
- * the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:

derecognises the asset

- recognises separately any rights and obligations created or retained in the transfer

The carrying amounts of the transferred asset are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date.

Newly created rights and obligations are measured at their fair values at that date. Any difference between the consideration received and the amounts recognised and derecognised is recognised in surplus or deficit in the period of the transfer.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

Presentation

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit. In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

1.7 Financial instruments (continued)

Classification

The entity 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
Other financial assets	Financial asset measured at amortised cost
Trade and other receivables from exchange transactions	Financial asset measured at amortised cost
Trade and other receivables from non-exchange transactions	Financial asset measured at amortised cost

The entity 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
Payables from exchange transaction	Financial liability measured at amortised cost
Finance lease obligation	Financial liability measured at amortised cost

1.9 Statutory receivables

Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

Recognition

The entity recognises statutory receivables as follows:

- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers)

Initial measurement

The entity initially measures statutory receivables at their transaction amount.

1.8 Statutory receivables (continued)

Subsequent measurement

The entity measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable)
- impairment losses
- amounts derecognised

Accrued interest

Where the entity levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the entity is required or entitled in terms of legislation, supporting regulations, by-laws or similar means to levy additional charges on overdue or unpaid amounts, and such charges are levied, the entity applies the principles as stated in "Accrued interest" above, as well as the relevant policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and transfers).

Impairment losses

The entity assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the entity considers, as a minimum, the following indicators:

- Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent
- It is probable that the debtor will enter sequestration, liquidation or other financial re-organisation
- A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied)
- Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the entity measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

1.8 Statutory receivables (continued)

In estimating future cash flows, an entity considers both the amount and timing of cash flows it will receive in future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk-free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

Derecognition

The entity derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived
- the entity transfers to another party substantially all of the risks and rewards of ownership of the receivable or
- the entity, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognises the receivable and
 - recognises separately any rights and obligations created or retained in the transfer

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.9 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.

1.9 Leases(continued)

Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of return on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

Accounting treatment for tenant improvement allowance emanating from operating leases, the CBE initially records the allowance as an incentive (which is a deferred credit), and amortizes it over the lesser of either the term of the lease or the useful life of the improvements, with no residual value.

1.10 Impairment of cash-generating assets

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.

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.

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 of 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

1.10 Impairment of cash-generating assets (continued)

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the entity recognises a liability only to the extent that it is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of impairment loss

The entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.11 Employee benefits

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

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 considered in exchange for service rendered by employees.

1.11 Employee benefits (continued)

A constructive obligation is an obligation that derives from an entity's actions whereby 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.

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- wages, salaries and social contributions.
- short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service.
- bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service.
- non-monetary benefits (for example, medical aid, free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The average of the last three months basic salary is used to calculate the expected cost.

The entity recognises the expected cost of bonus, incentive and performance related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

Multi-employer plans

The entity classifies a multi-employer plan as a defined contribution plan or a defined benefit plan under the terms of the plan (including any constructive obligation that goes beyond the formal terms).

Where a plan is a defined contribution plan, the entity accounts for it in the same way as for any other defined contribution plan.

1.12 Provisions and contingencies

Provisions are recognised when:

- the entity 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
- 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.

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 discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

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.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating surplus (deficit).

If the entity has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in Note 24.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

The entity recognises a provision for financial guarantees and loan commitments when it is probable that an outflow of resources embodying economic benefits and service potential will be required to settle the obligation and a reliable estimate of the obligation can be made.

Determining whether an outflow of resources is probable in relation to financial guarantees requires judgement. Indications that an outflow of resources may be probable are:

- financial difficulty of the debtor
- defaults or delinquencies in interest and capital repayments by the debtor
- breaches of the terms of the debt instrument that result in it being payable earlier than the agreed term and the ability of the debtor to settle its obligation on the amended terms
- a decline in prevailing economic circumstances (e.g. high interest rates, inflation and unemployment) that impact on the ability of entities to repay their obligations

1.12 Provisions and contingencies (continued)

Where a fee is received by the entity for issuing a financial guarantee and/or where a fee is charged on loan commitments, it is considered in determining the best estimate of the amount required to settle the obligation at reporting date. Where a fee is charged and the entity considers that an outflow of economic resources is probable, the entity recognises the obligation at the higher of:

- the amount determined using the Standard of GRAP on Provisions, Contingent Liabilities and Contingent Assets and
- the amount of the fee initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the Standard of GRAP on Revenue from Exchange Transactions

1.13 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.

An exchange transaction is one in which the entity 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.

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.

Measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

Interest

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

- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity and
- the amount of the revenue can be measured reliably

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

1.14 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the entity, which represents an increase in net assets, other than increases relating to contributions from owners.

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.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

1.14 Revenue from non-exchange transactions (continued)

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

The leviable event is the event that the government, legislature or other authority has determined will be subject to levies.

Levies are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Levies do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Measurement

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

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognizes 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.

1.15 Borrowing costs

Borrowing costs are interest and other expenses incurred by the entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.16 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.17 Irregular expenditure

Irregular expenditure as defined in section 1 of the PFMA is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including -

1.17 Irregular expenditure (continued)

- (a) this Act
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act
- (c) any provincial legislation providing for procurement procedures in that provincial government

National Treasury Practice Note No. 2 of 2019/2020, which was issued in terms of sections 76(2)(e) and 76(4)(a) of the PFMA, requires the following (effective from 17 May 2019):

When an Assessment of an alleged transaction, related to irregular expenditure, was identified and in the process of confirmation, no disclosure of the amount will be made in the irregular expenditure note.

Upon the Determination of irregular expenditure, when the alleged transaction was confirmed to be irregular expenditure, the amount of confirmed irregular expenditure is disclosed in the irregular expenditure note. Further determination to identify facts and losses related to the transaction must be disclosed in the sub note, Irregular expenditure under Determination, including supplementary disclosure on disciplinary steps taken.

Confirmed irregular expenditure is investigated in order to establish facts, whether the transgression is related to fraudulent, corrupt and other criminal conduct. The amount of irregular expenditure is then disclosed in the irregular expenditure note and the progress of the investigation in the sub note, Irregular Expenditure under investigation.

If losses were incurred and the State did not achieve value for money, the amount of losses to be recovered in the current year (if practical) must be determined. The amount of losses recovered must be disclosed in the irregular expenditure note under Amount not Condoned and Recoverable. If it can be demonstrated that it is impractical to determine total losses incurred, the details and reasons as to why the amount cannot be quantified must be disclosed.

If losses incurred are irrecoverable, the amount must be determined, and written off in terms of the CBE's Debt Write Off Policy. The amount is disclosed as losses irrecoverable under the amounts not Condoned and not Recoverable.

If losses were not incurred and value for money was achieved, and the transgression was free of fraudulent, corrupt or other criminal conduct, condonation of the irregular expenditure must be requested. If the amount of irregular expenditure is condoned by the relevant authority, the amount will be disclosed as current year amounts condoned. If the transgression took place in the previous year, the expenditure will be disclosed as prior year amounts condoned.

If irregular expenditure was not condoned by the relevant authority, the irregular expenditure will be referred to the Accounting Officer or Accounting Authority for removal and the amount will be disclosed as losses irrecoverable, in the irregular expenditure note under Amounts not Condoned and not recoverable.

If fraudulent, corrupt or other criminal conduct is alleged or confirmed, supplementary disclosure on criminal proceedings instructed will be disclosed.

1.18 Budget information

Entities 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.

1.18 Budget information (continued)

General purpose financial reporting by entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2022/04/01 to 2023/03/31.

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.

1.19 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 entity, including those charged with the governance of the entity 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 entity.

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from the disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.20 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:

- provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date)
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date)

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The entity 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.

1.21 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the financial statements, after consideration of the following:

- Contracted commitments should be disclosed, i.e. the entity and the supplier must have entered into a contract, at the reporting date and
- the disclosure is not limited to contracts that are non-cancellable or only cancellable at a significant cost to the entity

The commitments disclosed is the portion of the commitment that has not been received and not yet recorded in the financial statements as an accrual or payable.

Contracts which were finalised after the reporting date, but where the process started before the reporting date, will not be disclosed as commitments at reporting date. If there were material contracts entered into after reporting date, but before approval of the financial statements, these contracts will be considered in accordance with events after the reporting date and disclosed accordingly.

Notes to the Annual Financial Statements

2. New standards and interpretations

2.1 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2023 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
GRAP 25 (amended): Employee benefits	April 1, 2023	Unlikely there will be a material impact.
Guideline: Guideline on Accounting for Landfill Sites	April 1, 2023	No impact on the CBE as it does not have landfill sites.
*iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction	April 1, 2023	No impact as the CBE does not have any defined benefit plan assets.
Guideline: Guideline on the Application of Materiality to Financial Statements	Not yet determined	Unlikely there will be a material impact.
GRAP 104 (as revised): Financial Instruments	April 1, 2025	Unlikely there will be a material impact.
iGRAP 21: The Effect of Past Decisions on Materiality	April 1, 2023	Unlikely there will be a material impact
GRAP 1 (amended): Presentation of Financial Statements (Changes agreed as part of developing the guideline on Materiality)	01 April 2023	Unlikely there will be a material impact
GRAP 1 (amended): Presentation of Financial Statements	01 April 2025	Unlikely there will be a material impact.

Notes to the Annual Financial Statements

Figures in Rand thousand

2023

2022

3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	5	14
Bank balances	1 888	2 101
Short-term deposits	6 359	5 812
Other secured cash and cash equivalents	2 373	2 270
	10 625	10 197

A bank guarantee has been issued to the value of R344 888 in favour of the landlord for the leasehold premises. The guarantee will expire on 31 March 2028.

Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating

F1+ (ZAF) Fitch Rating

10 625	10 197
--------	--------

4. Operating lease asset/ liability

Current assets	-	96
Non-current liabilities	1 328	-
Current liabilities	397	-
	1 725	(96)

Operating lease payments represent rentals payable by the CBE for its new office accommodation. The CBE lease was set to expire on 31 March 2022, however it was extended for a further eight months ending 30 November 2022 to finalise the fit-out of the new leased premises.

CBE obtained new leased premises which was occupied from 01 January 2023. The lease is for a five-year term, with a 5% escalation per annum. No contingent rent is payable. The landlord provided the CBE with a tenant installation allowance amortised over five years.

The operating lease expenses are smoothed on a straight-line basis over the lease term. Any over or under payment as a result of the smoothing is recognised in the statement of financial position as a liability or asset, until the time that payments in the future reverses the smoothing to zero by the end of the lease period.

Notes to the Annual Financial Statements

Figures in Rand thousand	2023	2022
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5. Receivables from exchange transactions

Trade receivables

-	152
---	-----

None of the trade and other receivables from exchange transactions have been pledged as security for any liability or contingent liability.

Trade and other receivables impaired

As of 31 March 2023, trade and other receivables of R - (2022: R 272 000) were impaired and provided for.

The amount of the provision was R -Nil as of 31 March 2023 (2022: R 120 000).

The ageing of these receivables is as follows:

Over six months

-	120
---	-----

Reconciliation of provision for impairment of trade and other receivables

Opening balance

(120)	-
-------	---

Provision for impairment

-	(120)
---	-------

Amounts written off as uncollectible

120	-
-----	---

-	(120)
---	-------

The creation and release of provision for impaired receivables is included in expenses. Amounts charged to the allowance account are generally written off when there is no expectation of recovering the receivable.

6. Receivables from non-exchange transactions

Levies

1 647	938
-------	-----

Other receivables from non-exchange revenue

131	5
-----	---

1 778	943
-------	-----

Statutory receivables included in receivables from non-exchange transactions above are as follows:

Fees charged in terms of legislation

1 738	938
-------	-----

Financial asset receivables included in receivables from non-exchange transactions above

131	5
-----	---

Total receivables from non-exchange transactions

1 778	943
-------	-----

Notes to the Annual Financial Statements

Figures in Rand thousand	2023	2022
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6. Receivables from non-exchange transactions (continued)

Statutory receivables general information

Transaction(s) arising from statute

Regulation 915 was issued in terms of the Council for the Built Environment Act (No 43 of 2000). It describes the Regulations for charging membership fees and the submission of an annual declaration to the CBE for all registered Built Environment officials.

Determination of transaction amount

The annual levy payable to the CBE has been determined as R42 for a registered Built Environment Professional and R21 for a registered candidate. The levies are paid by the CBEP's to the CBE.

Interest or other charges levied/charged

The CBEPs are liable for interest on all outstanding levy payments due to the CBE at a rate of 2% above the prime overdraft rate.

Receivables from non-exchange transactions pledged as security

None of the trade and other receivables from non-exchange transactions have been pledged as security for any liability or contingent liability.

Receivables from non-exchange transactions past due but not impaired

At 31 March 2023, R 83 834 (2022: R -) Nil were past due but not impaired. The ageing of amounts past due but not impaired is as follows:

Three months past due

83	-
----	---

Receivables from non-exchange transactions impaired

As of 31 March 2023, other receivables from non-exchange transactions of R 5 211 (2022: R -) were impaired and provided for.

The amount of the provision was R 5 211 as of 31 March 2023 (2022: R -). The ageing of these loans is as follows:

Over six months

5	-
---	---

Reconciliation of provision for impairment of receivables from non-exchange transactions

Provision for impairment

(5)	-
-----	---

Notes to the Annual Financial Statements

Figures in Rand thousand	2023	2022
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7. Other financial assets

At amortised cost

DK Pitse

101

100

Due to financial difficulties the terms of the arrangement was renegotiated. The receivable is payable in monthly instalments of R500. Interest is payable at the prime lending rate of 10.5% at inception of the agreement.

101

100

Impairments

(48)

(48)

53

52

Non-current assets

At amortised cost

53

52

Reconciliation of provision for impairment of financial assets at amortised cost

Other financial assets

Opening balance

(48)

-

Provision for impairment

-

(48)

(48)

(48)

Notes to the Annual Financial Statements

Figures in Rand thousand

8. Property, plant and equipment

	2023		2022			
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
Furniture and fixtures	2 460	(1 605)	855	2 448	(1 442)	1 006
Office equipment	1 668	(1 037)	631	1 462	(1 121)	341
IT equipment	4 116	(2 765)	1 351	3 451	(2 366)	1 085
Leasehold improvements	2 534	(151)	2 383	3 313	(3 305)	8
Signage	39	(33)	6	39	(30)	9
Total	10 817	(5 591)	5 226	10 713	(8 264)	2 449

Reconciliation of property, plant and equipment – 2023

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	1 006	66	(26)	(191)	855
Office equipment	341	416	-	(126)	631
IT equipment	1 085	733	(34)	(433)	1 351
Leasehold improvements	8	2 534	-	(159)	2 383
Signage	9	-	-	(3)	6
Total	2 449	3 749	(60)	(912)	5 226

Notes to the Annual Financial Statements

Figures in Rand thousand

8. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	1 198	1	-	(193)	1 006
Office equipment	489	6	-	(154)	341
IT equipment	1 025	589	(122)	(407)	1 085
Leasehold improvements	674	-	-	(666)	8
Signage	28	9	(16)	(12)	9
	3 414	605	(138)	(1 432)	2 449

The current year additions consist of cash purchases amounting to R1 978 000 (2022: R565 000) and non-cash items for PPE under operating lease tenant installation allowance R1 771 000 (2022: R40 000).

Assets subject to finance lease (Net carrying amount)

Office equipment

-	57
3	-
1	-
4	-

Expenditure incurred to repair and maintain property, plant and equipment

Furniture
Office equipment

Notes to the Annual Financial Statements

Figures in Rand thousand

9. Intangible assets

	2023			2022		
	Cost	Accumulated amortisation and accumulated impairment	Carrying value	Cost	Accumulated amortisation and accumulated impairment	Carrying value
	822	-	822	727	-	727
	4 297	(2 142)	2 155	2 497	(1 269)	1 228
	5 119	(2 142)	2 977	3 224	(1 269)	1 955

Reconciliation of intangible assets - 2023

	Opening balance	Additions	Work in progress	Amortisation	Total
Computer software, internally generated	727	-	95	-	822
Other computer software	1 228	2 235	-	(1 308)	2 155
	1 955	2 235	95	(1 308)	2 977

Reconciliation of intangible assets - 2022

	Opening balance	Additions	Work in progress	Amortisation	Total
Computer software, internally generated	-	-	727	-	727
Other computer software	1 811	370	-	(953)	1 228
	1 811	370	727	(953)	1 955

Notes to the Annual Financial Statements

Figures in Rand thousand

2023

2022

9. Intangible assets (continued)

Pledged as security

None of the CBE's intangible assets have been pledged as security for any liability or contingent liability.

The residual values of intangible assets have been assessed to be negligible, as a result they have not been considered in the calculation of the depreciable amount.

The entity has contractual commitments for the acquisition of intangible assets. Refer to Note 23.

Intangible assets in the process of being constructed or developed

Cumulative expenditure recognised in the carrying value of intangible assets

Computer software, internally generated

822

727

Intangible asset currently being developed consists of the development and maintenance of the Integrated Electronic Built Environment System (IEBES). The integration with the CBEP's membership database delayed the commissioning and migration.

The development and maintenance of the Knowledge Management Hub commenced during the year. It is management's intention to commission the system in the 2023/24 financial year.

10. Finance lease obligation

Minimum lease payments due

- within one year

-

76

less: future finance charges

-

(6)

Present value of minimum lease payments

-

70

Present value of minimum lease payments due

- within one year

-

70

It is entity policy to lease certain office equipment under finance leases.

The average lease term was three years and the average effective borrowing rate was 22% in 2023 (2022: 22%).

Interest rates are fixed at the contract date. All leases have fixed repayments and no arrangements have been entered into for contingent rent.

The entity's obligations under finance leases are secured by the lessor's charge over the leased assets. Refer Note 8.

