

ANNUAL REPORT 2014/15
COUNCIL FOR THE BUILT ENVIRONMENT



C B E

COUNCIL FOR THE BUILT ENVIRONMENT

- architecture
- engineering
- landscape architecture
- project & construction management
- property valuation
- quantity surveying



ANNUAL REPORT 2014/15

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PART A:
GENERAL
INFORMATION

1. COUNCIL FOR THE BUILT ENVIRONMENT'S GENERAL INFORMATION

REGISTERED NAME:	COUNCIL FOR THE BUILT ENVIRONMENT
PHYSICAL ADDRESS:	121 Muckleneuk Street Cnr Middel and Florence Ribeiro Streets Nieuw Muckleneuk Brooklyn 0027
POSTAL ADDRESS:	P.O. Box 915 Groenkloof 0027
TELEPHONE NUMBER/S:	+27 12 346 3985
FAX NUMBER:	+27 12 346 3986
EMAIL ADDRESS:	registrar@cbe.org.za
WEBSITE ADDRESS:	www.cbe.org.za
EXTERNAL AUDITORS:	Auditor General of South Africa
BANKERS:	Standard Bank
COMPANY SECRETARY:	Advocate Pieter Fourie

2. LIST OF ABBREVIATIONS/ACRONYMS/DEFINITIONS

APP	Annual Performance Plan
AG	Auditor-General
BE	Built Environment
BEE	Black Economic Empowerment
BEP	Built Environment Profession
BEPC	Built Environment Professional Council
CBE	Council for the Built Environment
CC	Competition Commission
CHE	Council for Higher Education
Council	The appointed members of the Council of the CBE
CPD	Continuous Professional Development
DHET	Department of Higher Education and Training
DPW	Department of Public Works
ECSA	Engineering Council of South Africa
EPWP	Expanded Public Works Programme
GRAP	General Recognised Accounting Practice
GTAC	Government Technical Advisory Centre
HEI	Higher Education Institutions
ICT	Information and Communications Technology
IDoW	Identification of Work
IDMS	Infrastructure Delivery Management System
ILO	International Labour Organization
Minister	Minister of Public Works
MIS	Management Information System
MoU	Memorandum of Understanding
MoA	Memorandum of Agreement
MTEF	Medium Term Expenditure Framework
NDP	National Development Plan
NPO	Non-Profit Organisation
PAA	Public Audit Act
PICC	Presidential Infrastructure Coordinating Committee
PFMA	Public Finance Management Act, 1999 (Act 1 of 1999)
PSC	Public Service Commission
RPL	Recognition of Prior Learning
SACAP	South African Council for the Architectural Profession
SACLAP	South African Council for the Landscaping Architectural Profession
SACPVP	South African Council for the Property Valuers Profession
SACPCMP	South African Council for Project and Construction Management Professions
SACQSP	South African Council for the Quantity Surveying Profession
SCM	Supply Chain Management
SGB	Standards Generating Body
SIPs	Strategic Integrated Projects
VA	Voluntary Association
Programme 1	Government Policies and Priorities (formerly Administration)
Programme 2	Skills Development in the Built Environment
Programme 3	Research and Information in the Built Environment
Programme 4	Public Interest



Mr T.W. Nxesi (MP)
Honourable Minister of Public Works

3. FOREWORD BY THE MINISTER OF PUBLIC WORKS

The CBE Annual Report represents our dedicated progress to addressing key issues in the South African built environment. It is the medium through which the CBE accounts to the South African Parliament and people on its performance in nation building endeavours. Our landscape is a unique one, making this neither a straight forward one-size-fits-all solution, nor an overnight task. Against this canvas, this is an appropriate platform to applaud the CBE on its fifteenth year of existence and its steps, albeit baby ones, to steer the built environment in the right direction.

My department endeavours to create an enabling environment necessary for the respective built environment professions to make an impact on economic growth and sustainable development for the benefit of the people of South Africa.

As I have stated, my department will continue to devote policy support to improve the built environment and make a contribution to improving our development status.

The report outlines the CBE's successes and challenges in each of the over-arching areas it is mandated to address. In the past financial year, the CBE has focused on four key areas:

- A built environment that is responsive to the developmental and economic priorities of government.
- A transformed built environment with appropriate, adequate skills and competencies, responsive to the country's infrastructure delivery, operation and maintenance needs.
- An optimally functioning built environment

with a responsive and relevant policy and legislative framework, based on informed and researched positions.

- Built environment professionals that operate within a regulated policy and legislative framework.

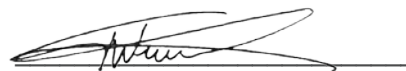
The CBE's achievement of an unqualified audit report for the 2014/15 financial year is indeed commendable, whilst operating under conditions that are by no means ideal. The 2014/15 CBE Annual Report indicates that the issue of skilled professionals and transformation in the built environment remains a challenge, to which we must all respond with enthusiasm. I am pleased to see the CBE and professional councils continuing to develop rigour in their decisions around built environment interventions and projects and initiatives they choose to undertake. This will be further underpinned by research and collaboration across the sector.

One of the highlights of the CBE is its Maths and Science intervention that supported learners in four Provinces. The Structured Workplace Training is an ongoing CBE's intervention in which a number of candidates are supported in an integrated way on their road to registration with their professional councils. The positioning of CBE as an appeals body gives me confidence that the public is protected, should there be any dissatisfaction with the services of the professionals in the built environment.

Ticking all the boxes of the CBE's mandates is like a highway under construction - while you may forge ahead cutting the new road, you also have to go back to repair potholes – the moral of the metaphor is that to stay relevant, review of

legislation and policy is equally essential as new introductions. It is fundamental that we provide the right policy settings for the built environment.

I would like to thank the Council members, CBE staff, the six professional councils and the Department of Public Works. I trust that they will continue to work together in tackling the challenges and taking advantage of the opportunities that lie ahead.



Mr T.W. Nxesi (MP)

Honourable Minister of Public Works



Isaac Mzumara Nkosi
CBE Council Chairperson

4. FOREWORD BY THE CHAIRPERSON

The 2014/15 financial year presents an opportunity not only to reflect on the achievements of the CBE, but also one to highlight the work of the Council during the fourth term at the helm of the CBE. The review of the Strategic Plan presented the Council with the prospect to redirect the focus of the CBE, with the aim of ensuring alignment to government priorities. As the third term of the Council came to an end on 2 June 2014, the new Council was appointed by Cabinet on 1 August 2014 and inaugurated on 5 September 2014 by the Minister of Public Works. The newly appointed Council is now in place and is working diligently to prepare for a new and fresh expression of the CBE. The review period saw the rigorous restructuring and establishment of sound governance principles within the organisation to focus resources and co-ordinate efforts for the provision of a more synergistic developmental value-add to the various initiatives of government.

Skills development in the sector remained a critical area of focus during the year under review, with the transformation agenda constantly being a priority for the Council. I trust that the introduction of a Workplace Training Programme to oversee quality workplace training of at least 50 Built Environment candidates and 100 Built Environment interns, using the CBE developed quality assured structured candidacy framework will yield more benefits in the years to come as the CBE continues to partner with the Professional Councils and other stakeholders in its implementation. The CBE continues to lead the sector in Maths and Science support to schools in areas with the greatest need. There was some marked success in this programme during the 2014/15 Financial Year.

The 2015/16 Financial Year will pilot the implementation of the integrated workplace

training system, which has the potential of being the core architecture for a nation-wide skills pipeline demand and supply for built environment skills, forecasting and management for infrastructure development including for Strategic Integrated Projects (SIPs), and public sector infrastructure delivery. In this regard, I thank all the entities who have partnered with us in the implementation of the system by providing work opportunities to the candidates and interns.

As we approach the year ahead, the CBE will continue to ensure transformation of the built environment by ensuring that there is a framework that incorporates disciplines into the built environment faculties, academic programmes and curricula such as, among others, Health & Safety in Construction; Environmental Sustainability (Green Buildings); Labour Intensive Construction; and Infrastructure Delivery Management System (IDMS). The year under review has seen the successes in the Research and Advisory programmes. The CBE will continue placing emphasis on Research and Advisory programmes for the Built Environment to ensure that real time and well informed positions are availed to Government on matters impacting the Built Environment.

Upon reflection, there were many challenges encountered in the operations of the Council during the year; despite these the overall organisational performance for 2014/15 indicates an improvement in the delivery of the Annual Performance Plan (APP), as compared to the previous years.

I would like to acknowledge the great work of the third term Council. Lastly, I would like to thank my colleagues on the present Council, and the Management and staff of the CBE who have

contributed to the realisation of the strategic objectives of the Council. It has not been smooth sailing, but we are all committed to move forward, focussing on the achievement of the goals set in the Strategic Plan and the APP for the financial year ahead.



Isaac Mzumara Nkosi
Council for the Built Environment

31 May 2015



Advocate Pieter Fourie
Acting Chief Executive Officer

5. CHIEF EXECUTIVE OFFICER'S OVERVIEW

General financial review of the CBE

During the 2014/15 financial year, the CBE implemented its APP through four programmes namely: Programme 1 Government Policies and Priorities; Programme 2 Skills Development in the Built Environment; Programme 3 Research and Information in the Built Environment and Programme 4 Public Interest.

The purpose of Programme 1 is to ensure a capacitated and capable CBE that is responsive to government's development priorities in the built environment. The purpose of Programme 2 is to drive and facilitate skills and human resource development in the built environment in line with the CBE mandate and in support of national goals and priorities, as well as transformation. The purpose of Programme 3 is to provide research, knowledge and information on the

built environment to enable the CBE to advise government on any matters falling within the scope of the built environment; as per section 4(a) – (v) of the CBE Act 43 of 2000. The purpose of Programme 4 is to fulfil the statutory mandate of the CBE to act as an appeal body on matters referred to it in terms of the law regulating the Built Environment Professions (BEPs) and the implementation of IDoW (ring fencing work that must only be done by appropriately registered persons) as per Section 20 and 21 of the CBE Act 43 of 2000.

Some of the CBE's highlights for 2014/15 included the following:

- Accreditation: the CBE participated in 13 Accreditation visits out of the scheduled 21, together with four of the six Built Environment Professional Councils (BEPCs).

- CBE Workplace Training Programme: 101 interns are currently placed with host workplace training employers.
- CBE Workplace Training Programme: 53 candidates are currently placed with host workplace training employers.
- Maths and Science support project: the average for Maths was 60.71% and 59.75% for Science for the December 2014 exams.
- A report titled *A benchmark analysis of alternative approaches to attract, develop and retain BE professions in three government spheres* has been finalised.
- Completion of all appeal cases, within the legislated 60 day period.
- The adoption of a reviewed Appeals Policy by Council, introducing a simplified procedure aimed at cost and time saving.
- The introduction of a Best Practice Model on Appeals and Disciplinary Investigations to all six BEPCs.

The CBE strives to improve its performance from year to year and for the 2014/15 financial year, the CBE successfully achieved 96% of its targets against 86% of targets that were successfully achieved in 2013/14 and 71% successfully achieved in 2012/13.

For the year under review, the CBE was allocated funding of R41 572 million by the Department of Public Works (DPW) and together with additional revenue from levies and sundry income from insurance claims, the CBE had a total revenue budget of R43 525 million. The CBE utilised this allocation to deliver on its mandate by executing planned projects as per the APP, as well as other priority projects identified during the year. The detailed financial performance is outlined in the annual financial statements for 2014/15. With regard to overall expenditure, the CBE

utilised 93% of the total revenue for the year. The expenditure was incurred through delivery on the above programmes and the spread of expenditure among the programmes is as follows: 65% incurred under Programme 1; 21% under Programme 2; 7% under Programme 3 and 7% under Programme 4.

The direct expenditure items as disclosed in the annual financial statements shows that the CBE spent 40% of its total expenditure on personnel costs, 5.3% on internal and external auditors' remuneration, and 8.6% on occupancy costs for lease rentals, 4% on travel and accommodation and 21.5% on consulting fees utilised in the research environment.

Capacity constraints and challenges facing the public entity

For most of the year under review, the CBE encountered capacity challenges, mainly as a result of vacant executive and management positions. These executive positions were not filled immediately on the advice of the Executive Authority that the process should await the appointment of the fourth term Council who were appointed on 1 August 2014. Various temporary and project linked appointments were made within Administration and the Programmes to supplement capacity within the organisation.

Requests for roll-over of funds

There was a request to roll-over the surplus funds of the 2014/2015 financial year amounting to R2 524 million. The reason for the continuous roll-over of funds is due to the timing difference between the CBE financial year, which starts on 1 April and the start of the school calendar year, which starts in January. The majority of CBE's transformation projects are annual and involves

improving Maths and Science skills at school level, which makes it critical that the project starts as early as possible. If this is not possible, it is preferable to postpone the project as the students will not get the full benefit from a partial year assistance project. Arrangements were made with National Treasury and a request will be resubmitted with the current year's accumulated surplus.

Supply chain management

The CBE has an approved Supply Chain Management (SCM) policy, which is in line with Treasury transcripts. The CBE established systems, processes and procedures that are aligned with the SCM policy to enable it to deliver on its strategy. There was an internal audit review done on the SCM processes which uncovered issues of non-compliance and possible fraud which has been investigated and disciplinary processes are in progress.

Audit report on matters from the previous year

During the year under review, the CBE's audit finding matrix monitored and tracked the progress of the implementation of recommendations made on the issues raised by the Auditor General (AG) and internal auditors. The matrix was tabled and reviewed by the Audit and Risk Committee (ARC) who recommended a management focus on the resolution of IT related findings. The dashboard review of internal controls was also performed quarterly by the AG to monitor the implementation of the recommendations and improvements.

Outlook/ Plans for the future to address financial challenges

The pending review of the built environment (BE) legislative framework will contribute to addressing the financial challenges that the CBE experienced in implementing its legislative mandate.

Events after the reporting date

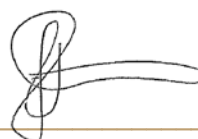
There are no events to report on.

Economic viability

The current CBE Council term started on 1 August 2014. The operation of the CBE as an operational entity continues to be a concern and is subject to the legislative framework review.

Acknowledgement

The core business of CBE, by its very nature attracts 'special' people - people who are driven by the adrenalin of traversing a step-by-step journey on a rocky road to transformation and ultimate nation building. It is my singular privilege to be surrounded by such people – the Minister, the CBE Council, the Management and staff of CBE – whom I would like to thank profusely in assisting me to ensure the CBE remains focused on this daunting journey.



Advocate Pieter Fourie
Acting Chief Executive Officer
Council for the Built Environment
31 May 2015

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 AG. The annual report is complete, accurate and is free from any omissions. The annual report has been prepared in accordance with the guidelines issued by the National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the General Recognised Accounting Practice (GRAP) standards applicable to the public entity. The accounting authority is responsible for the preparation of the annual financial statements and for the judgements made in this information. The accounting authority is responsible for establishing, and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual

financial statements. The external auditors are engaged to express an independent opinion on the annual financial statements.

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the public entity for the financial year ended 31 March 2015.

Yours faithfully



Advocate Pieter Fourie
Acting Chief Executive Officer

31 May 2015



Isaac Mzumara Nkosi
Chairperson of the Council

31 May 2015

7. STRATEGIC OVERVIEW

7.1 Vision

An environment built to meet people's needs and aspirations.

7.2 Mission

Implementing projects and programmes that address built environment issues and add value to the built environment professions, government and the general public.

7.3 Values

The following values are the principles that bind and guide the CBE in its continuous effort towards service delivery improvement:

7.3.1 Integrity

We will carry out our responsibility in a manner that will preserve and enhance the integrity of the organisation.

7.3.2 Transparency

We recognise the CBE as a public entity and commit to providing reliable information to all our stakeholders.

7.3.3 Excellence

We will endeavour to achieve the best possible standards in all we do.

7.3.4 Innovation

We will continuously seek and employ better and more affordable solutions to meet the needs of our stakeholders and end-users.



8. LEGISLATIVE AND OTHER MANDATES

8.1 The objectives of the CBE as per section 3 of the CBE Act of 2000, are to:

1. Promote and protect the interest of the public in the built environment;
2. Promote and maintain a sustainable built environment and natural environment;
3. Promote ongoing human resources development in the built environment;
4. Facilitate participation by the built environment professions in integrated development in the context of national goals;
5. Promote appropriate standards of health, safety and environmental protection within the built environment;
6. Promote sound governance of the built environment professions;
7. Promote liaison in the field of training in the Republic and elsewhere and to promote the standards of such training in the Republic;
8. Serve as a forum where the built environment professions can discuss relevant issues; and
9. Ensure uniform application of norms and guidelines set by the Professional Councils throughout the built environment.

8.2 Functions, Powers and Duties of the Council (CBE Act of 2000, Section 4 a-z)

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 Minister 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 interministerial 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;
- 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.

8.3 Other Legislative Mandates

The scope of the CBE and Professional Councils 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 derived from the CBE Act 43 of 2000 whilst also mindful of the following legislations, regulations and policies:

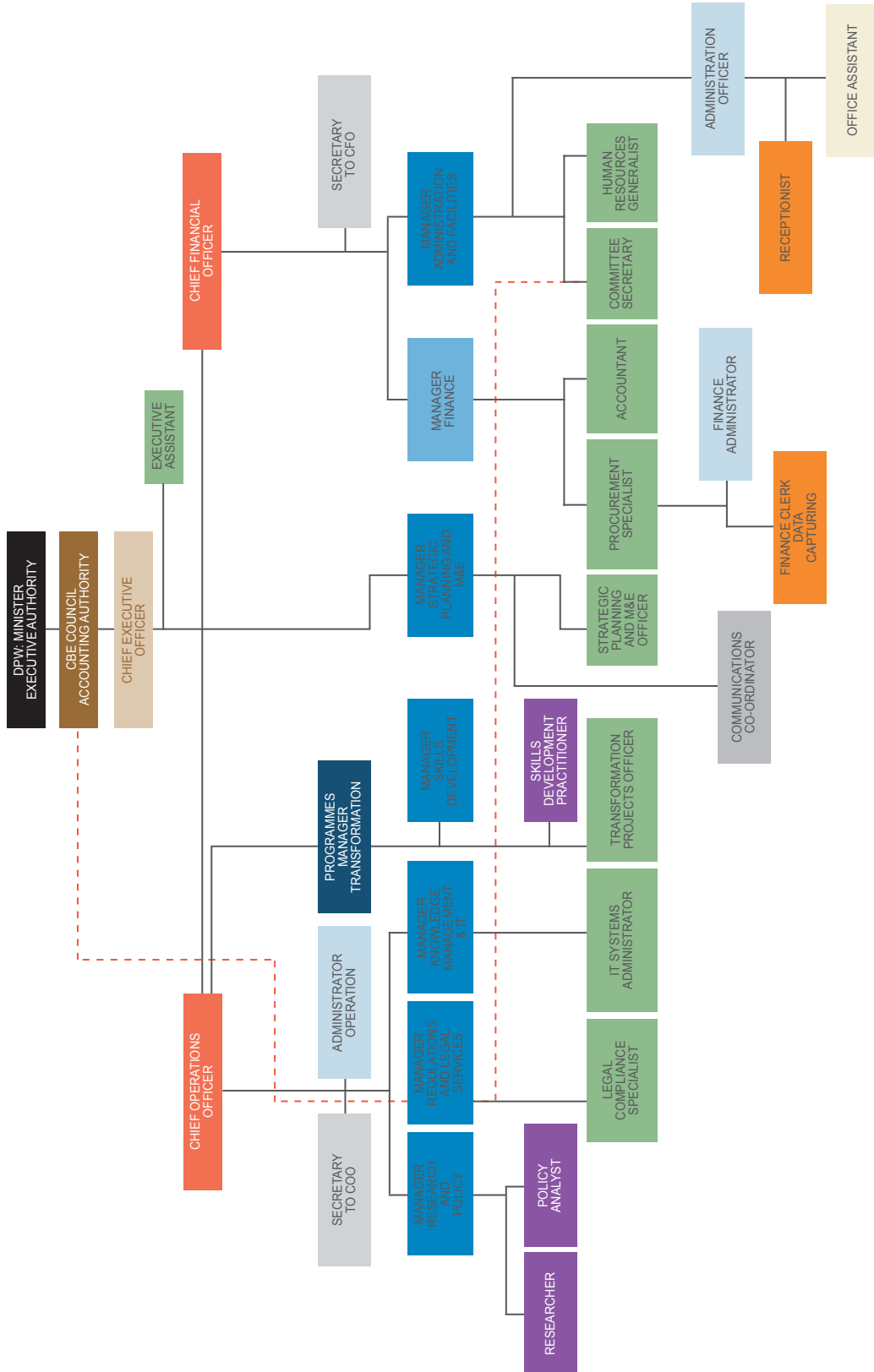


Short Title of The Act	Purpose of the Act
Constitution of the Republic of South Africa, 1996	The Constitution is the supreme law of the land. No other law or government action can supersede the provisions of the Constitution.
Consumer Protection Act, 2011	To promote a fair, accessible and sustainable marketplace for the consumer.
Construction Industry Development Board Act, 2000	To provide for the establishment of the Construction Industry Development Board; and matters incidental thereto.
Council for the Built Environment Act, 2000	To provide for the establishment of the Council for the Built Environment and matters incidental thereto.
Architectural Profession Act, 2000	To provide for the establishment of the Council for the Architectural Profession and matters incidental thereto.
Landscape Architectural Professional Act, 2000	To provide for the establishment of the Council for the Landscape Architectural Profession and matters incidental thereto.
Engineering Profession Act, 2000	To provide for the establishment of the Council for the Engineering Profession and matters incidental thereto.
Project and Construction Management Profession Act, 2000	To provide for the establishment of the Council for the Project and Construction Management Profession and matters incidental thereto.
Quantity Surveying Profession Act, 2000	To provide for the establishment of the Council for the Quantity Surveying Profession and matters incidental thereto.
Property Valuers Profession Act, 2000	To provide for the establishment of the Council for the Property Valuation Profession and matters incidental thereto.
Public Finance Management Act, 1999	To regulate financial management and to ensure that all revenue, expenditure, assets and liabilities of Government departments or entities are managed efficiently and effectively.
Skills Development Act, 1998	To govern training, education and skills development in the workplace.
Employment Equity Act, 1998	Applies to all employers and workers and protects workers and job seekers from unfair discrimination, and also provides a framework for implementing affirmative action.
Promotion of Administrative Justice Act, 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.
Promotion of Access to Information Act, 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	<ol style="list-style-type: none"> 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-: <ol style="list-style-type: none"> 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, 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.

Short Title of The Act	Purpose of the Act
National Treasury Regulations	These regulations are issued on a regular basis by National Treasury and are applicable to all public entities as listed on Schedules 2, 3B and 3D. These regulations are also applicable to public entities listed on Schedules 3A and 3C until 31 March 2001.
National Archives of South Africa Act, 1996	Provides for the proper management and care of the records of governmental bodies; and the preservation and use of a national archival heritage.
Construction Charter	Provides a framework for the construction sector to address BBBEE, enhance capacity and increase productivity in the sector to meet world best practice.
Property Charter	Promote the BBBEE Act as these relate to the property sector.

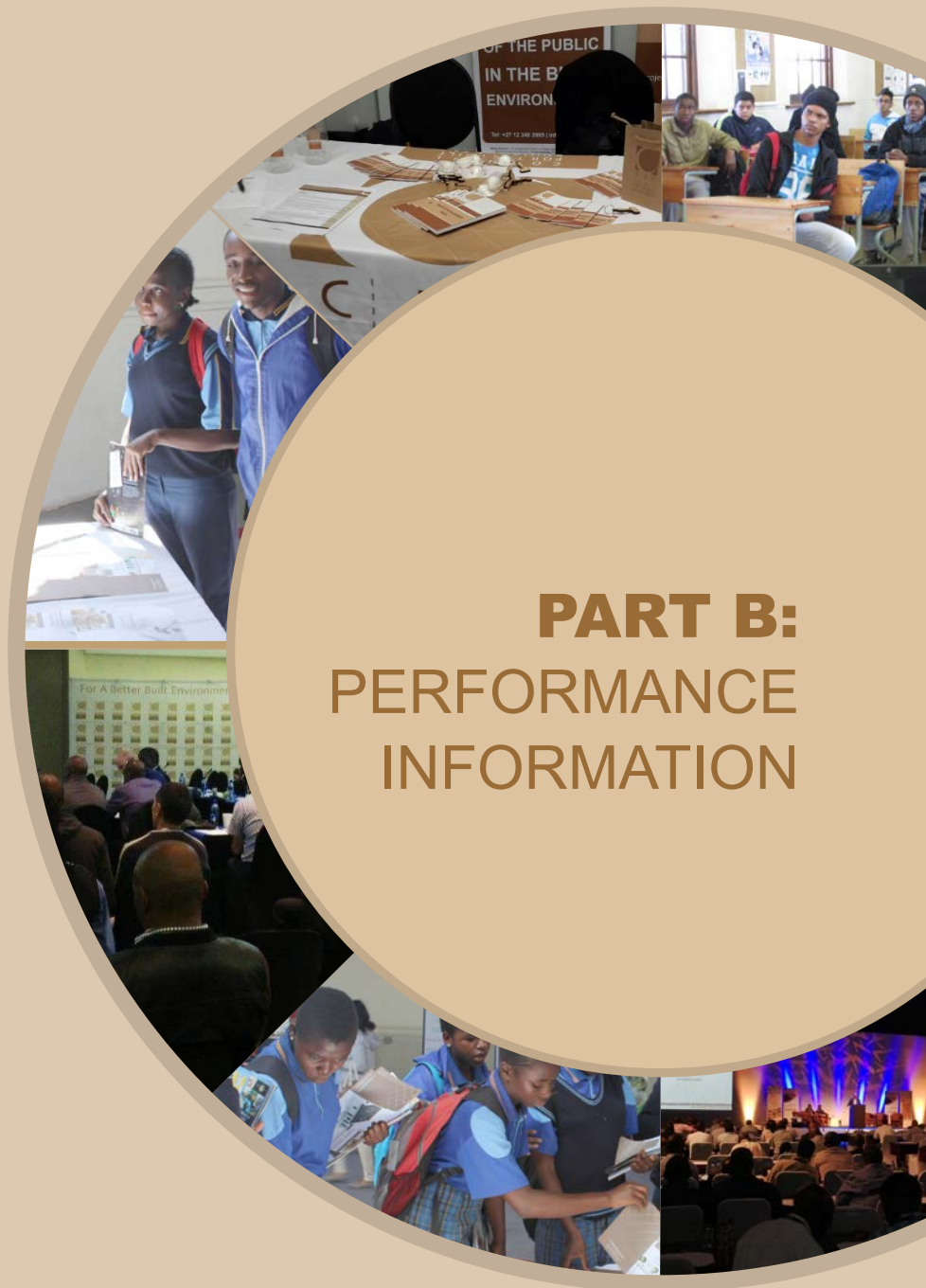
ORGANISATION STRUCTURE

9. ORGANISATIONAL STRUCTURE



Dotted line included is as follows:

1. From Manager: Legal and Regulations to Council as the Company Secretary to fulfil the functions as per the Council Charter.
2. Between Manager: Legal and Regulations and Committee Secretary to indicate oversight to the minutes of Council and Committees.



PART B:
PERFORMANCE
INFORMATION

1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs the necessary audit procedures on the 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 the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 103 of the Report of the Auditors Report, published as Part E: Financial Information.

2. SITUATIONAL ANALYSIS

2.1. Service Delivery Environment

The 2014 Medium-Term Budget Policy Statement (MTBPS) states that this policy statement signals a shift in fiscal policy. Government proposes a series of measures to reduce the budget deficit and stabilise public debt. These steps are necessary to ensure the sustainability of South Africa's most important public spending programmes in a weaker economic environment. The squeezed fiscal space of government has directly impacted the CBE through proposed reductions in medium term budget allocations. For the three fiscal years of 2015/16, 2016/17 and 2017/18, the CBE budget has been reduced by R5 924 million made up of R2 297 million reduction in 2015/16 and R3 225 million reduction in 2016/17 and R402 000 in 2017/18. This reduced fiscal envelop will therefore compel the CBE to make strategic choices on projects and initiatives that it can undertake in the medium-term to 2018/19.

The MTSF priorities over the period ahead as identified in the MTBPS, which are amenable to the CBE mandate, include the following:

- Building the capacity of the public sector, particularly at local government level, through the "back-to-basics" approach, focused on improving service delivery, accountability and financial management.
- Improving the quality of the education system, starting with greater attention to human resources management and annual assessment of learners to benchmark progress.

The above policy priorities will therefore see the following key priorities for the CBE in the medium-term:

- Ensuring that BE academic programmes curricula addresses issues of Labour Intensive Construction, implementation of the IDMS, Sustainable Development and Health and Safety;
- Promotion of high demand skills for Strategic Intergrated Projects (SIPs);
- Stepping up mechanisms, programmes, projects and interventions to drive transformation and ensuring adequate representation of women and black people within the BE through the CBE Transformation Model;
- Scaling up the Maths and Science support programme to reach learners in grade 1 to 12 in 2018;
- Establishing a Structured Candidacy Programme for candidates and interns to address bottlenecks in the skills pipeline;

- Supporting workplace training of BE graduates/candidates and interns to deepen competencies and to promote professional registration;
- Strengthening the technical capacity of local, provincial and national government;
- Aligning the policy planning and reporting processes of BEPCs to the government's planning cycles and the government's priorities;
- Strengthening monitoring and regulatory work on delegated public functions of the BEPCs; and
- Enhancing internal systems, controls and capabilities to allow the organisation to deliver on its mandate and strategic goals.

