



# ANNUAL PERFORMANCE PLAN



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2023/2024





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# Acronyms & Abbreviations

<b>AA</b>	Accounting Authority
<b>AGSA</b>	Auditor-General South Africa
<b>ASA</b>	Agrément South Africa
<b>CE</b>	Civil Engineering
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>CSIR</b>	Council for Scientific and Industrial Research
<b>EXCO</b>	Executive Committee
<b>GB</b>	General Building
<b>MTEF</b>	Medium-Term Expenditure Framework
<b>MTSF</b>	Medium-Term Strategic Framework
<b>NDPWI</b>	National Department of Public Works and Infrastructure
<b>NHBRC</b>	National Home Builders Registration Council
<b>NIBP</b>	National Infrastructure Build Programme
<b>NT</b>	National Treasury
<b>PEP</b>	Public Employment Programmes
<b>PFMA</b>	Public Finance Management Act
<b>SCM</b>	Supply Chain Management
<b>SMME</b>	Small, Medium and Micro Enterprises
<b>WFTAO</b>	World Federation of Technical Assessment Organisations

# Foreword by the Minister



Government recognises the importance of construction, as an ideal catalyst for economic growth and social development, and a key creator of work opportunities particularly for the emerging sector. As emphasised in the recent Cabinet Lekgotla, unemployment, the energy crisis and land reform initiatives are critical.

Further, with Government being a key player in the construction and built environment sector, which accounts for about 40% of the country's total infrastructure budget and at least 3% to the national gross domestic product, not only is targetted, expedited and streamlined service delivery critical, but innovation within the sector to achieve value for money is also crucial.

Agreement South Africa's (ASA's) plays a very important role within the built environment sector, in enabling the technical assessment and issuing of approval certificates for non standardised construction-related products and systems for which no South African national standards exist. In this way ASA is enabling the opening up of local markets for Small, Medium and Micro Enterprises (SMMEs) and local

entrepreneurs who have new and innovative products or systems for use in the construction industry and built environment sectors.

The launch of the ASA Eco-Labeling System for building materials and related products, which took place in September 2022, not only showcased the many advantages of utilising eco-labelling within the Built Environment service delivery value chain, but also provided a platform for a variety of stakeholders, and especially those in the public sector, to explore the best practices on how to collaborate in utilising the system.

In undertaking its core activities, ASA has committed to support the strategic goals of the Department of Public Works and Infrastructure (DPWI), specifically in contributing to the transformation of the construction and property sectors in the utilisation of innovative products and practices.

Further, ASA has worked with Infrastructure South Africa (ISA) on the development of modules on how to apply innovative construction technologies for some of the Strategic Integrated Projects (SIPs), which are included in the approved National Infrastructure Plan 2050 (NIP 2050) that guides investment and directs such catalytic infrastructure development.

During the 2023/24 financial year, ASA is to further provide technical input to the existing DPWI's technical task teams to promote innovative, energy-efficient construction technologies that contribute to sustainable development.

ASA is required to work in partnership with the Department as the latter undertakes the amendment of the Green Building Policy in this financial year, to ensure that all the best practices and lessons learned are taken into account.

The key focus area for ASA in this financial year, which ASA has yet to be able to analyse, is to evaluate industry trends regarding the usage of ASA-certified products and systems versus conventional materials and methods. What is key is to ensure that ASA-certified technologies are introduced into the various procurement and implementation processes of Government, for the benefit of empowering new and emerging innovators of non standardised construction-related products or systems and to enable government to get value for money across the value chain.

As the Executive Authority responsible for the oversight of Agreement South Africa, I will hold the Board of ASA, who is the Entity's Accounting Authority, accountable for



the achievement of the targets set in the 2023/24 Annual Performance Plan and to move forward with executing its legislated mandate, thereby contributing to the alleviation of some of the socio-economic problems that our country is facing.

With the above in mind, I endorse the ASA 2023/24 Annual Performance Plan and hereby commit to support the implementation of it. I thank the ASA Board, the CEO, ASA Executives and staff of the ASA for commitment demonstrated

in the development of this annual performance plan and wish them success in its execution.



**Honourable Sihle Zikalala, MP**

*Minister of the Department of Public Works and Infrastructure*





# Foreword by the Chairperson



Professor Jeffrey Mahachi  
**Acting Chairperson of the Board  
of Agrément South Africa**

ASA is a public entity that reports to the DPWI, established in the ASA Act 2015 (Act 11 of 2015).