Notes to the Annual Financial Statements

Figures in Rand thousand

2023

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11. Payables from exchange transactions

Trade payables	855	837
Accrued expenses	2 890	2 123
	3 745	2 960

12. Provisions

Reconciliation of provisions - 2023

	Opening Balance	Additions	Total
	242		
Provision for dismantling		15	398
		6	
Provision for general expenses	259	-	259
	501	156	657

Reconciliation of provisions - 2022

	Opening Balance	Utilised during the year	Change in discount factor	Total
Provision for dismantling	226	-	1	242
			6	
Provision for general expenses	266	(7)	-	259
	492	(7)	16	501

The CBE has an obligation to restore its previous leased premises to its original condition. The restoration is highly likely to be executed within the 2023/24 financial year.

There is currently an ongoing service delivery dispute in respect of a forensic investigation conducted. The matter is currently being attended to by the entity's Legal Department and should be finalised within the 2023/24 financial year.

13. Employee benefit obligations

Termination benefits provision	1 291	-
Severance package	1 066	-
Bonus provision	409	377
Provision for leave	1 181	1 409
Provision for 13th Cheque	274	269
	4 221	2 055

Notes to the Annual Financial Statements

During the current year, the CBE raised a provision for bonus payment in relation to performance bonus for the performance period 1 April 2022 to 31 March 2023. The provision for bonus payment is prepared on the basis of prior year's actual performance. The entity's performance has been assessed to be in line with the historic trends, and as such, 2% is management's best estimation. Management is of the view that the amount will be adequate to cover the performance bonus of the organisation for the 2022/23 financial year. Termination benefits provision relates to an after the reporting date event reported under Note 28.

14. Revenue

Appeal fees	5	10
Insurance proceeds	358	40
Other income	51	191
Interest received	492	584
Government grants and subsidies	54 495	53 528
Levies	2 102	1 711
	57 503	56 064

The amount included in revenue arising from exchanges of goods or services are as follows:

Appeal fees	5	10
Insurance proceeds	358	40
Other income	51	191
Interest received	492	584
	906	825

The amount included in revenue arising from non-exchange transactions is as follows:

Transfer revenue

Government grants and subsidies	54 495	53 528
Levies	2 102	1 711
	56 597	55 239

15. Employee related costs

Basic	29 366	27 628
Medical aid - company contributions	1 799	1 561
UIF	161	152
Defined contribution plans	3 340	3 345
Leave pay accrual - change	(227)	(74)
Bonus - movement	32	(13)
Termination benefits	2 357	-
	36 828	32 599

Notes to the Annual Financial Statements

Figures in Rand thousand

2023

2022

15. Employee related costs (continued) Executive Management 2023

Name	Annual Remuneration	Acting allowance	Contribution to UIF, Medical and Pension Fund (R'000)	Subsistence and travel (R'000)	Telephone - and Housing allowance (R'000)	Total (R'000)
Dr. M Myeza - Chief Executive Officer	2 224	-	4	60	28	2 316
Ms. T Moya - Chief Transformation Officer **	229	-	17	-	2	248
Ms. T Mtati - Chief Shared Services Officer**	237	-	9	-	2	248
Ms. L Jansen van Vuuren - Former Chief Financial Officer *	824	-	2	12	14	852
Ms. ZD Mhlongo - Former Chief Operating Officer *	834	-	2	40	14	890
Ms. S Treeby - Acting Chief Financial Officer ***	-	94	-	-	-	94
Mr. P Manamela - Acting Chief Transformation Officer ****	-	69	-	-	-	69
Mr. S Jikeka - Acting Chief Shared Services Officer *****	-	46	-	-	-	46
	4 348	209	34	112	60	4 763

* Resigned on 30 September 2022.

** Appointed on 01 February 2023.

*** Served as Acting Chief Financial Officer from 30 May 2022 to 31 July 2022 and 01 October 2022 to 31 March 2023.

**** Served as Acting Chief Shared Services Officer from 01 August 2022 to 30 September 2022 and from 1 October 2022 to 31 January 2023 as Acting Chief Transformation Officer.

***** Served as Acting Chief Shared Services Officer from 01 October 2022 - 31 January 2023.

Notes to the Annual Financial Statements

Figures in Rand thousand

2023

2022

15. Employee related costs (continued) Executive management 2022

Name	Annual Remuneration	Contribution to UIF, Medical and Pension Fund (R'000)	Subsistence and travel (R'000)	Telephone - and Housing allowance (R'000)	Total (R'000)
Dr. M Myeza – Chief Executive Officer	880	2	11	12	905
Ms. ZD Mhlongo - Chief Operating Officer *	604	2	5	12	623
Ms. L Jansen van Vuuren - Chief Financial Officer	1 440	4	61	27	1 532
Mr. M Mongane – Chief Operating Officer **	357	35	22	6	420
Ms. P Mdlalose - Former Chief Executive Officer ***	468	78	-	6	552
	3 749	121	99	63	4 032

* Appointed on 01 November 2021.

** Resigned on 30 June 2021.

*** Retired on 30 June 2021.

Notes to the Annual Financial Statements

Figures in Rand thousand

2023

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16. Governance Committees' remuneration

Non-executive

2023

	No of meetings	Claim for attendance	Other allowances	Total (R'000)
Mtshali, Amelia (Chairperson)	10	6	5	11
Maraka, Ditaba (Deputy Chairperson)	18	92	11	103
Gavor, Christopher Kobla	6	19	-	19
Mahopo, Seemole Angela	5	22	1	23
Latchu, Ashely	32	111	4	115
Mabilane, Salome Velma	8	9	8	17
Madikane, Thembinkosi Cedric	8	-	4	4
Musetsho, Kgangwelo Desmond	7	29	16	45
Steynberg, Chris	7	22	3	25
Makhudu, Snowy	4	18	4	22
Nyaka, Faith	9	-	2	2
Monakedi, Tshepo	7	-	15	15
Pepeta-Daki, Mandisa	7	63	2	65
Silva, Craig	3	-	2	2
Molebatsi, Modiehi Elisa	7	29	1	30
Mahlawe, Anele Emanuel	7	-	3	3
Mthembu, Sinenhlahlhla Thuleleni	24	97	14	111
Dlamini, Sitsabo Samuel (Former Chairperson)	60	272	6	278
Mogodi, Maphefo (Former Deputy Chairperson)	69	254	10	264
Ndlovu, Hendrick	11	1	1	2
Simelane, Bafikile Bonke	16	49	2	51
Jacobs, Keith Ivor	20	236	6	242
Mbuthia, George	9	49	1	50
Shongwe, Letsabisa	26	26	1	27
Phukubje, Phuti Nehemia	7	44	2	46
Nene, Vangile	2	-	-	-
Stock, Patricia (Independent Audit Committee member)	6	184	-	184
Mangquku, Luyanda Mansfield (Independent Audit Committee member)	4	88	-	88
Konar, Len (Independent Audit Committee member)	5	73	-	73
Raphela, Nchoke John (Independent Information Technology Steering Committee Chairperson)	4	41	-	41
Mkondweni, Ncedo (Independent PPL TCC Chairperson)	5	16	2	18
Kgole, Majute Paul (Independent OSD TCC Chairperson)	4	23	3	26
Ngobeni, James (Independent PSCD TCC Chairperson)	5	56	1	57
	422	1 929	130	2 059

Notes to the Annual Financial Statements

16. Governance Committees' remuneration (continued)

2022

	No of meetings	Claim for attendance	Other allowances	Total (R'000)
Dlamini, Sitsabo Samuel (Chairperson)	111	475	-	475
Mogodi, Maphefo (Deputy Chairperson)	111	389	10	399
Badul, Jenitha	6	-	-1	-
Deacon, Claire	6	30	-4	3
Hutamo, Ngwako Edward	22	-	-	1
Jacobs, Keith Ivor	41	219	-	-
Makhathini, Zandile Yvonne	7	-	-	22
Margolius, Jerry Leigh	3	16	-	3
				-
				1
				6
Meyer, Gert Hendrik	8	37	1	38
Mothowamodimo, Willie Ofentse	9	-	-4	-
Mthembu, Sinenhlanhla Thuleleni	37	175	-	17
				9
Naidoo, Karuni	16	68	2	70
Ndlovu, Hendrick	4	-	-	-
Qina, Noninzi	12	62	-	6
	16	-	-2	2
Rabada, Florence	16	138	-	-
Stock Patricia (Independent Audit Committee member)	8	100	2	14
Mangquku Luyanda Mansfield (Independent Audit Committee member)	8	100	-	0
				102
Konar Len (Independent Audit Committee member)	26	-	2	102
Raphela Nchoke John (Independent Information Technology Steering Committee Chairperson)	28	61	-	61
		128	-	-
Mkondweni, Ncedo (Independent PPL TCC Chairperson)	20	-	2	130
Kgole, Majute Paul (Independent OSD TCCO Chairperson)	15	88	1	89
Ngobeni, James (Independent PSCD TCC Chairperson)		68	1	69
	530	2 154	32	2 186

During the current financial year, the term of the fifth (5th) Council came to an end on 31 October 2022. A new Council (6th Council) was adequately appointed by the Executive Authority.

Notes to the Annual Financial Statements

Figures in Rand thousand

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17. Depreciation and amortisation

Property, plant and equipment	912	1 432
Intangible assets	1 308	953
	2 220	2 385

18. Finance costs

Finance leases	6	39
----------------	----------	-----------

19. Lease rentals on operating lease

Premises

Contractual amounts	4 288	5 753
---------------------	--------------	--------------

The CBE entered into a new operating lease agreement for its office premises, commencing 01 January 2023 for a period of five years. Prior to entering into this new lease agreement, the previous operating lease agreement was extended by eight months and terminated on 30 November 2022.

20. General expenses

Advertising	65	751
Appeal committee fees	436	528
Assessment rates and municipal charges	270	235
Awareness and publications	116	104
Bank charges	83	87
CBE events	980	24
Catering	137	15
Cleaning	81	81
Conferences and seminars	-	2
CBEP support	100	12
Courier and postage	7	21
Insurance	281	266
Printing and stationery	-	3
Dismantling expense	156	-
Project support expenses	228	255
Publishing	87	18
Relocation costs	401	-
Repairs and maintenance	173	41
Staff welfare	54	38
Subscriptions and membership fees	91	62
Telephone and fax	151	433
Training	151	55
Utilities	894	1 052
	4 942	4 083

Notes to the Annual Financial Statements

Figures in Rand thousand

2023

2022

21. Cash generated from operations

Surplus	52	2 278
Adjustments for:		
Depreciation and amortisation	2 220	2 385
Gain on sale of assets and liabilities	60	97
Finance costs - Finance leases	6	39
Interest income	-7	-6
Impairment of other financial assets		48
Bad debts	5	120
Movements in operating lease assets and accruals	1 821	-1 742
Movements in provisions	156	-21
Changes in working capital:		
Receivables from exchange transactions	152	68
Other receivables from non-exchange transactions	-835	-796
Payables from exchange transactions	1 176	52
	4 806	2 522

22. Other cash items

Insurance claims	358	-
Sundry receipts	198	10
	556	10

23. Commitments

Authorised capital expenditure

Approved not yet contracted

Intangible assets

1 102	1 807
-------	-------

Total capital commitments

Approved not yet contracted

1 102	1 807
-------	-------

Total commitments

Total commitments

Authorised capital expenditure

1 102	1 807
-------	-------

Authorised operational expenditure -

0	2 294
1 102	4 101

Two significant contracts were entered into after 31 March 2023, refer to Note 28

Notes to the Annual Financial Statements

Figures in Rand thousand

2023

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23. Commitments (continued)

Operating leases - as lessee (expense)

Minimum lease payments due

- within one year

- in second to fifth year inclusive

1 942

2 819

8 180

-

10 122

2 819

Operating lease payments represent rentals payable by the entity for its head office accommodation. The CBE entered into a lease agreement for a term of five years at an annual escalation of 5 percent. No contingent rent is payable.

24. Contingencies

The CBE entered into a lease agreement. As part of the terms and conditions of the lease, a bank guarantee, to the value of R344 888, was issued in favour of the landlord. The funds are held in an investment account.

In terms of section 53(3) of the PFMA, public entities listed in Schedule 3A and 3C may not retain cash surpluses that were realised in the previous financial year without prior written approval of National Treasury. During September 2020, National Treasury Instruction Note 12 of 2020/21, provided a revised definition of a surplus. According to this instruction, a surplus is based on cash and cash equivalents, plus receivables less current liabilities at the end of the financial year.

National Treasury approved the utilisation of the surplus funds for the 2021/22 financial year. An application for retention of surplus funds will be submitted to National Treasury and it is anticipated based on prior requests that National Treasury will approve the current year surplus funds for retention, and accordingly the surplus amount has been disclosed as a contingent liability.

National Treasury

3 383

5 855

Notes to the Annual Financial Statements

Figures in Rand thousand

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25. Related parties

The CBE is a national public entity controlled by National Government under the Executive Authority, the Minister of the DPWI. Any other entity of the National Government is a related party. All transactions with such entities are at arm's length and on normal commercial terms, except where employees of national departments or national public entities participate in the CBE's processes and do not receive any remuneration.

During the period under reporting the Executive Authority, Hon. Patricia De Lille was replaced by Hon. Sihle Zikalala with effect from March 2023.

The transactions with the Administrative Executive are in respect of the Grant.

The above related parties did not have any transactions which were not at arm's length with the CBE during the financial year.

The Audit and Risk Committee (ARC) exercises oversight over the ICT (Information Communication Technology) Committee of the CBE. This arrangement provides the ARC with significant influence over the ICT functions and policy making of the CBE hence considered a related party.

Receipts from the CBEP are in respect of levies in terms of section 17(1)(a) of the CBE Act 43 of 2000.

Payments made by the CBE were for administrative support provided to CBEP.

Balances due, or payable, are in relation to levy transactions and administrative support provided. During the financial year, there were no related party transactions with key management or any of their immediate families or any organisation in which they have significant influence.

Related party balances

Amounts included in Trade receivable regarding related parties

SACAP	199	118
SACLAP	26	14
ECSA	1 062	642
SACPVP	148	68
SACPCMP	201	92
SACQSP	11	5

Grant received

DPWI	54 495	53 528
------	--------	--------

Levy income

SACAP	422	414
SACLAP	10	14
ECSA	1 062	642
SACPVP	80	68
SACPCMP	385	428
SACQSP	144	145

Notes to the Annual Financial Statements

Figures in Rand thousand

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25. Related parties (continued)

Council support expense

SACLAP

SACQSP

100

-

-

12

CBE shares its office accommodation with SACLAP. SACLAP does not pay for this service. The estimated saving on SACLAP's administrative budget amounted to R116 188 (2022: R173 526).

Key management information

Class	Description	Number
Non-executive board members (Refer to Note 16)	Council members	21
Audit and Risk Committee	External audit committee members	3
Executive management (Refer to Note 15)	Senior management	4

26. Risk management

Financial risk management

The entity's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk.

Liquidity risk

The entity manages liquidity risk through proper management of working capital, capital expenditure and cash flow; and by variance reports between actual and budgeted amounts. The entity's financial liabilities mainly consist of trade and other payables from exchange transactions which are due within thirty (30) days.

At 31 March 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables from exchange	3 745	-	-	-
At 31 March 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables from exchange	2 960	-	-	-
Finance lease obligation	76	-	-	-

Notes to the Annual Financial Statements

26. Risk management (continued) credit risk

The financial assets that potentially subject the entity to the risk of non-performance by counter-parties, and thereby subject the entity to concentrations of credit risk consist mainly of cash and cash equivalents, other financial assets and trade receivables. The credit risk is controlled through the application of approved regulations, limits and monitoring procedures.

The entity limits its counter-party-exposure by dealing with well-established financial institutions with high credit ratings assigned by international credit-rating agencies. Credit risk with respect to receivables is limited, due to the nature of the entity's revenue transactions. The entity does not have any significant exposure to any individual customer or counter-party. Accordingly, the entity does not consider having any significant concentration of credit risk, which had not been adequately provided for.

Financial assets and statutory receivables exposed to credit risk. The maximum exposure to credit risk at year end were as follows:

	2023	2022
Receivables	1 778	1 095
Cash and cash equivalents	10 625	10 197
Other financial assets	53	52

27. 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.

The Executive Authority continues to provide the grant funding, as indicated in the Medium-Term Expenditure Framework (MTEF) over the MTEF period, to fund the ongoing operations of the CBE.

28. Events after the reporting date

The bidding process for the internal and external audits bid commenced in November 2022 and was approved on 16 March 2023. The contracts for the award were only finalised after year end. The internal audit bid was awarded for a period of three years at a total value of R2.394 million. The external audit bid was awarded for a period of three years subject to an annual re-appointment at a total value of R4.025 million.

An outstanding labour relations matter was finalised during April 2023 which resulted in a termination benefit provision as disclosed in Note 13.

No other significant event took place after the reporting date that would have a significant effect on the financial statements.

Notes to the Annual Financial Statements

Figures in Rand thousand	2023	2022
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29. Irregular, Fruitless and Wasteful Expenditure

Irregular expenditure	29	3 430
Restatement as a result of implementation of National Treasury Instruction 04 of 2023	-	(3 344)
Total	29	86

Criminal / Disciplinary steps taken

During the 2014/15 financial year, irregular expenditure incurred to the value of R438,718 was raised due to the issue of non-compliance with the competitive bidding threshold in the Supply Chain Management section. The CBE Council and Management has laid criminal charges against the former Supply Chain Management official responsible.

Disciplinary steps have been finalised against four employees for five cases. In two of the cases two employees were found not to be negligent. The remaining officials were counseled.

Current year irregular expenditure

There is currently one instance of irregular expenditure which was confirmed after year-end. Consequence management process is being considered for corrective action.

