

# Presentation to the Portfolio Committee

**CBE Strategic Plan, Annual Performance**

**Plan and Budget for the 2018/19 financial year**

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Chief Executive Officer  
Council for the Built Environment

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# CBE DELEGATION

- Mr I. Nkosi – Council Chairperson
- Ms P. Mdlalose – Chief Executive Officer
- Ms L. Jansen van Vuuren – Chief Financial Officer

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# CHAIRPERSON'S OVERVIEW

- Strategy and planning embedded in the CBE Act, Government's National Development Plan, the President's SONA and the Minister's Policy Priorities
- Overarching priorities of CBE – focus on transformation, corporate governance of CBE and the six CBEP, skills development and professional registration
- Partnerships, collaborations and stakeholder engagements drive the CBE mandate



# VISION AND MISSION

## Vision

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

## Mission

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



# MANDATE

## The mandate of CBE as set out in the Council for the Built Environment Act 43 of 2000:

- Promote and protect the **interests of the public** in the built environment;
- Promote and maintain a **sustainable** built environment and **natural environment**;
- Promote ongoing **human resource development** in the built environment;
- Facilitate **participation by the built environment professions** in integrated development in the context of national goals;
- Promote appropriate standards of **health, safety and environmental protection** within the built environment;
- Promote liaison in the built environment in the **field of training**, both in the Republic and elsewhere, and to promote the standards of such training in the Republic;
- Serve as a **forum** where the representatives of the built environment professions may discuss relevant issues;
- Ensure **uniform application** of **norms and guidelines** set by the Professional Councils throughout the built environment.



# LEGISLATIVE MANDATE

- Republic of South Africa Constitution, 1996
- **Built Environment Acts:** Council for the Built Environment Act 43 of 2000; Architectural Profession Act 44 of 2000; Landscape Architectural Profession Act 45 of 2000; Engineering Profession Act 46 of 2000; Project and Construction Management Professions Act 48 of 2000; Quantity Surveying Profession Act 49 of 2000; and Property Valuers Professions Act 48 of 2000
- Public Finance Management Act 29 of 1999 & National Treasury Regulations
- Skills Development Act 97 of 1998
- Employment Equity Act 55 of 1998
- Promotion of Administrative Justice Act 3 of 2000
- Promotion of Access to Information Act 2 of 2000
- Occupational Health and Safety Act 85 of 1993
- Consumer Protection Act 68 of 2011
- Construction Industry Development Board Act 38 of 2000 & Construction Charter
- National Archives of South Africa Act 43 of 1996
- Property Charter

LEGISLATION



# ALIGNMENT WITH DPW POLICY PRIORITIES

DPW Priorities	CBE Priorities
<p>Transformation of the construction and property sector by growing and developing black owned businesses while increasing the supply and availability of management and technical skills.</p> <p><b>MTSF Outcome 4:</b> Decent employment through inclusive growth.</p> <p><b>MTSF Outcome 5:</b> A skilled and capable workforce to support an inclusive growth path.</p>	<p>A transformed built environment (BE) with appropriate, adequate skills and competencies, responsive to the country's infrastructure delivery, operation and maintenance needs.</p>
<p>Building the capacity of the Department to deliver through the creation of Internal Strategic Enablers.</p> <p><b>MTSF Outcome 12:</b> An Effective and Efficient Development Oriented Public Service.</p>	<p>An optimally functioning BE, with a responsive and relevant policy and legislative framework, based on informed and researched positions.</p>
<p>Improve governance of the entities and Councils for the Built Environment Professions (CBEP).</p> <p><b>MTSF Outcome 12:</b> An effective and efficient development-oriented public service.</p>	<p>Built Environment Professions that operate within a regulated policy and legislative framework.</p>





# STRATEGIC GOALS

- Goal 1** Provide **support** to CBE, thus contributing directly and indirectly to the delivery of all strategic outcome oriented goals of the CBE.
- Goal 2** A **transformed** built environment with appropriate, adequate **skills and competencies**, responsive to the country's infrastructure delivery operation and maintenance needs.
- Goal 3** An optimally functioning BE, with a responsive and relevant **policy** and **legislative framework**, based on informed and **researched** positions.
- Goal 4** Built Environment Professions that operate within a **regulated** policy and **legislative framework**.
- Goal 5** A built environment that is responsive to the **developmental** and **economic priorities of Government**.