ASA presents its 2023-2024 Annual Performance Plan, developed after a Board planning session. Over the next few years, ASA's focus will be on executing its mandate of the technical assessment of innovative construction products and systems. ASA will step up its marketing and awareness

program per the communications and marketing policy. This Annual Performance Plan sets out how ASA will shift its current approach by expanding its current focus to ensure that its activities support the broader transformation and socioeconomic objectives of the Executive Authority.

After the first year as an independent entity, ASA undertook an organisational diagnostic exercise focused on people, processes, and systems. The exercise aimed to identify critical gaps, develop a new operating model supporting ASA's long-term sustainability, and address change management challenges before the transition. This exercise looked at ASA's policies, processes & procedures, systems, and people gaps which all impacted ASA's overall performance and achievement of its mandate. One of the deliverables of the exercise was a revised organisational structure and ASA's strategy. This made it possible to provide for critical positions and remove redundant posts.






In conclusion, I thank my fellow Board members for their support in guiding and performing their oversight role. The Board also appreciates the proficient Agrément South Africa led by the Executive team and the CEO, Mr Richard Somanje. It looks forward to continuing the successful performance and growth of Agrément South Africa in the future.

**Professor Jeffrey Mahachi,**  
**Acting Chairperson of the Board of Agrément South Africa.**  
On behalf of the Accounting Authority.

# Official sign-off

It is hereby certified that this Annual Performance Plan:

- Was developed by the Executive Management of ASA under the guidance of the ASA Board and its Executive Authority, the NDPWI.
- Considers all the relevant policies, legislation and other mandates for which ASA is responsible; and
- Accurately reflects the Impact, Outcomes and Outputs that ASA will endeavour to achieve over the period 2023-2024.

<b>Vacant</b> <i>Executive Manager: Technical Services</i>	
<b>Ms Refilwe Selesho</b> <i>Executive Manager: Corporate Services</i>	
<b>Ms Lebogang Madumo</b> <i>Chief Financial Officer</i>	
<b>Mr Richard Somanje</b> <i>Chief Executive Officer</i> (Accounting Officer)	
<b>Prof. Jeffrey Mahachi</b> <i>Acting Chairperson, Board of Agrément South Africa</i> On behalf of the Accounting Authority	
<b>Hon. Sihle Zikalala, MP</b> <i>Minister of the Department of Public Works and Infrastructure</i> Executive Authority	

# Part A:



## Our Mandate



## 1. Constitutional Mandate

The Constitutional mandate of ASA is derived from its Executive Authority, the NDPWI. The Constitutional mandate for the NDPWI is provided in Schedule 4, Part 4 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996). The NDPWI is mandated to be the custodian and portfolio manager of the national government's immovable assets. The NDPWI is further mandated to coordinate and provide strategic leadership in job creation initiatives by implementing the Expanded Public Works Programme (EPWP) and transforming and regulating the built environment sector.

ASA must observe the principles of good cooperative governance and intergovernmental relations in executing its mandate, as provided in Section 41 of the Constitution.

## 2. Legislative and Policy Mandates.

### Primary legislative mandate

The ASA derives its primary legislative mandate from ASA Act No. 11 of 2015 (hereafter the "Act").

ASA is an entity of the NDPWI, and its mandate is within the domain of the built environment. As such, the legislation mandates that its impact on the built environment and public works guide the functioning and operations of ASA. In undertaking its work, ASA must have regard to the critical legislation that underpins the mandate of its Executive Authority, NDPWI, and generally applicable legislation that impacts ASA's core business.

- **NDPWI White Paper:** Creating an Enabling Environment for Reconstruction, Growth and Development in the Construction Industry, 1999. The White Paper (1999) sets out Government's policy objectives for the construction industry and focuses on the need to enhance delivery, achieve more excellent stability, improve industry performance, create value for money and facilitate the growth of the emerging construction sector.
- **Construction Sector Transformation Charter, 2006.** The Charter 2006 aims to:
  - provide the construction sector with the first quantitative method of monitoring and evaluating the progress of an enterprise towards achieving Broad-Based Black Economic Empowerment targets, thereby contributing to ending the malpractice of fronting.
  - expand the employment potential and absorption capacity of the sector by using labour-intensive approaches where economically feasible and possible; and
  - address skills development in a manner that accelerates the advancement of black people, women, and

designated groups, emphasising learner-ships and technical and management training.