30. Segment information

General information

Identification of segments

The CBE manages its operations as a single segment with the Council and Chief Executive Officer (CEO) making key financial decisions based on combined operations for its programmes, focusing on skills for infrastructure delivery, built environment research, regulation and oversight for the built environment professions (CBEP) and transformation (refer to the performance report on page 42 to 139). Resource allocation, assets and liabilities are also managed on a combined basis. Geographical information is not provided as there are no distinct economic benefits derived from different geographical segments. The CBE delivers services throughout the country but does not measure and manage resources on that basis.

Information reported about this segment is used by management as a basis for evaluating the segment's performances and for making decisions about the allocation of resources. The disclosure of information about this segment is also considered appropriate for external reporting purposes.

Notes to the Annual Financial Statements

31. Budget information

Material differences between budget and actual amounts

31.1 Levies

Less levies were received in cash from the CBEP due to fewer registrations in the current year. Most levies are accrued based on the levy declarations which are only due on 31 May 2023.

31.2 General expenses

The variance is mainly attributable to no suitable service provider identified for the 20-year strategic review project.

31.3 Property, plant and equipment additions

The variance is due to the purchase of laptops, leasehold improvements and office equipment which was budgeted for as part of operational expenditure.

31.4 Intangible asset additions

The intangible asset variance is due to the purchase of software which was budgeted for as part of operational expenditure.

Differences between budget and actual amounts basis of preparation and presentation

The budget and the accounting bases differ. The annual financial statements of the CBE are prepared on the accrual basis using a classification based on the nature of expenses in the statement of financial performance. The annual financial statements are for the fiscal period from 2022/04/01 to 2023/03/31. The annual financial statements differ from the budget, which is approved on the cash basis.

Notes to the Annual Financial Statements

31. Budget information (continued)

Changes from the approved budget to the final budget

The changes between the approved and final budget are a consequence of re-allocations within the approved budget parameters.

32. Reconciliation between budget and statement of financial performance

Reconciliation of budget surplus/deficit with the surplus/deficit in the statement of financial performance:

Net surplus per the statement of financial performance	52	2 278
Adjusted for:		
Disposals - PPE	60	138
Movement: Accruals and provisions	923	873
Depreciation and amortisation	2 220	2 385
Capital assets purchased	(4 308)	(1 702)
Other working capital movements	1 551	(1 450)
Net surplus per approved budget	498	2 522

33. Reclassifications

The CBE reclassified the following elements of financial statements as part of disaggregation to provide a more explicit representation of the figures reported. The net surplus was not impacted in any way.

Financial Position:

2022	As previously reported	Reclassification	Restated
Payables from exchange transactions	4 637	1 677	2 960
Provisions	878	377	501
Employee benefit obligations	-	2 054	2 054

34. B-BBEE Performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE (Broad-Based Black Economic Empowerment) Compliance Performance Information.



Annual Report

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C O U N C I L
F O R T H E B U I L T
E N V I R O N M E N T

2022/23 Financial Year



f

COUNCILS FOR THE
BUILT ENVIRONMENT
PROFESSIONS

1. INTRODUCTION

This section outlines the activities undertaken by the Councils for the Built Environment Professions (CBEP) for the 2022/23 financial year, submitted to the CBE at the end of March 2023. It analyses their performance against their legislated functions, collated through the templates developed by the CBE and submitted by the CBEP on a quarterly basis.

Built Environment Professionals (BEPs) play a critical role in planning, developing, building, and maintaining public infrastructure. Whether it is water treatment facilities, bridges and roads, public transit, utilities and the electricity grid, BEPs play a part in all aspects of public infrastructure. Ultimately, the six CBEP use their expertise, experience, and knowledge to help create a safer, more sustainable, and prosperous future for South Africa.

While the work of engineers, architects, project and construction managers, quantity surveyors, landscape architects and property valuers take place largely in the background, its impact and importance are visible all around us.

BEPs have the knowledge to plan, design, assess, supervise, build, and maintain South Africa's infrastructure. They are involved from the design concept, through to implementation and construction, ongoing operation, property valuation, landscaping, and maintenance, to decommissioning. Together, their work serves to plan and develop the best infrastructure for the South African public. Overall, BEPs' know-how can help government, municipalities and infrastructure owners prioritise and assess projects and programmes to maintain a high standard of infrastructure in South Africa, and ultimately protect the safety, health, and economic prosperity of all its citizens.

2. LEGISLATIVE AND REGULATORY FRAMEWORK OF THE BUILT ENVIRONMENT PROFESSIONS

The respective professions' Acts empower the CBEP to perform the following functions as part of their regulatory function:

- a) *Establishment of a Standards Generating Body (SGB) and development of competency standards;*
- b) *Register persons in professional categories who have demonstrated competency against the standards determined by the council for the profession for the relevant categories and have passed any additional examination that may be determined by the council for the profession;*

- c) Register persons who meet educational requirements in candidate categories;*
- d) Prescribe specified categories of registration and register persons in these categories;*
- e) Require registered persons to renew registration at intervals and under conditions that the CBEP prescribe;*
- f) Recommend to the CBE the type of work which may be performed by persons registered in any of the categories of registration of that profession;*
- g) Conduct accreditation visits to any educational institution which has a department, school or faculty of the relevant built environment profession and conditionally or unconditionally grant, refuse or withdraw accreditation to educational institutions and educational programmes;*
- h) Evaluate educational qualifications that are not accredited or recognised;*
- i) Enter into agreements with any person or body of persons, within or outside the Republic, with regard to any examination or qualification for the purposes of the relevant built environment professions Act;*
- j) Develop and administer a code of conduct;*
- k) Investigate complaints and probable instances of improper conduct against registered persons, charge registered persons with improper conduct and sanction registered persons found guilty accordingly;*
- l) Annually determine guideline professional fees and publish those fees in the Government Gazette;*
- m) Recognise Voluntary Associations (VAs);*
- n) Advise the Minister, any other Minister or the CBE on any matter relating to its profession;*
- o) Take the necessary steps to protect public interest, health and safety, improve standards of professional services, and create awareness of the need to protect the environment; and*
- p) Encourage and undertake research into matters related to its profession.*

The objective of these regulatory arrangements is to protect the public by ensuring a high standard of service and professional behaviour by providing:

- i. entry to the professions by trained persons
- ii. a mechanism for establishing and enforcing standards of training and practice
- iii. an avenue for consumers to address complaints against practitioners

3. HUMAN RESOURCE DEVELOPMENT

3.1 Registration

Each Built Environment profession requires registration to ensure practitioners possess the necessary knowledge, skills, and ethical standards to protect the health, safety, and welfare of the public. Registration boards or regulatory bodies set the criteria for eligibility, which often include completion of accredited educational programmes, relevant work experience, and passing a standardised examination.

This function aims to monitor the extent to which the CBEP are transforming to reflect the South African population demographics through:

- analysing the demographics of individuals currently registered with the CBEP
- assessing the demographics of candidates and professionals of the CBEP who will hopefully take up the profession
- identifying potential bottle necks and recommending ways to improve accessibility of these professions to all who reside in the country

REGISTERED PROFESSIONALS

Overall Percentage of Registered Candidates and Professionals by at the CBEP²

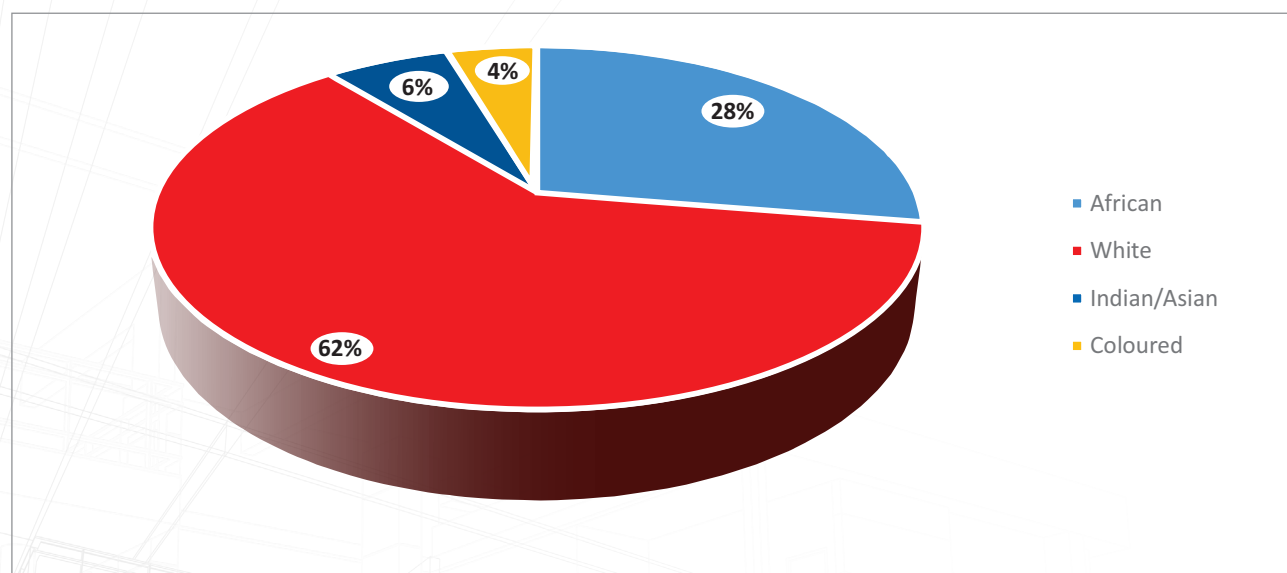


Figure 10: CBEP Race Profile
(Source: CBEP Fourth Quarter Report 2022/23)

² The 2022/23 professional gender and racial profile analysis does not include SACPVP and SACQSP registration data due to non-submission from these councils.

The 2022/23 CBEP racial profile indicates that the professional councils are still dominated by the white population demographic. Although registration numbers have been increasing, the industry is still failing to achieve racial and related economic transformation in almost all the CBEP. The CBEP have a racial profile of 62% white professionals, while African, Indian and coloured collectively accounted for the remaining 38%. Relative to the size of the South African population, the African group inversely has the lowest representation of registered professionals. The CBEP can better understand and, therefore, protect public interest if they are representative of the race demographics of the Republic of South Africa.

Gender Profile of the six CBEP

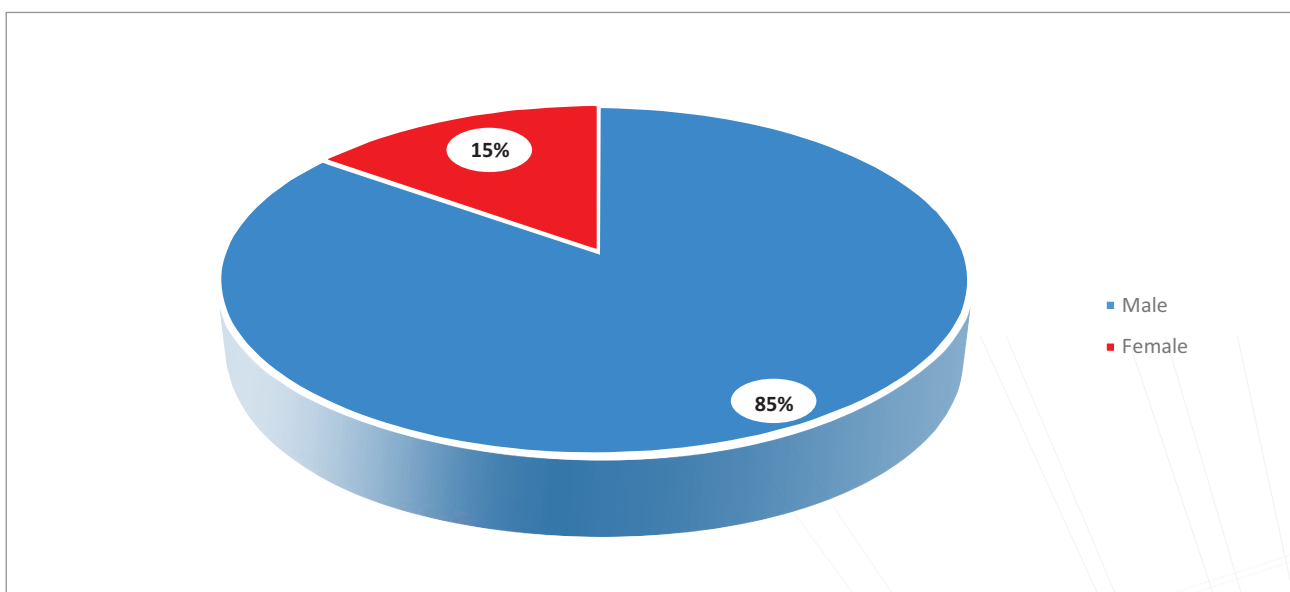


Figure 11: CBEP Gender Profile

(Source: CBEP Fourth Quarter Report 2022/23)

This gender profile pie chart demonstrates that the CBEP registration is dominated by males, with 85% male representation and 15% female. According to Stats SA, women constitute more than half of South Africa's population, hence this statistic highlights that they are significantly underrepresented in the BEPs. Transforming the Built Environment sector to redress this gender inequity will require the continuous implementation of mechanisms that offer females the correct assistance and support to ensure that their representation improves to achieve a more balanced CBEP profile.

Number of Registered Professionals by Gender

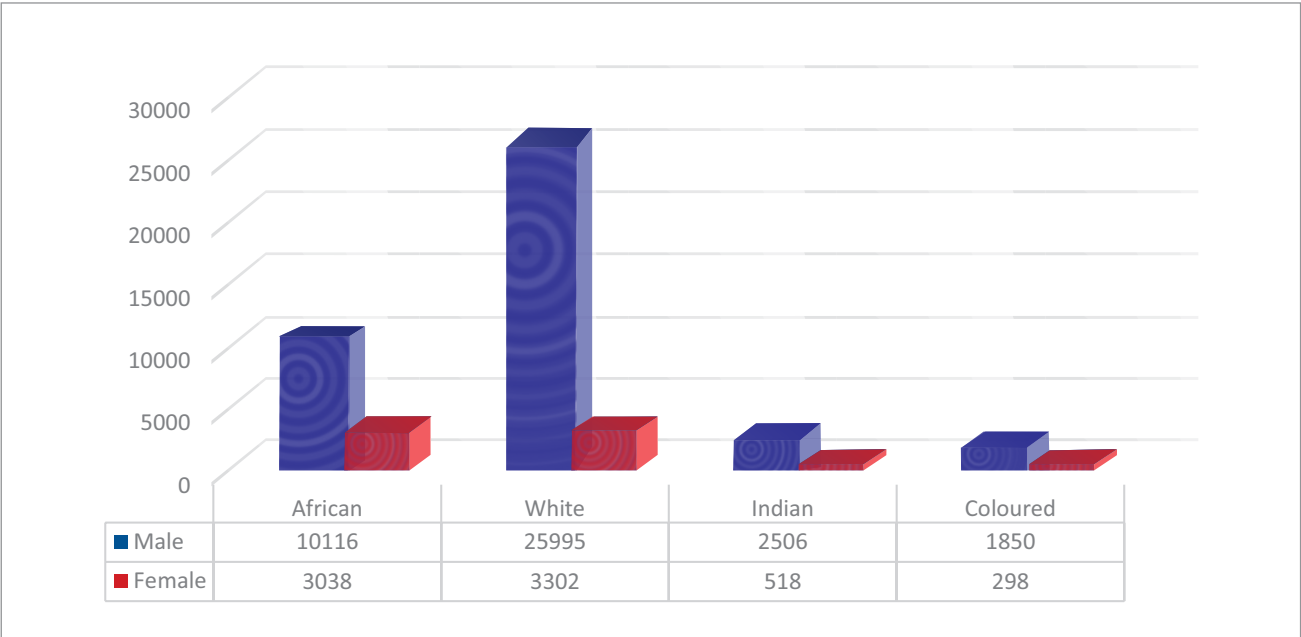


Figure 12: CBEP Gender and Race Profile
(Source: CBEP Fourth Quarter Report 2022/23)

The figure above indicates the number of professionals registered with the CBEP according to their gender and race. It illustrates that the CBEP professional registration is male dominated. The statistics also reveal that the racial profile of the CBEP remains unbalanced, with the Indian and coloured populations significantly underrepresented. Previously Disadvantaged Individuals (PDIs) account for 38% of the registered professionals, while the white population has a representation of 62%. Previous findings also indicate that while the white population continues to dominate the CBEP professional registration, the majority of PDIs are struggling to migrate to professional status. This infers that to achieve a more racially balanced professional profile, it is necessary for professional councils to offer more appropriate support to previously disadvantaged groups and individuals.



Figure 13: CBEP Comparison per Gender, Race and Profession
(Source: CBEP Fourth Quarter Report 2022/23)

The graph above compares the demographic composition of each of the professions by gender and race for the 2022/23 financial year. These figures mirror the demographics contained in Figure 12, alluding to white male dominance in the CBEP. It demonstrates the need to improve registration numbers in the other three population groups to achieve a demographically balanced profile. The graph further exemplifies that the contribution of SACLAP to the number of registered professionals in the Built Environment remains relatively low compared to those of ECSA, SACAP and SACPCMP. The analysis, accordingly, infers the need to improve both the racial and gender profile of CBEP, in a manner that promotes equality.

Number of Registered Professionals by Council and Registration Category



Figure 14: SACAP Professionals per Gender, Race and Discipline
(Source: SACAP Fourth Quarter Report 2022/23)

The professional registration statistics by SACAP provides that it had a total of 8843 registered professionals by the end of the 2022/23 financial year. SACAP further registered a total of 130 persons in specified categories, viz: Building Assessor I, Building Assessor II, Building Assessor III, Building Inspector I, Building Inspector II, Building Inspector III, Building Officer, Senior Building Officer, Chief Building Officer, Chartered Building Officer, Building Surveyor, Senior Building Surveyor, Chief Building Surveyor and Chartered Building Surveyor.