2.2. Organisational environment

The CBE constantly reviews its capacity requirements, driven by its APP requirements as a main tool to deliver on the Strategic Plan. Aligned to this, the CBE has identified the key risks that might have an impact on the effective operation of the organisation to achieve its mandate and has developed strategies to mitigate the identified risks.

The CBE fully recognises that the changing international and domestic economic environment, including government's policy

priorities, all have direct implications on the organisational environment. The CBE will keep abreast of these, and will make the necessary changes to its capacity requirements to remain relevant and focused on delivering more value within its current resources.

In its ongoing effort to be more responsive to government priorities and deliver on its Strategic Plan and APP programmes, the CBE has introduced a new responsive organisational structure. It will also supplement its capacity requirements through the hiring of fixed term appointments to the organisation that are specifically contracted for specific projects and deliverables.

2.3. Key policy developments and legislative changes

No legislative revisions have been made to date, however the Ministry of Public Works gazetted the BEP Policy Review for public comment in May 2013, proposing amendments of the statutory regulatory framework of the BEPs.

2.4. Strategic Outcome Oriented Goals

The strategic goals listed below were synthesised to guide the work of the CBE and to co-ordinate work with the respective Professional Councils:

Strategic Goal 1: Support government priorities in relation to built environment matters

Strategic Goal 1	Support government priorities in relation to built environment matters
Goal statement	Support government development priorities in relation to various built environment initiatives, including infrastructure delivery programme, health and safety in construction, environmental sustainability and job creation.
Goal summary	Capacitate the CBE to respond to government priorities within the BE to include: <ul style="list-style-type: none"> • Health and safety in construction; • Environmental sustainability; • Job creation projects and programmes; and • Infrastructure delivery programme.

Strategic Goal 2: Competent and transformed built environment professions

Strategic Goal 2	Competent and transformed built environment professions
Goal statement	Drive development of skilled professionals through skills programmes, while ensuring a transformed BE sector.
Goal summary	Implement skills development programmes to ensure production of competent, dynamic and transformed professionals in the built environment.

Strategic Goal 3: A centre of excellence for the built environment

Strategic Goal 3	A centre of excellence for the built environment
Goal statement	To provide research, knowledge and information on built environment issues as well as issues of national priority and serve as a forum where built environment professions can discuss relevant issues.
Goal summary	<ul style="list-style-type: none"> • Establish the CBE as a leader in the production of relevant research outputs and expert advice on BE issues; and • Create local and international platforms for knowledge and information dissemination.

Strategic Goal 4: Strengthen public protection and educate the public in relation to the built environment

Strategic Goal 4	Strengthen public protection and educate the public in relation to the built environment
Goal statement	Promote and enforce high standards of professional ethics and conduct within the BE and to provide information on BE matters to the general public.
Goal summary	<ul style="list-style-type: none"> • Facilitate the implementation of IDoW within the six BEPCs; • Develop a best practice model for appeals disciplinary proceedings within the BE; • Formulate a corporate governance framework for BEPCs; and • Create a platform for public awareness on BE issues.



3. PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

During the 2014/15 financial year, the CBE implemented its APP through four programmes, namely: Government Policies and Priorities; Skills Development in the Built Environment; Research and Information in the Built Environment; and Public Interest.

3.1. Programme 1: Government Policies and Priorities

The purpose of this programme is to ensure a capacitated and capable CBE that is responsive to government's development priorities in the built environment.

For the 2014/15 APP, Programme 1 had a total of six annual targets.

3.1.1 *One report on skills needs relating to built environment graduates and professionals required to support government's infrastructure delivery programme by 31 March 2015 - Achieved.*

The target was to produce one report on the skills needs regarding built environment graduates and professionals required to support government's infrastructure delivery programme. The specific topic for this project was research on benchmark analysis of approaches through which BE skills (graduates and professionals) can be attracted, developed and retained within the public sector for infrastructure delivery. An output for this target is a research paper entitled '*A benchmark analysis of alternative approaches to attract, develop and retain BE professions in three government spheres*'. The main objective of the study was to address issues related to lack of adequate technical capacity in the public sector, and thus contributing to its professionalisation,

especially towards improving the spending of capital infrastructure budgets thus impacting on service delivery.

The project encountered delays during the year, resulting in the revision of the original project plan. The main challenge in the delivery of this report was the poor quality of the report received from the initial project expert, which resulted in the elimination of the expert from the CBE panel of experts. The report was finalised.

The report highlights the following issues relating to the attraction and retention of built environment professionals:

- Job opportunities that offer interesting work in an environment that delivers challenging and rewarding experiences are more attractive to the younger generation and this applies across various disciplines;
- Education and training facilities that meet the needs of young people - to provide the young trainees with limited edition software that is accessible to them after hours and to give each of them tasks that would be supervised and marked by professional staff within their discipline. These staff could be consultants or design engineers on the very same infrastructure project.

A holistic, integrated approach is advised for the attraction, development and training of BEPs. It is suggested that a small sample project be initiated where the methods discussed in this report are implemented.

The other project that supported this deliverable was the skills development initiatives for SIPs, focussing on scarce / high priority professional skills in Engineering, Construction and Project Management, Quantity Surveying, Landscape

PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

Architecture, Town Planning, Property Valuers, Geographic Information Scientists (GIS) and Land and Engineering Surveying. One report on the skills needs required to support government delivery programme through SIPs was completed by 31 March 2015. This SIPs report also highlights common challenges and solutions of the skills pipeline.

The estimated number of skills shortages for SIPs is shown in the following table:

Organising Framework for Occupation (OFO) Major Group	Top 7 Scare Skills: Organising Framework for Occupation	Annual Number
Manager	Construction Project Manager: Site Manager	41417
Manager	Programme or Project Manager	19901
Manager	Contract Manager	5780
Manager	Health and Safety Manager	4244
Professional	Civil Engineer	133444
Professional	Safety, Health, Environment and Quality (SHE&Q) Practitioner	86039
Professional	Electrical Engineer (including Power and Railway Signalling Engineer)	61366
Professional	Mechanical Engineer	37027
Professional	Surveyor (including Land and Engineering Surveyors)	24610
Professional	Materials Engineer	24310
Professional	Environmental Engineer	16713
Professional	Quantity Surveyor	15588
Professional	Mechanical Engineering Technologist	12986
Professional	Electrical Engineering Technologist	11188
Technicians and Associate Professionals	Building Associate (including Construction Supervisor and Clerk of Works)	74650
Technicians and Associate Professionals	Electrical Engineering Technician	71996
Technicians and Associate Professionals	Draughtsperson	27211
Technicians and Associate Professionals	Mechanical Engineering Technician	21967
Technicians and Associate Professionals	Forestry Technician	18377
Technicians and Associate Professionals	Chemical Engineering Technician	16175
Technicians and Associate Professionals	Civil Engineering Technician	7410
Technicians and Associate Professionals	Accounting Technician	5623
Technicians and Associate Professionals	Computer Network Technician	5179
Technicians and Associate Professionals	Physical Science Technician	4302

This deliverable contributes to the following outcomes of the DPW:

Direct outcomes

- Outcome 4 – Decent employment through inclusive growth (Chapter 3 of the NDP).
- Outcome 6 – An efficient, competitive and responsive economic infrastructure network (Chapter 4 of the NDP).
- Outcome 12 – An efficient, effective and development orientated public service (Chapter 13 of the NDP).

Indirect outcomes

- Outcome 5 – Skilled and capable workforce to support an inclusive growth path (Chapter 9 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Section 3 (c) promotes ongoing human resource development in the built environment.
- Section 3 (d) facilitates participation by the built environment professions in integrated development in the context of national goals.
- Section 4 (a) advises 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.

3.1.2 One project to support health and safety in construction initiatives implemented by 31 March 2015 – **Achieved.**

This project emanated from the Health and Safety Accord and Action Plan that was signed in

2013 by the Department of Labour, Department of Public Works and labour representatives to promote higher standards of Health and Safety in the built environment. The focus for the CBE during the year under review was to consult Higher Education Institutions (HEIs) that offer BE academic programmes on future incorporation and expansion of the Health and Safety content of BE academic programmes.

The target was the implementation of one project to support Health and Safety in construction initiatives. It was implemented through various engagements with the institutions and other relevant stakeholders. In the Action Plan, the CBE was allocated the responsibility of promoting Health and Safety education within the tertiary institutions.

As part of this project, a forum was held with BE stakeholders in partnership with DPW Expanded Public Works Programme (EPWP) / International Labour Organization (ILO). The focus of the forum was on incorporation of Health and Safety in the BE curricula. In addition, discussions included incorporation of Sustainability issues, Labour Intensive Techniques and IDMS as the key focus areas of the CBE. The report outlined all the engagements undertaken during the financial year:

- Meeting with DHET on 12 December 2014 discussed areas of common interest or collaboration regarding incorporation of Health and Safety in the curricula of tertiary institutions offering BE courses.
- Participation of CBE in a conference in Port Elizabeth where the Technical Expert presented on Health and Safety issues. CBE pamphlets were distributed during the conference in relation to the

Health and Safety incorporation in the curriculum. A report was developed on all the stakeholder consultations. Workshops were held at Walter Sisulu University on 17 February 2015, Central University of Technology on 3 March 2015 and the Cape Peninsula University of Technology on 20 March 2015.

From these engagements with the institutions, it was established that there was some level of interest in incorporating Health and Safety content in the curricula. Also, some of the programmes already have aspects of Health and Safety in their modules, albeit not in detail. The preliminary engagements with the DHET have paved the way to establish a framework through which Health and Safety can be incorporated into the curricula. This will be realised in the next financial year, where the focus will be on the development of the framework.

This deliverable contributes to the following outcomes:

Indirect outcomes

- Outcome 2 - A long and healthy life for all (Chapter 10 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Section 3 (e) promotes appropriate standards of health, safety and environmental protection within the built environment.
- Section 4 (a) advises 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.

3.1.3. One research project on environmental sustainability within the built environment implemented by 31 March 2015 – *Achieved.*

The aim of this project was to undertake research on relevant approaches to environmental sustainability education and professional development of BEPs. It was based on the CBE’s target, which was one research project on environmental sustainability within the BE. The focus was on Energy Efficiency initiatives developed by the intergovernmental task team (DPW - Property and Facilities Management Chief Directorate, Department of Energy and Department of Environmental Affairs). Following initial engagements with the DPW, CBE was tasked with driving the professionalisation of green initiatives. The report was finalised and it highlighted the following:

- Key skills for sustainable buildings in South Africa.
- Current provision of skills for sustainable buildings in South Africa.
- Actions that can be taken to enhance skills for sustainable building.

The report further recommended the way forward where Qualifications and Unit Standards could be used to enhance sustainable building skills. New qualifications and unit standards in sustainable building skills could also be used to define and structure new courses.

This deliverable contributes to the following outcomes of the DPW:

Direct outcomes

- Outcome 12 – An efficient, effective and development orientated public service (Chapter 13 of the NDP).

Indirect outcomes

- Outcome 10 - Protect and enhance our environmental assets and natural resources (Chapter 5 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Section 3 (e) promotes appropriate standards of health, safety and environmental protection within the built environment.
- Section 4 (a) advises 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.

3.1.4. One project on supporting government's job creation priorities implemented by 31 March 2015 – *Achieved*.

This project sought to promote the implementation of labour intensive construction techniques by BEPs and the incorporation of such techniques in the BE curriculum. It directly responded to the CBE's target of supporting government's job creation priorities. The target was to produce a research report on Labour Intensive Construction with BEPs. The report was finalised and a project implementation plan developed.

The research study highlighted the following issues:

- Education and Training.
- The incorporation of general and specific socio-economic factors into postgraduate courses is relatively simple as compared to undergraduate level.
- Even though it is simpler to introduce labour-intensive construction methods in postgraduate education, a quicker method of incorporation into a broader segment of the profession would be to convene professional development courses using ECSA's Continuous Professional Development (CPD) requirements as the foundation for the courses which already exists in the accredited NQF 5 and NQF 7 courses.

The implementation plan developed details around the following major activities-

- Engagement with three key stakeholders, namely Heads of Department at tertiary institutions, industry represented by voluntary associations and regulatory bodies (Council on Higher Education [CHE]) / DHET to ensure buy-in of the professional councils on the incorporation of labour intensive methods into the curriculum.
- A meeting was held between the CBE and EPWP/ILO team on 18 March 2015 on the implementation of the research recommendations, in line with EPWP/ILO's current work on developing the curriculum for labour intensive training methods.

3.1.5. One report on implementation of transformation programmes and targets by six BEPCs by 31 March 2015 – *Achieved.*

The target was one monitoring and oversight report on implementing transformation programmes within all six BEPCs by the end of the financial year. The project was implemented through various engagements with the six BEPCs, and the report was finalised.

The CBE has developed an overarching Transformation Model and a Workplace Training Model for the BEPs, mapping appropriate interventions for various stakeholders and role-players in the BE.

The various Professional Councils undertook the following transformation initiatives:

- SACPCMP Transformation Project (Capacity building, RPL and Registration of Construction Health & Safety Officers)
- ECSA Transformation Projects (Structured Candidacy and a New Registration System)
- SACAP Transformation Project (Increasing access to the profession, for Women Architects)

- SACPVP Transformation Projects include Annual Winter Schools Programme in partnership with DPW, Annual University meetings of intakes, e.g., University of Johannesburg and CBE coordinated programmes e.g. Easter and other shows

3.1.6. Statutory compliance: Unqualified Audit report – *Achieved.*

The CBE received an unqualified audit for the 2013/2014 financial year. The final draft of the APP for the financial year 2015/16 was submitted to DPW in January 2015 and Parliament in March 2015, in terms of section 52(a) and (b) of the Public Finance Management Act.

Programme 1 – Strategic objectives, performance indicators, planned targets and actual achievements

*Projects indicating a zero budget are regarded as part of the normal course of business. Their budgets are reflected in the remuneration costs.



Programme/activity/objective:					
Strategic objectives	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
To ensure that the CBE has necessary capacity and capability to support government's development priorities within the built environment including infrastructure delivery programme, health and safety in construction, environmental sustainability and job creation	Five	Six	Six	None	None

Programme 1 – Key performance indicators, planned targets and actual achievements

Programme/activity/objective: To ensure that the CBE has the necessary capacity and capability to support government's development priorities within the built environment, including infrastructure delivery programme, health and safety in construction, environmental sustainability and job creation					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
1.1 One report on projects to support government infrastructure delivery programme by the end of the financial year	Achieved Report completed on inputs into contract conditions to support skills development for BEPs in the Skills Plan for Presidential Infrastructure projects	One report on skills needs relating to built environment graduates and professionals required to support government's infrastructure delivery programme by 31 March 2015	Achieved Report titled 'A benchmark analysis of alternative approaches to attract, develop and retain BE professions in three government spheres' was completed	None	None

PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

Programme/activity/objective: To ensure that the CBE has the necessary capacity and capability to support government's development priorities within the built environment, including infrastructure delivery programme, health and safety in construction, environmental sustainability and job creation					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
1.2 One project on health and safety in construction initiatives	Achieved Report presented by the CEO at the launch of Construction Regulations by the Department of Labour	One project to support health and safety in construction initiatives implemented by 31 March 2015	Achieved The project was implemented through various engagements with the institutions and other relevant stakeholders over the four quarters	None	None
1.3 One project on environmental sustainability within the built environment (BE)	Achieved Report has been prepared	One research project on environmental sustainability within the built environment implemented by 31 March 2015	Achieved The CBE supported the public sector Green Building and Energy Efficiency initiatives being developed by the inter-governmental task team (DPW - Property and Facilities Management and Chief Directorate, Department of Energy and Department of Environmental Affairs)	None	None
1.4 One report on initiatives and projects to support government's job creation priorities are implemented	Achieved Research report on labour intensive construction models in Uganda and internationally compiled in collaboration with the ILO in Geneva completed and published on the CBE website	One project on supporting government's job creation priorities implemented by 31 March 2015	Achieved Research report on Labour Intensive in Construction and implementation plan was produced	None	None

PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

Programme/activity/objective: To ensure that the CBE has the necessary capacity and capability to support government's development priorities within the built environment, including infrastructure delivery programme, health and safety in construction, environmental sustainability and job creation					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
1.5 One monitoring and oversight report on the transformation implementation programmes and target by all six BEPCs by the end of the financial year	Not achieved Four Councils did not commit to the transformation target	One report on implementation of transformation programmes and targets by six BEPCs by 31 March 2015	Achieved The report was finalised	None	None
1.6 An unqualified audit report (Proper financial and non-financial management)	Achieved	Statutory compliance: Unqualified Audit report	Achieved CBE received an unqualified audit for 2013/2014.	None	None

PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

Programme 1: Linking performance with budget

Programme /activity/ objective	2013/2014			2014/2015		
	Budget R'000	Actual Expenditure R'000	(Over) / Under Expenditure R'000	Budget R'000	Actual Expenditure R'000	(Over) / Under Expenditure R'000
1.1 One report on projects to support government infrastructure delivery programme by the end of the financial year	500	356	144	136	152	(15)
1.2 One project on health and safety in construction initiatives	80	122	(42)	534	274	260
1.3 One project on environmental sustainability within the BE	0	0	0	114	102	12
1.4 One report on initiatives and projects to support government's job creation priorities are implemented	70	59	11	75	60	14
1.5 One monitoring and oversight report on the transformation implementation programmes and target by all six BEPCs by the end of the financial year	0	0	0	0	0	0
1.6 An unqualified audit report (Proper financial and non-financial management)	0	0	0	350	248	102

3.2 Programme 2: Skills Development in the Built Environment

The purpose of this programme is to drive and facilitate skills and human resource development in the BE in line with the CBE mandate and in support of national goals and priorities, as well as transformation. For the 2014/15 APP Programme 2 had a total of six targets; all of which were achieved, as detailed below:

3.2.1. 150 students reached through the roll out of the Maths and Science support programme by 31 March 2015 – **Achieved.**

The report on academic progress of the 150 students benefiting from the Maths and Science support programme was finalised. The CBE Maths and Science support programme was aimed at enabling and assisting Grade 12 learners from disadvantaged communities to obtain better grades in both Maths and Science subjects, in order to attract them into built environment professions and other Science, Technology, Engineering and Mathematics careers.

In the 2014/15 Financial Year, the Maths and Science programme was rolled-out in the following four provinces: Gauteng (with two contact centres in Johannesburg and Pretoria); North West (with two contact centres in Brits and Rustenburg); Limpopo (with two contact centres in Vhembe and Polokwane) and the Free State (with one contact centre in Bloemfontein). The 2014 final examination results were encouraging - Limpopo Province achieved the best overall learner average in Maths at 72.2% and Physical Science at 71.45% out of the four provinces. The overall percentage pass rate of learners enrolled in the programme was 60.71% for Maths and 59.75% for Science.



PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

The following table shows the final Grade 12 examination results of all learners in the programme:

Province	Centre	Total number of learners	December 2014	
			Maths	Science
Limpopo	Vhembe	27	90.7%	88.7%
	Polokwane	27	53.8%	54.2%
North West	Brits	22	63.5%	59.35%
	Rustenburg	25	53.2%	52.4%
Gauteng	Johannesburg	27	62.8%	60.9%
	Pretoria	24	69%	64.5%
Free State	Bloemfontein	50	46.4%	48.95%
Average	7	202	60.71%	59.75%

Overall provincial analysis of results

Province	Maths Average	Physical Science Average
Limpopo	72.2%	71.45%
Gauteng	65.9%	62.7%
North West	58.35%	55.9%
Free State	46.4%	48.95%

Overall subject percentage

Maths	60.71%
Physical Science	59.75%

Career Awareness

The CBE participated in the following Expos and Career Awareness Initiatives:

- Youth in Construction (2015) at Sci-Bono Science Centre in Gauteng.
- Science Festival Africa in Grahamstown (2014 and 2015).
- Limpopo Career Awareness Festival (2014 and 2015).

The purpose of career awareness campaigns was to encourage learners to follow Maths and Science related careers, which would enable them to pursue built environment careers that are linked and build on the Maths and Science Support Programme.

This deliverable contributes to the following outcomes of the DPW:

Direct outcomes

- Outcome 4 - Decent employment through inclusive economic growth (Chapter 3 of the NDP).

Indirect outcomes

- Quality basic education (Chapter 9 of the NDP).
- Skilled and capable workforce to support an inclusive growth path (Chapter 9 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Section 3 (c) promotes ongoing human resource development in the built environment.

3.2.2. Report on the adoption of a structured candidacy framework that incorporates quality assurance guidelines by the six BEPCs by 31 March 2015 – *Achieved.*

The research report on the adoption of a structured candidacy framework that incorporates quality assurance guidelines by the six BEPCs was completed. During the year under review the CBE presented a final report on the Structured Candidacy Programme to all six BEPCs at the Registrars Forum. It included process mapping of the programme and the envisaged Management Information System (MIS) to indicate how each BEPC's unique features could be accommodated in the structured workplace training and the candidacy programmes.

This deliverable contributes to the following outcomes of the DPW:

Direct outcomes

- Outcome 4 - Decent employment through inclusive economic growth (Chapter 3 of the NDP).

Indirect outcomes

- Quality basic education (Chapter 9 of the NDP).
- Skilled and capable workforce to support an inclusive growth path (Chapter 9 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Section 3 (c) promotes ongoing human resource development in the built environment.

3.2.3. One report on the workplace training project for 50 candidates – *Achieved.*

A report was developed for the workplace training for 50 candidates. This project was started in the 2014/15 Financial Year to oversee quality workplace training of 50 BE candidates, using the CBE developed quality assured structured candidacy framework. A total of 53 candidates participated in the Workplace Training programme and all are placed with host workplace training employers.

The project was initially hampered by a lack of capacity, but with additions of capacity, more employers, candidates and interns were reached and thus the slight over-achievement of targets.

PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

It is a reflection of project maturity as capacity and systems increased efficiency and effectiveness.

The integrated workplace training system consists of the following elements:

- a training plan aligned to the competency framework of the Professional Councils, supervisors and mentors;
- a workplace assessment regime with assessors and moderators (quality assurance framework); and
- an electronic workplace learner management system to allow monitoring and easy rotation of candidates and interns between employers.

This integrated workplace training system has the potential of being the core architecture for a nation-wide (and possible continental in the long-term) skills pipeline demand and supply for the built environment.

The table below is a summary of the mentors' reports:

Profession	Number of Candidates	Summary of Mentor's Report	Recommendations
Architecture	3	The candidates had the required educational outcomes to register as professionals	Candidates were to be given designated assignment tasks for additional exposure
Civil Engineering	10	9 candidates had required educational outcomes to register as a professional	4 candidates: Current Workplace would not give them exposure to the designed process. 5 candidates: To continue with logbooks according to the training plan
		1 candidate in public sector did not have the minimum qualification required to register	Based on the qualifications the candidate cannot register as a Candidate Engineering Technician
Construction Project Manager	15	13 candidates had the relevant educational outcomes to register as professionals	13 candidates needed secondment to gain more exposure
		2 candidates were not mentored	These will be mentored in the next financial year
Electrical Engineering	1	The candidate had the relevant educational outcomes to register as a professional	Current workplace would not enable the candidate to achieve professional registration
Quantity Surveyors	24	21 candidates had the relevant educational outcomes to register as professionals	9 candidates needed to complete 18 PSM Modules 9 candidates needed more exposure to the specialised criteria 3 candidates had to register with the SACQSP
		2 candidates had 240 credits, but did not have BTech.	The suggestion was that the candidate completes his BTech first, before the 360 credit APC rules of SACQSP could apply
		1 candidate not mentored	None



This deliverable contributes to the following outcomes of the DPW:

Direct outcomes

- Outcome 4 - Decent employment through inclusive economic growth (Chapter 3 of the NDP).

Indirect outcomes

- Quality basic education (Chapter 9 of the NDP).
- Skilled and capable workforce to support an inclusive growth path (Chapter 9 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Section 3 (c) promotes ongoing human resource development in the built environment.

3.2.4. One report on 100 interns placed in workplace training – *Achieved.*

The report on the workplace training for 100 interns was completed. The objective of the internship component was to place University of Technology students with employers for the completion of the workplace experience in fulfillment of their diploma qualifications. A total of 101 interns were placed with host workplace training employers.

The project was initially hampered by a lack of capacity, but with additions of capacity, more employers, candidates and interns were reached and thus the slight over-achievement of targets. It is a reflection of project maturity as capacity and systems increased efficiency and effectiveness.

The interns were allocated mentors at their respective workplaces where they were able to assess the following:

- Training plans.
- Workplace suitability.
- Competencies acquired.



PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

Below is the table of the interns placed with host employers:

BEPCs	Field of study	Number	Province	Gender	Race
SACAP	Architecture	15	Western Cape	Male=7	African=0
				Female=8	Coloured=6
					Indian=4
					White=5
SACPCMP/ SACQSP	Building Science	26	Free State=22	Male=16	African=26
			Gauteng=2	Female=10	Coloured=0
			Limpopo=1		Indian=0
			Western Cape=1		White=0
ECSA	Electrical Engineering	59	Eastern Cape=9	Male=44	African=52
			Free State=9	Female=15	Coloured=1
			Gauteng=32		Indian=1
			KZN=6		White=5
			Limpopo=1		
			Western Cape=2		
SACQSP	Quantity Surveying	1	Mpumalanga	Female	African
		101	Eastern Cape=9	Male=67	African=79
			Free State =31	Female=34	Coloured=7
			Gauteng=34		Indian=5
			KZN=6		White=10
			Limpopo=2		
			Mpumalanga=1		
			Western Cape=18		
			North West=0		
			Northern Cape=0		

This deliverable contributes to the following outcomes of the DPW:

Direct outcomes

- Outcome 4 - Decent employment through inclusive economic growth (Chapter 3 of the NDP).

Indirect outcomes

- Quality basic education (Chapter 9 of the NDP).
- Skilled and capable workforce to support an inclusive growth path (Chapter 9 of the NDP).

This deliverable is responding to the following mandate of the CBE:

Section 3 (c) promotes ongoing human resource development in the built environment.

3.2.5. One oversight report on the accreditation of academic programmes and academic institutions by the BEPCs by 31 March 2015 – *Achieved.*

BEPCs were empowered by their respective Acts to accredit BE academic programmes and institutions. The CBE has an oversight role derived from the CBE Act of 2000 to ensure that the BE academic programmes at tertiary institutions (traditionally Universities and Universities of Technology) meet the quality assurance requirements of the CHE.

An oversight report on accreditation of academic programmes and academic institutions by the BEPCs was completed. The CBE participated in 13 accreditation visits, out of the 21 scheduled visits during the reporting period. The SACPCMP postponed all five of their 2014 academic year

scheduled accreditation visits. These will be rescheduled for the 2015 academic year.

This deliverable contributes to the following outcomes of the DPW:

Direct outcomes

- Outcome 4 – Decent employment through inclusive economic growth (Chapter 3 of the NDP).

Indirect outcomes

- Quality basic education (Chapter 9 of the NDP).
- Skilled and capable workforce to support an inclusive growth path (Chapter 9 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Section 3 (c) promotes ongoing human resource development in the built environment.

3.2.6 One report on the implementation of the registration function (including RPL) by the SACPCMP by 31 March 2015 - *Achieved.*

This project sought to increase the registration of BEPs through the RPL route.

The report on the implementation of the registration function (including RPL) by the SACPCMP was completed. The other BEPC that CBE supported was SACAP, in its requirement to comply with the CC's request that it develop a RPL policy in accordance with the IDoW process. This was completed.

PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

Furthermore, a comparative study of the six BEPC's Registration Policy in compliance with the CBE's Registration Policy Framework, was finalised.

This deliverable contributes to the following outcomes of the DPW:

Direct outcomes

- Outcome 4 - Decent employment through inclusive economic growth (Chapter 3 of the NDP).

Indirect outcomes

- Quality basic education (Chapter 9 of the NDP).
- Skilled and capable workforce to support an inclusive growth path (Chapter 9 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Section 3 (c) promotes ongoing human resource development in the built environment.