# ANNUAL PERFORMANCE PLAN

# STRATEGIC GOALS

- Programme 1:** Administration
- Programme 2:** Skills for Infrastructure Delivery
- Programme 3:** Built Environment Research, Information and Advisory
- Programme 4:** Regulation and Oversight of six BEPCs
- Programme 5:** Government Policies and Priorities



# PROGRAMME 1

## ADMINISTRATION



# PROGRAMME 1: ADMINISTRATION

- Programme 1 is the administrative function which is the **pivotal support centre** of CBE, thus contributing directly and indirectly to the delivery of all strategic outcome oriented goals.
- The focus areas are the **ICT and financial support services**. IT will continue to develop and deliver systems that are user-friendly and meet expectations of users.
- ICT will also be focusing on developing an integrated electronic system that will integrate the Councils for the Built Environment Professions (CBEP) and improve on the management and reporting.
- In financial management, emphasis will be placed on continuously improving the budget process, timeous financial reporting and ensuring that policies and activities comply with regulatory frameworks and guidelines. Compliance with statutory and regulatory frameworks remains an important focus, together with improving the reporting function.



# PROGRAMME 1: PERFORMANCE INDICATORS

PERFORMANCE INDICATOR	2017/18	2018/19
1.1 Percentage of ICT Governance policies Implemented as per DPSA Corporate Governance policy framework.	A CBE IT Governance Framework, in line with DPSA Corporate Governance of ICT Policy Framework, implemented by 31 March 2018.	A CBE IT Governance Framework, in line with DPSA's Corporate Governance of ICT Policy Framework, fully implemented (100%) by 31 March 2019.
1.2 Approved ICT Implementation (Strategic) Plan. Implemented Electronic – Built Environment (E-BE) System.	Reconfigured network and server systems to ensure 95% up-time by 31 March 2018.	An Electronic-Built Environment (E-BE) System implemented in three CBEP by 31 March 2019.
1.3 Clean audit strategy.	An unqualified audit report, with no material financial findings for the 2016/17 financial year.	An unqualified audit report on financial statements, with no material findings for the 2017/18 financial year.





# PROGRAMME 2

## SKILLS FOR INFRASTRUCTURE DELIVERY



# PROGRAMME 2: SKILLS FOR INFRASTRUCTURE DELIVERY

Programme 2 responds to Section 3(c) of the CBE Act to promote ongoing **human resource development** in the built environment. It contributes to DPW's MTSF Outcome 5 - a **skilled and capable workforce** to support an inclusive growth path - through the following initiatives:

- Strategic Infrastructure Projects (SIPs)
- Maths and Science support programmes
- Career Awareness
- Partnering with sister entities, CBEP and private sector organisations
- Placing and supporting BE candidates and interns in work places for structured training
- Promoting skills development in order to support the roll out of infrastructure delivery in the country
- Introducing the Structured Candidacy Programme in government departments and municipalities



# PROGRAMME 2: PERFORMANCE INDICATORS

PERFORMANCE INDICATOR	2017/18	2018/19
2.1 Projects to support <b>SIPs skills</b> production and development Initiatives for SIPs identified high demand skills (Engineers, Quantity Surveyors, Construction and Project Managers, Landscape Architects, Town Planners, Land & Engineering Surveyors and Geographic Information Systems [GIS] professionals).	Two categories of high demand professions' Implementation plans developed in support of Landscape Architects and Property Valuer professionals for <b>SIPs</b> .	A Strategic Infrastructure Projects ( <b>SIPs</b> ) implementation plan for two categories of high demand BEPs (Architects and Town Planners), approved by the CEO by 31 March 2019.
2.2 Initiatives to implement the CBE <b>Transformation Model</b> as amended, to increase the representation of previously disadvantaged groups in the BEPs.	150 Grade 12 learners enrolled in the <b>Maths and Science</b> support programme by 31 March 2018.	150 Grade 12 learners enrolled in CBE's <b>Maths and Science</b> support programme by 31 March 2019.
2.3 BE <b>Candidates/ graduates</b> and interns benefit from quality assured workplace training.	<b>50 Candidates</b> in workplace training.	50 <b>Candidates</b> /BE graduates placed and assessed in workplace training by 31 March 2019.