The illustration reveals that SACAP's professional registration is dominated by the white population, with white males accounting for most of the registered professionals in all of the identified SACAP categories. While the other demographic groups are present, their representation is minimal and does not reflect the South African population proportionately. The analysis, therefore, not only highlights the need to improve access to SACAP's registration by women, but also suggests the need to improve the racial profile of SACAP. Additionally, expediting the empowerment of women, youth, and people with disabilities (PWD) in the Built Environment sector is paramount to achieving transformation within the sector. SACAP's data provides that 1% of the registered professionals are PWD, while women accounted for 24% of registered professionals. SACAP's registration trends, therefore, remains the same, with gaps in the representation of women, young people and PWD.

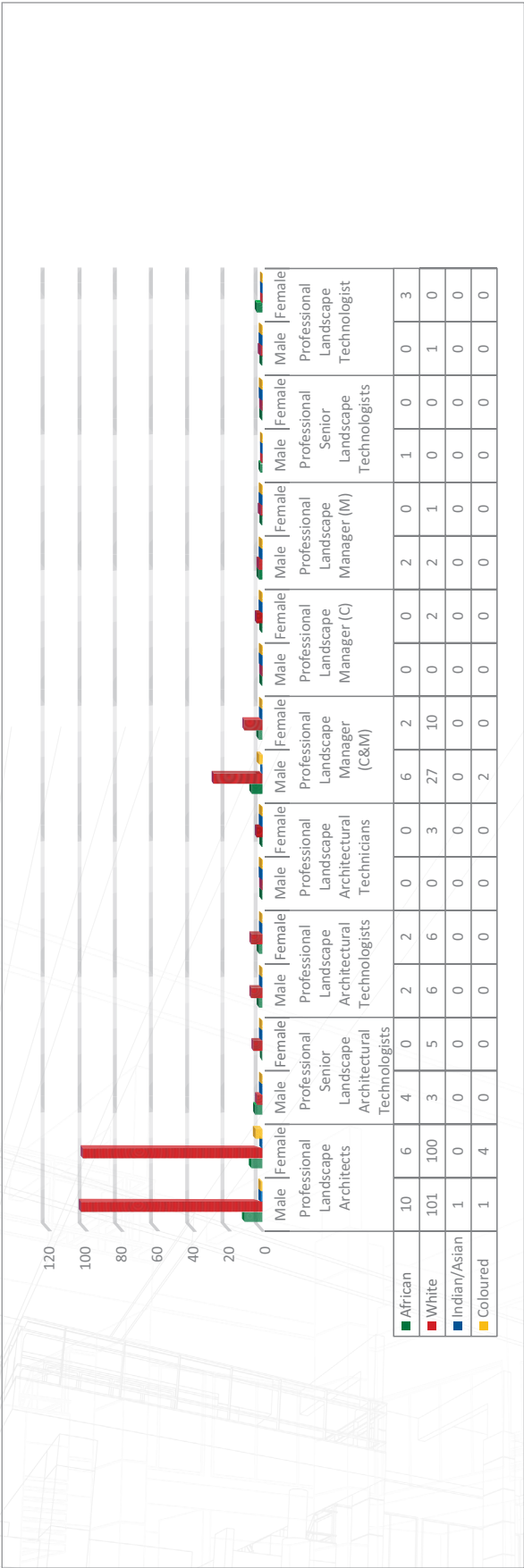


Figure 15: SACLAP Professionals per Gender, Race and Discipline
(Source: SACLAP Fourth Quarter Report 2022/23)

SACLAP’s professional registration data indicates a total of 313 registered persons, recording an increase of 0.9% from the previous financial year. The increase was due to new registration and candidate transfers. The data also reveals that 47% of the 313 registered professionals are between the ages of 20-39 years, while 44% are mid aged professionals (40-59), and the remaining 9% of the registered professionals are senior aged persons (60-plus). However, the overall registration trends did not improve, thus the racial and gender profiles of SACLAP remained relatively the same. The data alludes to white dominance across all of SACLAP’s recognised categories, with an overall 85% representation, while access to SACLAP’s professional registration remains a challenge to the other racial groups. Although males dominate SACLAP’s professional registration with 54%, there is however progress in the number of registered females, with only an 8% difference when compared to the number of registered professional males. The analysis suggests that there is a need for SACLAP to identify, assess and address barriers to registration. In so doing SACLAP will be in a better position to ensure that their register grows.

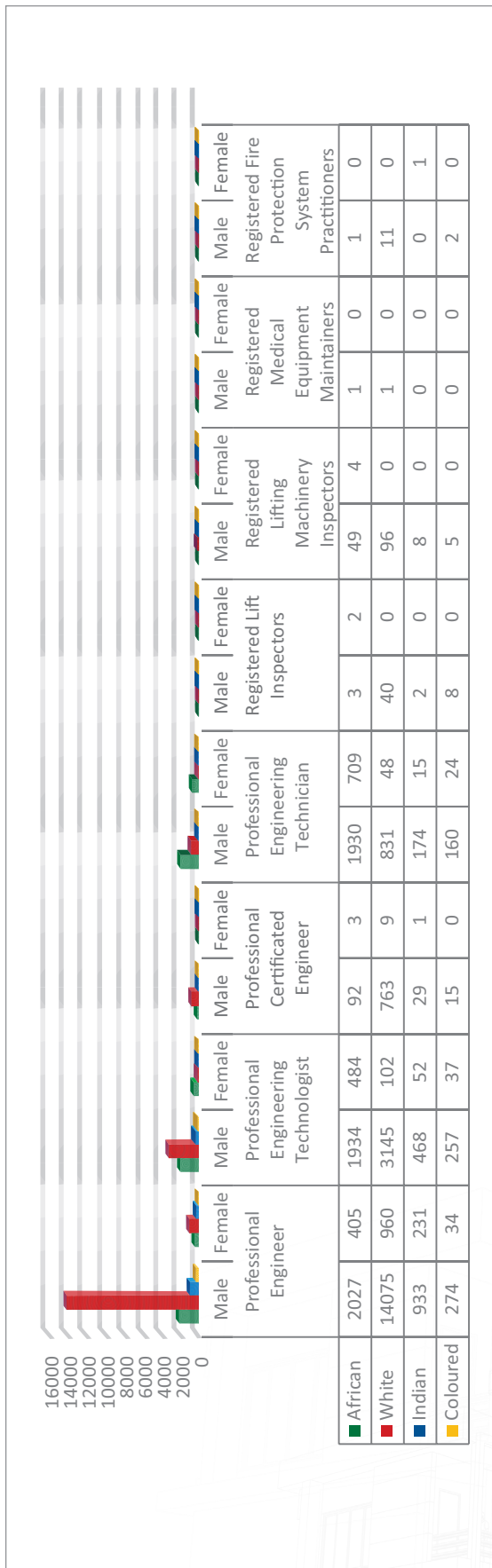


Figure 16: ECSA Professionals per Gender, Race and Discipline
(Source: ECSA Fourth Quarter Report 2022/23)

The 2022/23 registration statistics show a decline of 4% when compared to the 2021/22 registration statistics, with a total of 30 455 registered professionals. The data further demonstrates a slight increase in the racial profile, with 66% white representation, 25% African representation, 6% Indian and 3% coloured representation. Nevertheless, transformation, remains one of the major challenges faced by the professional councils, with ECSA's professional registration dominated by the minority. The illustration further highlights a significant gap in the gender profile, with males accounting for 90% of the registered professionals. Evidently, the data provides that women are underrepresented in all the recognised categories within ECSA, particularly in the fields of Registered Lifting Machinery Inspectors, Registered Fire Protection System Practitioners and Registered Lift Inspectors. At the same time, their representation is non-existent in the fields of Registered Medical Equipment Maintainers. This, thus, alludes to the constant need to promote and ensure access to professional registration by women, and the coloured and Indian population groups.

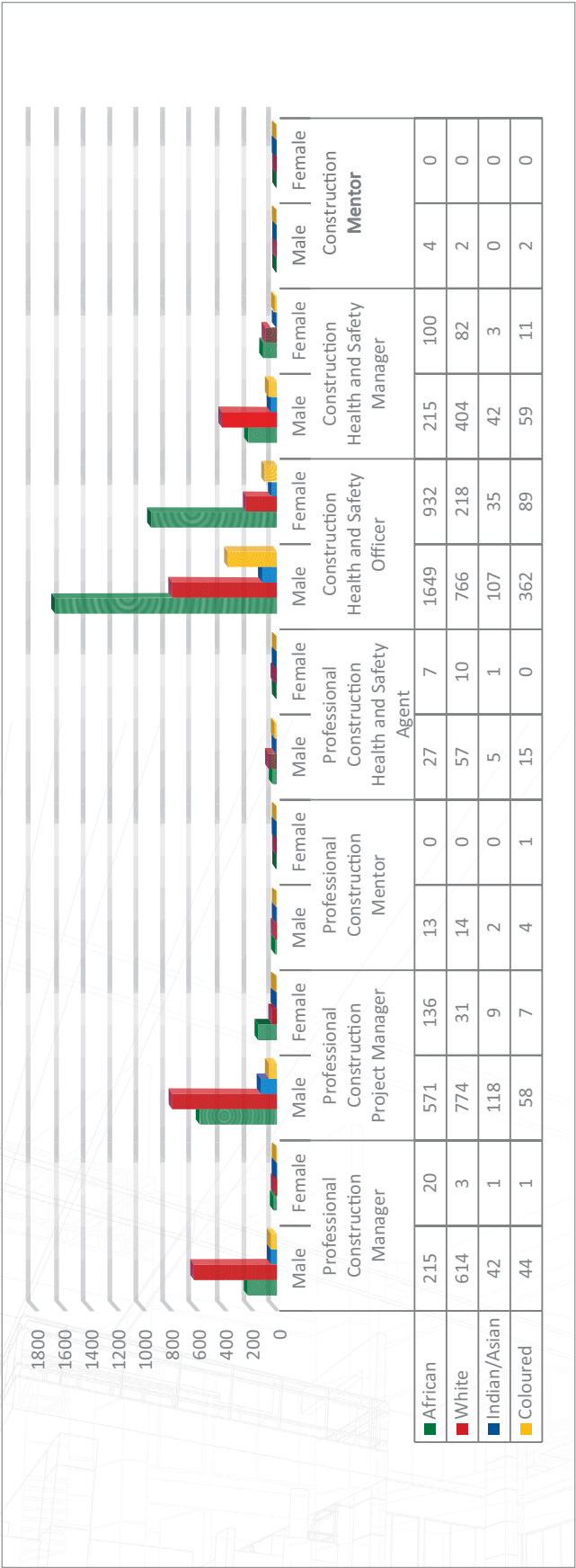
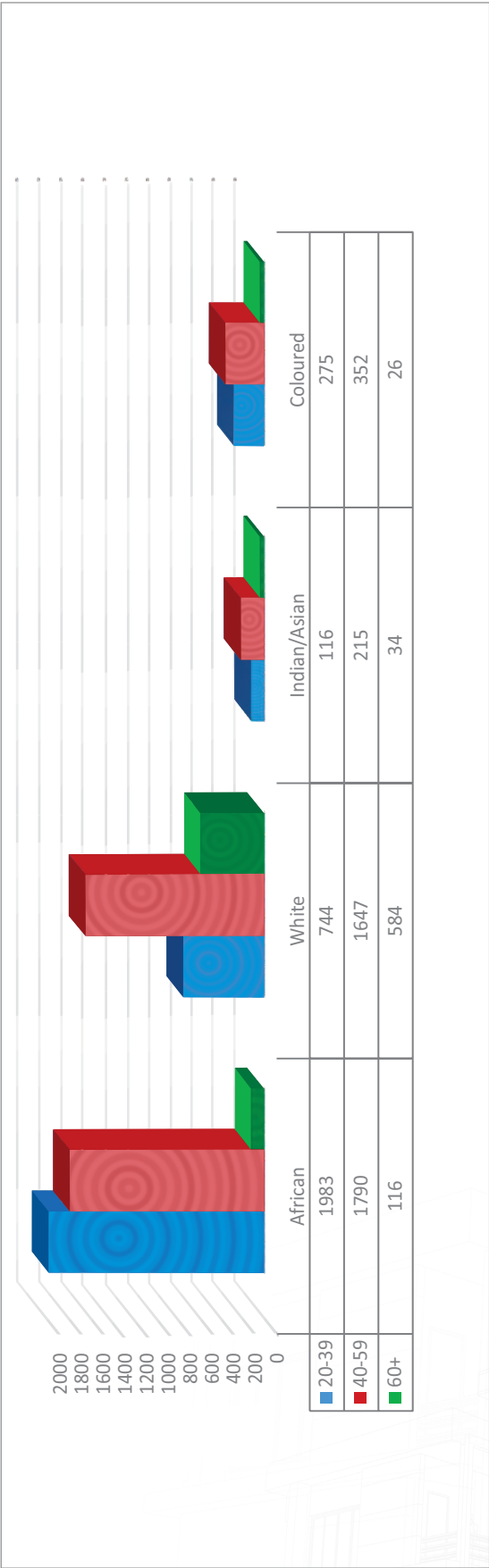


Figure 17: SACPCMP Professionals per Gender, Race and Discipline
(Source: SACPCMP Fourth Quarter Report 2022/23)

SACPCMP’s registration data for the financial year 2022/23 reveals that it increased its professional registration by 8% when compared to the 2021/22 financial year. The registration data further indicates that there is a significant improvement in SACPCMP’s racial profile, with 49% representation of Africans and 38% white representation, while the Indian and coloured groups account for the remaining 13% combined. It further portrays a shift from white male to black male domination in the profession; however, female representation remains a challenge, with only 22% representation. The overall registration numbers increased with a total of 616 new professionals. It is also worth noting that in addition to the improvement with regards to the registration trends, the racial profile of SACPCMP depicts a much more balanced representation, with Africans, Indians and coloureds constituting 62% of registered professionals.



SACPCMP 2022/23 Age Analysis of Registered Professionals

The data reveals that SACPCMP’s professional registration is dominated by mid aged professionals (40-59), accounting for 51% of the registered persons, followed by young professionals between the ages of 20-39 accounting for 40% and senior aged persons (60-plus) account for the remaining 9% of the registered professionals. According to the SACPCMP, the youth face serious challenges in migrating to professional status due to the lack of training or opportunities in the industry (learnerships and mentorship), and the process for candidates to migrate to professional registration is also identified as a contributing factor.

Professional registration trends from ECSA, SACAP and SACLAP did not improve, with the exception of SACPCMP which has a racial profile of 62% of PDIs. By the end of the 2022/23 financial year, the CBEP (SACAP, SACLAP, ECSA, and SACPCMP) registered a total of 47 623 professionals, with ECSA dominating registration numbers.

The professional registration data continues to mirror previous years' indicators in terms of racial profile, alluding to white dominance in almost all the CBEP. The African population is the second most dominant demographic group in the CBEP space, while the Indian and coloured population groups are the overall minority in all of the professional councils.

The data further indicates that the majority of registered persons (RPs) are males, accounting for 85% of the RPs across the CBEP. The analysis emphasises that the representation of women, and the Indian and coloured population groups is relatively low within the CBEP. The data points out the need to improve access to the CBEP by Indians, coloureds, women, and PWD.

To fully appreciate the progress towards transforming the Built Environment sector, it is crucial for the CBEP to provide data in all relevant areas, such as race, gender, age, nationality, and province with respect to registration data. Regarding the age criterion, the data suggests that the CBEP membership is likely dominated by mid and senior aged professionals. This reveals that young people between the ages of 20-39 continue to face challenges to migrate to professional status. The CBEP provide that this could be attributed to the lack of training or opportunities in the industry (learnerships and mentorship).

It is, therefore, imperative for the Built Environment sector to address this issue of aging professionals by implementing strategies that will assist young, registered candidates, particularly those from previously disadvantaged groups migrate to the professional level. Providing the relevant platforms will not only guarantee that these candidates upgrade to the professional level but will also address the problem of aging professionals as well as contribute towards the goal of transforming the industry.

REGISTERED CANDIDATES

This section is an analysis of the demographic composition (race and gender) of registered candidates per registration category in the CBEP, and highlights areas of improvement for transformational change.

Percentage of Registered Candidates by Race³

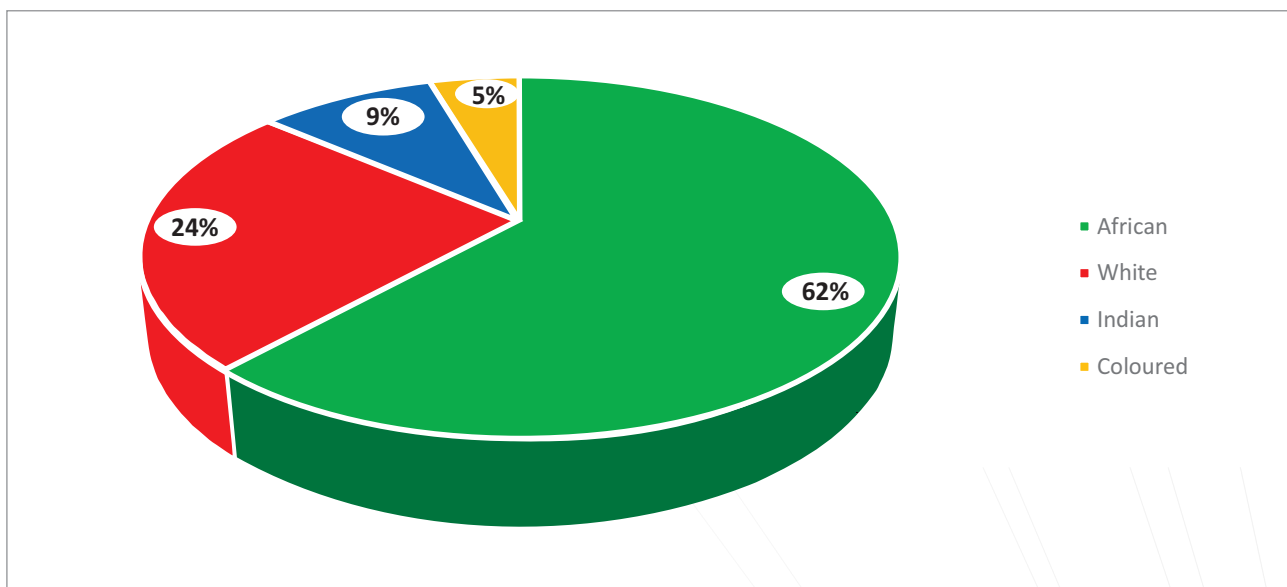


Figure 18: CBEP Candidate Race Profile
(Source: CBEP Fourth Quarter Report 2022/23)

The candidacy racial profile is far different from the professionals' racial profile in terms of transformation and representation. The analysis shows that the African population accounted for 62% of the registered candidates, whites accounted for 24%, while Indians and coloureds combined accounted for 14% of the registered candidates by the end of the 2022/23 financial year. This infers that PDI account for 75% of registered candidates, thus highlighting the need for both the CBE and CBEP to implement initiatives that will assist PDI candidates upgrade to professional status.