Programme 2: Strategic objectives, performance indicators, planned targets and actual achievements

Programme/activity/objective: Drive and facilitate skills development and transformation within the built environment.					
Strategic objectives	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
Drive and facilitate skills development and transformation within the built environment	Seven	Six	Six	Two. There was a positive variance	The project was initially hampered by lack of capacity and with additions of capacity and the development and implementation of systems, more employers, candidates and interns could be reached and thus the slight over-achievement of targets. It is really a reflection of project maturity as capacity and systems increased efficiency and effectiveness

Programme 2: Key performance indicators, planned targets and actual achievements

Programme/activity/objective: Drive and facilitate skills development and transformation within the Built Environment					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
2.1 150 students reached through the roll out of the Maths and Science support programme	Achieved	150 students reached through the roll out Maths and Science by 31 March 2015	Achieved 150 students reached	None	None

PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

Programme/activity/objective: Drive and facilitate skills development and transformation within the Built Environment					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
2.2 One implementation report on a quality assured structured candidacy programme for the six BEPCs by the end of the financial year	Achieved Feasibility research report on workplace training completed	Report on the adoption of a structured candidacy framework that incorporates quality assurance guidelines by the six BEPCs by 31 March 2015	Achieved	None	None
2.3 50 BE Candidates placed for workplace training (BE Candidates - graduates requiring workplace training to enable them to register as fully fledged BE professionals)	This indicator was not applicable in 2014/15	One report on the workplace training project for 50 candidates	Achieved 53 candidates were placed	A positive variance of 3 was achieved	The project was initially hampered by lack of capacity, and with additions of capacity and the development and implementation of systems, more employers, candidates and interns could be reached and thus the slight over-achievement of targets. It is really a reflection of project maturity as capacity and systems increased efficiency and effectiveness



Programme/activity/objective: Drive and facilitate skills development and transformation within the Built Environment					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
2.4 100 BE interns placed for work experiential learning (BE interns - undergraduates from Universities of Technology, who require workplace training to complete academic qualifications)	This indicator was not applicable in 2014/15	One report on 100 interns placed for workplace training	Achieved 101 interns were placed with host employers	A positive variance of 1 was achieved	The project was initially hampered by lack of capacity, and with additions of capacity and the development and implementation of systems, more employers, candidates and interns could be reached and thus the slight over-achievement of targets. It is really a reflection of project maturity as capacity and systems increased efficiency and effectiveness
2.5 Oversight report on accreditation of academic programmes and academic institutions by BEPCs	Achieved A report was submitted and accreditation visits undertaken to six different tertiary institutions	One oversight report on the accreditation of academic programmes and academic institutions by the BEPCs by 31 March 2015	Achieved 13 Institutions were visited	None	None
2.6 One report on the registration function (including RPL) within the BEPCs	Achieved A full monitoring and assessment of report from all the six BEPCs on their registration and RPL policies was submitted to Council's EduRes Committee	One report on the implementation of registration function (including RPL) by the SACPCMP by 31 March 2015	Achieved	None	None

PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

Programme 2: Linking performance with budgets

Programme/activity/objective	2013/2014			2014/2015		
	Budget R'000	Actual Expenditure R'000	(Over) / Under Expenditure R'000	Budget R'000	Actual Expenditure R'000	(Over) / Under Expenditure R'000
2.1 150 students reached through the roll out of Maths and Science support programme	2 000	1 321	679	2 797	2 440	356
2.2 One implementation report of a quality assured structured candidacy programme for the six BEPCs by the end of the financial year	1 000	106	894	576	143	432
2.3 50 BE Candidates placed for workplace training (BE Candidates - graduates requiring workplace training to enable them to register as fully fledged BE professionals)	This indicator was not applicable in 2014/15	This indicator was not applicable in 2014/15	This indicator was not applicable in 2014/15	2 673	1 146	1 526
2.4 100 BE interns placed for work experiential learning (BE interns - undergraduates from Universities of Technology, who require workplace training to complete academic qualifications)	This indicator was not applicable in 2014/15	This indicator was not applicable in 2014/15	This indicator was not applicable in 2014/15	2 330	1 317	1 012
2.5 Oversight report on accreditation of academic programmes and academic institutions by the BEPCs	150	31	119	162	197	(35)
2.6 One report on the registration function (including RPL), within the BEPCs	20	1	19	45	45	0

3.3 Programme 3: Research and Information in the Built Environment

The purpose of this programme is to provide research, knowledge and information on the built environment to enable the CBE to advise government on any matters falling within the scope of the built environment; as per section 4(a) – (v) of the CBE Act 43 of 2000.

For the 2014/15 APP, Programme 3 had a total of five annual targets.

3.3.1. *One pilot project on the research and information hub for the BE issues by 31 March 2015 - Not achieved.*

The report on the pilot project for the Research and Information Hub on BE issues was not completed. The aim of this project was to develop a central Information and Knowledge repository portal for the BE on an Information Communication Technology (ICT) platform. During the 2013/14 financial year, a needs analysis and business case was developed for the piloting of the portal, but in 2014/15 this project had to be discontinued due to a delay in obtaining the necessary human resource. The CBE has since revised the job description of this position, and it will be incorporated in the overall responsibilities of the Knowledge and Information function.

3.3.2. *Two research reports on BE issues pertinent to the BEPCs by 31 March 2015 – Achieved.*

The first target was to develop a report on the assessment of opportunities for the alignment of built environment qualifications within SADC. The aim of the project was to highlight key issues in the recognition of professional qualifications within the region. The outcomes of the report will be used to engage with the BEPCs on ways to

enhance professional registration of BEPs from other countries. The report will further input into the preliminary engagements initiated with the Department of Trade and Industry, as well as the SADC Secretariat on Trades in services. The report highlights among others, the following recommendations:

- The SADC countries should adopt an overarching framework of qualifications and develop supportive regional, inter-country and national institutions and organisations to back up the framework, and agree on a clear, national set of purposes for the regional qualification framework.
- To be accepted, frameworks for the recognition of professionals should take into consideration national priorities in the development of professional capability and capacity, and allow for such in the differences between countries.

SADC should involve all relevant stakeholders to ensure that the regional framework of qualifications explicitly links academic standards, developments in the industry, employer needs, national development imperatives, quality assurance systems and regional cooperative development efforts.

The second target was a report on issues pertinent to the BEPCs, which was finalised. It focused on the '*Current status of regulation of built environment professions in the African continent and internationally*', and it highlighted the following findings:

- Many countries have given due consideration to their overarching regulatory policies, but in South Africa this has not yet been done. Such a policy should guide the evolution of

the professions and guide them on issues such as: Should they move towards more deregulation or more control?

- The challenge of the South African BE is to coordinate regulation between the CBE and the BEPCs. Clearer guidelines on this should be sought from government through the DPW.

This deliverable contributes to the following outcomes of the DPW:

Direct outcomes

- Outcome 6 - An efficient, competitive and responsive economic infrastructure network (Chapter 4 of the NDP).
- Outcome 4 - Decent employment through inclusive economic growth (Chapter 3 of the NDP).

Indirect outcomes

- Outcome 8 - Sustainable human settlements and improved quality of household life (Chapter 8 of the NDP).
- Outcome 10 - Protect and enhance our environmental assets and natural resources (Chapter 5 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Section 3 (d) facilitates participation by the built environment professions in integrated development in the context of national goals.
- Section 3 (e) promotes appropriate standards of health, safety and environmental protection within the built environment.
- Section 4 (a) advises 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.

3.3.3. Two research reports on BE issues that are of priority to DPW by 31 March 2015 - *Achieved.*

During the 2014/2015 financial year, the DPW policy unit was consulted on the identification of priority research areas that the CBE can undertake on its behalf. The following research areas were identified and implemented during the financial year, in line with the CBE’s target of two research reports on BE issues pertinent to DPW:

- Compiling a BE Bursary Database.
- A survey on number of BEPs within public sector.

The first project undertaken saw the BE Bursary Database compiled and identified 300 bursary providers in the BE. The finalised database was posted on the CBE website. The report formed part of the submission made to the DPW on the progress of the two projects.

The second project was entitled ‘*The survey on the number of built environment professionals within the public sector*’. The target for the survey was to get information on the number of BEPs in the employ of the municipalities (metros, district and local).

The report was developed from the responses of the 82 municipalities who responded to the survey questionnaire. Further reports will be developed as the information from the remaining municipalities are received. The first report was developed to highlight some of the key issues

emanating from the literature review and the data received.

This deliverable contributes to the following outcomes of the DPW:

Direct outcomes

- Outcome 6 - An efficient, competitive and responsive economic infrastructure network (Chapter 4 of the NDP).
- Outcome 4 - Decent employment through inclusive economic growth (Chapter 3 of the NDP).

Indirect outcomes

- Outcome 8 - Sustainable human settlements and improved quality of household life (Chapter 8 of the NDP).
- Outcome 10 - Protect and enhance our environmental assets and natural resources (Chapter 5 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Section 3 (d) facilitates participation by the built environment professions in integrated development in the context of national goals.
- Section 4 (a) advises 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.

3.3.4. One research report on BE issues impacting on service delivery finalised by 31 March 2015 - *Achieved.*

This project focused on the BE skills requirements for the implementation of the IDMS. It responds to the CBE's target of a research report on BE issues impacting on service delivery. The CBE participated with the DPW Task Team on the implementation of the IDMS in its provincial units. The main responsibility of the CBE was to advise on issues pertaining to skills development.

The target was to produce a research report on BE issues impacting on service delivery. The report was finalised and a project implementation plan developed on how to incorporate IDMS in the BE curriculum (at tertiary institutions) and develop a CPD programme for BEPs. The key findings of the research study indicated that BEPs have a limited knowledge base on IDMS.

The research study recommended:

- The incorporation of IDMS in the BE curriculum (not compulsory to all students) and provide mentorship programmes for graduates.
- There is a need to raise their awareness level and familiarise them with the processes and procedures involved in the system.

The implementation plan developed entailed the following activities:

- A detailed training plan for BEPs required to provide in-depth understanding of IDMS for effective implementation of the processes and systems.

- Alignment of training material for accreditation purposes as required by professional councils.

Over and above the development of the report, the CBE continuously engaged with various stakeholders on the skills development for the effective implementation of the IDMS, with specific focus on the BEPs. These include the following:

- Participation and contribution to the monthly DPW IDMS Task Team meetings.
- Collaboration with the National Treasury's Government Technical Advisory Centre (GTAC) who are the custodians of the IDMS, with a special focus on BE skills requirements.

This deliverable contributes to the following outcomes of the DPW:

Direct outcomes

- Outcome 6 - An efficient, competitive and responsive economic infrastructure network (Chapter 4 of the NDP).
- Outcome 4 - Decent employment through inclusive economic growth (Chapter 3 of the NDP).

Indirect outcomes

- Outcome 8 - Sustainable human settlements and improved quality of household life (Chapter 8 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Sections 3 (d) facilitates participation by the built environment professions in integrated development in the context of national goals.

- Section 4 (a) advises 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.

3.3.5. One research report on BE issues impacting on the economy produced by 31 March 2015 - *Achieved.*

The focus of this project was to research issues that are affecting employers of BEPs. It responded to the CBE's target of a research report on BE issues impacting on the economy. The main objective of this project was to understand problems and blockages in the infrastructure procurement value chain that impact on infrastructure delivery. It has a direct impact, firstly on the broader economy and on service delivery, and secondly on the financial sustainability of the BE industry, which derives a major portion of its income from public sector infrastructure spending.

During the year under review, the CBE participated in the Public Procurement Summit hosted by the National Treasury. This provided an opportunity to re-focus the research to contribute to the procurement process review from the BE perspective. The research report was finalised and it highlights the following findings:

Both the public and private sector identified the need for reform around the following:

- Legislation to provide for a SCM system that specifically addresses the needs for the delivery of infrastructure.
- Improvement of the systems used to plan,

manage and deliver on the infrastructure requirements.

- Simpler processes and documentation for procurement purposes (i.e. tender and contract documentation).
- Addressing the skills and knowledge requirements to build the infrastructure sector and maintain delivery. This includes BEPs (located in both the private and public sectors) as well as other functions linked / supporting the delivery (i.e. HR and SCM).
- Adoption of a transformation process that meets the intended objectives while allowing for sustained delivery.

This deliverable contributes to the following outcomes of the DPW:

Direct outcomes

- Outcome 6 - An efficient, competitive and responsive economic infrastructure network (Chapter 4 of the NDP).
- Outcome 4 - Decent employment through inclusive economic growth (Chapter 3 of the NDP).

Indirect outcomes

- Outcome 8 - Sustainable human settlements and improved quality of household life (Chapter 8 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Section 3 (d) facilitates participation by the built environment professions in integrated development in the context of national goals.
- Section 4 (a) advises 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.



Programme 3: Strategic objectives, performance indicators, planned targets and actual achievements

Programme/activity/objective:					
Strategic objectives	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
To provide research, knowledge and information on BE issues pertinent to BE professionals, DPW, and BE issues impacting on service delivery and the economy	Five	Five	Four	None	None

Programme 3: Key performance indicators, planned targets and actual achievements

Programme/activity/objective: To provide research, knowledge and information on built environment issues pertinent to professionals, DPW, service delivery and those impacting on the economy.					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
3.1 Report on the establishment of a research and information hub for BE issues to enable the CBE to advise government on any matter falling within the built environment	Achieved The needs analysis report was completed	One pilot project of the research and information hub for the BE issues by 31 March 2015	Not achieved	In 2014/15 this project had to be discontinued due to a delay in obtaining the necessary human resource	The CBE has since revised the job description of this position, and will be incorporated in the overall responsibilities of the Knowledge and Information function



Programme/activity/objective: To provide research, knowledge and information on built environment issues pertinent to professionals, DPW, service delivery and those impacting on the economy.					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
3.2 Two research reports that are pertinent to the six BEPCs (e.g. curricula; candidates -workplace training; unemployed graduates; qualified BE graduates that are not registered with the six BEPCs; CPD programmes; etc.)	<p>Achieved</p> <p>1. Research report on the identification of possible gaps between BE graduate competencies and expectations of BE professions</p> <p>2. Report on contribution of BEPs to the sustainable human settlements development</p>	Two research reports on BE issues pertinent to the BE issues by 31 March 2015	<p>Achieved</p> <p>Report on status quo on the regulation of BEPs on the African continent and internationally finalised</p> <p>The second one completed is titled "<i>The survey on the number of built environment professionals within the public sector</i>"</p>	None	None
3.3 Two research projects on BE issues that are pertinent to DPW (Skills development issues, transformation issues, public- interest issues e.g regulatory matters, labour intensive construction, green buildings, etc.)	<p>Achieved</p> <p>Report completed on issues of priority to DPW</p>	Two research reports on BE issues that are of priority to DPW by 31 March 2015	<p>Achieved</p> <p>Bursary supplier database and report developed. Second report entitled '<i>The survey on the number of built environment professionals within the public sector</i>' was completed</p>	None	None

PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

Programme/activity/objective: To provide research, knowledge and information on built environment issues pertinent to professionals, DPW, service delivery and those impacting on the economy.					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
3.4 One research report on BE issues that impact on service delivery (technical capacity of municipalities and the public sector to deliver on the infrastructure programme)	Achieved Research Agenda completed	One research report on BE issues impacting on service delivery finalised by 31 March 2015	Achieved The report was finalised and a project implementation plan developed on how to incorporate IDMS in the BE curriculum (at tertiary institutions) and develop a CPD programme for BEPs	None	None
3.5 One research report on BE issues impacting on the economy (e.g. state of the BE)	Achieved Report on research agenda impacting on the economy completed	One research report on BE issues impacting on the economy produced by 31 March 2015	Achieved The research report was finalised. The objective of the research was to understand problems and blockages in the infrastructure procurement value chain that impact on infrastructure delivery	None	None

Programme 3: Linking performance with budgets

Programme/activity/objective	2013/2014			2014/2015		
	Budget R'000	Actual Expenditure R'000	(Over) / Under Expenditure R'000	Budget R'000	Actual Expenditure R'000	(Over) / Under Expenditure R'000
3.1 Report on the establishment of a research and information hub for BE issues to enable the CBE to advise government on any matter falling within the built environment	451	152	299	545		
3.2 Two research reports that are pertinent to the six BEPCs (e.g. curricula; candidates - workplace training; unemployed graduates; qualified BE graduates that are not registered with the six BEPCs; CPD programmes; etc.)	324	21	303	412	303	108
3.3 Two research projects on BE issues that are pertinent to DPW (Skills development issues, transformation issues, public-interest issues e.g regulatory matters, labour intensive construction, green buildings, etc.)	135	52	83	281	536	(254)

PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

Programme/activity/objective	2013/2014			2014/2015		
	Budget R'000	Actual Expenditure R'000	(Over) / Under Expenditure R'000	Budget R'000	Actual Expenditure R'000	(Over) / Under Expenditure R'000
3.4 One research report on BE issues that impact on service delivery (technical capacity of municipalities and the public sector to deliver on the infrastructure programme)	60	6	54	75	26	48
3.5 One research report on BE issues impacting on the economy (e.g. state of the BE)	100	33	67	40	37	2

3.4 Programme 4: Public Interest

The purpose of this programme is to fulfil the statutory mandate of the CBE to act as an appeal body on matters referred to it in terms of the law regulating the BEPs and the implementation of IDoW (ring fencing work that must only be done by appropriately registered persons) as per Section 20 and 21 of the CBE Act 43 of 2000. For the 2014/15 APP, Programme 4 had a total of four annual targets.

3.4.1. *An annual report on 100% finalisation of appeals within statutory 60 days by 31 March 2015 – Achieved.*

An annual report on 100% finalisation of appeals within 60 days was completed. The aim of this target was to protect the interest of the public by hearing all appeals within 60 days from the date of lodgement as prescribed in terms of section 21 of The Council for the Built Environment Act 43 of 2000 (“the Act”).

Two appeals were lodged in the year under review, requiring decisions during the first quarter of the 2015/16 financial year. The said appeals are on track for punctual completion.

This deliverable contributes to the following outcome:

- Outcome 13 - Social protection (Chapter 11 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Section 20 and 21 of the CBE Act 43 of 2000.

3.4.2. *One implementation report on the Best Practice Model for appeals and disciplinary proceedings within the built environment by the six BEPCs by 31 March 2015 – Achieved.*

An implementation report on the Best Practice Model for appeals and disciplinary proceedings within the BE was completed. The Best Practice Model was adopted by four BEPCs (SACLAP, SACPCMP, SACQSP and SACPVP). The remaining two BEPCs, ECSA and SACAP, reported that they have considered the model but already have a similar policy in place. The aim of this target was to ensure that the appeals processes of the six BEPCs are conducted in line with acceptable principles.

This deliverable contributes to the following outcome:

- Outcome 13 - Social protection (Chapter 11 of the NDP)

This deliverable is responding to the following mandate of the CBE:

- Section 20 and 21 of the CBE Act 43 of 2000.

3.4.3. *Report on the implementation of the decision of the Competition Commission’s (CC’s) decision on five BEPCs implemented by 31 March 2015 – Achieved.*

The final report on the implementation of the CC’s decision on the five BEPCs IDoW applications was developed. The CBE Act requires consultation with the CC prior to the identification of work by the CBE. Consultation with the CC (conducted in previous financial years) resulted in a requirement that exemption applications be submitted to the CC. The decision of the CC

to investigate the applications and accumulate additional information was implemented by the CBE to support the CC in this process, within the ambit of the CC and CBE mandates.

3.4.4. Report on the investigations and consultation by the CC on ECSA's IDoW exemption application – *Achieved.*

The report on the investigations and consultations by the CC on the ECSA's IDoW exemption application was completed.

This deliverable contributes to the following outcome:

- Outcome 13 - Social protection (Chapter 11 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Section 20 of the CBE Act 43 of 2000.

3.4.5 Report on the consultation and adoption of the Corporate Governance framework by all six BEPCs - *Achieved.*

A report on the consultation and adoption of the Corporate Governance framework by all six BEPCs was developed. The objective of this target was to assist BEPCs in enhancing good governance in their operations. All six BEPCs were consulted on the adoption of the framework and they committed to its adoption.

This deliverable contributes to the following outcome:

- Outcome 13 - Social protection (Chapter 11 of the NDP).

This deliverable is responding to the following mandate of the CBE:

- Section 3 (f) promotes sound governance of the built environment professions.

Programme 4: Strategic objectives, planned targets and actual achievements

Programme/activity/objective:					
Strategic objectives	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
To act as an appeal body on matters of law regulating the built environment professions and promote and ensure high standards of professional ethics within the BE	Eight	Four	Four	None	None

Programme 4: Key performance indicators, planned targets and actual achievements

Programme/activity/objective: To act as an appeal body on matters of law regulating the built environment professions and to promote and ensure high standards of professional ethics and conduct within the built environment.					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
4.1 Percentage of appeals submitted to CBE by persons aggrieved by decisions of BEPCs, finalised within the statutory 60 days from lodgement	Achieved All appeal cases were finalised	An annual report on 100% finalisation of appeals within statutory 60 days by 31 March 2015	Achieved Required report done and all appeals decided timeously	None	None
4.2 One implementation report on the best-practice model for appeals and disciplinary proceedings within the BEPCs by the end of the financial year	Achieved Best Practice Model being implemented by the Registrars	One implementation report on the Best Practice Model for appeals and disciplinary proceedings within the built environment by the six BEPCs by 31 March 2015	Achieved Required report complete	None	None

PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

Programme/activity/objective: To act as an appeal body on matters of law regulating the built environment professions and to promote and ensure high standards of professional ethics and conduct within the built environment.					
Performance Indicator	Actual Achievement 2013/2014	Planned Target 2014/2015	Actual Achievement 2014/2015	Deviation from planned target to Actual Achievement for 2014/2015	Comment on deviations
4.3 One report on the implementation of the CC's decision on the IDoW for the five BEPCs as well as investigations and consultation on ECSA's IDoW	<p>Achieved</p> <p>The CC's decision of the on the IDoW exemption was implemented</p> <p>ECSA IDoW recommendation accepted by CBE Council and submitted to CC for exemption application</p>	Report on the implementation of the CC's decision on five BEPCs implemented by 31 March 2015. Report on investigations and consultation by the CC on ECSA's IDoW exemption application	<p>Achieved</p> <p>Required report complete</p>	None	None
4.4 One oversight report on implementation of a Corporate Governance framework within the six BEPCS	<p>Achieved</p> <p>Corporate Governance Framework approved by Council</p>	Report on the consultation and adoption of the Corporate Governance framework by all six BEPCs	<p>Achieved</p> <p>Required report complete</p>	None	None

Programme 4: Linking performance with budgets

Programme/activity/objective	2013/2014			2014/2015		
	Budget R'000	Actual Expenditure R'000	(Over) / Under Expenditure R'000	Budget R'000	Actual Expenditure R'000	(Over) / Under Expenditure R'000
4.1 Percentage of appeals submitted to CBE by persons aggrieved by decisions of BEPCs, finalised within the statutory 60 days from lodgement	902	909	(7)	1 104	1 120	(16)
4.2 One implementation report on the best-practice model for appeals and disciplinary proceedings within the BEPCs by the end of the financial year	90	12	78	54	0	54
4.3 One report on implementation of the CC's decision on the IDoW for the five BEPCs, as well as investigations and consultation on ECSA's IDoW	577	565	12	112	49	63
4.4 One oversight report on implementation of a Corporate Governance framework within the six BEPCS	12	0	12	268	224	44

4. SUMMARY OF FINANCIAL INFORMATION

The CBE receives funding from the National Treasury via the Department of Public Works for its operations. During the reporting period, the CBE was able to meet all its administrative obligations with the allocated amount of R41 572 million.

The CBE’s baseline budget allocation covers operational costs and core business projects, which entails the cost of employment, occupational costs in terms of the rental, audit fees, travel and accommodation expenses, bursary scheme (Bursaries), and consulting fees as the main cost drivers. The Council also receives levy income from the built environment professionals that contribute R1 941 000 for professionals and candidates who are registered with the relevant BEPCs.

4.1 Revenue collection

The table below provides a breakdown of the sources of revenue:

Sources of revenue	2014/15			2013/14		
	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 DPW	41 572	41 572	0	37 959	37 959	0
Levies received	1 803	1 941	(138)	1 717	1 840	(123)
Interest received	150	0	150	140	3	137
merSETA grant	-	200	(200)	-	200	(200)
Other operating income	0	32	(32)	-	15	(15)
Total	43 525	43 745	(-220)	39 816	40 017	(201)

Income received

The entity received levy income from the built environment professional councils. It contributed to an amount of R1 941 000 for professionals’ and candidates’ registration with the respective BEPCs, for the period under review.

Reasons for the (Over) / Under collection

4.1.1 Government grant from DPW

The CBE allocation is pre-determined over the MTEF period. The letter of allocation indicated that the CBE was expected to receive an amount of R41 572 million for the current year, and this amount was received as indicated. The entity has no control over the amount received as it was predetermined by the National Treasury ENE and ring-fenced in the DPW vote. The allocation was received from DPW in two tranches every six months.



4.1.2 Levies received

The levies income from non – exchange transactions was lower than the budgeted amount. The entity collected 2.6% less than what was budgeted for. The decrease in the levies income is based on the statistics of registered professionals and candidates with respective professional councils.

4.1.3 Interest Income

There was an estimated amount of R150 000 for interest income for the period under review. The entity has not earned any interest as a result of short-term investment that has not materialised. This will be finalised in the upcoming financial year.

4.1.4 Other Operating Income

The following amounts were not expected in the period under review, and therefore not budgeted for:

- R 9 060 recouped from study fees for one of CBE’s employees who left the organisation before serving the required notice after completion of studies.
- R22 948 received from insurance claims for lost assets.

4.2 Programme Expenditure

Programme	2014/15			2013/14		
	Budget	Actual Expenditure	(Over)/ Under Expenditure	Budget	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Government Policies and Priorities	26 842	30 081	(3 239)	17 342	17 226	116
Skills Development in the Built Environment	10 229	7 293	2 936	7 410	4 937	2 473
Research and Information in the Built Environment	2 988	2 217	771	10 242	8 244	1 998
Public Interest	3 055	1 630	1 425	3 433	3 271	162
Total	43 114	41 221	1 893	38 427	33 799	4 628
Assets (additions)	370	378	(8)	1 389	1 865	(476)
Total including assets (additions)	43 484	41 599	1885	39 816	35 664	4 152

Reasons for (Over) / Under expenditure

4.2.1 Government Policies and Priorities

Programme 1 expenditure variance was R548 000 under – spending on allocated budget. This variance was attributable to some activities that did not materialise during the year.

4.2.2 Skills Development in the Built Environment

Programme 2 expenditure variance was R1 838 000 under – spending on allocated budget. This variance was attributable to the appointment of Panels of Experts and mentors, which were finalised late during the year; as well as the non-appointment of mentors, due to the low rates that were offered by CBE.

4.2.3 Research and Information in the Built Environment

Programme 3 expenditure variance was (R51 000) over-spending on allocated budget. This variance was attributable to unplanned travel for the survey on the DPW priorities.

4.2.4 Public Interest

Programme 4 expenditure variance was at R219 000 under-spending on allocated budget. This variance was due to the fact that there was still an outstanding invoice relating to the review of policies.

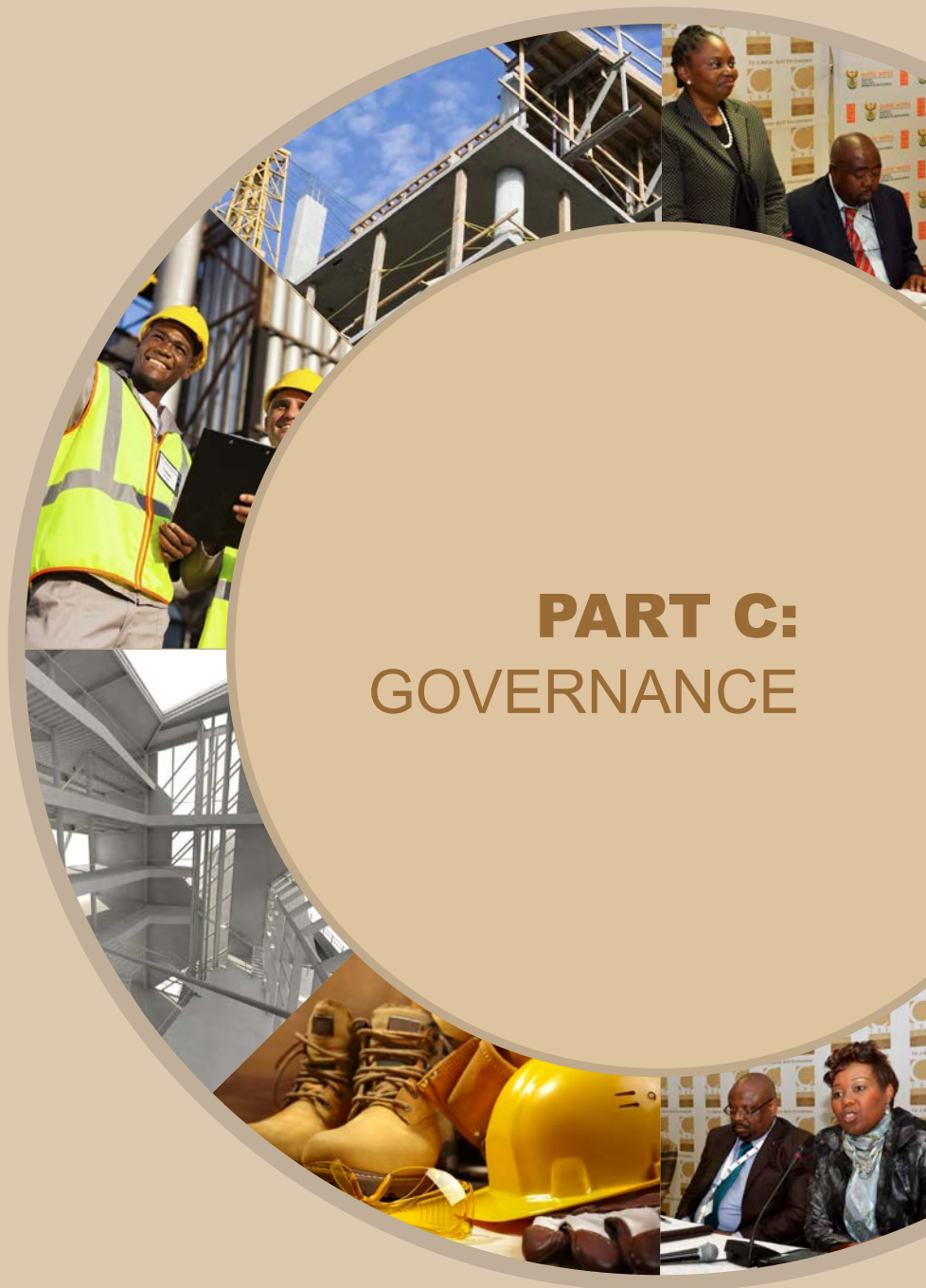
The table below indicates that the CBE did not have any infrastructure projects during the current and prior years:

Infrastructure projects	2013/2014			2014/2015		
	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 during the period under review. There were also no maintenance backlogs experienced during the financial year.