- **Property Sector Transformation Charter, 2017.** The Charter 2017 aims to promote the objectives contained in Section 2 of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) as these relate to the Property Sector to:
  - promote economic transformation in the Property Sector to enable meaningful participation of black people and women.
  - unlock obstacles to property ownership and black people's participation in the property market.
  - promote property development and investment in under-resourced areas, which enhances basic infrastructure, encourages investment, and supports micro and small enterprises; and
  - facilitate the accessibility of finance for property ownership and property development.
- **Green Building Policy, 2013.** This Framework outlines the NDPWI's commitments to address critical elements in the New Growth Path and the Industrial Policy Action Plan by promoting sustainable development, reducing greenhouse gas emissions, promoting energy efficiency, stimulating new green industries, etc.

There are several pieces of legislation which deal with or have an impact upon certification of innovative and non-standard construction products for infrastructure development. The relevant legalisation and regulations are as follows:

- **Committee of Land Transport Officials (COLTO).** The Committee of Land Transport Officials recommends using ASA-certificated products for the products without national standards.
- **Environmental Conservation Act of 1989 (Act No. 73 of 1989).** It provides for the protection and controlled utilisation of the environment.
- **National Building Regulations and Building Standards (Act No. 103 of 1977).** National Building Regulations and Building Standards Act No. 103 of 1977 promote uniformity in the law relating to the erection of buildings in the areas of jurisdiction of local authorities and the prescribing of building standards.
- **Occupational Health and Safety (Act No. 85 of 1993).** The Occupational Health and Safety Act No. 85 of 1993 provides for the health and safety of persons at work and the health and safety of persons in connection with the use of plant and machinery and the protection of persons other than persons at work against hazards to health and safety arising out of or in connection with the activities of persons at work.

- **Preferential Procurement Policy Framework Act (Act No. 5 of 2000).** The Preferential Procurement Policy Framework Act, among other things, seeks to promote socio-economic transformation, small enterprises, cooperatives, rural and township enterprises development and local industrial development.
- **Prevention and Combating of Corrupt Activities Act (Act No. 12 of 2004).** Provides for the strengthening of measures to prevent and combat corruption and corrupt activities and to place a duty on certain persons holding positions of authority to report certain corrupt activities.
- **Promotion of Administrative Justice (Act No. 3 of 2000).** ASA is required to ensure that any administrative process conducted or decision taken in terms of the ASA Act is by the Promotion of Administrative Justice Act No. 3 of 2000.
  - Provides for the establishment of a legislative framework for the promotion of black economic empowerment.
  - Empowers the Minister to issue codes of good practice and to publish transformation charters; and
  - Establishes the Black Economic Empowerment Advisory Council.
- **The Broad-Based Black Economic Empowerment Act (Act No. 53 of 2003).** The fundamental objective of the Act is to advance economic transformation and enhance the economic participation of black people in the South African economy.
- **The Construction Industry Development Board Act, 2000 (Act No. 38 of 2000)** provides for the establishment of the Construction Industry Development Board; to implement an integrated strategy for the reconstruction, growth, and development of the construction industry and to provide for matters connected therewith.
- **The Council for the Built Environment Act, 2000 (Act No. 43 of 2000)** makes provision for the establishment of a juristic person known as the Council for the Built Environment, the composition, functions, powers, assets, rights, duties, and financing of that Council and matters connected thereto.
- **The Employment Equity Act (Act No. 55 of 1998).** Aims to achieve equity in the workplace by promoting equal opportunity and fair treatment in employment through eliminating unfair discrimination and implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups.
- **The Labour Relations Act (Act No. 66 of 1995).** It aims to promote economic development, social justice, labour peace and democracy in the workplace. It applies to all employers, workers, trade unions and employers' organisations.
- **The National Regulator for Compulsory Specifications (Act No. 5 of 2008).** It enables the National Regulator for Compulsory Specifications (NCRS) to issue compulsory specifications (technical regulations) that require conformity of a product or service to health, safety, or environmental protection requirements of a standard or specific provisions of a standard. No person may import, sell, or supply a commodity, product, or service to which a compulsory specification applies unless such commodity, product or service complies with and has been manufactured per such specification and, if applicable, marked in the prescribed manner with a distinctive mark, which constitutes a declaration of conformity to requirements.
- **The National Treasury (NT) Regulations.** The regulations institute good financial governance, ensuring that government departments and State-Owned Entities (SOEs) efficiently and effectively manage public resources and prevent and detect corruption.
- **The Promotion of Access to Information Act (Act No. 2 of 2000).** It gives effect to the constitutional right of access to any information held by the State and any information contained by private bodies that are required to exercise and protect any rights.
- **The Public Finance Management Act (PFMA) (Act No. 1 of 1999)** promotes the objective of sound financial management to maximise service delivery through the proficient use of limited resources.