³ This 2022/23 candidate gender and racial profile analysis does not include SACPVP and SACQSP registration data due to non-submission from these councils.

Percentage of Registered Candidates by Gender

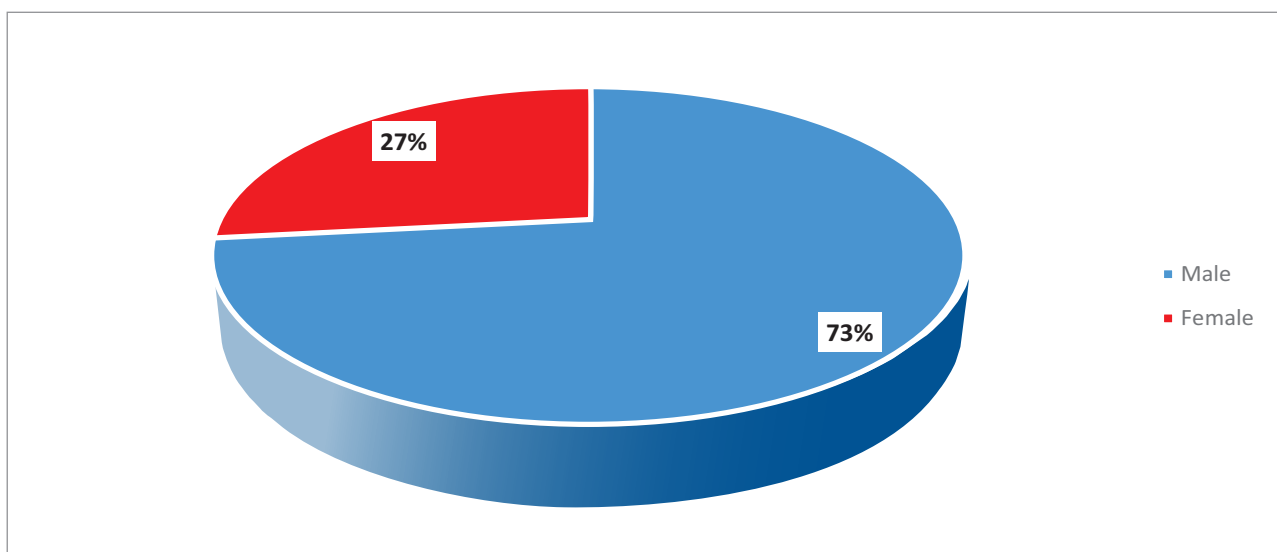


Figure 19: CBEP Candidate Gender Profile

(Source: CBEP Fourth Quarter Reports 2022/23)

The illustration compares CBEP numbers of registered candidates by gender at the end of the 2022/23 financial year. As with registered professionals, the graph explicitly demonstrates that the Built Environment sector is dominated by males. The analysis reveals that of all the candidates registered with the CBEP, only 28% are female. This, thus, provides that female representation remains a challenge across all of the CBEP.

Number of Registered Candidates by Race and Gender

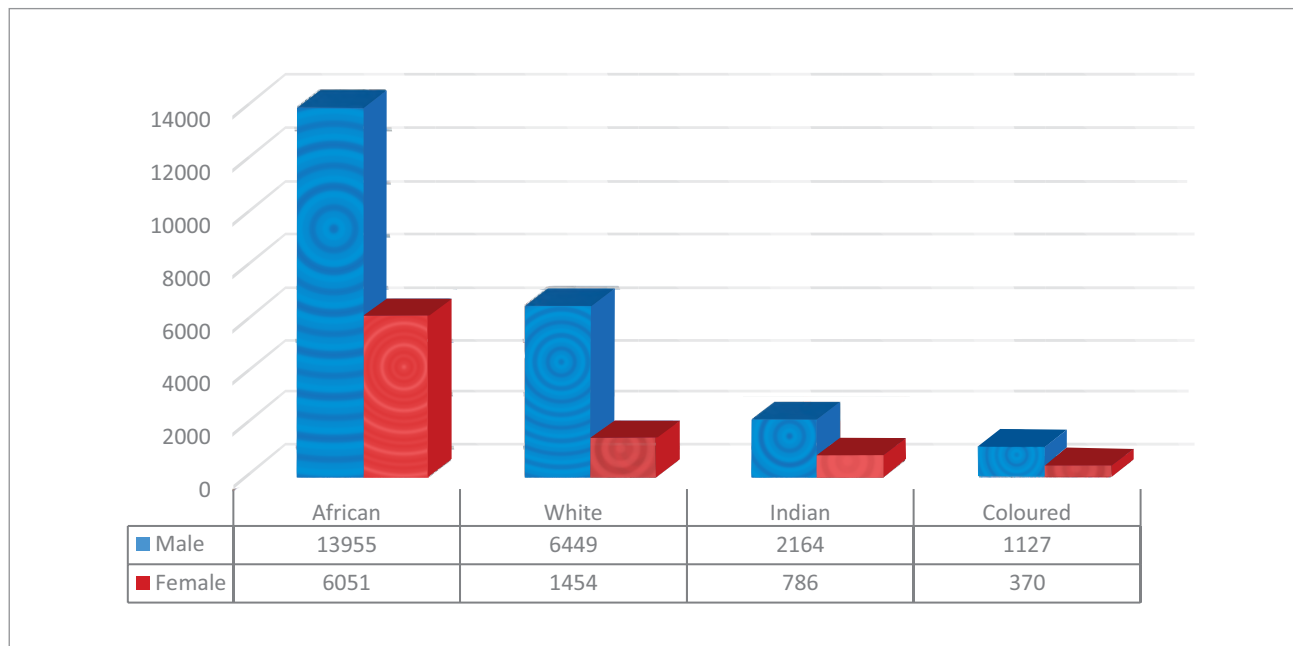


Figure 20: CBEP Candidate Profile per Gender and Race

(Source: CBEP Fourth Quarter Report 2022/23)

The graph above compares CBEP numbers of registered candidates by gender and race at the end of the 2022/23 financial year. The majority of CBEP candidates were African males, followed by white males and African females. As demonstrated in Figures 18 and 19, there is more significant progress in the race composition of registered candidates than in the gender dynamic. The candidate racial profile is demonstrating huge progress in terms of racial representation of PDI, while the candidate gender profile signifies a huge gap in female representation.

Registered Candidates per Race, Gender, and Profession

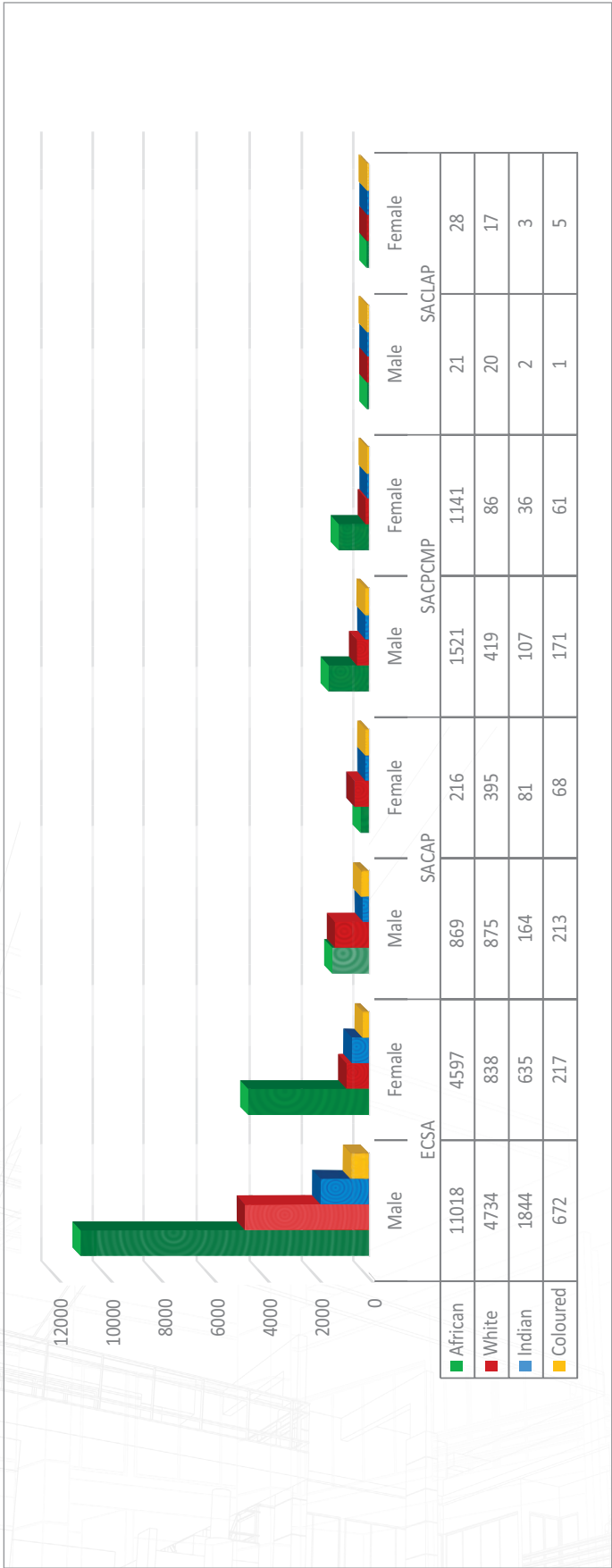


Figure 21: CBEP Candidate Profile by Gender, Race and Profession
(Source: CBEP Fourth Quarter Report 2022/23)

The data alludes to male domination in registered candidates with African males dominating three of the four CBEP viz: ECSA, SACAP, and SACPCMP. The graph, accordingly, demonstrates improved access to candidate registration by the African population, highlighting progress made towards transforming the CBEP candidate profile to reflect the demographics of South Africa appropriately. However, it is worthy of note that access to both the candidate and professional registration by women, and the coloured and Indian population groups remain a challenge.

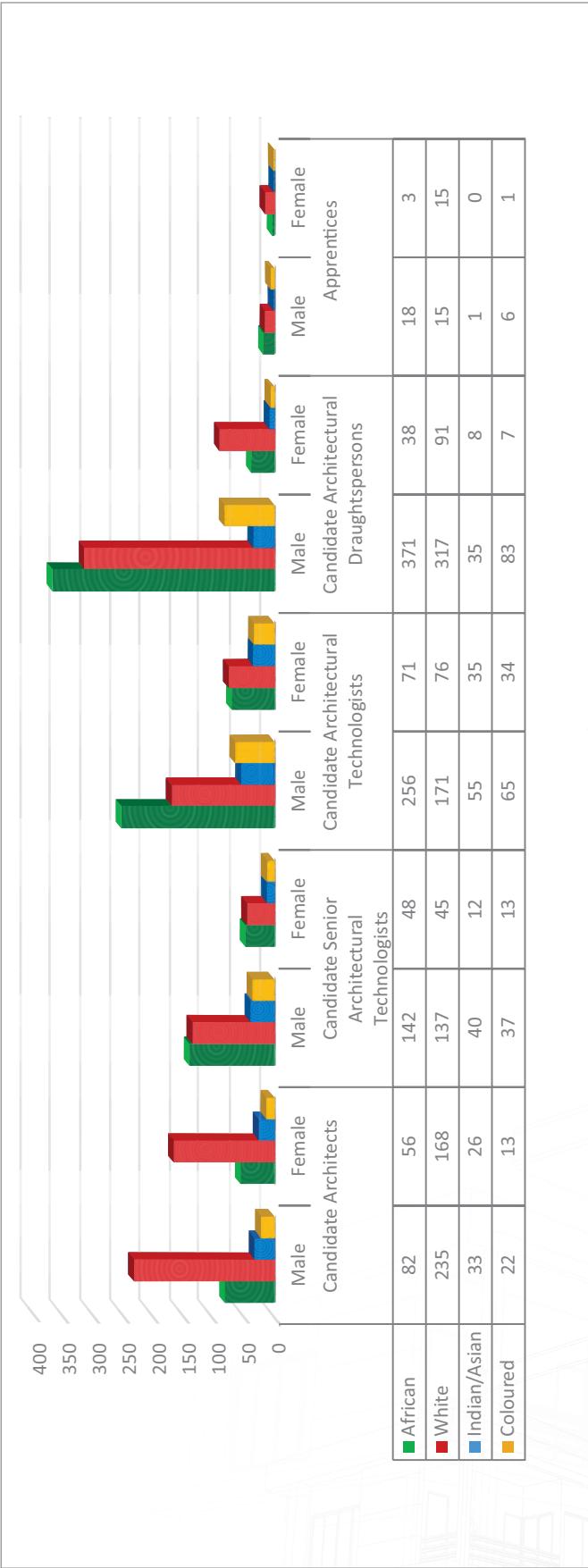


Figure 22: SACAP Candidate Profile per Gender, Race and Discipline
(Source: SACAP Fourth Quarter Report 2022/23)

The above graph demonstrates that by the end of the 2022/23 financial year SACAP had a total of 4162 registered candidates, with a racial profile of 44% white, 38% African, 10% coloured and 8% Indian. PDI accounted for the majority of registered candidates, thus highlighting SACAP's progress in terms of racial transformation. Nevertheless, SACAP is still faced with the issues of female representation in both its professional and candidate registrations. By the end of the period under review, the gender profile of SACAP still alluded to male dominance, with only 26% female representation.



Figure 23: SACLAP Candidate Profile per Gender, Race and Discipline
(Source: SACLAP Fourth Quarter Report 2022/23)

The 2022/23 financial year analysis indicates that SACLAP made progress towards achieving a more equitable demographic profile, with a racial profile of 51% African, 38% white, while both the Indian and coloured groups account for the remaining 11%. African females remain the largest group of candidates within SACLAP, followed by African and white males. The graph explicitly illustrates that SACLAP is the only CBEP with more registered females (55%) than males (45%) in its candidate registration. While both the racial and gender profiles have significantly improved, the representation of the Indian and coloured population groups is almost non-existent in its seven categories. The need to increase access to SACLAP’s professions by the two minority groups is evident.

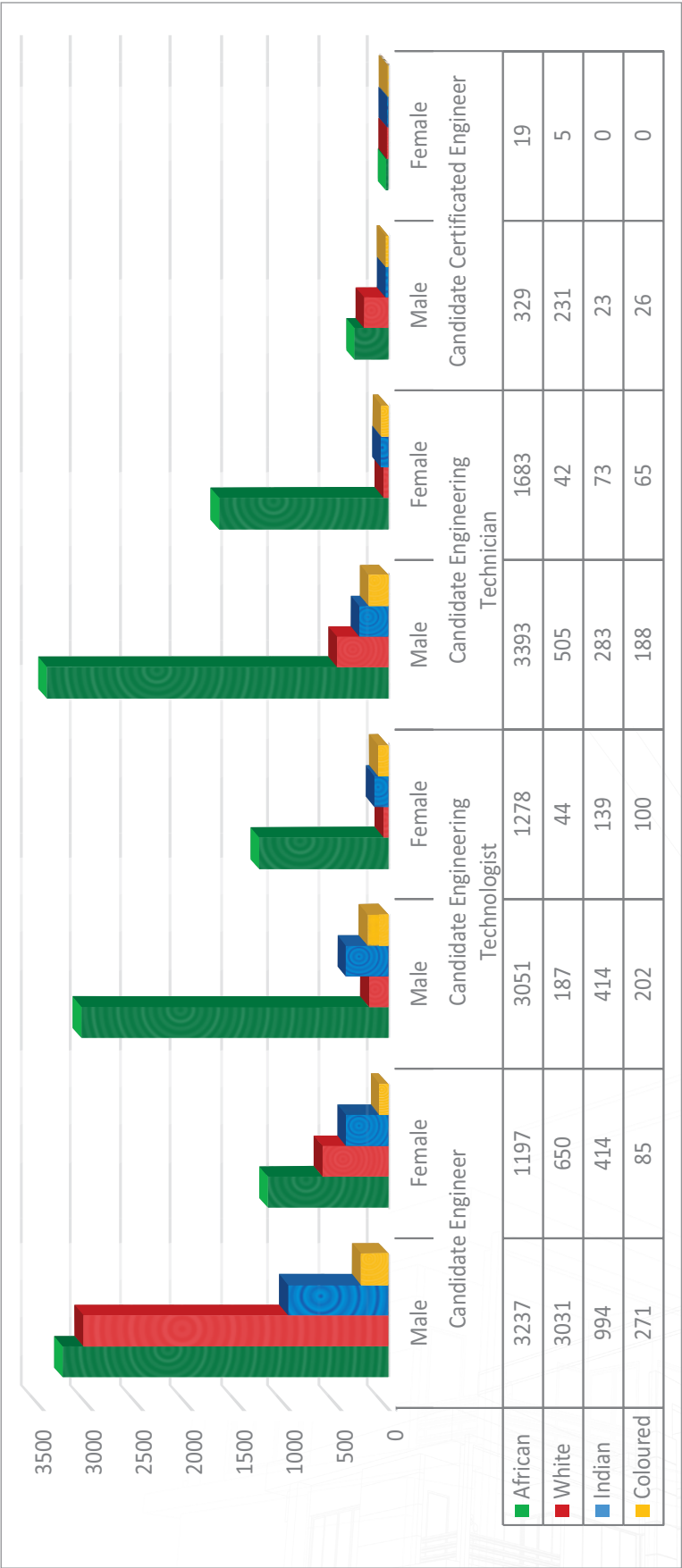


Figure 24: ECSA Candidate Profile per Gender, Race and Discipline
(Source: ECSA Fourth Quarter Report 2022/23)

As per the norm across all the CBEP, ECSA's candidate registration is dominated by African males across all of its recognised categories. However, it is also worth highlighting that ECSA has the highest numbers of registered females in both its professional and candidate categories compared to the other five CBEP. The illustration above portrays that ECSA has made substantial progress towards racial transformation, with a racial profile of 64% African, 21% white, while Indian and coloured account for the remaining 15%. Accordingly, this highlights that 79% of candidates registered with ECSA are from previously disadvantaged groups. The registration data suggests that the prospect of racial and economic transformation in the industry relies largely on bridging the gap between registered professionals and registered candidates.