4.3 Capital investment

The CBE does not have any capital investment. The assets of the entity are limited to: property, plant and equipment in the form of computer equipment, furniture and fittings and office equipment. These assets are recorded in the asset register of the entity and are depreciated according to the accounting policy of the entity. During the current financial year, R9 060 was recouped from study fees for one of CBE’s employees who left the organisation before serving the required notice after completion of studies; and R22 948 which was received from insurance claims for lost assets.



PART C:
GOVERNANCE

1. INTRODUCTION

Corporate governance embodies processes and systems by which public entities are directed, controlled and held to account. In addition to legislative requirements based on a public entity's enabling legislation, and the Companies Act, corporate governance with regard to public entities is applied through the precepts of the PFMA and run in tandem with the principles contained in the King's Report on Corporate Governance. Parliament, the Executive and the Accounting Authority of the public entity are responsible for corporate governance.

2. EXECUTIVE AUTHORITY

The Minister of DPW is the executive authority of the CBE.

3. THE ACCOUNTING AUTHORITY / COUNCIL

The CBE Act of 2000 establishing the CBE was passed by Parliament in November 2000 along with Acts regulating and re-establishing the six BEPCs. The Act became operational in September 2001, following the establishment of the six BEPCs for Architects, Engineers, Landscape Architects, Project and Construction Managers, Property Valuers and Quantity Surveyors.

Some of the key functions assigned by the CBE Act include:

- 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. Facilitate inter-ministerial co-operation concerning issues relating to the built environment;
- c. 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;
- d. Comment, if necessary, on all proposed legislation impacting on health and safety in the built environment;
- e. 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 coordinated action by the built environment professions;
- f. Ensure the consistent application of policy by the Councils for the Professions with regard to: accreditation, registration, competence testing of registered persons, codes of conduct for the professions, principles for determination of fees in accordance with any legislation relating to the promotion of competition, and standards of health, safety and environmental protection within the built environment; and
- g. Act as an appeal body with regard to matters referred to it in terms of law regulating the built environment professions.

The CBE exists to drive policy coordination and to ensure consistency in application of policy within the BE. Broadly, the CBE also promotes the participation of BEPs in integrated development within the context of national goals. The CBE also acts as the conduit for communication between government and BEPs.

The role of the 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 Professional Councils, the DPW, the Ministry of Public Works 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 the 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.
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.
 - d. Deal in securities only in accordance with the policy adopted by the Council.
14. Commence business rescue proceedings as soon as the organisation is financially distressed.
15. Appoint and evaluate the performance of the Chief Executive Officer.

The Council should do everything necessary to fulfil its role as set out above.

The following prescripts of the Council Charter resulted in challenges during the financial year:

- Section 8(2)(d) stipulates that a member of the Council must vacate his or her office if he or she has, without leave of Council, been absent from more than two consecutive meetings of Council.

Attendance of the third term Council and Committees was at 77% for the first quarter.

Attendance of fourth term Council and Committees was at 80% for the 2014/2015 financial year. The Council meeting held in November 2014; and BEMC meetings held in November 2014 and February 2015 did not quorate. This resulted in a Council resolution for the Chairperson to write to all members of Council, either to thank them for their diligent attendance of Council and Committee meetings, or to inquire regarding their poor attendance.

- A round robin resolution in writing approved by all the Council members, being not less than a majority of the Council members then in office, shall be as valid and effectual as if it had been passed at a meeting of the Council duly called and constituted. The round robin resolution shall be noted at the next Council meeting.

The third term Council adopted the round robin resolutions, but the execution thereof was unsuccessful. The fourth term Council has adopted and implemented resolutions by written vote when required.

- Council members must be fully prepared for Council meetings to be able to provide appropriate and constructive input on matters for discussion.

Preparation for Council and Committee meetings remained a challenge in the first quarter for the third term Council. The fourth term Council commenced their term of office with robust meetings and requests for additional information to enable them to understand the business of the CBE.

- Council members must be committed to attendance at Council meetings and stay for the full duration of the meeting as indicated in the agenda.

During the third term Council's tenure, the duration of meetings was between 2-3 hours and 4-6 hours for Council meetings. The meetings of the fourth term Council has increased to 4-6 hours per Council or Committee meeting. A number of members provided apologies for not staying for the full duration of Council or committee meetings.

- Council members must provide comments, inputs and documentation in line with deadlines set in meetings.

For the third term Council the provision of comments and inputs within deadlines set remained a challenge during the first quarter. A number of members of the fourth term Council provided input and comments.

- The evaluation of the Council and its committees, including the Chairperson, must be performed annually.

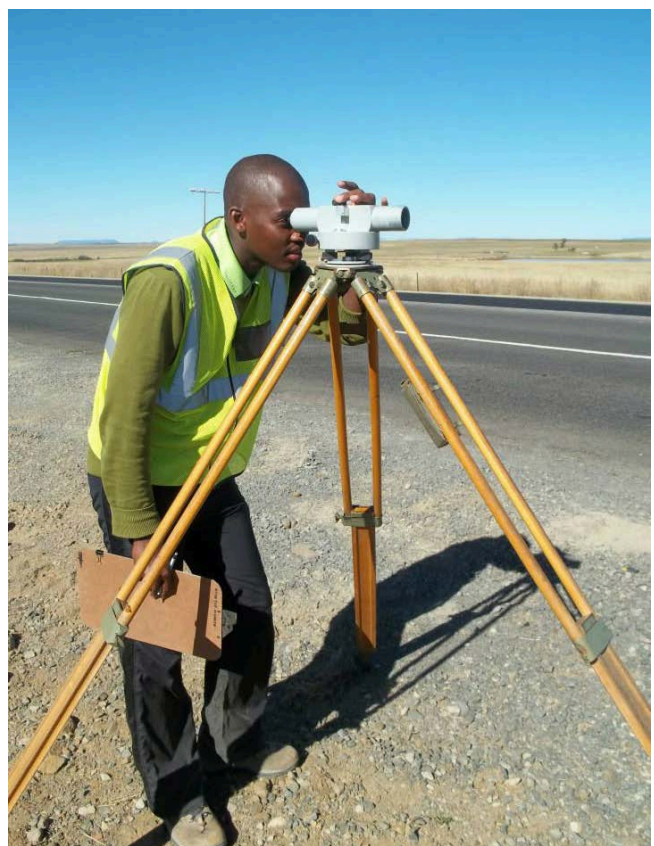
The fourth term Council performed a self assessment of the Council activities and deliberations during the reporting period. The Audit and Risk Committee does a self assessment regarding the performance of its committee on an annual basis.

Composition of the Council

The CBE Act stipulates that Council comprises twenty (20) members (non-executive) appointed by the Minister of Public Works 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 practised;
- c. Two representatives nominated by each Council for the Professions; and
- d. Not more than four persons nominated by the public.

Members are appointed through a formal process as stipulated in the Act. In terms of the Act, the Minister of Public Works appoints the Chairperson and Deputy-Chairperson of Council. Members are appointed for a period of four years. The Chief Operations Officer and Chief Financial Officer attend meetings of Council and relevant Committees.



Third Term Council

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	End of Term of Office	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g: Audit and Risk Committee / Ministerial task team)	No. of Meetings attended
P Tau-Sekati (Chairperson)	5(2)(c) SACPVP	3 June 2010	2 June 2014	BA (Hons); PDM	Transformation		Presidential Broad-Based Black Economic Empowerment Advisory Subcommittee; Black Economic Empowerment Annual Reporting Committee; Randburg Chamber of Commerce and Industry	7
P Mashabane (Deputy Chairperson)	5(2)(c) SACAP	3 June 2010	2 June 2014	B Arch; LLB; Dip in Proj. Management; Cert in Arbitration; Adv. Cert. in Alternative Dispute Resolution; MSc in Knowledge and Project Management (in progress)	Architecture, Heritage and Conservation Architecture; Arbitration & Dispute Resolution	Principal at Mashabane Rose Architects Board Chairperson -Gold of Africa-Barbier Mueller Museum; Director-Apartheid Museum; Trustee-Jhb Heritage Trust. President SACAP (to 2014)		5
G Chaane	5(2)(c) SACQSP	3 June 2010	2 June 2014	BSc in Education; BSc in Quantity Surveying; Master's degree in Project Management				2
C Gamede	5(2)(c) ECSA	11 November 2012	2 June 2014	BSc (Eng); MSc (Eng); MBA		Msimsi Holdings		0
C Israelite	5(2)(c) SACPCMP	3 June 2010	2 June 2014	BSc. Build Hons (Wits) PrCPM; MACPM	Construction Project Management	SIP Project Managers (Pty) Ltd; Erf 870 Woodmead (Pty) Ltd; Remainder 3rd Floor Parklane (Pty) Ltd; Okafala Trust (Trustee)	Councillor SACPCMP; Chairman PROCESA; ACPM Representative BEP Committee	1



Name	Designation (in terms of the Public Entity Board structure)	Date appointed	End of Term of Office	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g: Audit and Risk Committee / Ministerial task team)	No. of Meetings attended
F Johnson	5(2)(a) DPW	3 June 2010	2 June 2014	National Higher Diploma in Construction Supervision and Post School Education				0
M Klapwijk	5(2)(c) SACLAP	3 June 2010	2 June 2014	BSc (Landscape Architecture); Diploma in Environmental Impact Assessment	Environmental planning, construction rehabilitation and control, visual impact assessment and landscape site design			2
M Kubuzie	5(2)(c) SACPVP	3 June 2010	2 June 2014	Diploma in Project Management; Diploma in Personal Computing; Certificate in Commercial Property				0
				National Diploma in Real Estate; BA (Education); B. Ed; B Tech (Real Estate); MBA				
E Kula-Ameyaw	5(2)(d) Public	3 June 2010	2 June 2014	B Comm; MBA	Business Support; Transformation			4
V Mdwara	5(2)(b) Infrastructure Department	3 June 2010	2 June 2014	BSc in Land Surveying; Professional Certificate in Public Management; M. Phil in Futures Studies			South African Committee for Spatial Information (CSI), South African Geographical Names Council (SAGNC) South African Council for Professional and Technical Surveyors	2

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	End of Term of Office	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g: Audit and Risk Committee / Ministerial task team)	No. of Meetings attended
L Molobela	5(2)(d) Public	3 June 2010	2 June 2014	B Admin; Post Graduate Diploma in Public Health, Certificate in Human Resource Management and M. Public Admin	Public Administration and Strategic Planning		<p>Committee (Department of Health)</p> <p>Chairperson of the Departmental Disposal Committee (DCSR)</p> <p>Chairperson of the Departmental Workplace Skills Development Committee (DCSR)</p> <p>Chairperson of the Departmental Transport Committee (DCSR)</p> <p>Chairperson of the Departmental Transformation Unit Committee (DCSR)</p> <p>TASK TEAM MEMBERSHIP</p> <p>A member of the Provincial Task Team on Hospital Services and Management</p> <p>A member of the Provincial Task Team on Improvement of Pharmaceutical Services</p>	3
Z Mvusi	5(2)(c) SACPCMP	3 June 2010	2 June 2014	BSc Civil Engineering; B. Comm; Diploma in Project Management				1
S Ngxongo	5(2)(d) Public	3 June 2010	2 June 2014	BComm, MBL				3
D Nkhwashi	5(2)(d) Public	3 June 2010	2 June 2014	BProc	Commercial Law		<p>Advisory Forum of National Regulator for Compulsory Specifications;</p> <p>Limpopo Online Foundation; Strategy and Operations of Blue Apple Investment Holdings; SA Revenue Service Tax Appeal Board; Limpopo Rental Housing Tribunal</p>	1

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	End of Term of Office	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g: Audit and Risk Committee / Ministerial task team)	No. of Meetings attended
A Peters	5(2)(c) ECSA	11 November 2012	2 June 2014	BSc (Eng); MBA; GDE	Engineering	ECSA; Peters Family Trust		4
E Pieterse	5(2)(c) SACQSP	3 June 2010	2 June 2014	BSc (QS); MSc (QS)	Quantity Surveying	EIP Consulting (Pty) Ltd		
P Scott	5(2)(c) SACAP	3 June 2010	2 June 2014	National Higher Diploma in Architecture				3
H van der Hoven	5(2)(c) SACLAP	3 June 2010	2 June 2014	BL (Landscape Architecture); M. Phil (Housing Development and Management)	Landscape Architect and Environmental Planner			2

Fourth Term Council

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g: Audit and Risk Committee / Ministerial task team)	No. of Meetings attended
IM Nkosi (Chairperson)	5(2)(c) SACPCMP	1 August 2014	-	<ul style="list-style-type: none"> Dip (Civil Engineering) BSc (Construction Management) MSc (Project Management) 	<ul style="list-style-type: none"> Construction Project Management Infrastructure Programme Management Property Development Facilitation Construction Management 	<ul style="list-style-type: none"> IN-TPM Project Managers IN and Associates Project Managers MIO-Liviero Garankuwa (Pty) Ltd MIO-Liviero Olievenhout (Pty) Ltd 	<ul style="list-style-type: none"> SACPCMP: Vice President Chair: Finance Committee EXCO Member <p>CBE:</p> <ul style="list-style-type: none"> Chair: Council Chair: EXCO Chair: EXCO & Presidents' Forum FHLC Member BEMC Member 	36
NF Sithole (Deputy Chairperson)	5(2)(d) Public	1 August 2014	-	<ul style="list-style-type: none"> BCom (Hons) CA 	<ul style="list-style-type: none"> Finance Eskom Umgeni Water KPMG 		Public Relations for the Central Centurion Toastmasters Club: Vice President	15

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g: Audit and Risk Committee / Ministerial task team)	No. of Meetings attended
Adv DJ Block	5(2)(d) Public	1 August 2014	16 February 2015	<ul style="list-style-type: none"> • Birus • LLB 	<ul style="list-style-type: none"> • Risk Management • Corporate Governance and Board Effectiveness • Legal • Procurement • PFMA 		CBE: <ul style="list-style-type: none"> • Deputy Chair: Council • EXCO & Presidents' Forum Member • ARC Member <ul style="list-style-type: none"> • Board of the Community Schemes Ombud Service • Audit Committee of DHS Council for Minerals Technology • Transport Appeal Tribunal CBE: <ul style="list-style-type: none"> • Council Member • FHLC Member 	9
CA Breed	5(2)(c) SACLAP	1 August 2014	-	<ul style="list-style-type: none"> • BSclarch • Masters Honours 	<ul style="list-style-type: none"> • Landscape Architecture • Lecturer 	<ul style="list-style-type: none"> • CityScape Design • Lecturer, University of Pretoria • ILASA (VA) National Executive Committee (President as of April 2016) 	CBE: <ul style="list-style-type: none"> • Council Member • BEMC Member 	10
IS Kgomo	5(2)(b) Department of Public Enterprise	1 August 2014	31 December 2014	<ul style="list-style-type: none"> • Hotel Management • Project Management • Cost Engineer 	Chief Director: Mega Projects Oversight SIPs		CBE: <ul style="list-style-type: none"> • Council Member • BEMC Member 	6
ND Lombard	5(2)(c) SACAP	1 August 2014	-	<ul style="list-style-type: none"> • Introductory Architectural Drawing National Technical Certificate Part 3 	SAID President Architectural Consultant for a Residential Security Development Resident		SACAP: <ul style="list-style-type: none"> • Council Member CBE: <ul style="list-style-type: none"> • Council Member • FHLC Member 	19



Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g: Audit and Risk Committee / Ministerial task team)	No. of Meetings attended
N Maharaj	5(2)(d) Public	1 August 2014	-	<ul style="list-style-type: none"> • BProc • LLB 	<ul style="list-style-type: none"> • Legal • Company Secretary • PFMA • Corporate Governance & Board Effectiveness • Financial & Accounting Principles for Public Entities 		<ul style="list-style-type: none"> • Chairperson South Rand Hospital Board • NADEL • RTMC • HCT Company Secretary • Chairperson Audit & Performance Committee of Setsoto Local Municipality • PFMA & MIFMA Bid Committees <p>CBE:</p> <ul style="list-style-type: none"> • Council Member • EXCO Member • EXCO & Presidents' Forum Member • Chair: FHLC • BEMC Member • ARC Member 	31
EG Makongwana	5(2)(c) SACPPV	1 August 2014	-	<ul style="list-style-type: none"> • BTech: QS • MSc: Property Development & Management 		None	<ul style="list-style-type: none"> • Board Member for Valuation appeals board for Ekurhuleni • Alternate board member for City of Johannesburg • Board Member for Valuation appeals board for Westonia, Randfontein and Mogale City <p>CBE:</p> <ul style="list-style-type: none"> • Council Member • BEMC Member 	7

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g: Audit and Risk Committee / Ministerial task team)	No. of Meetings attended
JL Margolius	5(2)(c) SACPVP	1 August 2014	-	<ul style="list-style-type: none"> National Diploma: Property Valuations Higher Diploma in Arbitration Certificate of Mediation Master in Philosophy (Construction, Economics & Management)(UCT) Certificate of Real Estate 	<ul style="list-style-type: none"> Property Valuation, Sectional Title, Arbitration and Mediation Property Management Real Estate Litigation Support and expert witness (Property matters) Property Law 	<ul style="list-style-type: none"> Jerry L Margolius & Associates CC Arbitration & Appraisal Services CC Jonic Trust (Trustee); CTJC C (Pty) Ltd Rates Watch Cape CC Arabella Country Estate Home Owners Association (Non-Executive/Director) 	<ul style="list-style-type: none"> Margin Property Valuation Services (Pty) Limited (Consultant) Member of the Western Cape Provincial Government Property Committee Chairman: Hatfield Management Committee Ministerial Task Team Land Valuer General; Editor – The Valuers Manual (Lexis Nexus) CBE: Council Member FHLC Member 	16
Dr ZT Mathe	5(2)(c) ECSA	1 August 2014	-	<ul style="list-style-type: none"> BSc (Chem Eng) Doctor of Philosophy Master of Business Leadership 	<ul style="list-style-type: none"> Power Plant Design Project and Engineering Management Strategy and Business Development Project Controls Corporate Governance Project and Technology Development 	<ul style="list-style-type: none"> ECSA Council UCT Chemical Engineering Advisory Board Maybuye Works Zwanani Consulting Special Economic Zones Advisory Board 	<ul style="list-style-type: none"> Council Member Chair: Central Registration Committee CBE: Council Member Chair: BEMC EXCO Member EXCO & Presidents' Forum Member 	24
T Matunda	5(2)(c) SACQSP	1 August 2014	12 February 2015	BSc (QS)			<ul style="list-style-type: none"> SACQSP: Member CBE: Council Member BEMC Member 	6



Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g: Audit and Risk Committee / Ministerial task team)	No. of Meetings attended
D Michell	5(2)(c) SACPCMP	1 August 2014	-	<ul style="list-style-type: none"> NUS Power Plant-Eskom SPO Units-Eskom SAMTRAC – NOSA IT IS – NOSA Loss Control Management (ILCI) OHSAS18001 Systems (SABS) OHSAS18001 Auditor (SABS) MBSA Lead Auditor (MBSA) Outcomes Based Assessor Coaching and Outcomes Based Education 	Construction Health and Safety	Member: Concept Safety Systems	SACPCMP: <ul style="list-style-type: none"> Council Member Chair: CHS Committee DCC Member CBE: <ul style="list-style-type: none"> Council Member BEMC Member 	14
Prof KA Michell	5(2)(c) SACQSP	1 August 2014	-	<ul style="list-style-type: none"> BSc (QS) Master of Philosophy Doctorate of Philosophy 	<ul style="list-style-type: none"> Quantity Surveying Academia 		SACQSP: President CBE: <ul style="list-style-type: none"> Council Member FHLC Member 	17
C Mthisa	5(2)(a) Department of Public Works	1 August 2014	-	Honours in Labour Relations and Labour Law			CBE: <ul style="list-style-type: none"> Council Member BEMC Member 	5
ZC Mvalo	5(2)(b) Department of Higher Education	1 August 2014	-	<ul style="list-style-type: none"> BA (SW) Masters in Public Administration Post Grad Diploma in Employment Law and Social Security Bachelor of Laws 	<ul style="list-style-type: none"> Corporate services Human resources Labour relations Skills Development 	None	CBE: <ul style="list-style-type: none"> Council Member BECM Member 	7
A Sassenberg	5(2)(c) ECSA	1 August 2014	-	<ul style="list-style-type: none"> NHDT (Eng) Civ Pr Tech Eng Project Management 	<ul style="list-style-type: none"> Civil (infrastructure) and Structural Designs Construction Project Management 	<ul style="list-style-type: none"> AMS Consultants (sole proprietor) Hectotrim (light industrial development company) 	ECSA Transformation <ul style="list-style-type: none"> ECSA Marketing ECSA Prof Reg SASFA technical design SANS 517 	22

Name	Designation (in terms of the Public Entity Board structure)	Date appointed	Date resigned	Qualifications	Area of Expertise	Board Directorships (List the entities)	Other Committees or Task Teams (e.g: Audit and Risk Committee / Ministerial task team)	No. of Meetings attended
RG Sefotho	5(2)(d) Public	1 August 2014	-	Advanced Management Development Programme NQF Level 6	<ul style="list-style-type: none"> Commercial Development Light Commercial Development Interior Design Function Facilitator 	<ul style="list-style-type: none"> Cherryrness (commercial development company) Scoreprops (commercial development company) Promania t/a Celebrations (function and venue company) 	<ul style="list-style-type: none"> CBE FHLC Mangaung Tribunal 	12
AA Steyn	5(2)(c) SACLAP	1 August 2014	-	<ul style="list-style-type: none"> BSc (Larch) MLA 	<ul style="list-style-type: none"> Journalism Outcomes Based Assessment Public Relations 	Thaboiko Trading CC, Tand K Entreprise (PTY) Ltd	Member: Disabled People South Africa- Northern Cape CBE: <ul style="list-style-type: none"> Council Member BEMC Member 	17
S Thubane	5(2)(c) SACAP	1 August 2014	-	<ul style="list-style-type: none"> BAS Diploma in Project Management BSc Hons (Construction Management) 	Senior Technologist	None	SACAP: <ul style="list-style-type: none"> Council Member IDoW Member CBE: <ul style="list-style-type: none"> Council Member EXCO Member BEMC Member 	12
MM Tshangela	5(2)(c) Department of Environmental Affairs	1 August 2014	-	<ul style="list-style-type: none"> BSc MSc(Technology Management) 	Policy Advisor		CBE: <ul style="list-style-type: none"> Council Member BEMC Member 	13

Note: The information in the table reflects the status as at 31 March 2015 for reporting purposes. There exists the inherent possibility that the information may have changed subsequently.



Committees third Term Council

The following Committees have been established and mandated by Council to assist in the delivery of its mandate:

- **Executive Committee**

The Executive Committee is established in terms of the clause 12 of the Council for the Built Environment (CBE) Act, (Act 43 of 2000).

- 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 moneys voted by 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 and such other powers as may be delegated to it by council in terms of clause 16 of the CBE Act.
- f. Report at every ordinary meeting of the Council on the activities of the committee.
- g. Establish an annual work plan to ensure that all relevant matters of the committee’s roles and responsibilities are covered.

- **Transformation Committee**

The Transformation Committee is established in terms of clause 14 of the Council for the Built Environment (CBE) Act, (Act 43 of 2000).

- a. Oversee the development and facilitation of transformation initiatives in the various areas of the CBE and influence the BEPCs.

- b. Consolidate the work of the different Committees and ensure that there is a synergistic collaboration between them.
- c. Report at every ordinary meeting of the Council on the activities of the committee.
- d. Establish an annual work plan to ensure that all relevant matters of the committee’s roles and responsibilities are covered.

- **Audit and Risk Committee (ARC)**

In terms of section 38 of the PFMA, as amended and the Treasury Regulations (May 2002) the accounting authority has to comply with the compulsory establishment of an effective internal audit function, and an ARC to monitor the scope and effectiveness of the Internal Audit function within the CBE.

- a. The ARC has decision-making authority in regard to its statutory duties and is accountable in this respect to both Council and other stakeholders. To this end the Chairperson of the ARC must be present at all annual general meetings. On all responsibilities delegated to it by Council outside of the statutory duties, the ARC makes recommendations for approval by Council.
- b. The ARC acts in accordance with its statutory duties and the delegated authority of Council as recorded in these terms of reference. It has the power to investigate any activity within the scope of its terms of reference.
- c. The ARC, in the fulfilment of its duties, may call upon the Chairperson of the other Council sub-committees, any of the Executive Management, the CBE officers, company secretary or assurance providers as well as the Minister and AG to provide it with information subject to Council approved process.

- d. The ARC has reasonable access to the CBE's records, facilities, employees and any other resources necessary to discharge its duties and responsibilities, subject to it following Council approved processes.
- e. The ARC may form, and delegate authority to, sub-committees and may delegate authority to one or more designated members of ARC.
- f. The ARC has the right to obtain independent outside professional advice to assist with the execution of its duties, at the CBE's cost, subject to Council approved process being followed.

- **Finance Committee**

The Finance Committee is established in terms of clause 14 of the Council for the Built Environment (CBE) Act, (Act 43 of 2000).

- a. Consider matters of financial strategy and policy, including procurement and supply chain management, 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).
- b. Consider and assess all 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.
- c. Review the annual financial statements of the CBE in conjunction with the Audit and Risk Committee, and make recommendations to Council.
- d. Receive and consider budget proposals

- from the Executive and recommend to Council the annual operating and capital budgets.
- e. Monitor compliance with the PFMA in respect of matters relating to the Act.
- f. Review the adequacy of the working capital by comparing cash focus against the actual.
- g. Receive reports of fraud relating to the CBE.
- h. Report at every ordinary meeting of the Council on the activities of the committee.
- i. Establish an annual work plan to ensure that all relevant matters of the committee's roles and responsibilities are covered.

- **Human Resources Committee**

The Human Resources Committee is established in line with clause 14 of the Council for the Built Environment (CBE) Act, (Act 43 of 2000).

- a. Consider and make recommendations on human resources strategy that will ensure that CBE is able to attract, retain and develop the best possible talent to support business performance.
- b. 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 particularly those that have been previously disadvantages so as to address any existing inequalities in staff profiles and organisational practice.
- c. Ensure compliance with all employment legislation such as Employment Equity Act, Labour Relations Act and Basic Conditions of Employment Act, etc.
- d. Consider and make recommendations on a formal and transparent procedure for developing a policy on remuneration

with particular reference to Senior Management.

- e. Make recommendations to the Council on new appointments of Senior Management.

- **Education and Research Committee**

The Education and Research Committee is established in terms of clause 14 of the Council for the Built Environment (CBE) Act, (Act 43 of 2000).

- a. Identify issues relating to education and training which are common to all Professional Councils and which need to be addressed.
- b. Advise the CBE on research issues that affect the built environment with particular reference to research impinging on factors affecting the built environment policy, including those that affect the gathering of information.
- c. Advise the CBE on how best to implement the strategic policy-research interest.
- d. Advise the CBE on priorities in relation to the type of comparative policy-research based on the strategic directions established by the Council, and shall prepare a statement advising on the priority policy-research activities. These will include proposals for research themes to be highlighted during the council meeting as well as suggestions for special workshops and seminars.
- e. Adopt assessment, monitoring, and evaluation methods that are appropriate to the type of research proposals that the committee will be required to consider.
- f. Determine what the issues are from the point of view of the other organisations that are involved.
- g. Provide advice on what form the liaison with the other organisations should take.
- h. Liaise with the CHE in connection with implementation of government policy on education.
- i. Act as coordinator between CHE and professional councils with regard to accreditation to take place by the councils unless the CHE is involved.
- j. Ensure that accreditation standards and systems undertaken by the different councils conform so that the achieved outcome is consistent.
- k. Develop research partnerships with bodies such as local councils, government agencies, professional councils and private institutions.
- l. Where required, review policy research proposals based on the following factors:
 - > their scientific and technical merit;
 - > their policy relevance;
 - > their organisation and management structure;
 - > strategic aims and thematic issues as formulated in the call for proposals; and
 - > other factors approved by the CBE.
- m. Report at every ordinary meeting of the Council on the activities of the committee, progress and findings of research project.
- n. Establish an annual work plan to ensure that all relevant matters of the committee's roles and responsibilities are covered.
- o. Organise an efficient and professional review process which may include the establishment of peer review panels for the purpose of assessing scientific and technical merit as well as other factors detailed in the proposal and final results.

- **Identification of Work Committee**

The Identification of Work Committee is established in terms of clause 14 of the Council for the Built Environment (CBE) Act, (Act 43 of 2000).

- Assess the work being done by the Professional Councils in this regard.
- Determine how consistent the various Professional Councils are in determining the scope of work of their registered persons.
- Determine the potential areas of conflict between the categories of registered persons of the various Professional Councils.
- Determine if the various Professional Councils' clause 20(1) recommendations were done in accordance with the CBE's determined policy.
- Submit to the Council the committee's finding on the issue.
- Determine the effectiveness of the implementation and delivery of IDoW policy.