# PROGRAMME 2: PERFORMANCE INDICATORS

PERFORMANCE INDICATOR	2017/18	2018/19
2.4 Number of interns placed for workplace training.	100 <b>Interns</b> placed for work integrated learning by 31 March 2018.	100 <b>Interns</b> placed and assessed for work integrated learning by 31 March 2019.
2.5 Number of oversight reports of CBEP <b>accreditation</b> of BE academic programmes.	One oversight report on the <b>accredited academic programmes</b> undertaken by the CBEP by 31 March 2018.	One oversight report developed on the <b>accreditation</b> of academic programmes undertaken by the CBEP by 31 March 2019.
2.6 Number of municipal, provincial and national departments and SOEs supported in their BE technical capacity, based on the researched initiatives.	Nine Provincial Public Works Departments engaged on the implementation of the <b>CBE Structured Candidacy</b> Framework by 31 March 2018.	Four Metropolitan Municipalities engaged on the implementation of the <b>Structured Candidacy Framework</b> by 31 March 2019.
2.7 Number of transformation engagements held with built environment stakeholders.	One annual <b>Transformation Indaba</b> hosted and reported on to DPW by 31 March 2019.	One annual <b>Transformation Indaba</b> hosted and reported to DPW by 31 March 2020.





## PROGRAMME 3

# BUILT ENVIRONMENT RESEARCH INFORMATION AND ADVISORY

EXPERT  
ADVICE

# PROGRAMME 3: BE RESEARCH, INFORMATION AND ADVISORY

Programme 3 **provides informed and researched advice** to Government and the public on BE priority matters identified in the MTSF.

- The Programme undertakes sector inquiries into matters relating to built environment professions, the study of Government policies, procedures and legislations to assess their effects on CBE and the six CBEP, advocacy and awareness creation, and liaison with the construction sector and built environment-wide regulators.



# PROGRAMME 3: PERFORMANCE INDICATORS

PERFORMANCE INDICATOR	2017/18	2018/19
3.1 Number of reports on initiatives and programmes to support technical capacity within the State.	One report on the initiatives to support <b>infrastructure skills</b> within Government by 31 March 2018.	A report on the initiatives to support <b>infrastructure skills</b> within municipalities by 31 March 2019.
3.2 Number of research reports to support infrastructure delivery in the public sector (Analysis of the impact of the Standards for Infrastructure Procurement and Delivery Management [SIPDM]).	One research report on the state of readiness of municipalities to implement the <b>SIPDM</b> by 31 March 2018.	A research report, analysing the impact of the <b>SIPDM</b> on attracting and retaining BEPs within DPW by 31 March 2019.
3.3 Number of advisory reports on health and safety regulations within the public sector.	-	One advisory report on <b>health and safety</b> regulations within the public sector, developed and submitted to Department of Labour by 31 March 2019.
3.4 Number of research reports on initiatives to promote labour intensive construction practices in BE projects.	-	One advisory report on BEPs role in the <b>Expanded Public Works Programme (EPWP)</b> , developed and submitted to DPW EPWP by 31 March 2019.



## PROGRAMME 4

# REGULATION AND OVERSIGHT OF SIX CBEP



# PROGRAMME 4: REGULATION AND OVERSIGHT OF SIX BEPCs

Programme 4 responds to the mandates of **Sections 20 and 21 of the CBE Act**. This Programme contributes indirectly to DPW's MTSF Outcome 12 for an efficient, effective and development-oriented public service.

- The CBE contributes towards this outcome by improving the governance of the CBEP through corporate governance, PFMA compliance and strategic planning and capacity building.
- This will also be undertaken by mobilising the CBEP to transform the built environment and to serve their legislative purpose.