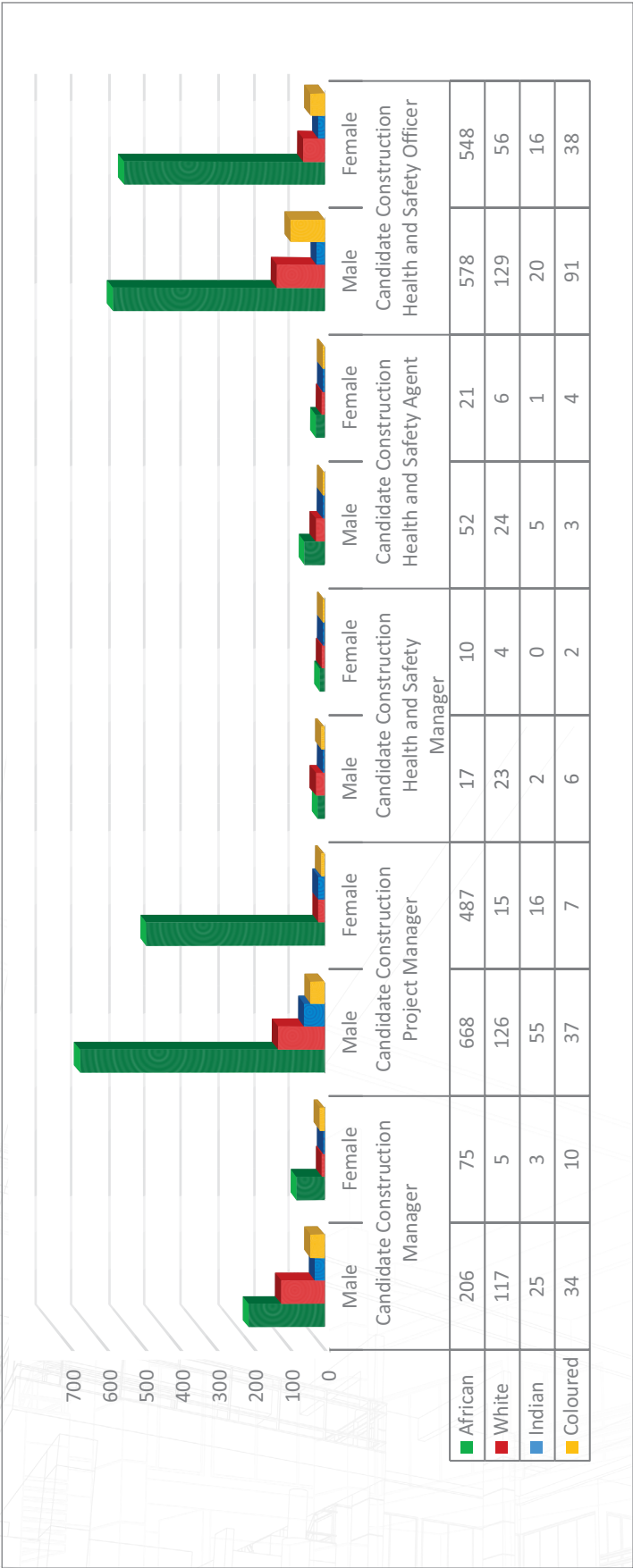


Figure 25: SACPCMP Candidate Profile per Gender, Race and Discipline
(Source: SACPCMP Fourth Quarter Report: 2022/23)

Like all the other CBEP, SACPCMP’s candidate registration is dominated by PDI, with the African population constituting 75% of RPs. Additionally, male dominance is apparent across all CBEP in both the professional and candidate registration; however, African male domination seems to be common within candidacy programmes. Sixty-three percent of candidates registered with SACPCMP are males, with African males accounting for majority of registered candidates in almost all SACPCMP recognised categories, specifically Candidate Construction Health and Safety Officer, Candidate Construction Project Managers, and Candidate Construction Manager.



SACPCMP 2022/23 Age Analysis of Registered Candidates

The age analysis highlights that SACPCMP’s professional registration is dominated by mid aged (40-59) professionals, while the candidate registration is dominated by young professionals between the ages of 20-39, with 71% representation. SACPCMP candidate analysis reveals that young people are mostly represented in the candidate categories and are mainly African and women. The findings suggest that the youth face serious challenges in migrating to professional status due to the lack of training or opportunities in the industry. The analysis, therefore, not only indicates the need to improve access to SACPCMP’s registration by women, but it also suggests the need to provide young people with the correct assistance for them to migrate to professional registration.

The analysis shows that the African population accounted for 62% of registered candidates, whites accounted for 24%, while Indians and coloureds combined accounted for 14%. This infers that PDI accounts for 76% of registered candidates. There is a great number of candidate registrations recorded, yet the progression rate is very slow, which in turn also affects the transformation rate. There are a couple of issues affecting progress within the prescribed minimum timeframe such as lack of appropriate mentorship/supervision, juggling work and life as well as completing the professional skills module. Thus, highlighting the need for both the CBE and CBEP to implement initiatives that will assist PDI candidates migrate to professional level.

The registration data suggests that the prospect of transformation in the industry relies largely on bridging the gap between registered professionals and registered candidates. Additionally, the skills pipeline is another key enabler of transformation in the industry, with an all-inclusive approach to promoting skills development to alleviate the skills shortage as part of tackling transformative ambitions. However, for future transformation, the CBE and CBEP should focus on assisting PDI candidates upgrade to professional status.

The CBEP are undertaking the following initiatives to improve the registration trends:

SACAP

- i. Developed Standard Operating Procedures and currently rolling out a new registration system to improve the efficiency and effectiveness of registrations.
- ii. Introduced PrivySeal, a real-time registration verification mechanism whereby members of the public and local authorities can easily verify the RP's registration.
- iii. Undertook roadshows to all accredited Architectural Learnings Sites to promote SACAP and registration.
- iv. Reviewed the accreditation protocols to make it compulsory for architectural students to register with SACAP.
- v. Offered relief to RPs who failed to pay their prescribed annual fees by waiving administration and penalty fees if they register within a certain timeframe.

Additionally, SACAP is working with local authorities such as the City of Cape Town, City of Johannesburg, Saldanha Bay, and George among others to ensure that persons who are not registered are not able to submit architectural work for approval.

SACLAP is currently reviewing its Registration Policy in an effort to create two stand-alone policy documents – an Assessment Policy and a Registration Policy as per the CBE's requirement. The initial phase of the Policy review has begun with stakeholder engagement; however, the final draft policy document is yet to be presented to the SACLAP Council.

SACLAP has the following mechanisms and initiatives in place to boost registration numbers and improve the demographics of RPs:

- i. Candidate and mentor workshops on the requirements for progressing from the candidacy to professional phase
- ii. Identify individuals who are practicing without registration and encourage them to register
- iii. Recognise more voluntary associations (VAs) whose members qualify to register in any of the categories of registration

SACPCMP has approved competency standard frameworks for all its registration categories. These are currently awaiting the approval of a mechanism by the Minister to transition into full implementation of the new standards for purposes of registration. Additionally, online examinations and an interview portal will be implemented in the first quarter of the next financial year.

SACPCMP implemented its mentorship strategy in this financial year with key interventions implemented in Quarters 3 and 4. The roll out and training of the mentor database and the launch of the Mentor Speed Date initiative was in collaboration with the Chartered Institute of Builders (CIOB). The first Mentor Speed Date event took place on 22 October 2022 at the University of Witwatersrand (Wits). The last mentor training workshop was undertaken in February 2023.

Coupled with this SACPCMP instituted a Candidate Support strategy to better support candidates to complete their candidature period in record time. This includes the institution of a Mentor Database and Mentor Matching service in which SACPCMP seeks to increase access to professionals willing to mentor candidates.

The Council supported a number of events (i.e.: MUT Young Professionals Expo, STEM Support Expo) to assist in registration processes and guiding youngsters in their understanding of the registration processes. The Council has looked to participate in as many of these as possible in collaboration with its Voluntary Associations.

SACQSP experienced a decline in upgrades, noting that majority of candidates delay the process of upgrading the QS diary. Mentorship still poses a challenge; many candidates are unable to register due to the lack of mentors. To remedy the situation, SACQSP has plans in place which include improving its communication with candidates to ensure a higher number of upgrades.

Additionally, to improve migration towards registration, SACQSP collaborated with recognised VAs to offer free Assessment of Professional Competency (APC) preparation workshops prior to candidates' oral assessments. There are pre-examination workshops offered at a minimal fee, conducted by experts on the subject matter while acting as examiners.

4. ACCREDITATION

Accreditation of programmes in the Built Environment Professions is an essential aspect of ensuring quality and consistency of education provided to future professionals. These standards often include curriculum content, faculty qualifications, facilities, and resources. Accreditation provides reassurance to both students and employers that graduates have received a rigorous and comprehensive education.

Section 13 of the professions' Acts of 2000, subject to sections 5 and 7 of the Higher Education Act, 1997 (Act 101 of 1997), empowers the CBEP to conduct accreditation visits to any educational institution which has a department, school or faculty of that profession. These visits must be conducted once during the CBEP Council's term of office. If the CBEP does not conduct an accreditation visit within its Council's current term of office, it must notify the Minister accordingly and provide reasons for its failure to do so. The CBEP may conditionally or unconditionally grant, refuse, and withdraw accreditation regarding all educational institutions and their educational programmes.

Section 4(p) of the CBE Act impels the CBE *to promote coordination between the Council on Higher Education and the CBEP in relation to the accreditation of educational institutions.*

Accreditation of education programmes is an important element for quality assurance and maintaining professional standards against national and international standards. Completion of an accredited course of study is generally a key criterion for registration with the CBEP.

Objectives of Accreditation

The objectives of accreditation, as per the professions' Acts, are to:

- i. establish whether a programme meets the educational requirements toward registration in a particular category
- ii. establish whether the graduates of a programme are ready to enter employment, and are equipped to continue learning throughout their careers
- iii. establish the international comparability of programmes

- iv. assure the public of the quality of the programme
- v. evaluate and, subsequently, maintain the quality and standard of CBEP programmes offered at South African higher education providers
- vi. encourage improvement and innovation in education, in response to national and global needs

In line with its legislative mandate of setting minimum standards in education and training, and through their strategic objectives of upholding and maintaining standards of education and training, the CBEP evaluate Built Environment teaching programmes offered at universities and universities of technology (UoTs).

The CBEP documented the following challenges experienced by learning institutions during accreditation engagements in the 2022/23 financial year:

- i. UoTs are struggling to meet the minimum requirements on certain criteria in the accreditation policy
- ii. UoTs have a challenge placing students for experiential learning to complete their learning and fulfill the accreditation requirement of reporting on the employability of students. The institutions are burdened with the responsibility to source and place students with minimal resources
- iii. Programme accreditation by the CBEP (in Table 50) shows a slight increase; however, the issue of non-accredited programmes at educational institutions needs address

Accreditation Status of Built Environment Higher Education Programmes

Table 50 details Built Environment programmes offered by higher learning institutions and their accreditation status. The programmes are colour-coded to denote their accreditation status as follows:

Red - Full Accredited

Blue - Provisional Accredited

Black - Accreditation status not determined (information not provided)

Orange - Not Accredited

Table 51: Institutions with Built Environment Programmes and their Accreditation Status

INSTITUTION	SACAP	SACLAP	ECSA	SACPVP ⁴	SACPCMP	SACQSP
University of Johannesburg	Diploma: Architectural Technology (Dip Arch)	N/A	Bachelor of : - Civil Engineering - Mechanical Engineering - Electrical and Electronic	BCom and BCom (Hons)	National Diploma: Building Bachelor of Technology: Construction Management	BSc Construction Studies BSc Honours Quantity Surveying
	BTech: Architectural Technology					
	BArch (Bachelor of Architecture)					
	MTech: Architectural Technology (professional)					

⁴ This remains the status from the 2021/22 financial year due to non-submission from the council.

INSTITUTION	SACAP	SACLAP	ECSA	SACVP ⁴	SACPCMP	SACQSP
Walter Sisulu University	N/A	N/A	Butterworth Campus (Ibika Delivery Site) National Diploma: Engineering: - Civil - Electrical - Mechanical Buffalo City Campus College Street Delivery Site) National Diploma: Engineering: - Civil - Electrical Baccalaureus Technologiae Degree: - Engineering: Civil (Transportation) - Engineering: Civil (Water) - Engineering: Electrical Buffalo City Campus (Chiselhurst Delivery Site) National Diploma: Engineering: Mechanical Baccalaureus Technologiae Degree: Engineering: Mechanical Advanced Diploma in Electrical Engineering	N/A	National Diploma: Building	National Diploma -(Building)

INSTITUTION	SACAP	SACLAP	ECSA	SACVP ⁴	SACPCMP	SACQSP
Nelson Mandela University	Bachelor of Architectural Studies (BAS) Master of Architecture (MArch)	N/A	National Diploma: Engineering: Civil Bachelor of Technology: Engineering: Civil - (Transportation Engineering) - (Urban Engineering) National Diploma: Engineering: - Electrical - Industrial - Mechanical Bachelor of Technology Engineering: - Electrical - Industrial - Mechanical Bachelor of Engineering Technology in: - Civil Engineering - Electrical Engineering - Industrial Engineering - Mechanical Engineering - Marine Engineering	N/A	BHSD National Diploma: Building Construction Management Bachelor of Technology: Construction Management CM Baccalaureus Scientiae in Construction Studies – BSc (Construction Studies) Baccalaureus Scientiae in Construction Management - BSc (Hons) (Construction Management) Magister Scientiae in Built Environment: - Construction Management Specialisation - Construction Health and Safety Management Specialisation - Project Management Specialisation	National Diploma – (Building) BSc Construction Studies Bachelor of Quantity Surveying Bachelor of Science (Hons) in Quantity Surveying

INSTITUTION	SACAP	SACLAP	ECSA	SACPVP ⁴	SACPCMP	SACQSP
Tshwane University of Technology	B Tech Architecture (Professional), renamed as the BAArch from 2017 B Tech Architecture (Professional) with extended curriculum, renamed as the BAArch (Ext) from 2018 onwards B Tech Architecture (Technology) M Tech Architecture (Professional), renamed as the MAArch from 2018 onwards	N Dip Landscape Technology B Tech Landscape Technology	Bachelor in Engineering Technology in - Civil Engineering - Mechanical Engineering - Mechatronics Engineering - Electrical Engineering - Industrial Engineering Adv Diploma in Computer Systems Engineering Post Graduate Diploma in Computer Systems Engineering	N/A	National Diploma: Building Bachelor of Technology: Construction Management	ND - (Building) Bachelor of Technology - (Quantity Surveying)

INSTITUTION	SACAP	SACLAP	ECSA	SACPVP ⁴	SACPCMP	SACQSP
Durban University of Technology	Diploma: Architectural Technology Bachelor of Architecture Architectural Technology (BArch)	N Dip (naming is unclear)	National Diploma: Engineering: - Civil - Mechanical Bachelor of Technology: Engineering: Civil: - Construction Management - Transport Urban - Water Bachelor of Technology: Engineering: Mechanical Bachelor of Engineering Technology in: - Power Engineering (420 credits) - Electronic Engineering (420 credits) - Industrial Engineering (420 credits) - Mechanical Engineering (420 credits) Diploma in Engineering Technology – Civil Engineering (280 credits) BEEng Tech Hons: - Civil Engineering - Mechanical Engineering - Industrial Engineering	N/A	National Diploma: Building Bachelor of Technology: Construction Management	National Diploma -(Building) Bachelor of Technology - (Quantity Surveying)

INSTITUTION	SACAP	SACLAP	ECSA	SACPVP ⁴	SACPCMP	SACQSP
Cape Peninsula University of Technology	Diploma: Architectural Technology Bachelor of Technology: Architectural Technology	B Tech Landscape Technology (1 year) NQF 7 (phasing out) ND Landscape Technology (3 years) NQF 6 (phasing out) Diploma in Landscape Architecture (NQF 6) Advanced Diploma in Landscape Construction Management (NQF 7)	Diploma in Engineering Technology in - Chemical Engineering - Civil Engineering - Industrial Engineering - Mechanical Engineering - Electrical Engineering - Computer Engineering Diploma in Chemical Engineering Advanced Diploma in - Chemical Engineering - Industrial Engineering - Mechanical Engineering (Renewable Energy) BEng Tech in - Civil Engineering - Electrical Engineering - Computer Engineering - Chemical Engineering BEng Tech Hon in Electrical Engineering Mechanical Engineering in Mechatronics	National Diploma in Real Estate (Property Valuation)	National Diploma: Building Bachelor of Technology: Construction Management	National Diploma -(Building) Bachelor of Technology - (Quantity Surveying) Diploma in Construction Studies Advanced Diploma in QS