- Report back to the Council with concrete recommendations that could form the basis of a legislative agenda in line with section 4 (q) of the CBE Act and ensure that the benefits of identification of work are maximised.
- Report at every ordinary meeting of the Council on the activities of the committee.
- Establish an annual work plan to ensure that all relevant matters of the committee's roles and responsibilities are covered.

- **Ad Hoc Professional Fees Committee (PFC)**

The Ad Hoc Professional Fees Committee is established in terms of clause 14 of the Council for the Built Environment (CBE) Act, (Act 43 of 2000). The Committee is mandated by Council to investigate guideline professional fees.



Committee	No. of meetings held	No. of members	Name of members
Executive Committee	1	5	P Tau-Sekati (Chairperson) P Mashabane (Deputy-Chairperson) E Kula-Ameyaw L Molobela D Nkhwashu
Transformation Committee	0	7	P Tau-Sekati (Chairperson) P Mashabane (Deputy-Chairperson) E Kula-Ameyaw L Molobela D Nkhwashu C Israelite M Klapwijk
Audit and Risk Committee	1	4	D Coovadia M Mothipe Z Mvusi V Mdwara
Finance Committee	1	4	E Kula-Ameyaw F Johnson P Mashabane (Deputy-Chairperson) S Ngxongo
Human Resources Committee	1	3	L Molobela P Tau-Sekati (Chairperson) V Mdwara
Education and Research Committee	1	4	M Klapwijk P Mashabane (Deputy-Chairperson) G Chaane A Peters
Identification of Work Committee	0	7	D Nkhwashu C Israelite C Gamede M Kubuzie E Pieterse P Scott H van der Hoven
Ad Hoc Professional Fees Committee	0	4	C Israelite D Nkhwashu P Scott H van der Hoven

Committees fourth Term Council

The Council for the Built Environment consists of a non-executive Council, which serves as the organisation's Accounting Authority. The Accounting Authority reports to the Minister of Public Works, as the Executive Authority.

The third term CBE Council's term of office ended on 2 June 2014. From 3 June 2014 to 4 September 2014 the Chief Executive Officer acted as the Accounting Authority of the CBE as prescribed in the PFMA, section 49(2)(b). The fourth term CBE Council consists of 20 members who were inaugurated on 5 September

2014 by the Honourable Minister Nxesi.

Council at its first meeting of 5 September 2014, resolved to continue with, and establish the committees of Council.

A. Statutory Committees

- 1) Executive Committee (as prescribed and mandated in the CBE Act).
- 2) Audit and Risk Committee (as prescribed and mandated in the PFMA).

B. Committees of Council

- 1) Finance, Human Resources and Legal Committee (established as a combination of the previous Finance and Human Resources committees).
- 2) Built Environment Matters Committee (established as a combination of the previous Transformation, Education and Research and Identification of Work Committees).

Executive Committee (EXCO)

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

- (1) Ensure that the resolutions of the Council are carried out.
- (2) Consider any matter delegated to it by the Council in terms of any law, and advise the Council in connection therewith.
- (3) Prepare estimates of revenue and expenditure of the Council.
- (4) Control the expenditure of monies voted by Council in its approved estimates and all other monies or funds made available by the Council.
- (5) 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 clause 16 of the CBE Act.
- (6) Report at every ordinary meeting of the Council on the activities of the committee.
- (7) Establish an annual work plan to ensure that all relevant matters of the Committee's roles and responsibilities are covered.

Audit and Risk Committee (ARC)

The ARC comprises of five members, the majority of whom are independent non-executive members.

The main objective of the Committee is to assist Council in discharging its duties relating to the safeguarding of assets, adequate operation of systems, control procedures and the preparation of accurate financial reports and statements of compliance with all legal requirements and accounting standards.

The three external members of the ARC were appointed by Council for the period 6 December 2014 to 5 December 2018. The external members appointed are:

1. Mr Dawood Coovadia (Chairperson of the ARC).
2. Ms Mmakgodu Mothipe.
3. Mr Faizal Docrat.

Finance, Human Resources and Legal Committee (FHLC)

The FHLC is a newly constituted committee incorporating the previously freestanding committees of finance, human resources and legal from the third term Council, from a Council resolution of 5 September 2014. The mandate of the FHLC is as follows:

A. Finance

1. Consider matters of financial strategy and policy, including procurement and supply chain management, 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).
2. Consider and assess all 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.
3. Review the annual financial statements of the CBE in conjunction with the Audit and Risk Committee, and make recommendations to Council.

4. Receive and consider budget proposals from the Executive and recommend to Council, the annual operating and capital budgets
5. Monitor compliance with the PFMA in respect of matters relating to the Act.
6. Review the adequacy of the working capital by comparing cash focus against the actual.
7. Receive reports of fraud relating to the CBE.
8. Report at every ordinary meeting of the Council on the activities of the Committee.
9. Establish an annual work plan to ensure that all relevant matters of the Committee's roles and responsibilities are covered.

B. Human Resources

1. Consider and make recommendations on human resources strategy that will ensure that CBE is able to attract, retain and develop the best possible talent to support business performance.
2. 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 that have been previously disadvantaged so as to address any existing inequalities in staff profiles and organisational practice.
3. Ensure compliance with all employment legislation such as Employment Equity Act, Labour Relations Act and Basic Conditions of Employment Act, etc.
4. Consider and make recommendations on a formal and transparent procedure for developing a policy on remuneration with particular reference to Senior Management.

5. Determination of annual remuneration adjustments for all staff members.
6. Creation and abolition of Senior Management positions, appointments, transfers and promotions of Senior Managers; appraisal of performance of the CEO, and implementation of disciplinary action against the CEO.

C. Legal

1. Deal with the BE Policy proposal by DPW relating to the repeal of the CBE Act.
2. Deal with Identification of Work; Appeals; Planning, Monitoring and Evaluation; and other legal compliance matters within the BEPCs.
3. Deal with Corporate Governance matters in Council.

Built Environment Matters Committee (BEMC)

The BEMC was constituted, following the Council resolution of 5 September 2014. The mandate of BEMC is as follows:

A. Broader Government Priorities and Programmes in the BE

1. Skills Plan for government infrastructure roll-out programme (PICC and SIPs).
2. Job Creation Initiatives of government (Linkage to EPWP within DPW and involvement of BEPCs in labour intensive construction).
3. Environmental sustainability agenda (Linkage to DPW Green Buildings initiatives).
4. Health and Safety in Construction (Linkage to the Department of Labour initiatives and incorporation of health and safety into the curricula of built environment academic programmes).

5. Transformation:

- 5.1. The proposal of the Non Profit Organisation (NPO) that will undertake transformation initiatives at schools, tertiary institutions and for quality assured workplace training.
- 5.2. Support for BEPCs transformation plans.

B. Skills development initiatives in the Built Environment

1. Maths and Science programme in schools.
2. Monitoring of accreditation of academic programmes and academic institutions; monitoring of registration including RPL.
3. Quality assured, workplace training for new BE graduates for candidature and interns for experiential learning.

C. Research and information on BE matters

1. Research on BE matters that are of priority to DPW.
2. Research on BE matters that are of priority to BEPCs.
3. Research on BE matters that are of priority in service delivery (Municipalities, National, Provincial and Infrastructure departments e.g. IDMS).
4. Research on BE matters that are of priority to industry and the general public.

D. BEPCs General Matters

1. Implementation of policies within BEPCs.
2. Business plan issues of BEPCs.
3. Support, guidance and monitoring of BEPCs.
4. Support for conclusion of identification of work regulations.
5. Other BEPCs related matters.

Bid Adjudication Sub-Committee

Council has established the Bid Adjudication Sub-Committee to adjudicate all tenders above R500 000 and make recommendations to Council.

Built Environment Policy Task Team

Council also established a task team to investigate the BE Policy published by the DPW and provide recommendations to Council. The task team had dealt with the policy position, but the numbers of incomplete issues identified by the task team were deferred to the relevant committees of Council. The BE Policy Task Team's mandate was completed.

Committee	No. of meetings held	No. of members	Name of members
Executive Committee (EXCO)	3	5	IM Nkosi (Chairperson) NF Sithole (Deputy-Chairperson) N Maharaj Dr ZT Mathe S Thubane (Alternate Member)
Audit and Risk Committee (ARC)	3	5	D Coovadia M Mothipe F Docrat NF Sithole N Maharaj
Finance, Human Resources and Legal Committee (FHLC)	5	7	N Maharaj (Chairperson) Adv DJ Block ND Lombard JL Margolius Prof KA Michell A Sassenberg AA Steyn
Built Environment Matters Committee (BEMC)	3	11	Dr ZT Mathe CA Breed IS Kgomo EG Makongwana T Matunda D Michell C Mtshisa ZC Mvalo RG Sefothlo S Thubane MM Tshangela

Remuneration of board members

The Minister of Public Works approved the remuneration rate for Council on 22 January 2013 as Category Classification A2 (Part time members) according to National Treasury and adjusted on an annual basis.

The following members are not remunerated either by choice or in terms of their public service designation:

Third Term Council

- C Israelite
- C Gamede
- F Johnson
- V Mdwara
- E Pieterse

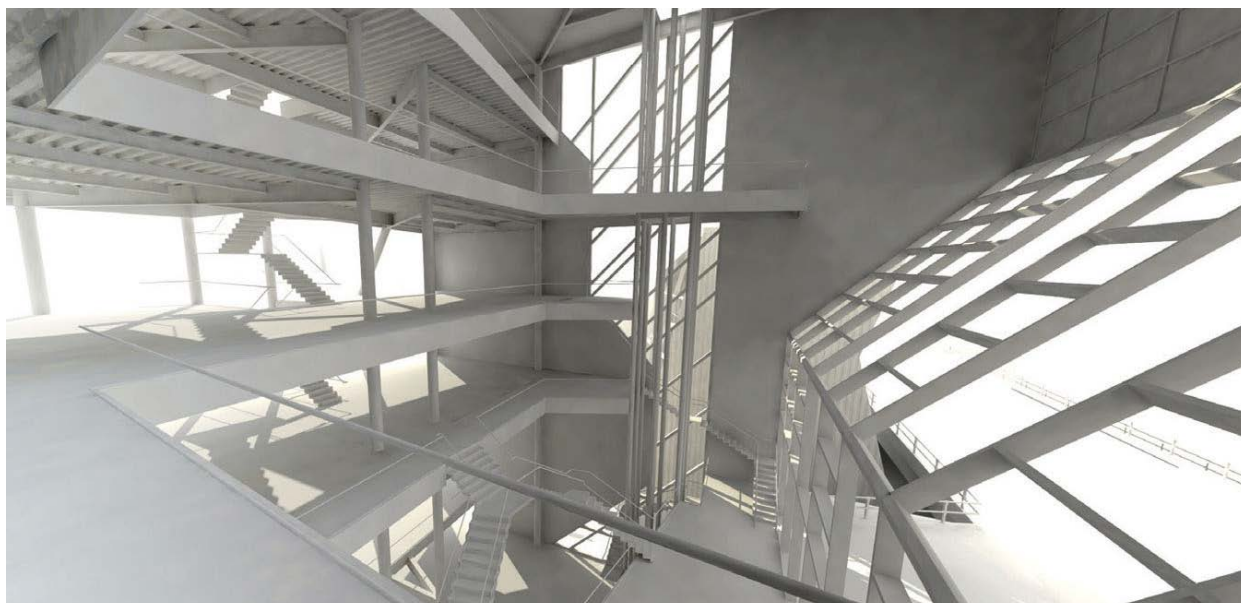
Fourth Term Council

- IS Kgomo
- C Mtshisa
- ZC Mvalo
- AA Steyn
- MM Tshangela

Council receives a specific claim amount and are reimbursed for parking, travel and toll fees.

Remuneration paid to Council:

Designation	Per Day	Per Hour
Chairperson	R3, 856	R482
Deputy Chairperson	R3, 280	R410
Chairpersons' of Committees	R3, 280	R410
Members of Council / Committees	R3,048	R381



Third Term Council

Name	Remuneration	Other allowance	Other re- imbursements	Total
P Tau-Sekati (Chairperson)	1,8472	-	3,273.15	21,745.15
P Mashabane (Deputy Chairperson)	15,536	-	4,693.98	20,229.98
G Chaane	6,096	-	1,499.04	7,595.04
C Gamede	-	-	-	-
C Israelite	-	-	-	-
F Johnson	-	-	-	-
M Klapwijk	6,328	-	-	6,328
M Kubuzie	-	-	-	-
E Kula-Ameyaw	12,480	-	1,239.43	13,719.43
V Mdwara	-	-	-	-
L Molobela	9,608	-	13,256.93	22,564.93
Z Mvusi	3,048	-	-	3,048
S Ngxongo	8,976	-	721.81	9,703.81
D Nkhwashu	3,048	-	484.35	3,532.35
A Peters	9,144	-	1,464.64	10,608.64
E Pieterse	-	-	-	-
P Scott	3,048	-	484.35	3,532.35
H van der Hoven	11,856	-	5,185.61	17,041.61



Fourth Term Council

Name	Remuneration	Other allowance	Other re- imbursements	Total
IM Nkosi (Chairperson)	115,312	-	9,400.54	124,713.54
NF Sithole (Deputy Chairperson)	38,200	-	3,112.12	41,312.12
Adv DJ Block	22,098	-	1,384.75	23,482.75
CA Breed	18,288	-	691.60	18,979.60
IS Kgomo	-	-	-	-
ND Lombard	45,720	-	1,626.76	47,346.76
N Maharaj	91,474	-	26,623.98	118,097.98
EG Makongwana	15,240	-	1,343.96	16,583.96
JL Margolius	39,624	-	7,528.88	47,152.88
Dr ZT Mathe	55,941	-	4,212.14	60,153.14
T Matunda	3,429	-	-	3,429
D Michell	30,861	-	4,398.39	35,259.39
Prof KA Michell	39,856	-	3,327.28	43,183.28
C Mtshisa	-	-	-	-
ZC Mvalo	-	-	-	-
A Sassenberg	49,232	-	59,069.01	108,301.01
RG Sefotlho	30,480	-	1,610.67	32,090.67
AA Steyn	-	-	432.98	432.98
S Thubane	12,192	-	104.64	12,296.64
MM Tshangela	-	-	-	-
D Coovadia (Audit Committee External Member)	56,705	-	5,680.62	62,385.62
M Mothipe (Audit Committee External Member)	45,364	-	686.08	46,050.08
F Docrat (Audit Committee External Member)	10,180	-	518.41	10,698.41

4. RISK MANAGEMENT

Risk management forms a central part of the CBE's strategic management with the task of identification, assessment, management and monitoring of risks across the organisation. This exercise has been performed by the CBE internal audit function, Ngubane and Company, to support the ARC.

In line with good governance, risk management and planning is also emphasised to be an element for which the Accounting Authority is directly responsible. Risk Management is also a compliance requirement, as per the PFMA. During the period under review, the strategic risks workshop was conducted with the Audit and Risk Committee, Council and CBE Management. The workshop encompassed the following:

- a. Defining the business risk;
- b. Defining the risk assessment;
- c. Understanding how to perform risk assessment, monitoring and reporting;
- d. Categorising risks and clarifying the roles of the risk committee and/or risk champions;
- e. Identifying, evaluating and analysing the risks;
- f. Developing the risk appetite and tolerance.

The session also involved the review of the current risks and further identifying the new ones based on the 2014–2018 Strategic Plan. This process assisted in completing a strategic risk register with the possible impact and likelihood of critical risks that may prevent the organisation from accomplishing its desired goals or objectives. This complete risk register with time frames and action plans was submitted to the ARC, on a quarterly basis, for monitoring thereof.

An operational risks workshop was held with all staff members. A draft operational risk register was developed in line with the draft 2015-16 APP. The session resolved that CBE Management should further develop risk mitigation strategies and action plans for the risks identified. The risk management policy, plan, strategy and framework were submitted to the ARC. These documents were recommended to Council for approval. Risk and fraud reports have been continuously submitted to the ARC during the year under review.

5. INTERNAL CONTROLS

During the period under the review, the CBE strengthened its internal controls through the development of audit finding matrix with implementation plans and targeted timeframes. The matrix was developed based on the audit findings raised by both the internal and external auditors. This matrix was continuously submitted to the ARC on a quarterly basis for monitoring thereof.

In the last quarter of the financial year, the AGSA commenced with their interim audit for the 2014/15 financial year, and the process will be finalised in the upcoming financial year. The audit encompasses all functions within the CBE, viz supply chain, expenditure, asset management, performance information, information technology, human resource and corporate governance.

The FHLC recommended that all tabled HR policies must be referred to the company secretary for alignment with legislation and Council resolutions. The following policies have been submitted for external review:

1. Acting and Internal Appointments
2. Benefits and Remuneration
3. Funeral
4. Hours of Work
5. Leave
6. Performance Management and Development
7. Recruitment and Selection
8. Termination of Employment
9. Wellness

6. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit Function

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

The CBE internal auditors, Ngubane and Company have been continuously submitting written audit reports to the ARC meetings, based on the approved audit plan. These reports were based on the status of the internal audit activities performed, which were, amongst others:

- Significant findings and management action plans.
- Follow up on previously reported audit findings .
- Fraud and non-compliance with legislation.

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

- Information Technology audit.
- Audit of predetermined objectives.
- Corporate Governance.
- Financial controls and processes.
- Supply Chain Management.
- Human Resource Management.

6.1 Key activities and objectives of the Audit and Risk Committee

Audit and Risk Committee Function

The ARC is constituted in terms of Section 77 of the PFMA, read with Chapter 9 of the Treasury Regulations. The ARC consists of three (3) independent experts and two (2) council members. The ARC Chairperson is one of the independent experts serving on the committee. The ARC has satisfied itself of the expertise, resources and experience of the CBE finance, supply chain management, procurement and 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:

- a. The CBE has implemented an effective policy and plan for risk management that will enhance the CBE's ability to achieve its strategic objectives.
- b. The disclosure regarding risk is comprehensive, timely, and relevant.
- c. Review the annual financial statements, interim reports, preliminary or provisional result announcements, summarised

- integrated information, any other intended release of price-sensitive information and prospectuses, trading statements and similar documents.
- d. Comment on the annual financial statements, the accounting practices and the effectiveness of the internal financial controls.
 - e. Review the disclosure of sustainability issues in the integrated report to ensure that it is reliable and does not conflict with the financial information.
 - f. Recommend to Council the engagement of an external assurance provider on material sustainability issues.
 - g. Recommend the integrated report for approval by Council.
 - h. Consider the frequency for issuing interim results.
 - i. Consider whether the external auditor should perform assurance procedures on the interim results;
 - j. Review the content of the summarised information for whether it provides a balanced view.
 - k. Engage the external auditors to provide assurance on the summarised financial information.

The table below discloses relevant information on the ARC members.

Name	Qualifications	Internal or external	Date appointed	Date Resigned	No. of Meetings attended
D Coovadia	CA	External member	6 December 2010 (1st Term) 6 December 2014 (2nd Term)		5
M Mothipe	CA	External member	8 February 2013 (1st Term) 6 December 2014 (2nd Term)		5
F Docrat	MBA, CISM, CISA, CGEIT	External member	6 December 2014 (1st Term)		1
V Mdwara	BSc (Land Surveying)	Council Member	29 July 2010	2 June 2014	0
Z Mvusi	BSc (Civil Eng), B.Comm	Council Member	29 July 2010	2 June 2014	0
NF Sithole	B.Comm (Hons), CA	Council Member	1 August 2014		3
N Maharaj	BProc, LLB	Council Member	1 August 2014		3

7. COMPLIANCE WITH LAWS AND REGULATIONS

The ARC monitored all legal issues faced by the CBE, so as to ensure that they were resolved. Management presented the non-compliance issue on a quarterly basis to the ARC, EXCO and the Council to ensure that the CBE comply with all laws and regulations.

8. FRAUD AND CORRUPTION

The entity focuses on the implementation of an up to date fraud prevention plan, which is a requirement as set out in Section 3.2.1 of Treasury Regulations. The review of the fraud prevention plan in consultation with the National Treasury guidelines and other relevant prescripts was performed during the financial year. The loopholes were identified and these will be amended and incorporated into the new plan, in the upcoming financial year. Reports on fraud were continuously submitted to the ARC.

An allegation of fraud in the SCM department has been reported by the internal auditors during the during the period under review and is being investigated. A precautionary suspension of the relevant official was effected pending the completion of a disciplinary process. It is anticipated that the matter will be finalised in the upcoming financial year.

Fraud management remains presumably satisfactory, as no public reports have been received from the Public Service Commission (PSC's) anonymous hotline, to which the CBE is affiliated. A fraud awareness workshop was held with staff during the during the period under review. In this session, it was resolved that fraud awareness campaigns with BEPCs should be

strategised and a re-submission be made, to be tabled at the upcoming Registrars Forum. Fraud management presumably remains satisfactory, as no public reports have been received from the PSC's anonymous hotline, to which the CBE is affiliated. Internal audit identified certain risks, included in the risk register, for attention in the next financial year.

9. MINIMISING CONFLICT OF INTEREST

The criteria for declaration of any conflict of interest, together with conflict of interest register for the Council, EXCO, ARC and other committees is in place. Registers to record any conflict of interest are provided annually to be signed by members of Council. Registers to record any declaration of interest were also presented at all meetings of the Council and its Committees. All employees in the SCM department also signed a special declaration that they will not personally influence the appointment of external service providers.

10. CODE OF CONDUCT

All employees and Council members signed the annual declaration indicating other business interests as well as confirmation to abide by the code of conduct policy of the organisation.

11. HEALTH AND SAFETY AND ENVIRONMENTAL ISSUES

Provision of a healthy working environment remains a priority. The CBE complies with the Health and Safety Act through ensuring a safe and conducive working environment. To this end the following was implemented:

- i. Health and safety posters were displayed throughout the building.
- ii. Luminous signs were installed for ease of lighting during electricity load shedding instances.
- iii. Health and safety awareness bi-annual emergency evacuation drills were held.
- iv. First aid training was provided to sixty percent of staff members.

12. COMPANY SECRETARY

The fourth term Council elected to appoint a company secretary in compliance with King III principle. The company secretary is to advise council and committees of council on governance issues relevant to their terms of reference. Training was provided to council members and the company secretary. The council charter and terms of reference for committees have been reviewed, an assessment of council performance effected and an internal audit of compliance undertaken. Compliance with good governance principles is duly noted by council and is being inculcated into all council activities.

13. SOCIAL RESPONSIBILITY

During 2014/2015 financial year the CBE did not participate in any Social Responsibility projects.

14. AUDIT AND RISK COMMITTEE REPORT

The following ARC report is for the financial year ended 31 March 2015.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 51 (1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 27.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that it has not reviewed changes in the accounting policies and practices.

Members	Number of meetings attended
Mr D Coovadia (Chairperson)(External member)	3
Ms M Mothipe (External member)	4
Mr F Docrat (External member)	1
Ms N Sithole (CBE Council)	3
Ms N Maharaj (CBE Council)	3

Meetings held requiring Audit (External Members) involvement:	
Audit and Risk Committee	3
Council Risk Workshop	1

The Effectiveness of Internal Control

The review of the Internal Audit findings, which was based on the risk assessments conducted in the public entity revealed certain weaknesses, which were then raised with the public entity.

The system of internal control was partially adequate and partially effective for the year under review. Several deficiencies in the system of internal control, including deviations from it, were reported by the internal auditors and the AGSA. The Audit Committee however, based on the reports of internal and external auditors, is of the opinion that the internal control system continues to improve.

The following internal audit work was completed during the year under review:

- Internal Audit Charter
- Annual plan
- Audit follow up of Year 2013/14 AGSA and Internal Audit Reports
- Human Resources
- Corporate Governance
- Financial Management
- Supply Chain Management
- Legal Management
- Information Technology: General and Human Resource Application Control Reviews
- Review of Risk Management Processes
- Audit of Predetermined Objectives (Performance Information)

The following were areas of concern:

- Inability to adhere to and enforce policies and procedures
- Information Technology Environment
- Supply Chain Management

In-Year Management and Monthly/Quarterly Report

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

Evaluation of Financial Statements

The ARC reviewed the annual financial statements prepared by the public entity, and discussed:

- The audited financial statements to be included in the Annual Report with the AGSA and management.
- The AGSA's management report and management's response thereto.
- Significant adjustments resulting from the audit.

Auditor's Report

The CBE's implementation plan was reviewed for audit issues raised in the prior year, and the ARC is satisfied that the matters have been adequately resolved.

The Audit Committee concurs and accepts the conclusions of the External Auditor on the annual financial statements, and is of the opinion that the audited annual financial statements be accepted and read together with the report of the auditor.

Dawood Coovadia

Dawood Coovadia CA (SA)
Chairperson of the Audit and Risk Committee
Council for the Built Environment

19 May 2015



PART D:
HUMAN
RESOURCE
MANAGEMENT

THEME
Changing the face of
Education: towards
development of BE
professionals relevant
South African needs

1. INTRODUCTION

The primary purpose of the Human Resources function is to ensure that the organisation has an adequate complement of relevant and key competencies to achieve its strategic objectives as reflected in its Strategic Plan. This is achieved by the alignment of the Human Resources Plan to the organisational strategy through:

- Recruitment and selection of competent employees.
- Provision of employee relations support.
- Provision of HR support to managers with respect to all policy and procedure related matters.
- Provision of an employee wellness programme.
- Facilitating an integrated learning and development culture to enhance continuous professional development.

Employee performance management framework

There have been ongoing interventions aimed at improving employees' understanding of the performance management system. These included the physical involvement of the Human Resources representative sitting in the appraisal sessions between the immediate manager and the employee to observe and advise on the process.

Improvement in performance was noted resulting in the awarding of performance rewards. 23% deserving employees received full performance bonuses while the rest received pay notch progressions.

Employee wellness programmes

The CBE has maintained a comprehensive, integrated Employee Health and Wellness programme. This was basically aimed at the enhancement of employee wellbeing through a range of wellness interventions and awareness such as posters and relevant articles throughout the year. Wellness days were held where health risk screening for cholesterol, blood pressure, glucose, eye testing and Body Mass Index. Voluntary HIV testing and gymnastics were also offered in the workplace.

Policy development

HR policy development and review take place on an annual basis. The process involved benchmarking with other entities while ensuring alignment with the legislation. Under review are the following policies:

- Acting and Internal appointments
- Benefits and Remuneration
- Funeral
- Hours of work
- Leave
- Performance management and development
- Recruitment and selection
- Termination of employment
- Wellness

These were subsequently referred for external review to ensure compliance and alignment with latest legislation updates.

Highlight achievements

The organisation continued to strive in ensuring adequate and capable human capital to deliver on its mandate. Amongst key priority areas was the implementation of the revised organisational structure. Whilst the number of

positions remained at 32, special focus was paid to strengthening the capacity around the skills and transformation programmes. To this end, some of the key positions created include Transformation Programmes Manager and Transformation Projects Officer.

Challenges faced by the public entity

The single biggest issue that has remained a challenge during the year is lack of human capacity. Attempts to appoint a Chief Operations Officer on a fixed term basis have received delayed approval response from the Accounting Authority. The position has remained unfilled for a period of nine months. The limited and hierarchical nature of the organisational structure hinders the development or even implementation of a succession plan. Aggravating the situation has been the freezing of some of the key positions in the Operations and Corporate services divisions. The positions

of Strategic Planning, Monitoring and Evaluation Manager; Transformation Projects Officer; Projects Administrator and Finance Manager were frozen. Capacity was therefore augmented through the appointment of fixed term contracts related to specific projects.

The delay in the approval of the revised organisational structure has also posed a challenge in that a number of positions remained unfilled. This also resulted in internal acting appointments being extended beyond prescribed acting periods.

Future HR plans /goals

Amongst future plans are the following:

- Revision of strategy aimed at retention of high performing employees.
- Filling of all funded positions.
- Periodical review of policies and procedures to strengthen internal controls.