# PROGRAMME 4: PERFORMANCE INDICATORS

PERFORMANCE INDICATOR	2017/18	2018/19
4.1 Percentage of appeals finalised within the statutory 60 days from date of lodgement.	Finalise 100% of <b>appeals</b> within the statutory 60 days from lodgement by 31 March 2018.	Finalise 100% of <b>appeals</b> within the statutory 60 days from lodgement by 31 March 2019.
4.2 Implementation report on the identification of work (IDoW) Action Plan.	<b>IDoW</b> Action Plan approved by Council by 31 March 2018.	Implement 50% of the deliverables of the <b>IDoW</b> Action Plan by 31 March 2019.
4.3 Corporate Governance Framework Implemented.	Review and alignment of the CBE <b>Corporate Governance Framework</b> to the King IV principles of Corporate Governance, approved by Council by 31 March 2018.	A report on the six CBEP' implementation of the King IV <b>Corporate Governance Framework</b> , submitted to Council and DPW by 31 March 2019.





# PROGRAMME 4: PERFORMANCE INDICATORS

PERFORMANCE INDICATOR	2017/18	2018/19
4.4 Implementation programmes to align the six CBEP with the Ministerial approved BE policy frameworks.	An assessment report on the alignment of the six CBEP' policies with the seven (Ministerial approved) <b>Policy Frameworks</b> , submitted to DPW by 31 March 2018.	An implementation plan for the six CBEP' alignment of their policies with the Ministerial approved <b>Policy Framework</b> , developed and approved by 31 March 2019.
4.5 Initiatives developed to enhance governance in the CBEP.	50% of the <b>PFMA</b> workshop outcomes on the applicability of the PFMA as a mechanism to enhance CBEP governance and their capacity to comply, implemented by 31 March 2018.	Regulatory Framework on governance oversight of CBEP, developed by 31 March 2019.
4.6 Number of Strategic Plans, APPs and Annual Reports of the six CBEP submitted to CBE and DPW.	<b>Strategic Plans, APPs and Annual Reports</b> of the six CBEP submitted to Council and DPW by 31 March 2018.	<b>Strategic Plans, APPs and Annual Reports</b> of the six CBEP submitted to Council and DPW by 31 March 2019.



# PROGRAMME 5

## GOVERNMENT POLICIES AND PRIORITIES



# PROGRAMME 5: GOVERNMENT POLICIES AND PRIORITIES

- The goal of Programme 5 is a built environment that is responsive to the **developmental and economic priorities of Government** (transformation being the Minister's key priority).
- The objective is to ensure that BE academic curricula and Continuous Professional Development (CPD) programmes embody health and safety in construction; environmental sustainability; job creation through labour intensive construction and Government's IDMS (Infrastructure Delivery Management System) .



# PROGRAMME 5: PERFORMANCE INDICATORS

PERFORMANCE INDICATOR	2017/18	2018/19
5.1 Number of implementation plans incorporating new knowledge in BE curricula.	Implementation plan to incorporate <b>health and safety, sustainability, labour intensive construction and the IDMS</b> into BE academic curricula by 31 March 2018.	An implementation plan to incorporate <b>new knowledge areas</b> into BE academic curricula, developed by 31 March 2019.



# MTEF ALLOCATION

Programmes	Audited Outcome	Current year	Medium-Term Estimate		
	R in Thousands	2017/18	2018/19	2019/20	2020/21
Programme 1: Administration	38 068	40 286	42 002	44 322	43 757
Programme 2: Skills for Infrastructure Delivery	5 853	7 306	9 185	9 699	10 232
Programme 3: BE Research, Information and Advisory	2 335	2 480	790	834	880
Programme 4: Regulation and Oversight of six BEPCs	860	913	1 321	1 395	1 472
Programme 5: Government Policies and Priorities	-	444	429	453	478
<b>Total Expenditure</b>	<b>47 116</b>	<b>51 429</b>	<b>53 727</b>	<b>56 703</b>	<b>56 819</b>

# SOURCES OF INCOME

Standard Items R in Thousands	Audited Outcome	Current Year	Medium-Term Estimate		
	2016/17	2017/18	2018/19	2019/20	2020/21
Grant allocation	43 413	48 568	50 100	52 906	55 816
Interest	1 703	851	1 502	1 553	1 605
Levies	2 000	2010	2 125	2 244	2 367
<b>Total Revenue</b>	<b>47 116</b>	<b>51 429</b>	<b>53 727</b>	<b>56 703</b>	<b>59 788</b>