INSTITUTION	SACAP	SACLAP	ECSA	SACPVP ⁴	SACPCMP	SACQSP
Mangosuthu University of Technology	N/A	N/A	Diploma in Chemical Engineering Diploma in Electrical Engineering Diploma in Civil Engineering Diploma in Engineering Technology in Civil Engineering Bachelor of Engineering Technology in Civil Engineering BEng Tech Hons in - Civil Engineering - Mechanical Engineering Diploma in Engineering Technology in - Electrical Engineering - Mechanical Engineering Bachelor of Engineering Technology in - Mechanical Engineering - Electrical Engineering	N/A	N/A	National Diploma - (Building) Bachelor of Technology - (Quantity Surveying)
Central University of Technology	N/A	N/A		N/A	National Diploma Bachelor of Technology: Construction Management	National Diploma - (Building) Bachelor of Technology - (Quantity Surveying) BSc Construction Studies BSc Honors QS

INSTITUTION	SACAP	SACLAP	ECSA	SACPVP ⁴	SACPCMP	SACQSP
Vaal University of Technology (Secunda Campus)	N/A	N/A	Diploma in Engineering Technology in - Chemical Engineering - Electrical Engineering Diploma in Engineering in - Industrial Engineering - Mechanical Engineering Metallurgy Engineering	N/A	N/A	N/A
University of Cape Town	Bachelor of Architectural Studies (BAS) Bachelor of Architectural Studies [BAS (Hons)] Master of Architecture (Professional) (M. Arch)	BLA Hons (1 year) MLA (1 year)	N/A	BSc together with BSc Hons Postgraduate Diploma in Property Studies MSc in Property Studies	Bachelor of Science: Construction Studies Bachelor of Science: (Hons) Construction Management	Bachelor of Quantity Surveying Bachelor of Science (Hons) in Quantity Surveying

INSTITUTION	SACAP	SACLAP	ECSA	SACPVP ⁴	SACPCMP	SACQSP
University of Free State	Bachelor of Architectural Studies (BAS)	N/A	N/A	MPROP (Property Valuation)	Bachelor of Science: - Construction Management (Hons) Construction Management - Masters of Land and Property Management (MLPM)	Bachelor of Quantity Surveying Bachelor of Science (Hons) in Quantity Surveying
	Bachelor of Architectural Studies [BAS (Hons)] Master of Architecture (Professional) (M. Arch)					
University of KwaZulu- Natal	Bachelor of Architectural Studies (BAS)	N/A	Bachelor of Science in Engineering - Civil Engineering - Electrical - Electronic - Mechanical - Computer Engineering - Chemical Engineering - Agricultural Engineering - in the Branch of Computer Engineering - in the Branch of Electrical Engineering - in the Branch of Electronic Engineering	N/A	N/A	Bachelor of Quantity Surveying Bachelor of Science (Hons) in Quantity Surveying
	Master of Architecture (MArch)					

INSTITUTION	SACAP	SACLAP	ECSA	SACPVP ⁴	SACPCMP	SACQSP
University of Pretoria	Bachelor of Architectural Sciences (BSc Arch) Bachelor of Architectural Science (Hons) [BSc Arch (Hons)] Master of Architecture (Professional) (March [Prof])	BSc Landscape - Architecture - Architecture Honours Masters Landscape Architecture (Professional)	Bachelor of Engineering - Computer Engineering - Electrical Engineering - Electronic Engineering - Civil Engineering - Mechanical Engineering - Industrial Engineering - Mining Engineering - Chemical Engineering - Metallurgical Engineering	MSc in Real Estate BCom and BCom (Hons)	Bachelor of Science: - Construction Management - (Hons) Construction Management Master of Science in Project Management	Bachelor of Quantity Surveying Bachelor of Science (Hons) in Quantity Surveying
University of Witwatersrand	Bachelor of Architectural Studies (BAS) Bachelor of Architectural Studies [BAS (Hons)] Master of Architecture (Professional) (M. Arch)	N/A	Bachelor of Science in Engineering in the Branch of - Chemical Engineering - Civil Engineering - Electrical Engineering - Electrical Engineering, Information Engineering - Mechanical Engineering - Metallurgical and materials Engineering - Mining Engineering - Aeronautical - Industrial Engineering BSc (Eng) Electrical Engineering - Information Option	BSc (4 years) in Property Studies Postgraduate Diploma in Building and Property Management MSc in Building and Property Management	Bachelor of Science: - Construction Studies - (Hons) Construction Management Master of Science: Building in Construction Project Management	Bachelor of Quantity Surveying Bachelor of Science (Hons) in Quantity Surveying

INSTITUTION	SACAP	SACLAP	ECSA	SACPVP ⁴	SACPCMP	SACQSP
University of South Africa	N/A	Diploma in Horticulture (NQF6) Advanced Diploma in Ornamental and Landscape Horticulture (NQF7) Postgraduate Diploma in Ornamental and Landscape Horticulture (NQF8) MSc Ornamental Horticulture (NQF9)	National Diploma: - Chemical Engineering (Environmental) - Civil - Electrical - Industrial - Mechanical - Mining Advanced Diploma - Industrial Engineering - Chemical Engineering - Civil Engineering - Electrical Engineering - Power Engineering - Electrical Engineering in Telecommunications Engineering - Mechanical Engineering - Mining Engineering Bachelor of Technology (BTECH): - Chemical - Civil (Environmental, Structural, Urban, Water) - Industrial - Mechanical	N/A	N/A	N/A

INSTITUTION	SACAP	SACLAP	ECSA	SACVP ⁴	SACPCMP	SACQSP
North West University	N/A	N/A	Bachelor of Engineering - Electromechanical Engineering - Industrial Engineering Bachelor of Science (BSc) - Chemical Engineering - Chemical Engineering (with specialisation in mineral processing) - Computer and Electronic Engineering - Electrical and Electronic Engineering - Electro-Mechanical Engineering - Mechanical Engineering - Industrial Engineering Bachelor of Engineering in Mechatronic Engineering	N/A	N/A	N/A
Namibian University of Science & Technology (NUST)	Bachelor of Architecture Bachelor of Architecture (HONS)	N/A	N/A	N/A	N/A	N/A
Inscape	Higher Certificate: Architectural Technology	N/A	N/A	N/A	N/A	N/A

INSTITUTION	SACAP	SACLAP	ECSA	SACPVP ⁴	SACPCMP	SACQSP
School of Explorative Architecture (SEA)	Bachelor of Architectural Studies (BAS)	N/A	N/A	N/A	N/A	N/A
	Bachelor of Architectural Studies (HONS)					
	MArch (Prof)					
Arcia School of Architecture	Advanced Certificate in Architectural Technology	N/A	N/A	N/A	N/A	N/A
My Academy (also known as The Academic Institution of Excellence: AIE)	Higher Certificate in Architectural Technology-	N/A	N/A	N/A	N/A	N/A
	Diploma in Integrated Architectural Technology					
	Advanced Diploma in Integrated Architectural Technology					
	Diploma in Interior Architecture Design					

INSTITUTION	SACAP	SACLAP	ECSA	SACPVP ⁴	SACPCMP	SACQSP
STADIO holdings	Higher Certificate in Architectural Practice Bachelor of Architecture Postgraduate Diploma in Architecture Masters in Architecture	N/A	N/A	N/A	N/A	N/A
The Learning Box Studio	Higher Certificate in Architectural Technology	N/A	N/A	N/A	N/A	N/A

The following challenges regarding accreditation were reported by the CBEP for the year under review:

- Resourcing the accreditation review panel; individuals are busy in their professional practices, hence the number of volunteers is limited
- Cost of accreditation to higher education institutions

The following are some of the accreditation statuses, outcomes and support provided to institutions:

SACAP's 2022/23 accreditation visits on non-accredited programmes were recorded as follows:

INSTITUTION	ACADEMIC PROGRAMME	DATE OF ACCREDITATION VISIT	OUTCOME
STADIO	Higher Certificate in Architectural Studies	27 March 2023	The Accredited Learning Site received support for the programme
University of KwaZulu-Natal	Bachelor of Architectural Studies (BAS) Master of Architecture (MArch)	Accreditation visit deferred to 18 – 20 September 2023	-
Nelson Mandela University	Bachelor of Architectural Studies (BAS) Master of Architecture (MArch)	Accreditation visit scheduled for 17-19 and 24-26 April 2023	-
University of Johannesburg	Diploma (Architectural Technology) BTech: Architectural Technology Bachelor of Architecture (BArch) MTech: Architectural Technology (professional)	Accreditation visit scheduled for 8 – 10 and 17 – 19 May 2023	-

SACAP also noted that several colleges are offering architectural education without being validated; graduates from these colleges encounter problems registering with SACAP, hence it will undertake a programme to assist these colleges to have their programmes validated.

Non-accredited independent institutions offering architectural programmes:

INSTITUTION	ARCHITECTURAL PROGRAMME
Damelin	Architectural Draughting Diploma (NQF* 6)
Coastal KZN TVET College	Multi-disciplinary Drawing Office Practice / Draughting
Intec	Architectural Draughting Diploma (NQF 6)
African Academy	Architectural Draughting Certificate (NQF 5)
CTU	Computer Aided Drawing Office Practice (CAD) (NQF 4)

*NQF National Qualifications Framework

SACLAP's 2022/23 interventions to exercise oversight on accreditation for the non-accredited programmes is detailed as follows:

INSTITUTION	ACADEMIC PROGRAMME	DATE OF ACCREDITATION VISIT	OUTCOME
University of South Africa	Postgraduate Diploma in Ornamental and Landscape Horticulture (NQF8) MSc Ornamental Horticulture (NQF9)	To be advised by the institution	-
Durban University of Technology	N Dip	To be advised by the institution	-

ECSA's education business unit provided various levels of accreditation support to the Southern African Development Community (SADC) region as follows:

- University of Mauritius: provided information in preparation for their next accreditation, scheduled for January 2024.
- Botswana and Zambia: ECSA education and mentor team finalised a roadmap for mentorship.
- Botswana (Engineers Registration Board): Key stakeholders invited as observers to ECSA's accreditation visit to Central University of Technology, as they prepare to implement their own Accreditation processes and policy development.

5. RECOGNITION OF PRIOR LEARNING

Recognition of Prior Learning (RPL) is a process that acknowledges and assesses an individual's existing skills, knowledge, and experience gained through formal or informal learning. In the Built Environment Professions, RPL can be a valuable mechanism to recognise and validate the competence of individuals who may not have followed the traditional educational pathway. RPL provides an opportunity for professionals with practical experience or non-traditional qualifications to gain recognition and potentially obtain registration.

RPL practices vary across Built Environment Professions. Professional councils typically outline the criteria and procedures for RPL assessment which may include a portfolio of evidence, interviews, or practical assessments. Successful completion of the RPL process can lead to the granting of professional recognition or exemptions from certain educational requirements.

RPL recognition is based on a demonstration of competence against learning outcomes required for an NQF-aligned qualification. Applications received by the CBEP for RPL are summarised below:

SACAP completed RPL assessments for 22 applicants in March 2023 as outlined in the table below.

CATEGORIES		ASSESSED
Professional Architectural Draughtsperson to Professional Architectural Technologist	PAD to PAT	8
Professional Architectural Technologist to Professional Senior Architectural Technologist	PAT to PSAT	3
Professional Senior Architectural Technologist to Professional Architect	PSAT to PrArch	11
TOTAL		22

SACLAP 2022/23 Quarter Four report did not provide information on RPL.

ECSA

Recognition of Prior Learning (Annual Statistics)	Total
Number of professional applicants registered through RPL	0
Percentage of registered professionals through RPL	0%
Number of potential applicants for registration through RPL – Alternative Route (Education)	13
Number of RPL applications pending (Education)	0
Number of RPL applications rejected – no recognition (Education)	27

SACPVP 2022/23 RPL information was not provided at the time of finalising this report.

SACPCMP

Recognition of Prior Learning (Annual Statistics)	Total
Number of professionals registered through RPL	2
Percentage of Registered Professionals through RPL	0%
Number of applicants who paid to pursue registration through RPL	2
Number of RPL applications in process	39
Number of RPL applications rejected	0
Number of RPL applicants who passed professional interview	1

SACQSP

Recognition of Prior Learning (Annual Statistics)	Total
Number of professionals registered through RPL	4
Percentage of registered professionals through RPL	0%
Number of registration applications through RPL	3
Number of RPL applications rejected	1

The reasons for rejecting applications were listed as follows:

- (a) Inadequate support from the employer
- (b) Lack of clarity on knowledge areas to be covered
- (c) Lack of clarity on required registration competencies
- (d) Incomplete reporting and supporting documentation on experience as required through the toolkit
- (e) Incorrect perception that compiling the required Portfolio of Evidence is onerous, cumbersome and very demanding
- (f) Incorrect assessment tools used

6. CONTINUOUS PROFESSIONAL DEVELOPMENT

Continuous Professional Development (CPD) is a vital aspect of maintaining competence and staying up to date with advancements in the Built Environment Professions. Professionals are expected to engage in ongoing learning through attending conferences, workshops, seminars, and online courses. CPD requirements vary among professions. The Built Environment Professions mandate a certain number of CPD hours or credits to be completed within a specific timeframe to ensure professionals stay current with industry developments.

The purpose of Continuous Professional Development (CPD) is to ensure that BEPs' knowledge and competencies are continuously developed, and to keep abreast of new developments in their respective fields.

Another purpose is to assist BEPs maintain and acquire new and updated levels of knowledge, skills and ethical attitudes that will be of measurable benefit in professional practice, and to enhance and promote professional integrity. The client is ultimately the beneficiary.

The professions' Acts impose a duty on a RP to apply for the renewal of his/her registration with the council for the profession "at least three months prior to the prescribed expiry date of his/her registration" [section 22(1)]. The professions' Acts empower the CBEP to determine conditions for the renewal of registration, and continuing education and training. The discretion provided for in the professions' Acts to make use of CPD as a mechanism to determine the renewal of registration gives the CBEP the opportunity to comply with both the renewal of registration and CPD requirements.

It is the responsibility of all professionals to keep up to date with changes and new developments in the professional body of knowledge through participation in formal and informal CPD. All registered professionals are required to complete a series of accredited continuing education activities each year. CPD ensures that:

- i. skills of professionals meet the highest standards
- ii. expertise of members develops and expands as markets and conditions change
- iii. the role and reputation of the professions are relevant and enhanced - both in South Africa and in the international Built Environment community
- iv. expertise of members is harnessed to inform public debate

Table 52: CPD Compliance⁵

CBEP	Percentage of Registered Professionals who Comply with CPD Requirements
SACAP	47.5%
SACLAP	60%
ECSA	43%
SACPCMP	20%
SACQSP	52%

(Source: CBEP Fourth Quarter Report 2022/23)

CPD Challenges

Continuing education and training requires consistent and ongoing commitment from all registered professionals to update and develop their knowledge, skills and ethical attitudes that underpin competent practice. The objective is to protect public interest and the Built Environment.

The following challenges were encountered by the CBEP during the 2022/23 financial year:

SACAP received complaints from registered professionals on the following:

- Poor quality of CPD
- CPD activities are not accessible to all registered professionals in townships and rural areas
- CPD activities are expensive

SACAP is working with recognised Voluntary Associations to address these concerns.

ECSA

The Central Registration Management (CRM) system remains a challenge, both for the internal CRM user and an external RP accessing the portal. ECSA is currently implementing system enhancements to significantly improve system functionality, user experience and monitor the CPD process. Effective implementation of CPD Rules and the associated Standard will ensure that ECSA, as the sole authority and regulator for CPD in the engineering sector, closely watches, supervises, and governs CPD functions such as provider verification and activity validation.

⁵ SACPVP's 2022/23 CDP percentage of registered professionals' data is not provided due to non-submission from the council.

SACPCMP

SACPCMP's level of CPD compliance at the end of the 2022/23 financial year was 20% overall. It is currently implementing a remedial programme for CPD non-compliance, which has seen a two percent improvement in compliance levels. SACPCMP further developed a free online service on its registration platform to make CPD activities easily accessible to RPs. SACPCMP's CPD Policy was approved and gazetted at the end of quarter four for implementation.

7. AGREEMENTS AND PARTNERSHIPS

In an increasingly globalised world, international agreements play a crucial role in promoting collaboration and recognition of qualifications across borders. Various agreements facilitate the mobility of built environment professionals, enabling them to work and practice in different countries.

In terms of section 13(e) of the professions' Acts of 2000, the CBEP may establish mechanisms for registered persons to gain recognition for their qualifications and professional status in other countries. Section 13(h) states that *councils for the professions may enter into an agreement with any person or body of persons, within or outside the Republic, with regard to the recognition of any examination or qualification for the purpose of this Act.*

Agreements and partnerships should be consistent with the following principles:

- i. International movement of professionals is in the interests of increasing trade, investment, and knowledge flows between the council for the profession and its trading partners
- ii. The needs of the South African community are served according to the highest professional standards
- iii. Standards for assessment processes are applied consistently for both international and local applicants

The CBEP Fourth Quarter Report 2022/23 outlined the following regarding agreements:

SACAP

Internationally, SACAP signed a MoU under the realm of the Canberra Accord. Canberra Accord signatories recognise the substantial equivalency of fellow signatories' accreditation systems in architectural education. SACAP recognises that architectural professionals practice architecture in a global environment. As such, architectural education competencies, systems, and standards must align with international best practices. This ensures architectural programmes offered at South African educational institutions are internationally recognised amongst the signatories of the Canberra Accord.

SACLAP

SACLAP is currently exploring possible linkages with the International Federation of Landscape Associations (IFLA) and World Urban Parks Association (WUPA). However, no new agreements were concluded during the 2022/23 financial year.