2. HUMAN RESOURCE OVERSIGHT STATISTICS

Personnel cost by programme/activity/objective

Programme/activity/objective	Total Expenditure for the entity	Personnel Expenditure	Personnel exp. as a % of total exp.	No. of employees	Average personnel cost per employee
	(R'000)	(R'000)	(R'000)		(R'000)
Government Policies and Priorities	26 663	8 4639	0.32	23	368
Skills Development in the Built Environment	8 391	1 4609	0.17	2	730
Research and Information in the Built Environment	3 039	1 537	0.51	2	768
Public Interest	2 836	1 284	0.45	2	642
Total	40 929	12 745	31%	29	627

Personnel cost by salary band

Level	Personnel Expenditure	% of personnel exp. to total personnel cost	No. of employees	Average personnel cost per employee
	(R'000)	(R'000)		(R'000)
Top Management	1 371	0.11	4	343
Senior Management	3 828	0.30	5	766
Professionally qualified	2 189	0.17	4	547
Skilled	3 475	0.27	7	496
Semi-skilled	1 790	0.14	8	224
Unskilled	92	0.01	1	92
TOTAL	12 745	100%	29	2 468

Personnel cost by salary band

Programme/activity/objective	Performance Rewards	Personnel Expenditure	% of performance rewards to total personnel cost
	(R'000)	(R'000)	(R'000)
Top Management	0	0	0
Senior Management	0	0	0
Professionally qualified (1)	25	679	0.04
Skilled (4)	94	1 965	0.05
Semi-skilled (1)	0	0	0
Unskilled	4	92	0.05
TOTAL (6)	123	2 736	0.14

Training costs

Programme/activity/objective	Personnel Expenditure	Training Expenditure	Training Expenditure as a % of Personnel Cost	No. of employees trained	Average training cost per employee
	(R'000)	(R'000)			(R'000)
Government Policies and Priorities	8 463	412	0.05	23	18
Skills Development in the Built Environment	1 460	23	0.02	3	1
Research and Information in the Built Environment	1 537	0	0	0	0
Public Interest	1 284	29	0.02	2	15
TOTAL	12 745	464	9%	28	34

Employment and vacancies

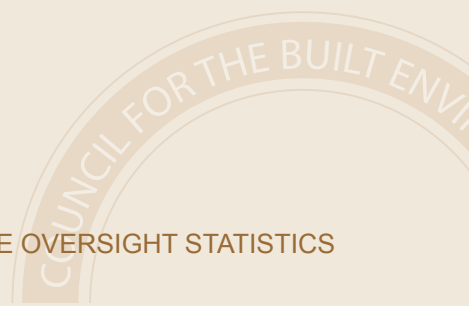
Programme/activity/objective	2014/2015 No. of Employees	2014/2015 Approved Posts	2014/2015 No. of Employees	2014/2015 Vacancies	% of vacancies
Government Policies and Priorities	21	23	20	3	0.13
Skills Development in the Built Environment	2	4	2	2	0.50
Research and Information in the Built Environment	2	3	2	1	0.33
Public Interest	3	2	2	0	0.00
TOTAL	28	32	26	6	0.19

Programme/activity/objective	2014/2015 No. of Employees	2014/2015 Approved Posts	2014/2015 No. of Employees	2014/2015 Vacancies	% of vacancies
Top Management	3	4	3	1	0.25
Senior Management	6	6	4	2	0.33
Professionally qualified	3	4	4	1	0.25
Skilled	7	8	7	1	0.13
Semi-skilled	8	9	7	1	0.11
Unskilled	1	1	1	0	0.00
TOTAL	28	32	26	6	0.19

Employment changes

There were three terminations and three appointments during the period.

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top Management	2	2	1	3
Senior Management	5	0	1	4
Professionally qualified	3	1	0	4
Skilled	7	0	0	7
Semi-skilled	8	0	1	7
Unskilled	1	0	0	1
Total	26	3	3	26



Reasons for staff leaving

Reason	Number	% of total no. of staff leaving
Death	-	-
Resignation	3	10%
Dismissal	-	-
Retirement	-	-
Ill health	-	-
Expiry of contract	-	-
Secondment	-	-
Total	3	10%

Labour Relations: Misconduct and disciplinary action

Nature of disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written warning	0
Dismissal	0

Equity target and employment equity status

The statistical comparison below is indicative of racial and gender equity spread across population groups. The target figures provided have been benchmarked with the latest Statistics SA demographic data. All areas have been fulfilled with the exception of the female Indian and disabled staff representation. The CBE will endeavour to address these variances at its next recruitment opportunity.

	Male							
	African		Coloured		Indian/Asian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	1	0	0	1	1	0	0
Senior Management	0	2	1	1	0	0	1	1
Professional qualified	3	6	0	0	0	0	0	0
Skilled	3	3	0	0	0	0	1	1
Semi-skilled	0	0	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
TOTAL	6 (60.00)	10(79.8)	1(10.00)	1 (8.9)	1(10.00)	1 (2.6)	2(20.00)	2 (8.7)

	Female							
	African		Coloured		Indian/Asian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	2	2	0	0	0	0	0	0
Senior Management	2	2	0	0	0	0	0	0
Professional qualified	1	1	0	1	0	1	0	0
Skilled	2	2	0	0	0	0	1	1
Semi-skilled	5	5	1	1	0	0	1	1
Unskilled	1	1		0	0	0	0	0
TOTAL	13 (81.25)	13(79.8)	1 (6.25)	2 (9.1)	0 (0.00)	1 (2.4)	2(12.50)	2 (8.7)

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0		0	
Senior Management	0		0	
Professionally qualified	0		0	
Skilled	0		0	
Semi-skilled	0		0	
Unskilled				
TOTAL				



PART E:
FINANCIAL
INFORMATION

REPORT OF THE AUDITOR-GENERAL TO PARLIAMENT ON THE COUNCIL FOR THE BUILT ENVIRONMENT

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the financial statements of the Council for the Built Environment set out on pages 112 to 149 which comprise the statement of financial position as at 31 March 2015, the 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 the notes, comprising a summary of significant accounting policies and other explanatory information.

Accounting authority's responsibility for the financial statements

2. The accounting authority is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (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.

Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit

to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council for the Built Environment as at 31 March 2015 and its financial performance and cash flows for the year then ended, in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No.1 of 1999) (PFMA).

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

7. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected programmes presented in the annual performance report, non-compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

Predetermined objectives

8. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected programmes presented in the annual performance report of the public entity for the year ended 31 March 2015:

- Programme 1: Government Policies and Priorities on pages 23 to 32
- Programme 2: Skills Development in the Built Environment on pages 33 to 44
- Programme 3: Research and information in the Built Environment on pages 45 to 54

9. I evaluated the reported performance information against the overall criteria of usefulness and reliability.

10. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was

consistent with the planned programmes. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for managing programme performance information (FMPPPI).

11. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

12. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following programmes:

- Programme 1: Government Policies and Priorities
- Programme 2: Skills Development in the Built Environment
- Programme 3: Research and information in the Built Environment

Additional matters

13. Although I identified no material findings on the usefulness and reliability of the reported performance information for the selected programmes, I draw attention to the following matters:

Achievement of planned targets

14. Refer to the annual performance report on pages 23 to 62 for information on the achievement of the planned targets for the year.

Adjustment of material misstatements

15. I identified material misstatements in the annual performance report submitted for auditing on the reported performance information for programme 2: Skills Development in the Built Environment. As management subsequently corrected the misstatements, I did not identify any material findings on the usefulness and reliability of the reported performance information.

Compliance with legislation

16. I performed procedures to obtain evidence that the public entity had complied with applicable legislation regarding financial matters, financial management and other related matters. My findings on material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA, are as follows:

Annual Financial Statements and Annual Report

17. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 55(1)(b) of the Public Finance Management Act. Material misstatements of non-current assets, current liabilities and disclosure items identified by the auditors in the submitted financial statement were subsequently corrected, resulting in the financial statements receiving an unqualified audit opinion.

Procurement and Contract Management

18. Invitations for a competitive bid was not advertised for a required minimum period, as required by Treasury Regulations 16A6.3(c).

19. Bid adjudication was not always done by committees which was composed in accordance with the policies of the public entity, as required by Treasury Regulations 16A6.2(a), (b) and (c).

20. The preference point system was not applied in all procurement of goods and services above R30 000 selected for testing as required by section 2(a) of the Preferential Procurement Policy Framework Act and Treasury Regulations 16A6.3(b).

Expenditure Management

21. The accounting authority did not take effective steps to prevent irregular expenditure, as required by section 51(1)(b)(ii) of the Public Finance Management Act.

Asset Management

22. Proper control systems to safeguard and maintain assets were not implemented, as required by sections 50(1)(a) and 51(1)(c) of the Public Finance Management Act.

Internal control

23. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on non-compliance with legislation included in this report.

Leadership

24. Senior management did not exercise oversight responsibility regarding financial reporting, compliance and related internal controls.

Other reports

Investigations

25. An investigation was requested by the minister in accordance with section 19(3) of the Council for the Built Environment Act, 2000 (Act No. 43 of 2000) regarding the functions of the council. The investigation was finalised subsequent to year-end and has not yet been made public.

26. A forensic investigation was requested by the accounting authority and conducted by an external service provider into procurement and recruitment procedures. The outcome of the investigation indicated that there were internal control deficiencies within the supply chain management division as well as within human resource management.

27. The accounting authority then initiated an investigation into the chief executive officer regarding failure to carry out resolutions, declare a business interest and adhere to delegations of authority. The investigation was still in progress at the time of this report.

Auditor - General

Auditor-General

Pretoria

31 July 2015



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Built Environment Regulator
Registered office	121 Muckleneuk Nieuw Muckleneuk 0027
Business address	121 Muckleneuk Nieuw Muckleneuk 0027
Postal address	PO Box 915 Groenkloof 0027
Auditors	Auditor-General of South Africa

INDEX

The reports and statements set out below comprise the financial statements presented to the parliament:

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Cash Flow Statement	115
Statement of Comparison of Budget and Actual Amounts	116
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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 financial statements and related financial information included in this report. It is the responsibility of the CBE Council to ensure that the 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 financial statements and was given unrestricted access to all financial records and related data.

The financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP).

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

The CBE Council acknowledge 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 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 and 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 endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The CBE Council are 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 financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The CBE Council have reviewed the CBE's cash flow forecast for the year to 31 March 2016 and, in the light of this review and the current financial position, they are satisfied that the CBE has or has access to adequate resources to continue in operational existence for the foreseeable future.

The CBE is mainly dependent on the Government grant for continued funding of operations. The financial statements are prepared on the basis that the CBE is a going concern and that the CBE has neither the intention nor the need to liquidate or curtail materially the scale of the CBE.

The accounting authority is primarily responsible for the financial affairs of the CBE.

The external auditors are responsible for independently reviewing and reporting on the CBE's financial statements. The financial statements were examined by the CBE's external auditors and their report is presented on pages 104-107 upon completing their audit.

The financial statements set out on pages 112-149 which have been prepared on the going concern basis, were approved by the accounting authority on 31 May 2015 and were signed on its behalf by:



Isaac Mzumara Nkosi
Council for the Built Environment
31 May 2015

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015
STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2015

	Note(s)	2015 R '000	2014 R '000
Assets			
Current Assets			
Trade and other receivables from exchange transactions	5	127	124
Trade and other receivables from non-exchange transactions	6	329	261
Cash and cash equivalents	7	15 481	11 916
		15 937	12 301
Non-Current Assets			
Property, plant and equipment	3	2 682	2 944
Intangible assets	4	465	441
		3 147	3 385
Total Assets		19 084	15 686
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	8	4 522	3 289
Provisions	9	200	165
Deferred operating lease liability	23	290	684
		5 012	4 138
Total Liabilities		5 012	4 138
Net Assets		14 072	11 548
Net Assets			
Accumulated surplus		14 072	11 548

COUNCIL FOR THE BUILT ENVIRONMENT

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015
STATEMENT OF FINANCIAL PERFORMANCE

STATEMENT OF FINANCIAL PERFORMANCE

	Note(s)	2015 R '000	2014 R '000
Revenue			
Other operating income		32	15
Revenue from non-exchange transactions	10	43 713	39 999
Revenue from exchange transactions	11	-	3
Total revenue		43 745	40 017
Expenditure			
Personnel costs	12	(16 600)	(16 228)
Administrative expenses	13	(10 389)	(9 549)
Depreciation and amortisation	14	(674)	(500)
merSETA project expense	15	(280)	(74)
Operating expenses	16	(13 278)	(7 447)
Total expenditure		(41 221)	(33 798)
Operating surplus		2 524	6 219
Surplus for the year		2 524	6 219

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015
STATEMENT OF CHANGES IN NET ASSETS

STATEMENT OF CHANGES IN NET ASSETS

	Accumulated surplus R '000	Total net assets R '000
Balance at 01 April 2013	5 329	5 329
Changes in net assets		
Surplus for the year	6 219	6 219
Total changes	6 219	6 219
Balance at 01 April 2014	11 548	11 548
Changes in net assets		
Surplus for the year	2 524	2 524
Total changes	2 524	2 524
Balance at 31 March 2015	14 072	14 072

CASH FLOW STATEMENT

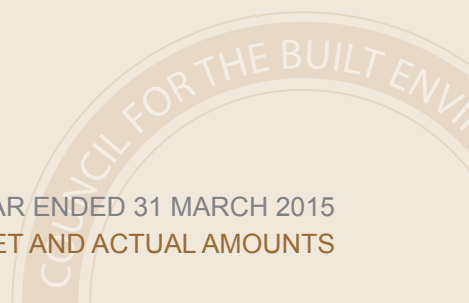
	Note(s)	2015 R '000	2014 R '000
Cash flows from operating activities			
Receipts from:			
Grants		41 572	37 959
Interest income		-	3
Cash receipts from customers		1 810	1 806
Other cash receipts	25	1 377	1 453
		44 759	41 221
Payments to:			
Employee costs		(17 727)	(16 505)
Suppliers		(23 089)	(17 410)
		(40 816)	(33 915)
Net cash flows from operating activities	17	3 943	7 306
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(232)	(1 747)
Purchase of other intangible assets	4	(146)	(117)
Net cash flows from investing activities		(378)	(1 864)
Net increase/(decrease) in cash and cash equivalents		3 565	5 442
Cash and cash equivalents at the beginning of the year		11 916	6 474
Cash and cash equivalents at the end of the year	7	15 481	11 916

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Cash Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R '000	R '000	R '000	R '000	R '000	
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Other operating income	-	-	-	32	32	28
Revenue from non-exchange transactions						
Revenue from non-exchange transactions	43 525	-	43 525	43 713	188	28
Total revenue	43 525	-	43 525	43 745	220	
Expenditure						
Personnel costs	(19 138)	1 998	(17 140)	(16 359)	781	28
Administrative expenses	(10 758)	(427)	(11 185)	(10 389)	796	28
merSETA project expense	-	-	-	(280)	(280)	
Operating expenses	(13 218)	(1 571)	(14 789)	(13 730)	1 059	28
Total expenditure	(43 114)	-	(43 114)	(40 758)	2 356	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	411	-	411	2 987	2 576	
Reconciliation						
None cash movements						
Depreciation				(674)		
Accrual for leave				(206)		
Provision for bonus				(35)		
Asset adjustment & write offs				58		
Operating lease smoothing				394		
Actual Amount in the Statement of Financial Performance				2524		

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS



STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

Budget on Cash Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R '000	R '000	R '000	R '000	R '000	
Statement of Financial Position						
Assets						
Non-Current Assets						
Property, plant and equipment	370	-	370	232	(138)	28
Intangible assets	-	-	-	146	146	
	370	-	370	378	8	

ACCOUNTING POLICIES

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations and directives, issued by the Accounting Standards Board in accordance with Section 91(1) of the Public Finance Management Act (Act 1 of 1999).

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

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

These accounting policies are consistent with previous period.

1.1 Presentation currency

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

1.2 Going concern assumption

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

1.3 Property, plant and equipment

Property, plant and equipment are tangible non-current assets that are held for use in the

production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period.

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

- it is probable that future economic benefits or service potential associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

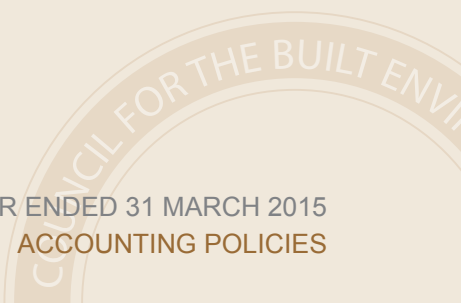
Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the 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, it's 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.



Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

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 is carried at cost less accumulated depreciation and any impairment losses.

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

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Furniture and fixtures	10 years
Office equipment	8 years
Computer equipment	6 years

The residual value, and the useful life and depreciation method of each asset are reviewed at the end of each reporting date. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Reviewing the useful life of an asset on an annual basis does not require the entity to amend the previous estimate unless expectations differ from the previous estimate.

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

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

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

1.4 Intangible assets

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from an entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or

- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

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.

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

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.

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

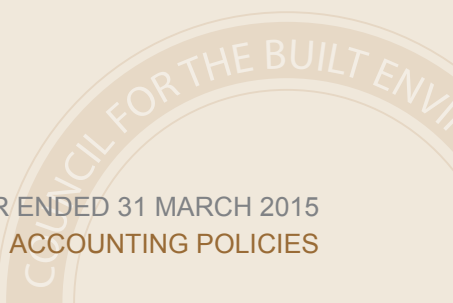
Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

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

Item	Useful life
Computer software	5 years

Intangible assets are derecognised:

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



The gain or loss is the difference between the net disposal proceeds, if any, and the carrying amount. It is recognised in surplus or deficit when the asset is derecognised.

1.5 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.

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.

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; or
 - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the CBE.

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
- 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.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

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

A residual interest is any contract that manifests an interest in the assets of an entity after

deducting all of its liabilities. A residual interest includes contributions from owners, which may be shown as:

- equity instruments or similar forms of unitised capital;
- a formal designation of a transfer of resources (or a class of such transfers) by the parties to the transaction as forming part of an entity's net assets, either before the contribution occurs or at the time of the contribution; or
- a formal agreement, in relation to the contribution, establishing or increasing an existing financial interest in the net assets of an entity.

Financial instruments at cost are investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

Financial instruments at fair value comprise financial assets or financial liabilities that are:

- derivatives;
- combined instruments that are designated at fair value;
- instruments held for trading. A financial instrument is held for trading if:
 - it is acquired or incurred principally for the purpose of selling or repurchasing it in the near-term; or
 - on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking;
 - non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; and

- financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

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.

The entity recognises financial assets using trade date accounting.

Initial measurement of financial assets and financial liabilities

The entity measures a financial asset and financial liability initially at its fair value.

Derecognition

Financial assets

The entity derecognises financial assets using trade date accounting.

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; or

If, as a result of a transfer, a financial asset is derecognised in its entirety but the transfer results in the entity obtaining a new financial asset or assuming a new financial liability, or a servicing liability, the entity recognises the new

financial asset, financial liability or servicing liability at fair value.

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.

1.6 Judgements made by management

Intangible assets

Computer software

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

Property, plant and equipment

At reporting date all assets were reviewed for their useful life as follows:

- Computer equipment over a two to three-year period.
- Office equipment over a two to three-year period.

Receivables

Receivables are assessed at each reporting period if they are impaired or doubtful.

Impairment Testing

All assets and liabilities are tested for impairment based on the available information at the time of testing and management's assessment of the assets and liabilities.

Provisions

Provisions are raised and or adjusted based on the available information at the time of testing. Management base their estimates on the probability of the event happening, the available information and past experience

1.7 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.

General purpose financial reporting by CBE 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 01/04/2014 to 31/03/2015.

The financial statements and the budget are not on the same basis of accounting therefore a reconciliation between the statement of financial performance and the budget have been included in the financial statements. Refer to note 28.

1.8 Related parties

The CBE operates in an economic sector currently dominated by entities directly or indirectly owned by the South African Government. As a consequence of the constitutional independence of the three spheres of government in South Africa, only entities within the national sphere of government are considered to be related parties.

Management are those persons responsible for planning, directing and controlling the activities of the CBE, including those charged with the governance of the CBE in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced

by, that management in their dealings with the CBE.

Only transactions with related parties not at arm's length or not in the ordinary course of business are disclosed.

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.

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 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.

1.10 Impairment of non-cash-generating assets

Cash-generating assets are those assets held by the entity with the primary objective of generating a commercial return. When an asset is deployed in a manner consistent with that adopted by a profit-orientated entity, it generates a commercial return.

Non-cash-generating assets are assets other than 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.

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

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

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 service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use.

Useful life is either:

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

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The CBE assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the CBE estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment

annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

1.11 Employee benefits

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

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

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

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

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

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

A constructive obligation is an obligation that derives from the CBE’s actions where by an

established pattern of past practice, published policies or a sufficiently specific current statement, the CBE has indicated to other parties that it will accept certain responsibilities and as a result, the CBE has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

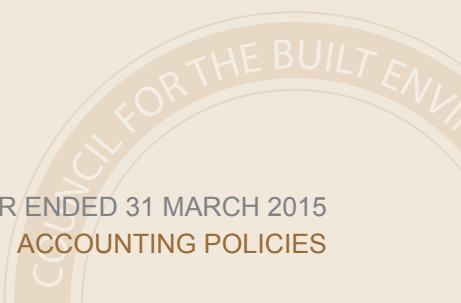
Short-term employee benefits

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 security 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; and
- non-monetary benefits (for example, medical care, and 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; and
- 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 CBE 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 entity recognises the expected cost of bonus, incentive and performance related payments when the CBE 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.

Post-employment benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

Post-employment benefit plans are formal or informal arrangements under which an entity provides post-employment benefits for one or more employees.

Multi-employer plans are defined contribution plans (other than state plans and composite social security programmes) or defined benefit plans (other than state plans) that pool the assets

contributed by various entities that are not under common control and use those assets to provide benefits to employees of more than one entity, on the basis that contribution and benefit levels are determined without regard to the identity of the entity that employs the employees concerned.

Post-employment benefits: Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the CBE pays fixed contributions into a separate Provident fund (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

When an employee has rendered service to the CBE during a reporting period, the CBE recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, the CBE 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; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Where contributions to a defined contribution plan do not fall due wholly within twelve months after the end of the reporting period in which the employees render the related service, they are discounted. The rate used to discount reflects

the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the obligation.

1.12 Provisions and contingent liabilities

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; and
- a reliable estimate can be made of the obligation.

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

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.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the CBE settles the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

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 deficits.

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent liability is:

- (a) a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of the entity; or
- (b) a present obligation that arises from past event but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets and contingent liabilities are disclosed in note 22.

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.

Loan commitment is a firm commitment to provide credit under pre-specified terms and conditions.

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; and
- 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.

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, an entity recognises the obligation at the higher of the amount determined using in 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 CBE provide 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, royalties and dividends

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends 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.

Investment Income is recognised on a time proportion basis using the effective interest method.

1.14 Revenue from non-exchange transactions

Revenue comprises gross inflows of economic benefits or service potential received and receivable by the CBE, which represents an increase in net assets, other than increases relating to contributions from owners.

Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Control of an asset arise when the CBE 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.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the CBE 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.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Stipulations on transferred assets are terms in laws or regulation, or a binding arrangement, imposed upon the use of a transferred asset by entities external to the reporting entity.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

Recognition

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

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

Measurement

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

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

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

1.15 Comparative figures

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year.

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 -

- (a) this Act; or
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act; or

- (c) any provincial legislation providing for procurement procedures in that provincial government.

National Treasury practice note no. 4 of 2008/2009 which was issued in terms of sections 76(1) to 76(4) of the PFMA requires the following (effective from 1 April 2008):

Irregular expenditure that was incurred and identified during the current financial year and which was condoned before year end and/or before finalisation of the financial statements must also be recorded appropriately in the irregular expenditure register. In such an instance, no further action is also required with the exception of updating the note to the financial statements.

Irregular expenditure that was incurred and identified during the current financial year and for which condonement is being awaited at year end must be recorded in the irregular expenditure register. No further action is required with the exception of updating the note to the financial statements.

Where irregular expenditure was incurred in the previous financial year and is only condoned in the following financial year, the register and the disclosure note to the financial statements must be updated with the amount condoned.

Irregular expenditure that was incurred and identified during the current financial year and which was not condoned by the National Treasury or the relevant authority must be recorded appropriately in the irregular expenditure register. If liability for the irregular expenditure can be attributed to a person, a debt account

must be created if such a person is liable in law. Immediate steps must thereafter be taken to recover the amount from the person concerned. If recovery is not possible, the accounting officer or accounting authority may write off the amount as debt impairment and disclose such in the relevant note to the financial statements. The irregular expenditure register must also be updated accordingly. If the irregular expenditure has not been condoned and no person is liable in law, the expenditure related thereto must remain against the relevant programme/expenditure item, be disclosed as such in the note to the financial statements and updated accordingly in the irregular expenditure register.

NOTES TO THE FINANCIAL STATEMENTS

	2015	2014
	R '000	R '000

2. New standards and interpretations

2.1 New standards

The following standards and interpretations have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2015 or later periods but are not relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
GRAP 18: Segment Reporting	01 April 2016	The statement is not relevant to the CBE operations
GRAP32: Service Concession Arrangements: Grantor	01 April 2015	The statement is not relevant to the CBE operations
GRAP108: Statutory Receivables	01 April 2015	The statement is not relevant to the CBE operations
GRAP 20: Related Party Disclosures	01 April 2015	The standard does not have a material impact on the financial statements. The CBE has during the financial year disclosed all related parties and transactions in line with the standard

	2015	2014
	R '000	R '000

3. Property, plant and equipment

	2015			2014		
	Cost	Accumulated depreciation and accumulated impairment	Carrying value	Cost	Accumulated depreciation and accumulated impairment	Carrying value
	R'000	R'000	R'000	R'000	R'000	R'000
Furniture and fixtures	1 661	(728)	933	1 691	(654)	1 037
Office equipment	1 062	(612)	450	1 075	(514)	561
Computer equipment	1 927	(628)	1 299	1 875	(529)	1 346
Total	4 650	(1 968)	2 682	4 641	(1 697)	2 944

Reconciliation of property, plant and equipment - 2015

	Opening balance	Additions	Reassessments	Write offs	Depreciation	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Furniture and fixtures	1 037	44	23	(39)	(132)	933
Office equipment	561	-	12	(10)	(113)	450
Computer equipment	1 346	188	76	(4)	(307)	1 299
Total	2 944	232	111	(53)	(552)	2 682

Reconciliation of property, plant and equipment - 2014

	Opening balance	Additions	Transfers	Write offs	Depreciation	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Furniture and fixtures	580	537	1	-	(81)	1 037
Office equipment	446	217	(1)	-	(101)	561
Computer equipment	511	993	-	(7)	(151)	1 346
Total	1 537	1 747	-	(7)	(333)	2 944

Pledged as security

None of the CBE's Property, plant and equipment has been pledged as security for any liability or contingent liability.

The residual values of property, plant and equipment have been assessed to be negligible, as a result they have not been considered in the calculation of the depreciable amount.

2015
R '000

2014
R '000

Details of properties

4. Intangible assets

	2015			2014		
	Cost	Accumulated amortisation and accumulated impairment	Carrying value	Cost	Accumulated amortisation and accumulated impairment	Carrying value
	R'000	R'000	R'000	R'000	R'000	R'000
Computer software	1 292	(827)	465	1 146	(705)	441

Reconciliation of intangible assets - 2015

	Opening balance	Additions	Amortisation	Total
	R'000	R'000	R'000	R'000
Computer software	441	146	(122)	465

Reconciliation of intangible assets - 2014

	Opening balance	Additions	write offs	Amortisation	Total
	R'000	R'000	R'000	R'000	R'000
Computer software	490	117	(1)	(165)	441

None of the CBE's intangible assets has been pledged as security for any liability or contingent liability.

The residual values of intangible have been assessed to be negligible, as a result they have not been considered in the calculation of the depreciable amount.

5. Trade and other receivables from exchange transactions

Trade and other receivables from exchange transactions	4	1
Rental Deposits	123	123
	127	124

Trade and other receivables from exchange transactions approximates their fair values.

	2015 R '000	2014 R '000
6. Trade and other receivables from non-exchange transactions		
Grant and levies	329	261

None of the trade and other receivables from non - exchange transactions has been pledged as security for any liability or contingent liability.

Trade and other receivables from non-exchange transactions approximates their fair values.

7. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	13	4
Bank balances (current account)	15 468	11 912
	15 481	11 916

None of the cash balances has been pledged as security to any liability or contingent liability.

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:

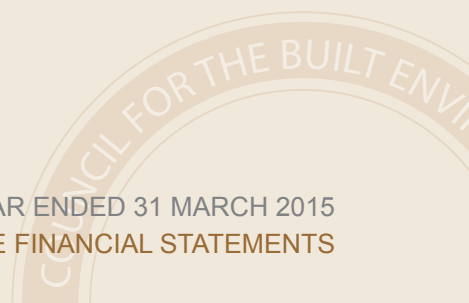
Credit rating

F1 + Fitch Rating	15 481	11 916
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8. Trade and other payables from exchange transactions

Trade and other payables from exchange transactions	1 234	1 097
Leave payable	819	612
Accruals	2 469	1 580
	4 522	3 289

The CBE has not defaulted on any of its payables



	2015	2014
	R '000	R '000

9. Provisions

Reconciliation of provisions - 2015

	Opening Balance	Additions	Total
	R'000	R'000	R'000
Provision for bonus payment	165	35	200

Reconciliation of provisions - 2014

	Opening Balance	Utilised during the year	Reversed during the year	Total
	R'000	R'000	R'000	R'000
Provision for bonus payment	234	(26)	(43)	165

Provision for bonus payment

During the current year the CBE raised a provision for bonus payment in relation to performance bonus for the performance period April 2014 to March 2015. Provision for bonus payment is prepared on the basis of prior year's actual performance which was 2% of the basic annual salary and management is of the view that the amount will be adequate to cover the performance bonus of the organisation for the 2014/2015 financial year.