# DISBURSEMENT

Economic Classification	Audited Outcome	Current Year	Medium-Term Estimate		
			R in Thousands	2016/17	2017/18
Current payments	47 116	51 429	53 727	56 703	56 819
Employee Compensation	25 026	26 878	26 345	27 669	26 017
Salaries and Wages	25 026	26 878	26 345	27 669	26 017
Social contributions	-	-	-	-	-
Goods and services	22 090	24 551	27 382	29 034	30 802
Agency and Support / Outsourced Services	-	1 090	-	-	-
Communication	416	442	599	633	667
Computer services	245	813	1 684	1 778	1 876
Consultants	7 020	6 903	9 125	9 636	10 167
Lease Payments	4 713	5 005	5 900	6 350	6 870
Repairs & Maintenance	19	20	77	81	86

# DISBURSEMENT

Economic Classification	Audited Outcome	Current Year	Medium-Term Estimate		
			R in Thousands	2016/17	2017/18
Training & Development	135	144	212	224	236
Travel and Subsistence	1 999	2 123	3 192	3 371	3 556
Depreciation	-				-
Other	7 543	8 011	6 593	6 961	7 344
<b>Total Expenditure</b>	<b>47 116</b>	<b>51 429</b>	<b>53 727</b>	<b>56 703</b>	<b>56 819</b>
<b>Annual Surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2 969)</b>





# STAFF ESTABLISHMENT

Salary level	Filled posts	Vacant posts	Total Establishment	Current vacancy rate
01	1	0	1	0.00
02	-	-	-	-
03	1	0	1	0.00
04	-	-	-	-
05	1	0	1	0.00
06	2	0	2	0.00
07	3	0	3	0.00
08	1	0	1	0.00
09	4	0	4	0.00
10	6	0	6	0.00
11	2	1	3	0.33
12	5	0	5	0.00
13	7	2	9	0.22
14	2	0	2	0.00
15	1	0	1	0.00
<b>Grand Total</b>	<b>36</b>	<b>3</b>	<b>39</b>	<b>0.07</b>

# STRATEGIC CHALLENGES THAT IMPACT ON PLANNING

- **Governance of the Councils** for the Built Environment Professions (CBEP)
- **Unregistered persons** practicing in both public and private sector
- Social and income **inequalities** in communities
- Gender and racial **imbalances** in the sector are still a matter of concern
- PwC 2016 report highlighted **health and a safety** as a major risk in the BE sector
- Environmental **sustainability** faces its challenges due to the sector activities
- Legislation and regulatory **compliance** is a challenge for construction companies; registration of Health and Safety officers rate is far behind the expected pace
- Maths and Physical Science **results in schools**
- Youth **unemployment** : A third of the black African and Coloured youth aged 15-24 years are not in employment, education or training
- Uncoordinated **transformation** efforts



# CBE'S RESPONSE TO THE CHALLENGES

- CBE is facilitating the **review of its legislative** mandate.
- CBE developed a **Corporate Governance Framework** that was adopted by the CBEP; there will be an ongoing assessment of the Councils on their governance compliance levels.
- CBE hosted a **Transformation Indaba** on 29 August 2017, this engagement would be an annual event to ensure monitoring of the resolutions and commitment made by the stakeholders and continuous collaboration of transformation initiatives.
- CBE will collaborate with partners to advocate **prioritising health and safety** matters in the BE industry. CBE will convene a Health and Safety Think Tank and Round Table Discussion on the theme: “Sustainable Health and Safety Compliance” in May 2018.
- CBE has established **partnerships to support Maths and Science programmes** in rural schools.

# CONCLUSION

- The 2018/2019 CBE APP will ensure the strengthening of partnerships with the industry to support **transformation initiatives**, **health and safety** in the industry and **job creation**.
- **Governance of the CBEPs** is also a high priority with the consistent application of policy as an important component of good governance.
- The CBE's assessment of CBEPs policies is to ensure alignment with **ministerial approved policy frameworks** that will enhance this process.



# RECOMMENDATIONS

It is recommended that the Parliament receives and approves the 2018/19 APP for the CBE.

*Thank  
you*