ECSA

ECSA is a signatory to three accords:

- i. Washington Accord (WA)- Qualifications for Engineers. ECSA joined in 1999
- ii. Sydney Accord (SA) – Qualifications for Engineering Technologists. ECSA joined in 2001
- iii. Dublin Accord (DA) – Qualifications for Engineering Technicians. ECSA joined in 2002

ECSA is a member of three Competency Agreements:

- i. International Professional Engineers Agreement (IPEA)
- ii. International Engineering Technologists Agreement (IETA)
- iii. Agreement for International Engineering Technicians (AIET)

SACPVP

The 2022/23 SACPVP information on agreements and partnerships is not provided due to non-submission by the council at the time of finalising this report.

SACPCMP

Two draft memoranda of agreement (MoA) were finalised in quarter four of 2022/23 and will be formalised in quarter one of the 2023/24 financial year with:

- i. The Chartered Institute of Builders (CIOB) of the UK
- ii. The Royal Institute of Chartered Surveyors (RICS)

SACPCMP finalised an agreement to collaborate with the Project Management Institute (PMI) on the Construction Professional in Built Environment Projects (PMI-CP) certification. This collaboration will open doors for international recognition for SACPCMP RPs, who will benefit from undertaking learning and development that is not only construction focused, but also recognised internationally.

The MoAs with the PMI, CIOB and RICS will potentially facilitate the discharge of sections 13 (e) and (h) of the Project and Construction Management Professions Act regarding education in project and construction management:

Section 13(e): *establish mechanisms for registered persons to gain recognition of their qualifications and professional status in other countries;*

Section 13(h): *enter into an agreement with any person or body of persons, within or outside the Republic, with regard to the recognition of any examination or qualification for the purposes of this Act;*

SACQSP

No new agreements were concluded during the 2022/23 financial year.

8. PROTECTING PUBLIC INTEREST

A code of conduct serves as a reference for professionals and provides a mechanism for addressing complaints and grievances. Individuals who believe a Built Environment Professional has violated the code of conduct can file complaints with the relevant professional council. Professional councils have disciplinary committees responsible for investigating complaints and taking appropriate actions, which may include warnings, fines, or even revocation of a professional's registration .

Sections 3(a) and (e) of the CBE Act impel it to:

- a) *promote and protect the interests of the public in the built environment*
- (e) *promote appropriate standards of health, safety and environmental protection within the built environment*

8.1 Improper Practice and Disciplinary Cases

In terms of section 28(1) of the professions' Acts of 2000 (section 29 in the instance of SACPVP), the relevant council for the profession must refer any matter brought against a registered person to an investigating committee contemplated in section 17 if—

- a) *the council has reasonable grounds to suspect that a registered person has committed an act which may render him or her guilty of improper conduct; or*
- e) *a complaint, charge or allegation of improper conduct has been brought against a registered person by any person.*

Similarly, section 30(1) of the professions' Acts of 2000 impels the CBEP to appoint a disciplinary tribunal to hear a charge of improper conduct.

To ensure the protection of consumers of professional services, the CBEP have established complaints and disciplinary systems to maintain the quality of services to consumers and address unprofessional conduct by professionals.

Reasons for Disciplinary Measures

The CBEP may take disciplinary action against any RP who is alleged to be in violation of any of the professions' Acts or who is thought to pose a danger to the public. Most complaints fall into the categories of "professional misconduct" or "unprofessional conduct", and unsafe practice or illegal or unethical behaviour.

The nature of complaints/disciplinary cases related to:

- (a) improper conduct
- (b) failure of RPs to perform professional services within a reasonable time frame
- (c) competency/designs errors
- (d) non-compliance with the Code of Conduct
- (e) candidate working for their own account
- (f) rendering service as a professional, even when not registered
- (g) RPs practicing during their suspension
- (h) misrepresentation

Duration of Disciplinary Matters

Most cases took longer than 90 days to a year to complete. The challenges with this turnaround time were the following:

- (a) High cost of investigations and conducting disciplinary cases
- (b) Lack of legal resources within the CBEP, who are then forced to source this expertise externally
- (c) People passing themselves off as RPs, and law enforcement agencies are not effective in dealing with these matters
- (d) Non-disclosure/Insufficient information on the Complaint Affidavit
- (e) Lack of cooperation from third parties
- (f) Lack of clear steps for a RP to amend another RP's plans (client consent is not sufficient)
- (g) No committee member available for general advice

General Penalties

Decisions by the CBEP to take disciplinary action impact on a professional's ability to practice or hold oneself out as a RP. Specific actions that constitute penalties vary among the CBEP. The matter may be closed without sanction, or disciplinary action may be taken. If the matter is not closed without sanctions, punitive measures can take several forms and may be imposed in combination. Examples include:

1. **Reprimand or censure**—reprimand and censure are similar in that they are official records indicating that a licensee has been disciplined. They may, in themselves, not compromise one's ability to practice but may be imposed along with other penalties
2. **Citation**—the CBEP of the RP imposes a fine or order of abatement in lieu of making a formal accusation
3. **Cease and desist order**—an order to stop a particular activity or else face further penalty
4. **Warning**—this can be accompanied by stipulations or specific requirements
5. Mandated continuing education
6. Fine or civil penalty
7. **Remediation**—an attempt to correct practice and promote safety; it may define terms for the license to be reinstated in good standing
8. Referral to an alternative-to-discipline programme
9. **Probation**—a period of time during which the RP may/may not be permitted to practice. If permitted to practice during the period of probation, it is with terms and conditions or restrictions
10. **Suspension**—a period of time during which a RP may not practice or hold him/herself out
11. Interventions

Complaints Received by the CBEP

Complaints of improper conduct lodged against RPs, or incidents regarding CBEP-related activities that may indicate improper conduct by RPs are investigated.

The CBEP documented the following complaints in their Fourth Quarter Report 2022/23:

SACAP

SACAP received 153 complaints for the 2022/23 financial year- 35 of these were completed and 118 are still in progress. The nature of the complaints was as follows:

- (a) Failure to perform work for a client within a reasonable time frame
- (b) Failure to charge a client in accordance with the agreed project fees
- (c) Failure to adequately communicate with the client regarding architectural work undertaken
- (d) Failure to deliver as per the appointment
- (e) Failure to set out terms of appointment in writing prior to undertaking architectural work
- (f) Failure to display prescribed credential abbreviation on letterhead
- (g) RPs practicing during a period of imposed suspension
- (h) Practices not registered with SACAP providing architectural services
- (i) Misrepresentation
- (j) Failure to obtain necessary consent to amend another RP's plans ("copyright infringement")
- (k) RPs undertake work out of their category of registration

SACAP is adequately enforcing its rules of professional conduct and protects the public against registered persons and unregistered persons who contravene SACAP's prescripts. The organisation achieved 100% guilty verdict on all matters referred to its Disciplinary Tribunal.

SACAP received three appeals with their status as follows:

- | | |
|-----------------|---|
| (a) Completed | 1 |
| (b) In progress | 1 |
| (c) Withdrawn | 1 |

SACLAP

No complaints were received during the financial year.

ECSA

A total of 115 complaints/cases were investigated during the year under review relating to ethical and competency/design errors. Five of these were finalised within the stipulated time and 20 were withdrawn.

SACPVP

The 2022/23 SACPVP information on improper practice and disciplinary cases is not provided due to non-submission by the council at the time of finalising this report.

SACPCMP

SACPCMP received four complaints relating to improper conduct during the 2022/23 financial year. All were finalised.

SACQSP

SACQSP received 33 complaints - 19 were finalised and 14 are still in progress. The nature of the complaints was as follows:

- (a) Breach of the SACQSP Code of Conduct
- (b) Candidate's work not supervised
- (c) Poor quality of work
- (d) Fraud and misrepresentation

Challenges

CBEP continuously face the challenge of finalising disciplinary cases within the stipulated time due to lack of resources by way of finance, in-house legal expertise, lack of cooperation from the third parties and meeting non-attendance to enable committee members to take resolutions.

9. BUILT ENVIRONMENT HEALTH AND SAFETY

Health and safety considerations are of paramount importance in the Built Environment Professions. Professionals in these fields have a responsibility to ensure the safety and well-being of workers, occupants, and the public throughout the various stages of a project's lifecycle.

Health and safety regulations and standards vary by jurisdiction but generally encompass areas such as construction site safety, occupational health, fire safety, and building regulations. Built Environment Professionals must be aware of and comply with relevant legislation, codes, and standards to mitigate risks and create safe environments.

Professionals involved in design, construction, and management must demonstrate a comprehensive understanding of health and safety principles. They should integrate safety considerations into their designs, develop risk assessments, implement safety protocols, and monitor compliance during construction and operation phases. Ongoing training and professional development in health and safety practices are crucial to ensure professionals stay updated on emerging risks and best practices.

Additionally, professionals may be required to engage with other stakeholders, such as health and safety officers, regulatory authorities, and clients, to ensure that health and safety standards are met and maintained throughout the project lifecycle.

Section 3(e) of the CBE Act impels it to *promote appropriate standards of health, safety and environmental protection within the built environment*. The CBE Act does not, however specify policy instruments to achieve appropriate standards of health and safety and environmental protection, as these lie with other government line functions such as the Department of Labour and Employment's Construction Regulations, the Department of Environmental Affairs and of Trade and Industry (SABS – South African Bureau of Standards and NRCS - National Regulatory for Compulsory Specifications). This limits the role of the CBE to a facilitative one. However, a direct role for the CBE is in influencing the knowledge base of BEPs through the curricula of the BE and CPD programmes to incorporate substantive health and safety and environmental sustainability knowledge to increase their competence in these areas.

SACAP's Code of Conduct requires professionals to take all reasonable measures to the best of their knowledge/ expertise to minimise any adverse impact on the environment. Registered Professionals are required to comply with the National Building Regulations and Standards Act 103 of 1977, Town Planning Schemes, National Heritage Resources Act 25 of 1999 and any other Built Environment laws or any other applicable law governing the works. Where appropriate, registered professionals are required to advise a client in writing how best to conserve and enhance the quality of the environment and its natural resources; and when providing professional advice to a client or employer, and where such advice is not accepted, inform them in writing of any consequences which may be detrimental to the health, safety or interest of the public.

Failure to comply with the Code of Conduct is dealt with in terms of SACAP disciplinary process.

SACQSP has adopted an environmentally green policy has seen 95% of wasteful printing eliminated; only electronic invoices are issued, eliminating 95% of previous postage and envelope usage. SACQSP further introduced electronic submissions of reports and encourages the use of the QS diary application to record workplace skills training achieved.

10. SUSTAINABLE AND INTEGRATED DEVELOPMENT

10.1 Identification of Work

The CBE is compelled by section 20(2) of the CBE Act to identify the scope of work for each category of RPs – referred to as Identification of Work (IDoW). The scoping of work is determined after consultation with the Competition Commission (CC) and in consultation with the six CBEP.

The objective of the IDoW is to enhance the protection and safety of the public and the environment by ensuring that only persons registered in the relevant category of registration (and thus demonstrated the required competence and academic qualifications) perform work in the Built Environment or take responsibility for work so performed. The approach taken towards identification of work is to comply with the CBE's statutory duty to identify the scope of work for all categories of registration.

The CC rejected applications on behalf of the CBEP to have identification of work exempted from the provisions of the Competition Act (Act 89 of 1998). This decision by the CC obliged the CBE and CBEP to reconsider the manner in which work was initially identified in the submitted exemption applications. A workshop, conducted during the last quarter of the previous financial year between the CBE, CBEP and DPWI, produced an IDoW Action Plan, focussing on the CBE's statutory role and the CC's concerns. The CC's concerns were identified in its substantial reasons for rejecting one application, with an assurance that the reasons will be the same for all applications.

In the 2020/21 financial year, there were engagements (meetings) between the CBE, CBEP, DPWI and the CC on what was exactly required for the development of the IDoW policy by the respective CBEP and the role of the CC in this regard. The CBE gazetted the IDoW, which is critical to guide the six CBEP to develop their rules to enable them to regulate their registered Built Environment Professionals. The CBEP indicated that research and development on the IDoW policy was to commence during the 2021/22 financial year. The status for each CBEP is as follows:

SACAP's IDoW was gazetted on 30 April 2021; it came into effect in November 2022 and is currently operational and applicable. The RPL, Special Consent and Limited Special Dispensation mechanisms introduced by the IDoW are implemented. SACAP has assessed 44 applications for Limited Special Dispensation and 22 for RPL. Quarterly meetings with the CC address complaints it receives from RPs on the IDoW.

SACLAP: despite numerous engagements with the Competition Commission, there are no new developments since the previous financial year.

ECSA developed a draft IDoW document and is currently consulting VAs and affected parties on it. The process was scheduled to be finalised in the 2022/23 financial year.

SACPVP's 2022/23 update on IDoW is not provided due to non-submission by the council at the time of finalising this report.

SACPCMP is collaborating with the CBE on the IDoW under the oversight of CBE's Built Environment Transformation Committee. SACPCMP's approval of competency standards for all categories of Registration will pave the way towards drafting its detailed policy from the principles identified in the CBE's IDoW policy framework. This will commence in quarter one of the 2023/24 financial year

SACQSP's IDoW Committee reviewed the Policy, which was approved by their Council at its meeting on 25 November 2021 as a document to engage the CC on issues of competition.

10.2 Professional Fees

Fees charged by professionals in the Built Environment vary depending on factors such as experience, scope of work, and location. Professions have standardised fee structures established by the relevant professional council. These fee structures help ensure fairness and transparency within the industry.

Section 4(k)(v) of the CBE Act empowers it to *ensure the consistent application of policy by the councils for the professions with regards to the principles upon which the councils for the professions must base the determination of fees which registered persons are entitled to charge in terms of any of the professions' Acts, and in accordance with any legislation relating to the promotion of competition.*

In terms of section 34(1) of the professions' Acts of 2000, *"The council must, in consultation with the voluntary associations, representatives of service providers and clients in the public and private sector, formulate recommendations with regard to the principles referred to in section 4(k) (v) of the Council for the Built Environment Act, 2000."*

Section 34(2) of the professions' Acts of 2000 provides that *"The council must annually after consultation with the voluntary associations, representatives of service providers and clients in the public and private sector, determine guideline professional fees and publish those fees in the Gazette."*

At the beginning of 2013, the CBEP resolved not to publish professional fees, acting on the CC's advice that this was deemed anti-competitive behaviour. On this basis, an exemption application was submitted to the CC, which was rejected. This is expected to be the basis of an appeal headed by the CBE on behalf of the CBEP.

The CBEP are required by law to determine guideline professional fees for the purpose of guidance required to promote market efficiency and redress consumers' information deficit relative to the professional's knowledge and expertise. The guideline professional fees are not prescribed or set as maximum/minimum mandatory fees for professional services rendered.

SACAP's guidelines for Professional Fees Board Notice 307 of 2022 is still valid. SACAP is working on the 2023 Guidelines for Professional Fees Board Notice.

SACLAP's newly congregated Professional Practice Committee has resolved to work on a new framework for the guideline fees as one of their objectives in this term of office.

ECSA published its Guideline Professional Fees in March 2021. However, the CC issued a directive to ECSA on 10 November 2021 to withdraw it by 20 December 2021 on the grounds that firstly, its rejection notice of 2016 still applied, and secondly such publications amount to price fixing and is against international best practice.

SACPVP's 2022/23 update on Professional Fees is not provided due to non-submission by the council at the time of finalising this report.

SACPCMP's rebased 2022 Professional Fees remain suspended till further notice, and the 2019 Gazetted Fees by the SACPCMP remain valid. The 2022 fees were not published, pending discussions with the CC, led by the CBE.

In pursuit of utilising evidence-based methodology to develop the professional guideline fees, the SACPCMP Council commissioned Enterprises University of Pretoria to develop a Guideline Fee report. This report provides a preliminary strategy for the SACPCMP on an appropriate methodology for determining professional fees. SACPCMP is currently analysing the report in view of unresolved matters with the CC on publishing professional fees in a competitive and non-collusive manner.

SACQSP employed the services of actuaries for support in establishing their fee guidelines for 2023.

10.3 Voluntary Associations

In South Africa, a Voluntary Association (VA) is any association that is recognised as such by a CBEP. An association is broadly defined to include an institute, institution, association, society, or federation established by Built Environment practitioners to promote their collective professional and/or business interests. Their initial and continuing recognition is dependent on their adherence to policy prescripts of the associated council for the profession on VAs.

VAs are an important constituent of the Built Environment professional milieu as a repository of profession-specific of technical knowledge. They are highly involved in CPD activities and in developing qualifications. Their recognition is important and should be encouraged since they play the following critical roles:

- i. Provide a pool of practitioners to serve on professional councils' committees
- ii. Play the role of competency assessment (assessors) in the registration process
- iii. Provide a pool of mentors for candidate professionals
- iv. Serve as members of evaluation committees for programme accreditation at higher education institutions which offer Built Environment qualifications

Table 53: Number of Voluntary Associations Recognised by the CBEP⁶

CBEP	Number of VAs Recognised	Number of VAs Not Recognised
SACAP	13	0
SACLAP	4	0
ECSA	51	0
SACPCMP	12	3
SACQSP	1	0

Source: CBEP Fourth Quarter Report 2022/23

Reasons for Non - Recognition of Voluntary Associations

- i. Do not meet the minimum requirements of the guidelines
- ii. CBEP awaits full compliance with requirements for recognition

⁶ The 2022/23 SACVP's information on the number of recognised VAs is not provided due to non-submission from the council.

The background of the cover is a photograph of a modern, curved glass building. A large, solid brown geometric shape, resembling a large arrow pointing right, is overlaid on the left side of the image. The text is positioned within this brown area.

ANNUAL REPORT

2022/23

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RP201/2023

ISBN: 978-0-621-51261-8