10. Revenue from non-exchange transactions

Government grant from Department of Public Works	41 572	37 959
Levies received	1 941	1 840
MerSETA Grant	200	200
	43 713	39 999

11. Revenue from exchange transactions

Interest revenue

Interest received	-	3
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015
 NOTES TO THE FINANCIAL STATEMENTS

	2015	2014
	R '000	R '000
12. Personnel costs		
Basic	9 814	9 262
PAYE	3 680	3 740
Provident fund contributions	1 590	1 706
Medical aid contributions	606	603
UIF	112	102
Employee benefits provisions	206	(51)
Staff training	505	847
Staff welfare	49	88
Relocation costs	3	-
Bonus	35	(69)
	16 600	16 228

Remuneration of Chief Financial Officer (C Changfoot)

Annual Remuneration	39	-
Contributions to UIF, Medical Aid, Pension Funds	4	-
Subsistence and Travel	2	-
	45	-

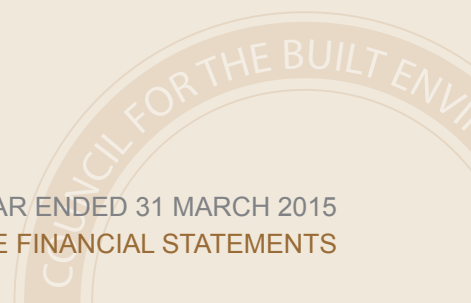
Remuneration of Former Chief Financial Officer (M Sedite)

Annual Remuneration	-	952
Contributions to UIF, Medical Aid, Pension Funds	-	81
Subsistence and Travel	-	4
Telephone reimbursement	-	10
	-	1 047

Included in the Personnel cost above is the Chief Financial Officer's remuneration as broken down under remuneration of chief financial officer for the period 1 April 2014 to 31 March 2015. The previous CFO (M Sedite) resigned in February 2014. The office was held by R Mhlanga in the interim until the month of March 2015. C Changfoot was appointed on 16 March 2015 in the 2014/15 financial year.

Remuneration of Chief Operations Officer (P Mdlalose)

Annual Remuneration	113	-
Contributions to UIF, Medical and Pension Funds	11	-
	124	-



	2015	2014
	R '000	R '000
12. Personnel costs (continued)		
Remuneration of Former Chief Operations Officer (L Zepe)		
Annual Remuneration	-	243
Contributions to UIF, Medical and Pension Funds	-	17
Subsistence and Travel	-	5
	<u>-</u>	<u>265</u>

Included in the Personnel cost above is the Chief Operations Officer's remuneration as broken down under remuneration of Chief Operations Officer for the period 1 April 2014 to 31 March 2015. P Mdlalose was appointed on 16 February 2015 in the 2014/15 financial year. The previous acting COO (L Zepe) resigned in June 2013.

Remuneration of Chief Executive Officer (G Mazibuko)

Annual Remuneration	1 039	986
Contributions to UIF, Medical and Pension Funds	97	91
Subsistence and Travel	45	10
Telephone reimbursement	16	-
	<u>1 197</u>	<u>1 087</u>

Included in the Personnel cost above is the Chief Financial Officer's remuneration as broken down under remuneration of chief financial officer for the period 1 April 2014 to 31 March 2015. The previous CFO (M Sedite) resigned in February 2014. The office was held by R Mhlanga in the interim until the month of March 2015. C Changfoot was appointed on 16 March 2015 in the 2014/15 financial year.

13. Administrative expenses

Administrative expenses include the following

Auditors remuneration	1 438	1 418
Internal audit fees	729	233
Advertising	501	632
Lease rentals on operating lease	3 612	3 718
Telephone and fax	404	424
Computer expenses	943	1 026
Council expenses **	1 300	719
Catering	95	82
Conferences and seminars	248	7
Building Cost and Consumables	693	926
Printing and stationery	219	124
Insurance	174	219
Bank charges	33	21
	<u>10 389</u>	<u>9 549</u>

2015
R '000

2014
R '000

13. Administrative expenses (continued)

**Included in administrative fees above is the Council, Council sub committees and Audit committee members remuneration. The term for the 3rd Council came to an end in the current 2014/2015 financial year. The Minister appointed the 4th Council as replacement of the outgoing Council. Below is a breakdown of remuneration for the individual members:

Third Term Council

Member	Council meetings attended	Claim for attendance in R'000	S&T in R'000	Total claim in R'000 2014/2015	Total claim in R'000 2013/2014
AP Tau - Sekati (Chairperson)	7	18	3	21	114
P Mashabane (Deputy Chairperson)	5	15	5	20	39
T Majozi (Former Deputy Chairperson) *	-	-	-	-	3
C Campbell *	-	-	-	-	4
GT Chaane	2	6	2	8	20
C Israelite	1	-	-	-	-
F Johnson	-	-	-	-	1
M Klapwijk	2	6	-	6	20
M Kubuzie	-	-	-	-	17
EX Kula - Ameyaw	4	13	1	14	33
VV Mdwaru	2	-	-	-	-
LW Molobela	3	10	13	23	68
Z Mvusi	1	3	-	3	9
S Ngxongo	3	9	1	10	28
DR Nkhwashu	1	3	1	4	25
A Peters	4	9	2	11	-
EI Pieterse	1	-	-	-	-
PE Scott	3	3	1	4	34
HJ Van der Hoven	2	12	5	17	37
D Coovadia	-	-	-	-	79
T Sihlaba	-	-	-	-	9
F Gastin	-	-	-	-	35
M Mothipe	-	-	-	-	18
P Radebe	-	-	-	-	60
	-	107	34	141	653

2015
R '000

2014
R '000

13. Administrative expenses (continued)

Fourth Term Council

Member	Council meetings attended	Claim for attendance in R'000	S&T in R'000	Total claim in R'000 2014/2015	Total claim in R'000 2013/2014
IM Nkosi (Chairperson)	36	115	10	125	-
NF Sithole (Deputy Chairperson)	15	38	3	41	-
Adv DJ Block	9	22	1	23	-
CA Breed	10	18	1	19	-
IS Kgomo	6	-	-	-	-
ND Lombard	19	46	1	47	-
N Maharaj	31	91	27	118	-
EG Makongwana	7	15	2	17	-
JL Margolius	16	40	7	47	-
Dr ZT Mathe	24	56	4	60	-
T Matunda	6	3	-	3	-
D Michell	14	31	4	35	-
Prof KA Michell	17	40	3	43	-
C Mtshisa	5	-	-	-	-
ZC Mvalo	7	-	-	-	-
A Sassenberg	22	49	59	108	-
RG Sefotlho	12	30	2	32	-
AA Steyn	17	-	-	-	-
S Thubane	12	12	2	12	-
MM Tshangela	13	-	-	-	-
D Coovadia (Audit Committee Member)	5	57	5	62	79
M Mothipe (Audit Committee member)	5	45	1	46	18
F Docrat (Audit Committee Member)	1	10	1	11	-
	309	718	133	849	97

	2015	2014
	R '000	R '000
14. Depreciation and amortisation		
Depreciation and amortisation expenditure include the following:		
Property, plant and equipment	552	334
Intangible assets	122	166
	674	500
15. merSETA project expense		
Included in merSETA project expense are the following:		
Bank Charges	1	1
Catering	-	26
Travel and Accommodation	28	47
Consulting fees	251	-
	280	74
16. Operating expenses		
Operating expenses include the following:		
Travel and accommodation	1 789	1 459
Consulting fees	8 944	4 116
Assets written off	(59)	7
Other expenses	583	-
Subscriptions and membership fees	-	2
Bursary Scheme (Bursaries)	1 623	844
Catering for projects	47	74
Awareness and Publications	113	796
Events and Workshops	238	149
	13 278	7 447

	2015 R '000	2014 R '000
17. Cash generated from operations		
Surplus	2 524	6 219
Adjustments for:		
Depreciation and amortisation	674	500
Movements in Deferred operating lease liability	(394)	232
Movements in provisions	35	(69)
Adjustments, losses and write offs	(58)	7
Other non-cash items	-	(3)
Changes in working capital:		
Trade and other receivables from exchange transactions	(3)	4
Increase in trade and other receivables from non-exchange transactions	(68)	(190)
Trade and other payables from exchange transactions	1 233	606
	3 943	7 306

18. Irregular expenditure

Opening balance	352	-
Add: Irregular Expenditure - current year	4 144	352
	4 496	352

Details of irregular expenditure – current year

	Details		
Tax Clearance Certificates	Procurement resumed from suppliers whose tax clearance certificates either expired or could not be found	3 188	275
Procurement without three quotations	Services were procured without obtaining three quotations	77	77
Non compliance with competitive bidding threshold	Procurement of information technology equipment deliberately split into two parts instead of being a single transaction. A competitive bidding process must be followed for any procurement with a transaction value more than R300,000	391	-
	The winning quote was selected before any of the three quotes were submitted for evaluation	48	-
	Management did not advertise the bid 21 days before closing of the bid	792	-
		4 496	352

	2015	2014
	R '000	R '000

18. Irregular expenditure (continued)

During the current financial year, this issue of “non-compliance with the competitive bidding threshold” was raised in a forensic audit report of the supply chain management section. The CBE Council and Management are undertaking disciplinary procedures in this regard.

19. Fruitless and wasteful expenditure

Opening balance	215	215
Fruitless and wasteful expenditure incurred during the year	45	-
	260	215

During the 2011/2012 financial year the CEO’s recruitment process was cancelled by the previous CBE Council (3rd term), the process was reinitiated and a new service provider was sourced. The previous service provider was already remunerated for the work performed at the time of cancellation amounting to R215,360.00 which was not utilised in the new process. An inquiry into the previous recruitment process was instituted by the CBE Council and was completed by the end of the 2013/2014 financial year, upon which a request was made to the Minister for condonement. There is a possible contingent liability amounting to R40,000 should the service provider enforce the contractual obligation. The Minister refused to condone this fruitless and wasteful expenditure and the current Council of the CBE took a resolution on 12 March 2015 to recover the amount from the previous council.

During the current financial year, software for the development of a database system was procured that already existed to the value of R45,000. The CBE Council and Management are undertaking disciplinary procedures in this regard.

20. Financial Instruments

Interest rate risk

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

Credit risk

The financial assets that potentially subject the CBE to the risk of non-performance by counter-parties and thereby subject the CBE to concentrations of credit risk, consist mainly of cash and cash equivalents and trade receivables. The credit risk is controlled through the application of approved regulations, limits and monitoring procedures.

The CBE limits its counter-party exposure by only 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 CBE’s revenue transactions. The CBE does not have any significant exposure to any individual customer or counter-party. Accordingly, the CBE does not consider having any significant concentration of credit risk, which had not been adequately provided for. At year end receivables are not considered to be impaired or past due date.

	2015	2014
	R '000	R '000

20. Financial Instruments (continued)

Financial assets exposed to credit risk at year end were as follows:

Financial assets at fair value

Receivables - unrated	456	385
Cash and Cash Equivalents at Fair Value	15 481	11 916

Liquidity risk

The CBE manages liquidity risk through proper management of working capital, capital expenditure and cash flow; and by variance reports between actual and budgeted amounts.

Exposure to liquidity risk

The following are the cash outflows of trade payables due within one year. The CBE does not consider having any significant exposure to liquidity risk as its current assets exceed its current liabilities.

Financial liabilities

Within one year	3 701	2 677
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Fair values

The CBE's financial instruments consist mainly of cash and cash equivalents, trade receivables and trade payables. No financial asset was carried at an amount in excess of its fair values could be reliably measured for all financial assets. The following methods and assumptions are used to determine the fair value of each class of financial instrument:

Cash and cash equivalents

The carrying amount of cash and cash equivalents approximates fair value due to the relatively short-term maturity of these financial assets.

Cash and cash equivalents are invested with reputable financial institutions with maturity of three months or less.

Financial assets at fair value

The carrying amount of receivables approximates fair value due to the relatively short-term maturity of this financial assets.

	2015	2014
	R '000	R '000

20. Financial Instruments (continued)

Financial liabilities at fair value

The carrying amount of payables approximates fair value due to the relatively short-term maturity of this financial liability.

The carrying amount of financial instruments per category is as follows:

Financial Assets at fair value	15 937	12 301
Financial Liabilities at fair value	3 701	2 677

21. Related parties

Relationships

Council members	Refer to accounting authorities report
Executive Authority	National Department of Public Works (DPW)
Professional Council	South African Council for the Architectural Profession (SACAP)
Professional Council	Engineering Council of South Africa (ECSA)
Professional Council	South African Council for the Quantity Surveying Profession (SACQSP)
Professional Council	South African Council for the Project and Construction Management Profession (SACPCMP)
Professional Council	South African Council for the Property Valuers Profession (SACPVP)
Professional Council	South African Council for the Landscape Architectural Profession (SACLAP)

The transactions with executive authority are in respect of Grant and the reimbursement for the secondment of the COO to DPW. The balances with DPW are in relation to the reimbursement for the secondment of the COO.

The above related parties did not have any transactions which were not at arms length with the CBE during the financial year 2014/2015.

Receipts from professional councils are in respect of levies in terms of section 17(1)(a) of the CBE Act 43 of 2000.

The payments made by the CBE were in relation to the administrative support provided to the professional councils which required administrative assistance.

Balances due or payable are in relation to levies transactions and administrative support provided.

During the financial year there were no related party transactions with key management or any of the immediate families or any organisation in which they have significant influence.

	2015	2014
	R '000	R '000

21. Related parties (continued)

Related party balances

Related party balances

South African Council for the Architectural Profession (SACAP)	100	9
Engineering Council of South Africa (ECSA)	15	-
South African Council for the Quantity Surveying Profession (SACQSP)	9	-
South African Council for the Project and Construction Management Profession (SACPCMP)	25	17
South African Council for the Property Valuers Profession (SACPVP)	16	6
National Department of Public Works (DPW)	115	228

Related party transactions

Related party receipts

South African Council for the Architectural Profession (SACAP)	395	344
Engineering Council of South Africa (ECSA)	1 184	1 155
South African Council for the Quantity Surveying Profession (SACQSP)	124	114
South African Council for the Project and Construction Management Profession (SACPCMP)	140	144
South African Council for the Property Valuers Profession (SACPVP)	90	75
South African Council for the Landscape Architectural Profession (SACLAP)	8	8
National Department of Public Works (DPW)	41 572	37 959

The transactions with the six professional councils are for the levies paid by the professional councils to the CBE on members' registration or renewal.

Key management information

Class	Description	Number
Non-executive board members (Refer to Accounting Authorities report and note13)	Council members	20
Audit Committee (Refer to note 13)	Audit Committee external members	3
Executive management (Refer to note12)	Senior management	3

	2015	2014
	R '000	R '000

22. Contingent liability and Commitments

22.1 Contingent liabilities

22.1.1 Accumulated Surplus

In terms of section 53(3) of the PFMA of 1999, the CBE has to obtain approval from National Treasury to retain accumulated surplus funds at year-end. The budget relating to the 2014/2015 has been utilised. Of the R14,072 million in accumulated funds to date, R3,147 million represents the book value of the assets capitalised which will be realised over time through use of the assets.

22.1.2 Contractual obligation

There is a possible contingent liability amounting to R40,000 resulting from a contractual obligation that is still under review based on the fruitless expense that has been incurred.

22.2 Commitments

At the end of the prior financial year the CBE had commitments under non-cancellable agreements with suppliers to the value of R2,955 million for the four Maths and Science projects and the Master Systems Plan project which have been entered into but work has not commenced. There were no similar commitments at the end of the current financial year.

23. Operating lease liability

Operating lease payments represent rentals payable by the CBE for its office accommodation. The lease was negotiated for an initial term of three years, with a 10 per cent escalation per annum. The lease was renewed for an additional one year term, ending 31 July 2015. No contingent rent is payable.

The operating lease expenses are smoothed on a straightline basis over the lease period. Any overpayments or under payments as a result of the smoothing is recognised into the statement of financial position as a liability until the time that the payments in the future reverses the smoothing to zero by the end of the lease period.

Minimum lease payments due

Payable within one year	1 339	3 895
Payable within two to five years	-	1 339
	1 339	5 234

	2015	2014
	R '000	R '000
24. Auditors' remuneration		
External audit fees	1 438	1 418
25. Other cash receipts		
Included in the other cash items is the following:		
Re-imbusement of seconded COO/staff debt	227	1 246
Insurance claims	23	7
merSETA grant	150	200
Sundry receipts	977	-
	1 377	1 453

26. Going concern

The 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 continue to provide the grant funding as indicated in the MTEF for the MTEF period year for the ongoing operations for the CBE. The CBE's total liabilities are below its current assets by R10,925 million.

27. Events after the reporting date

No significant event took place after the reporting date that would have significant effect on the financial statements.

28. Budget differences

For the financial year 2014/2015 the CBE prepared its budget on a cash basis and its financial reports on accrual basis.

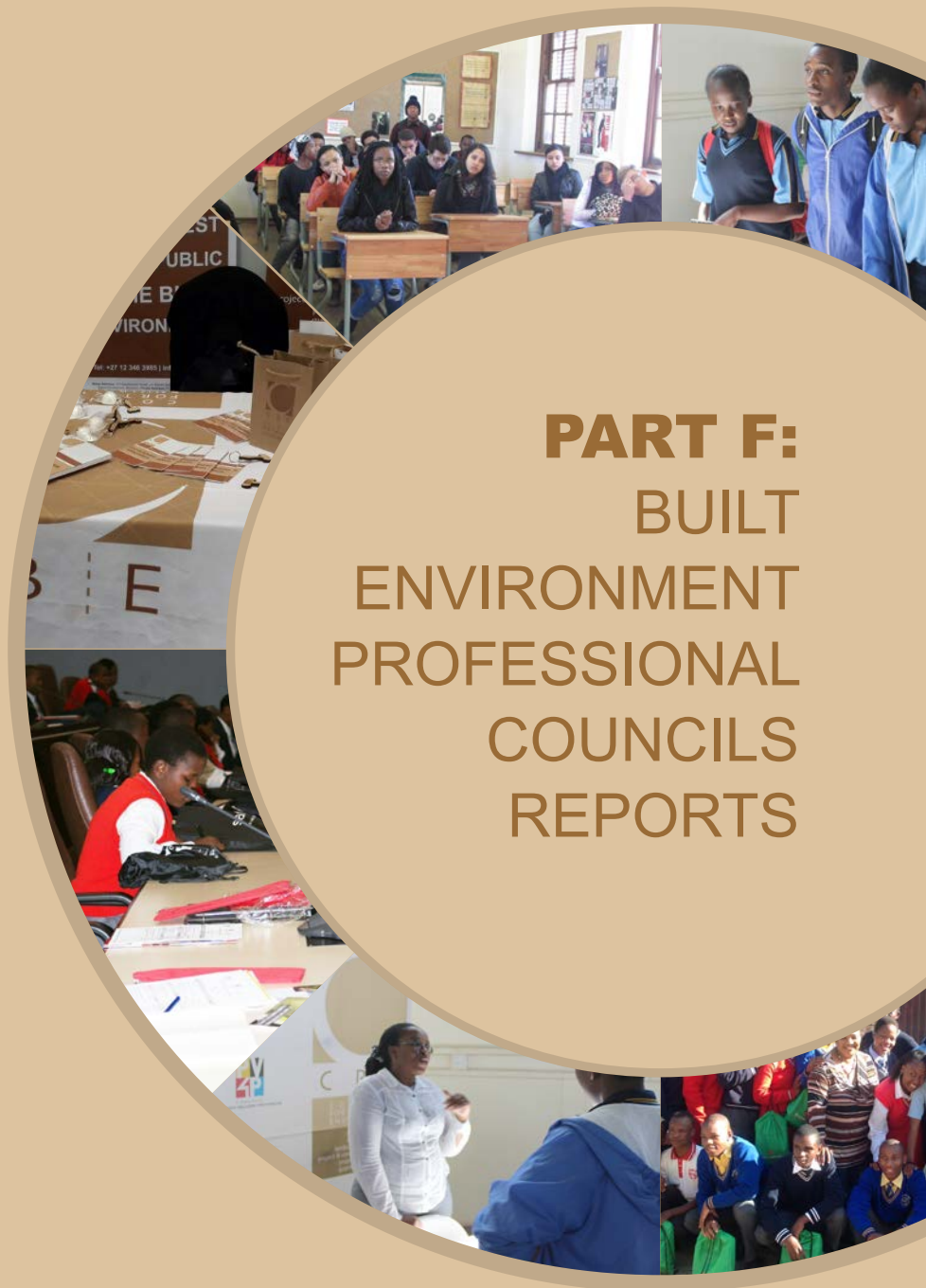
Below are reasons for the variance on the CBE's actual performance as compared to the budget for the year ended 31 March 2015:

- 28.1. Income:** the total grant income was received as planned. The variance is due to more levies received than was budgeted.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015
 NOTES TO THE FINANCIAL STATEMENTS

	2015	2014
	R '000	R '000

- 28.2. Personnel costs:** the favourable variance in personnel costs is due to senior positions that were only filled in the fourth quarter of the financial year and also due to vacant positions.
- 28.3. Administrative expenditure:** the favourable variance is due to expenditure incurred which was less than budget for the following items, namely, less rentals paid for the CBE building, less events and workshops held and less consulting fees utilised.
- 28.4. Operational expenditure:** the operational expenditure shows significant favourable variance which is mainly attributable to reduced mentors expenditure achieved through higher capacity utilisation of the existing mentor pool.
- 28.5. Depreciation and amortisation:** the CBE uses the cash based budget which excludes budgeting for depreciation and amortisation.
- 28.6. Fixed assets additions:** The fixed assets variance is due to purchases of assets that were required to maintain the CBE IT infrastructure that was required to host the additional capacity required by the CBE.
- 28.7. Budget revision:** The annual budget is compiled at the beginning of the financial year and submitted to the Council for approval. A mid-term budget review is performed after the first two quarters of the financial year based on projections for the rest of the year, and resources are reallocated based on the revised budget.



PART F:
BUILT
ENVIRONMENT
PROFESSIONAL
COUNCILS
REPORTS

1. INTRODUCTION

The CBE is required by Section 4 (v) of the CBE Act to receive and assimilate the annual reports of the councils for the professions and submit a summary to the Minister. In this regard, the CBE has formulated reporting templates, intended to collate quarterly information of the BEPCs' execution of their statutory functions.

The role of the BEPCs will come under increasing scrutiny given, *inter alia*, the centrality of infrastructure investment as a key socio-economic development policy instrument of government, the demand for transformation of the BEPs and the demands of sustainable development as a 21st century growth and development imperative. The performance of the BEPCs against these demands is a national development imperative, and the execution of their statutory functions should be assessed and seen as responding to these accordingly. Their performance should also be premised on sound and binding governance principles as they are statutory creations. The CBE has therefore, in terms of its mandate set out in section 3(f) of the CBE Act, developed a corporate governance framework for implementation by the BEPCs in pursuance of good corporate governance principles and is working with the BEPCs to implement such.

2. LEGISLATIVE AND REGULATORY FRAMEWORK OF THE BEPCs

The Built Environment Professions Acts mandate the BEPCs to perform, *inter alia*, the following functions, which are concurrently shared with the CBE:

- Establishment of Standards Generating Bodies (SGBs) and the development of competency standards.
- Conduct accreditation visits to any educational institution that has a department, school or faculty of the relevant BEP and conditionally or unconditionally grant, refuse or withdraw accreditation to educational institutions and educational programmes.
- Register in the relevant category applicants who have demonstrated his or her competence as measured against the standards determined by that council and who have passed any additional examination that may be determined by the council.
- Prescribe specified categories of registration and register persons in these categories.
- 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 BEPC Act.
- Develop and administer a Code of Conduct for registered persons.
- Investigate complaints and instances of probable improper conduct against registered persons, charge registered persons with improper conduct and impose sanctions.
- Annually determine guideline professional fees and publish those fees in the Government Gazette.
- Recognise voluntary associations (VAs).
- Recommend to the CBE the type of work identified which may be performed by persons registered in any of the categories of registration of that profession, including work which may fall within the scope of any other profession regulated by the BEPCs Acts, (IDoW).

The following table clusters the above 13 concurrent functions into four key thematic areas:

Table: CBE Thematic Areas

Thematic Area	Governance of Professional Councils	Public Protection	Sustainable and Integrated Development	Human Resource Development
Enabling Policy	<ol style="list-style-type: none"> 1. Codes of Conduct and Practice for the professions 2. Recognition of Voluntary Associations 	<ol style="list-style-type: none"> 3. Appeal body and Procedures 4. IDoW – in line with the BEPC Act and in conflict with the Competition Act 5. Accreditation of education institution's programmes 	<ol style="list-style-type: none"> 6. Determination of guideline for professional fees in line with the BEPC Act and in conflict with the Competition Act 7. Recognition of new professions 	<ol style="list-style-type: none"> 8. International recognition of professions 9. Registration of different categories of registered persons 10. Competency standards for registration 11. Establish standard generating bodies in line with SAQA to align qualifications to the NQF 12. Recognition of prior learning 13. Continuous Professional Development

Source: CBE ACT No 43 of 2000

3. GOVERNANCE OF PROFESSIONAL COUNCILS

This thematic area will report on the implementation of the Code of Conduct and the recognition of Voluntary Associations (VAs) by BEPCs.

3.1. CODE OF CONDUCT FOR BEPs

A code of conduct for registered persons is developed by BEPCs to ensure that registered professionals in the practice of their profession adhere to the determined standards of conduct. The codes of conduct serve to protect the public interest and enhance the standard of work performed by BE practitioners. A policy framework for a code of conduct, developed by the CBE, has been approved by the Minister and will inform the codes developed by BEPCs.

3.2. VOLUNTARY ASSOCIATIONS (VAs)

A VA in the BE means a voluntary association recognised by the relevant BEPC. An association is broadly defined to include an institute, institution, association, society or federation established to promote collective professional and/or business interests. VAs' recognition is dependent on their adherence to the policy prescripts of the relevant BEPC.

VAs are an important constituent part of the BE professional milieu. They are mainly repositories of profession specific technical knowledge, are involved in CPD activities and in qualifications development. Their recognition is important and should be encouraged since they also play the following critical roles:

- Nominate persons for appointment on the BEPCs.
- Are consulted by BEPCs on the development of codes of conduct and determination of guideline professional fees.
- Provide a pool of practitioners to serve on professional council's committees.
- Play the role of competency assessment (assessors) in the registration process.
- Provide a pool of mentors for candidate professionals
- Serve as members of evaluation committees for programme accreditation at HEIs that offer BE qualifications.

Table: No of VAs recognised as at 31 March 2015

	Total number of recognised VAs						Total number of recognised VAs
	2009	2010	2011	2012	2013	2014	
SACPVP	3	4	4	3	3	3	3
SACQSP	0	1	0	1	3	0	0
ECSA	39	42	42	44	45	48	48
SACAP	11	11	11	12	12	10	10
SACPCMP	10	10	10	10	10	10	10
SACLAP	0	1	1	1	1	1	1
TOTAL	63	69	68	71	74	72	72

Source: Professional Council fourth quarter reports

4. SUSTAINABLE AND INTEGRATED DEVELOPMENT

4.1. PROFESSIONAL FEES

BEPCs are enjoined by their enabling legislation to annually, after consultation with their VA's, determine guideline professional fees and publish those fees in the Gazette.

The CC determined that this publication of guideline fees is in contravention of the Competition Act, 89 of 1998 and would require exemption. The BEPCs applied for the required exemptions in 2014 and it is currently being investigated by the CC.

4.2. RECOGNITION OF NEW PROFESSIONS ESTABLISHMENT OF SPECIFIED CATEGORIES OF REGISTRATION

Changing circumstances require the recognition and regulation of new professions. An increased need to improve health and safety standards in the BE, climate change and environmental degradation are some of the factors that may result in the forming of new professions. The CBE has developed a policy framework on the recognition of new professions which broadly addresses emerging BE professions, including specified categories. The following new professions and specified categories have been identified by the BEPCs:

SACPCMP

- Professional Construction Health and Safety Agents.
- Construction Health and Safety Manager.
- Construction Health and Safety Officer.

SACAP

- Interior Design Professions.

SACPVP

- Machinery and Equipment Valuers.

SACLAP

- Landscape Managers.
- Park Professionals.

SACQSP

- The Registered Construction Surveyor (will be limited to providing professional services to building contractors only and not to the general public).
- Professional Cost Engineer (Quantity Surveyor (QS) specializing in mega-engineering projects).
- Registered Cost Technician (trained QS technician who works within a Pr QS office).

IDoW can be perceived as a limitation of professional practice. The primary objective of IDoW is however public protection by ensuring that only suitably qualified and registered professionals practice within the BE.

The CC found the IDoW to be in contravention of the Competition Act, requiring exemption. The CBE submitted exemption applications in 2012 to the CC on behalf of all six BEPCs, which are currently being considered by the CC.

5.2. DISCIPLINARY INVESTIGATION

The following table shows that since 2008 there has been a declining trend in the number of investigations of improper conduct by the BEPCs. The number fell by 60% from 257 investigations in 2008 to 120 in 2012, with an average of 176 for the period. However, this trend was reversed in 2013 with a spike in reported investigations to 211 from 120 in 2012, which is significantly above the trend established over the past five years.

5. PROTECTION OF PUBLIC INTEREST

5.1. IDENTIFICATION OF WORK (IDoW)

The professions Acts established different registration categories, thereby specifying the scope of professional practice. The CBE's IDoW policy formalises this specification of the scope of professional practice in compliance with the CBE Act and the professions Acts.

Table: Number and trend of new disciplinary cases per Council

	2008	2009	2010	2011	2012	2013	2014	Average number of infringements	
SACPVP	23	14	19	14	5	31	15	22	12%
SACQSP	19	11	19	19	14	29	42	22	11%
ECSA	79	13	57	51	35	58	40	48	25%
SACAP	136	120	62	86	61	91	112	95	50%
SACPCMP	0	0	10	2	5	2	4	3	2%
SACLAP	0	0	0	0	0	0	0	0	0%
TOTAL	257	158	167	172	120	211	213	190	
% change	0	-39%	8.2%	0.6%	-30%	76%	17%		

Source: Professional Council Quarterly Reports, 2008/09, 2009/10, 2010/11, 2011/12, 2012/13, 2013/14

The rise in disciplinary investigations will be closely monitored against the backdrop of the pending implementation of IDoW and subsequent compulsory registration, which will result in increased numbers of registered professionals. It is noticeable that all the investigations reported by ECSA involve competency deficiency issues. The signing of the Health and Safety in Construction Accord by ECSA, SACAP and SACPCMP, which the CBE facilitated is therefore a significant initiative to enhance health and safety.

The following challenges in conducting disciplinary investigations have been identified by BEPCs:

- Lack of human resources within their Legal and Compliance Units to deal with the volume of complaints received, which resulted in backlogs.
- Lack of proper case management systems. Poor cooperation by complainants and respondents during the investigation process.
- High cost of conducting disciplinary investigations and hearings.

5.3. PROMOTION OF HEALTH AND SAFETY IN THE BUILT ENVIRONMENT

Section 3 (e) of the CBE Act impels the CBE to promote appropriate standards of health, safety and environmental protection within the BE. The CBE Act does not specify specific policy instruments for the achievement of appropriate standards of health and safety and environmental protection. Other government line functions such as the Department of Labour (Construction Regulations) and the Departments of Environmental Affairs and of Trade and Industry (SABS and NRCS) have a more defined function. The role of the CBE is limited to a facilitative one. The CBE has a role, however, in influencing the knowledge base of BEP s through directing and enhancing the curricula of the BE educational and CPD programmes to incorporate substantive health and safety and environmental sustainability content. Another important policy instrument is the disciplinary procedures of the respective BEPCs, empowering them to investigate

and sanction health and safety and environmental transgressions. The BEPCs have reported the following deficiencies with regard to health and safety which will both be addressed by the Health and Safety Accord:

- Lack of monitoring and reporting mechanisms for health and safety transgressions.
- Lack of awareness and promotion of BE health and safety issues.

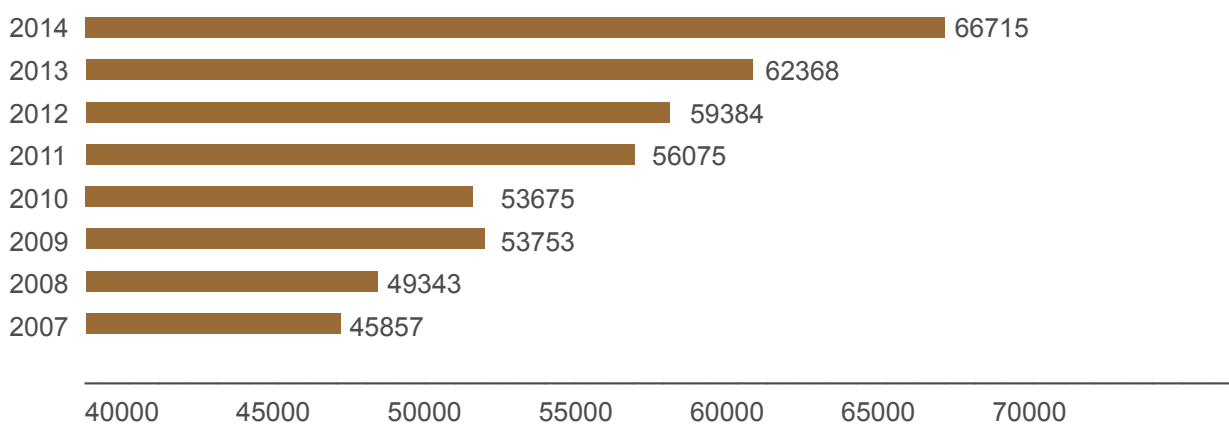
6. HUMAN RESOURCE DEVELOPMENT

Transformation of the BEPs is an important policy imperative and this section will focus on the demographic make-up of the professions.

Aggregate registration

The following graph shows that there has been steady growth in the total number of registrations, which climbed by 36% between 2007 and 2013 from 45 857 to 62 368.

Aggregate registration in the six Professional Councils



Source: Professional Council fourth quarter reports

The following table is an analysis of the total annual registration per BEPC. It shows that ECSA (engineering) accounts for the highest number of registrations, contributing to 70% of total registrations, followed by SACAP (architects) at 14,5%, SACQSP (quantity surveyors) at 5,7%, SACPCMP (project and construction managers) at 5,4%, SACPVP (property valuers) at 3,4% and lastly SACLAP (landscape architects) at 0,3%.

Table: Aggregate Number of Professional and Candidate Registrations per BEPC

Council	2007	2008	2009	2010	2011	2012	2013	2014
ECSA	26789	28221	33245	34664	38495	41094	43939	46135
SACPCMP	3276	3418	3624	3103	3144	3211	3388	3688
SACLAP	104	144	159	187	198	212	230	238
SACQSP	2666	2537	2687	2900	3049	3476	3559	4042
SACPVP	2557	2536	2375	2304	2238	2189	2161	2104
SACAP	10465	12487	11663	10517	8951	9202	9091	10508
TOTAL	45857	49343	53753	53675	56075	59384	62368	66715

Source: Professional Council Quarterly Reports, 2008/09, 2009/10, 2010/11, 2011/12, 2012/13, 2013/14

The following table analyses the change in annual registration. It shows that after peaking in 2009, registration numbers have entered a downward trend. This improved in 2012, but still exhibit downward pressure.

Table: Change in Annual Registrations per BEPC

Council	2007	2008	2009	2010	2011	2012	2013	2014
ECSA	0	1432	5024	1419	3831	2599	2845	2196
SACPCMP	0	142	206	-521	41	67	177	300
SACLAP	0	40	15	28	11	14	18	8
SACQSP	0	-129	150	213	149	427	83	483
SACPVP	0	-21	-161	-71	-66	-49	-28	-57
SACAP	0	2022	-824	-1146	-1566	251	-111	1417
TOTAL	0	3486	4410	-78	2400	3309	2984	4347

Source: Professional Council fourth quarter reports

The change and fall in registration numbers is expected and is a reflection of its reliance of Gross Fixed Capital Formation (GFCF), which is the total capital investment in the economy. It has been stagnant since 2010, especially investment in building and construction, which is a major source of income for the BEPs and therefore the driver of the demand for the professional services of BEPs.

The volatility in GFCF and building and construction investment will influence the demand of BEP services. Lowitt (2007)¹ states that employment in the BEPs is highly reliant on the construction industry's fluctuations as the industry suffers from cyclical periods of boom and bust. This is a general feature of the construction industry as elaborated by other researches (Merrifield 1994, Lawless 2005) who show that construction companies deal with periods of low demand by laying off workers, retarding salary growth and offering early retirement. This volatility will also affect the supply of BE graduates from universities with Lowitt (2007) showing that in 1975, South African universities were graduating 6 000 engineers per annum which fell to 1 400 per annum in 2004. Lawless (2003)² further identifies migration both outside the country and to other professions where the remuneration is better as factors that drive fluctuating employment and consequent registration numbers of BEPs. The general level of GFCF in the country, and the presence of impediments hampering spending of public sector infrastructure budgets will affect the sustainable growth of BEPs.

The following table lists other factors identified by BEPCs that lead to de-registrations. Apart from the structural issues of the construction industry, volatility was identified as a major determinant of registration numbers:

Table: Total Number of De-Registrations in 2014/15 for all Six BEPCs

Cancellations and De-registrations	2013	2014	Percentage Increase
Removal (due to default)	8876	9230	4%

Source: Professional Council fourth quarter reports

The above table shows the number of de-registrations emanating from registered persons defaulting on the payment of their annual fees and/or non-compliance to CPD. In the 2014/2015 financial year, there were a total of **9230** default de-registrations. It should be noted that the fall in registration numbers due to payment default in all racial categories have negative consequences for the financial viability of the BEPCs and general human resource development of BEPs.

The next table indicates the number of registration applications received by the five BEPCs during the financial year. It shows, on aggregate, a high application acceptance rate, which was 6027. There were 163 applications rejected. The reasons for the rejection of applications were as follows:

- i. Inadequate employer support.
- ii. Difficulty in securing mentors.
- iii. Lack of clarity on the knowledge areas to be covered.
- iv. Not being fully familiarized with all the required competencies for registration.
- v. Incomplete reporting.

¹Merrifield A (1994) *The Performance and Capacity of the Construction Industry in the early 1990's*, Paper prepared for the National Housing Forum

²Lawless, A. (2003) *Capacity in the Civil Engineering Industry*, Johannesburg: SAICE

In the 2014/2015 financial year, **1288** applications were pending due to the following reasons:

- i. Awaiting outstanding information; and
- ii. Awaiting additional information requested and deferred application review for a period of up to 12 months to obtain additional experience.

Table: Total Number of Registrations in 2014/15

Council	Applications received	Applications accepted	Rejected	Pending
SACPVP	183	159	4	20
ECSA	5319	4845	51	423
SACPCMP	1116	374	80	662
SACLAP	7	7	0	0
SACQSP	58	58	0	0
SACAP	799	588	19	192
TOTAL	7478	6027	154	1297

Source: Professional Council fourth quarter reports

6.1. DEMOGRAPHIC TRANSFORMATION OF BEPs

Transformation of the BEPs remains an elusive reality that is laden by green shoots mainly stemming from the demographic change in candidate registration numbers, which constitute a future pool of practising BEPs. The following sections will discuss the demographic transformation of the BEPs, starting with aggregate (professionals and candidates) performance followed by performance at candidate level.

The following tables show that BEPs are still predominantly White, showing that in 2013/14 the total of registered professionals was made up of 61% White, 28% African, 7% Indian and 3% Coloured. It further shows that on average, the professions are still far from being transformed, especially Architects, Landscape Architects and Property Valuers.

Table: Number of Aggregate Registrations per Race in the Six BEPCs

Council	African	White	Indian/Asian	Coloured	Total
ECSA	14609	26845	3608	1073	46135
SACAP	1850	7223	740	695	10508
SACPVP	456	1446	103	99	2104
SACQSP	1426	2137	357	122	4042
SACPCMP	1394	2008	172	114	3688
SACLAP	11	211	4	4	230
Total	19746	39878	4984	2107	66715

Source: Professional Council fourth quarter reports

Table: Number (In %) of Aggregate Registrations per Race in the Six BEPCs

Council	African	White	Indian/Asian	Coloured	Total
ECSA	32%	58%	8%	2%	100%
SACAP	18%	69%	7%	6%	100%
SACPVP	22%	69%	5%	4%	100%
SACQSP	35%	53%	9%	3%	100%
SACPCMP	38%	54%	5%	3%	100%
SACLAP	5%	92%	2%	1%	100%
Total	30%	60%	7%	3%	100%

Source: Professional Council fourth quarter reports

The following tables reveal that registered BEPs are overwhelmingly White, with PDI numbers barely reaching 20% in all six professions. In 2013/14, professional registrations (excluding candidates) show that Whites constitute 76% of total professional registrations (excluding candidates) followed by Africans at 15%, Indians at 6% and lastly Coloureds at 3%.

Table: Total Professional and Candidate Registration (2014/15)

Professional Council	Professionals	African	White	Indian/Asian	Coloured
ECSA	28713	4972	21332	1815	594
SACAP	8321	1191	5990	562	578
SACLAP	171	1	167	2	1
SACPCMP	2247	319	1749	113	66
SACPVP	1405	192	1098	59	56
SACQSP	2093	426	1452	172	43
Total	42950	7101	31788	2723	1338

Source: Professional Council fourth quarter reports

Table: Professional Registration in % (2014/5)

Professional Council	Professionals	African	White	Indian/Asian	Coloured
ECSA	67%	17%	74%	6%	2%
SACAP	19%	14%	72%	7%	7%
SACLAP	0.4%	1%	98%	1%	1%
SACPCMP	5%	14%	78%	5%	3%
SACPVP	3%	14%	78%	4%	4%
SACQSP	5%	20%	69%	8%	2%
Total	100%	17%	74%	6%	3%

Source: Professional Council fourth quarter reports



6.2. CANDIDATE REGISTRATIONS

The following tables show PDI candidate registration in 2014/15, which were made up of African (52%), Indian (10%), Coloured (3%) and White 35%, exhibiting the green shoots alluded to above.

Table: Demographic Profile of Candidates per Professional Council (31 March 2015)

Professional Council	Candidate	African	White	Indian/Asian	Coloured
ECSA	17422	9637	5512	1793	479
SACAP	2187	659	1233	178	117
SACLAP	67	10	52	2	3
SACPCMP	1441	1075	259	59	48
SACPVP	699	264	348	44	43
SACQSP	1949	1000	685	185	79
Total	23765	12645	8089	2261	769

Source: Professional Council fourth quarter reports

Table: Demographic Profile of Candidates per Professional Council (31 March 2015)

Professional Council	Candidate	African	White	Indian/Asian	Coloured
ECSA	73%	55%	32%	10%	3%
SACAP	9%	30%	56%	8%	5%
SACLAP	0.3%	15%	78%	3%	4%
SACPCMP	6%	75%	18%	4%	3%
SACPVP	3%	38%	50%	6%	6%
SACQSP	8%	51%	35%	9%	4%
Total	100%	52%	35%	10%	3%

Source: Professional Council fourth quarter reports

The above table also reveals that some of the professions are still predominantly White, with Architectural and Landscape Architectural professions being the least transformed:

- Landscape Architects – 76% White
- Architects – 60% White
- Property Valuers – 48% White
- Quantity Surveyors – 35% White
- Engineers – 33% White
- Project and Construction Managers – 20% White

The following table indicates a consistent annual growth in candidate registrations from 2008 to 2014:

Table: Annual Growth in Candidate Registration from 2008 to 2014

Professional Council	2008	2009	2010	2011	2012	2013	2014
ECSA	6753	9064	10751	13361	14781	16244	17422
SACAP	3091	1868	1841	1564	1784	1798	2187
SACPCMP	910	717	791	864	1019	1157	1441
SACQSP	872	941	1101	1248	1522	1662	1949
SACPVP	1300	1085	962	962	798	760	699
SACLAP	30	40	56	56	57	63	67
TOTAL	12956	13715	15502	18055	19961	21684	23765
Annual % change	0%	6%	13%	16%	11%	9%	10%

Source: Professional Council fourth quarter reports



6.3. GENDER REPRESENTATION WITHIN THE PROFESSIONS

Gender transformation, like racial transformation, remains insignificant as reflected by the following table, which shows that in 2013 the professions were made up of only 14% females. The transformation targets of BEPCs should address this issue and should be accompanied by a gender transformation strategy as a non-negotiable.

Table: Aggregate Male and Female Registration (2009 – 2014)

	2009	2010	2011	2012	2013	2014
Female	6256	6256	7097	8100	8891	10028
% of Total Registration	12%	12%	13%	15%	14%	15%
Male	47281	47419	48978	45377	53477	56687
% of Total Registration	88%	88%	87%	85%	86%	85%
Total Registration	53537	53675	56075	53477	62368	66715

Source: Professional Council fourth quarter reports

6.4. RECOGNITION OF PRIOR LEARNING (RPL)

RPL is an alternative registration route for BEPs who do not have the formal academic qualifications required for registration. RPL is based on the demonstration of competence, accumulated from experience and knowledge.

The table below shows that 196 applications for RPL recognition were received, 138 (70%) were accepted and 58 (30%) rejected. SACPVP did not receive RPL applications. SACAP did not apply RPL, but is preparing to do so by the development of a policy and procedure in the next financial year.

Table: RPL Application

Professional Council	RPL Applications received	RPL Applications accepted
ECSA	170	119
SACQSP	5	5
SACPCMP	11	6
SACLAP	15	13
Total	196	138

Source: Professional Councils' quarterly reports, fourth quarter 2014/2015

6.5. CONTINUOUS PROFESSIONAL DEVELOPMENT (CPD)

The purpose of the CPD is to ensure that professionals’ knowledge and competencies are continuously developed to keep abreast of new developments in their respective fields. The table below indicates that not much has changed from the previous year. The percentage of registered professionals complying with CPD requirements is 60% to 80%. SACLAP registered 94% compliance.

Table: Percentage of Registered Professionals that comply with CPD requirements

Professional Council	% of Registered Professionals that comply with CPD requirements
ECSA	70%
SACQSP	94.1%
SACAP	70%
SACPVP	88%
SACPCMP	The SACPCMP anticipates the first submissions to be made in the beginning of 2015 and can therefore not add a percentage of compliance.
SACLAP	100%

Source: Professional Councils quarterly reports, fourth quarter 2014/2015

Adherence and enforcement of CPD compliance remains a challenge for the BEPCs. CPD is an important professional development and competency maintenance tool being used as an option to encourage registration. There should be an awareness campaign of the benefits of CPD towards registration specifically in the older generation.

The following challenges to administer CPD were reported by the BEPCs:

- Registered persons not adhering to deadlines and/or compliance with CPD requirements, resulting in a high number of voluntary de-registrations of retired persons, non-practicing individuals and persons who are no longer residing in RSA;
- Modernisation of the CPD verification system into an ICT based user-friendly system. As most BEPC systems are still manual, resulting in a high administrative burden;
- Funding issues – impact on costs from time out-of-office for BEPs and / or the financial cost of courses etc;
- Location and accessibility of CPD locations versus that of the registered professional; and
- Dual registration of BEPs with different CPD requirements.



7. ACCREDITATION OF ACADEMIC PROGRAMMES

In terms of Section 13 of the professions Act, BEPCs are empowered, subject to Section 5 and 7 of the Higher Education Act, 1997 (Act 101 of 1997), to conduct accreditation visits to any educational institution which has a department, school or faculty of that professional council. These visits must be conducted once during its term of office. If the Council does not conduct an accreditation visit within that term of office, it must:

- Notify the Minister accordingly and provide reasons for the failure to do so;
- Conditionally or unconditionally grant, refuse, and withdraw accreditation regarding all educational institutions and their educational programmes.

With regards to accreditation, Section 4 (p) impels the CBE to promote coordination between the CHE and the Councils on accreditation of educational institutions.

Objectives of Accreditation

The objectives of accreditation as per the six Built Environment Professions Acts are the following:

- To establish whether or not a programme meets the educational requirements toward registration in a particular category;
- To establish whether the graduates of a programme are ready to enter employment and are equipped to continue learning throughout their careers;
- To establish the international comparability of programmes;
- To assure the public of the quality of the programme; and
- To encourage improvement and innovation in education, in response to national and global needs.

Table: Accreditation visits and programmes

BEPC	ACADEMIC INSTITUTION
SACQSP (Quantity Surveyors)	<ul style="list-style-type: none"> • Central University of Technology • Durban University of Technology • Tshwane University of Technology • Cape Peninsula University of Technology • Walter Sisulu University • Nelson Mandela Metropolitan University
ECSA (Engineers)	<ul style="list-style-type: none"> • Durban University of Technology • Cape Peninsula University of Technology • Nelson Mandela Metropolitan University
SACPVP (Property Valuers)	<ul style="list-style-type: none"> • Cape Peninsula University of Technology • University of Johannesburg • University of Pretoria

Table: List of institutions with BE programmes and their accreditation status

The programmes have been colour-coded to denote the following accreditation status:

- Red** – Full Accreditation
- Orange** – Not Accredited
- Blue** – Partial Accreditation
- Black** – Accreditation status not determined as information was not provided

INSTITUTION	SACQSP	SACPVP	SACPCMP	SACLAP	SACAP	ECSA
University of Cape Town	Bachelor of Quantity Surveying Bachelor of Science (BSc) (Hons) in Quantity Surveying	BSc in Property Studies BSc (Hons) in Property Studies MSc in Property Studies Postgraduate Diploma in Property Studies	BSc (Hons) in Construction Management National Diploma: Building Bachelor of Technology: Construction Management	Master of Landscape Architecture (MLArch)	Bachelor of Architectural Studies (BAS) BAS (3 years undergraduate) BAS (Hons) (1 year postgraduate) M Arch (Prof) (Final 1 year postgraduate)	Bachelor of Engineering in - Civil - Chemical - Electrical - Mechanical - Electrical - Electro-mechanical - Mechatronic - Electrical and Computer
University of the Free State	Bachelor of Quantity Surveying B Sc (Hons) in Quantity Surveying	Master of Land and Property Development (MPROP Property Valuation)	BSc in Construction Management Quantity Surveying, Construction and Project Management (QCP) Certificate; Bachelor of Science: (Hons) Construction Management; Masters of Land and Property Management (MLPM)	N/A	Bachelor of Architectural Studies BAS (1st 3 yrs) BAS BAS (Hons) M Arch (Masters) M Arch Prof (Professional)	N/A

INSTITUTION	SACQSP	SACPVP	SACPCMP	SACLAP	SACAP	ECSA
University of KwaZulu-Natal	Bachelor of Quantity Surveying BSc (Hons) in Quantity Surveying Accreditation is to be withdrawn in 2014 as it has not taken on new students since 2012 and negotiations are underway to re-instate the program since 2014	N/A	BSc (Hons) in Construction Management	N/A	BAS (3 years undergraduate) M Arch (Prof)	BSc (Eng) - Electrical - Agricultural - Chemical - Electronic - Civil - Mechanical - Computer Engineering
University of Pretoria	Bachelor of Quantity Surveying BSc (Hons) in Quantity Surveying	MSc in Real Estate Property Valuation BSC and BSC (Hons)	Sc (Hons) in Construction Management Bachelor of Science: Construction Studies Masters of Science (Project Management)	BSc Landscape Architecture BL (Hons) ML (Prof)	BSc in Architecture M Arch Prof BSc (Hons) in Architecture	B. Eng - Civil - Mechanical - Industrial - Mining - Chemical - Electrical - Metallurgical - Electronic - Computer Engineering
University of the Witwatersrand	Bachelor of Quantity Surveying BSc (Hons) in Quantity Surveying	BSc (4 years) in Property Studies (programme is still to be accredited as it has been re-curriculated)	BSc (Hons) in Construction Management; Bachelor of Science: Construction Studies; Bachelor of Science: (Hons) Construction Management	N/A	BAS BAS (Hons) M Arch (Prof)	Bachelor of Engineering in - Civil - Chemical - Electrical - Mechanical - Industrial - Aeronautical - Mining - Metallurgical and Materials - Environmental Engineering Option - Electrical Engineering – Information Option

INSTITUTION	SACQSP	SACPVP	SACPCMP	SACLAP	SACAP	ECSA
Nelson Mandela Metropolitan University	Bachelor of Quantity Surveying BSc (Hons) in Quantity Surveying	MSc in Built Environment Facilities Management MSc in Built Environment Property Economics and Valuation	BSc (Hons) in Construction Management BTech, BSc, Hons, Masters in Construction Studies Postgraduate Diploma in Construction Management BSc in Construction Economics BSc in Construction Economics and Computer Science MSc in Built Environment Project Management MSc in Built Environment Construction Management DTech in Construction Management PhD in Construction Management	N/A	N Dip (National Diploma - Architectural Technology) B Tech (Architectural Technology) M Tech (Architectural Technology) BAS M Arch (Prof)	B. Eng Mechatronics
University of Johannesburg	BTech in Quantity Surveying ND: Building	ND in Real Estate Property Valuation (discontinued) BCom and BCom (Hons)	BTech. MTech in Construction Management National Diploma: Building: Bachelor of Technology: Construction Management	N/A	National Diploma – Architectural Technology (part 1) B. Tech – Architectural Technology – Applied Design (part 1) M. Tech (Thesis based)	BTech in Engineering - Civil - Mechanical - Electrical and Electronic - Electrical and Electronic with Endorsement Information Technology
Walter Sisulu University of Technology	ND in Building	N/A	National Diploma: Building	N/A	N/A	BTech and ND in Engineering - Civil - Mechanical - Electrical, Electronic and Computer Chemical

INSTITUTION	SACQSP	SACPVP	SACPCMP	SACLAP	SACAP	ECSA
Stellenbosch University	N/A	N/A	N/A	N/A	N/A	B. Eng - Chemical - Civil - Electrical and Electronic - Electrical and Electronics with Computer Science - Industrial - Mechatronic - Mechanical
North West University (Potchefstroom)	N/A	N/A	N/A	N/A	N/A	BEng - Chemical - Chemical with specialisation in Minerals Engineering - Electrical & Electronic - Computer & Electronic Engineering - Mechanical
UNISA	N/A	ND in Real Estate Property Valuation (programme discontinued in 2011)	N/A	N/A	N/A	BTech and ND in Engineering - Civil (environmental) - Chemical - Electrical - Industrial - Information Technology - Mechanical - Mining
Cape Peninsula University of Technology	Bachelor of Technology in Quantity Surveying	ND in Real Estate (Property Valuation)	BTech in Construction Management MTech in Construction Management National Diploma: Building	ND and BTech in Landscape Technology (The programme is being restructured)	B Tech (Bachelor of Architectural Technology) N Dip (Architectural Technology)	BTech and ND in Engineering - Civil - Chemical - Computer Systems - Industrial - Electrical - Mechanical

ACCREDITATION OF ACADEMIC PROGRAMMES

INSTITUTION	SACQSP	SACPVP	SACPCMP	SACLAP	SACAP	ECSA
Central University of Technology	BTech Quantity Surveying Received Candidate accreditation for 12 months subject to outstanding issues to be resolved	N/A	National Diploma Building	N/A	N/A	BTech and ND in Engineering - Chemical - Civil - Electrical - Industrial - Mechanical - Mechatronics - Operations Management - Quality - Transportation & Water
Durban University of Technology	N/A	N/A	National Diploma Building National Diploma: Building Bachelor of Technology: Construction Management	N/A	N Dip (National Diploma - Architectural Technology) B Tech (Bachelor of Architectural Technology)	ND in Engineering - Computer Systems - Electronic - Chemical - Civil - Electrical - Mechanical
Mangosuthu University of Technology	ND: Building NDip in Surveying	N/A	National Diploma: Building	N/A	N/A	BTech and ND in Engineering - Civil - Electrical - Mechanical - Chemical



INSTITUTION	SACQSP	SACPVP	SACPCMP	SACLAP	SACAP	ECSA
Tshwane University of Technology	Bachelor of Technology in Quantity Surveying	Building Science	National Diploma: Building Bachelor of Technology: Construction Management		B Tech (Architecture Professional) (Part 1) M Tech (Architecture Professional) (Part 2) B Tech (Architectural Technology) (Part 1)	BTech and ND in Engineering - Chemical and Metallurgical - Civil - Electrical - Industrial - Mechanical - Mechatronics - Operations - Management - Quality - Computer Systems
Vaal University of Technology	N/A	N/A	N/A	N/A	N/A	BTech and ND in Engineering - Chemical - Electrical - Civil - Industrial - Mechanical - Computer Systems - Metallurgical
Centurion Academy	N/A	N/A	N/A	N/A	N/A	ND: Engineering: Electronic N/A
Inscape	N/A	N/A	N/A	N/A	Architectural Technology NQF 5	N/A

The following challenges, regarding accreditation were reported:

- Lack of suitably experienced persons to undertake accreditation visits to the tertiary education institutions;
- Cost of accreditation to HEIs; and
- MoA/MoU for all BEPCs with CHE.

8. AGREEMENTS AND PARTNERSHIPS UNDER DISCUSSION: LOCAL AND INTERNATIONAL

In terms of Section 13 (e) of the professions Acts, the councils may establish mechanisms for registered persons to gain recognition for their qualifications and professional status in different countries. Section 13(h) states that professional councils 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.

• SACAP

SACAP reported that nationally, the Council is in the process of engaging with the South African Police Services and SALGA with a view of entering into information sharing partnerships to help protect the public and the profession.

Internationally, SACAP has submitted an application to be a member of the Canberra Accord. It is currently party to the **Commonwealth Association of Architects** – MoA of mutual recognition of accredited architectural qualifications.

• SACPVP

SACPVP has finalized its application to the Royal Institute of Chartered Surveyors (RICS) to be recognized as a voluntary association. SACPVP is assisting the Namibian Government in the establishment of its valuation council as a regulatory body and is also involved in the process of developing common educational requirements for valuers in Africa in order to facilitate professional registration within Africa. Internationally, SACAP has submitted an application to be a member of the Canberra Accord and is party to the International Valuation Standards Council which is a body that sets international valuation standards.

SACPVP hosted the annual conference of the African Real Estate Society (AfRES) in Cape Town. The conference covered property investment, property education and valuation for municipal rating among other topics.

• ECSA

Nationally, ECSA is in negotiations with the South African Institution of Civil Engineering to form a partnership and has already entered into trilateral partnerships with the Institute of Municipal Engineering of Southern Africa (IMESA), the Municipal Infrastructure Support Agent (MISA) and the Palestinian Engineering Association (PEA).

Internationally, ECSA is party to the following agreements:

- Washington Accord;
- Sydney Accord;
- Dublin Accord;
- International Professional Engineers Agreement (IPEA), formerly known as the

Engineering Mobility Forum; and

- International Engineering Technologist Agreement (IETA), formerly known as the Engineering Technologist Mobility Forum.

• **SACPCMP**

Nationally, SACPCMP is pursuing the following agreements:

- MoU with the Department of Labour (DOL);
- MoU with the Municipal Infrastructure Agency (MISA);
- MoU with the Construction Industry Development Board (cidb);
- MoU with Eskom; and
- A draft MoU with other BEPCs on IDoW overlaps.

• **SACLAP**

SACLAP has not entered into any agreements yet. Negotiations were opened with the International Federation for Landscape Architects (IFLA).

• **SACQSP**

The SACQSP is currently in discussions to sign a similar document with the Hong Kong Institute of Surveyors. The SACQSP reported that Mauritian and Botswana Regulatory Authorities have requested assistance to establish the necessary policies for their registering authorities.

For A **Better Built Environment**

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