### 3. Institutional Policies and Strategies over five years.

As an entity reporting to NDPWI and operating in the built environment sector, ASA also needs to consider the following policy mandates that are crucial for interventions and will assist ASA in realise its contribution to achieving the aims of the MTSF and its order.

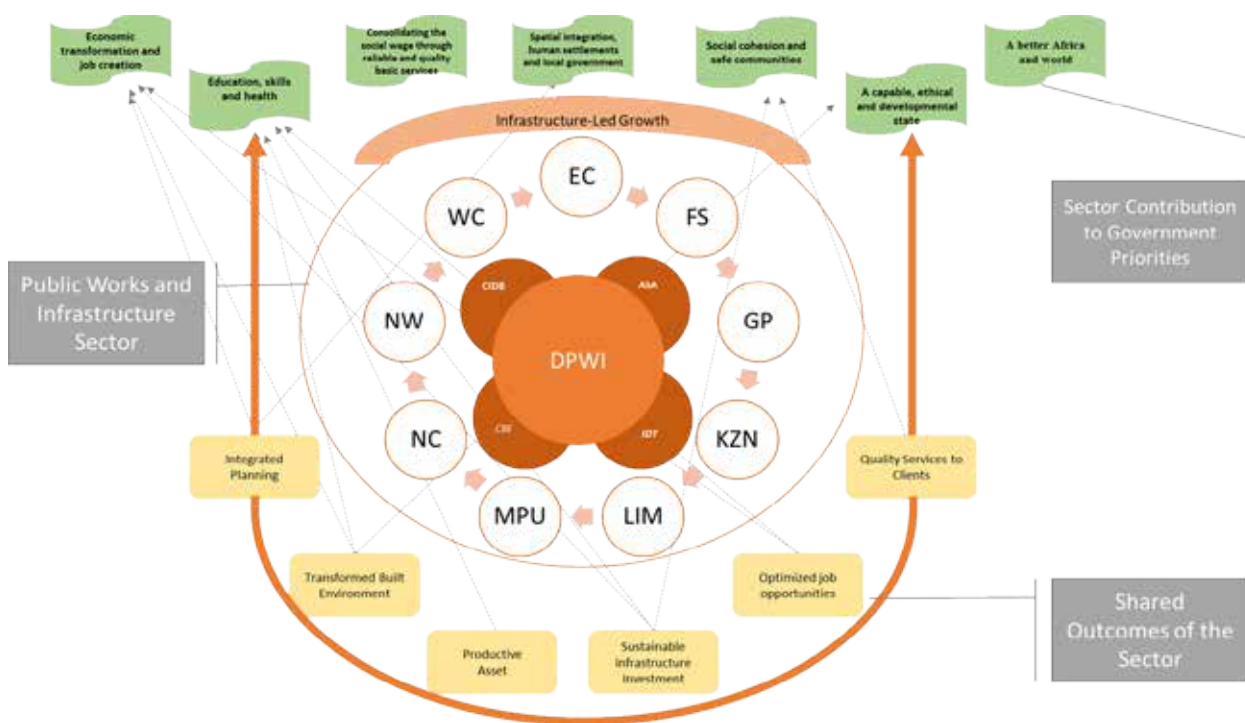
**Table 1: Institutional Policies and Strategies over five years.**

Agrément South Africa Act	Strategies over the five years.
To achieve its objectives in terms of the Act:	<p>Empowers ASA to exercise its powers as follows:</p> <ul style="list-style-type: none"> <li>• Assess and, if satisfied, certify the fitness-for-purpose of a non-standardised construction-related product or system.</li> <li>• The issue, amend, suspend, reinstate, withdraw, or renew an ASA Certificate.</li> <li>• Agree with a specifier, entity or organ of state whose services are required to achieve an object or perform a function of ASA or the Board.</li> <li>• Provide services about the objects of ASA to a person, entity, or organ of state; and</li> <li>• Exercise any other power as may be prescribed or necessary to achieve the objectives of ASA.</li> </ul>
ASA is required to:	<ul style="list-style-type: none"> <li>• Create appropriate structures to execute its executive and operational functions.</li> <li>• Develop any rules, processes, procedures, criteria, or guidelines necessary to achieve the objectives of ASA and the execution of its duties.</li> <li>• Monitor and evaluate a certified construction-related product's quality management systems in manufacturing, application, installation or erection processes.</li> <li>• Communicate relevant information to stakeholders regarding the technical, socio-economic, and regulatory aspects of a non-standardised construction-related product or system certified by ASA.</li> <li>• Support and promote the introduction and use of certified non-standardised construction-related products or systems in the local or international market.</li> <li>• Establish and maintain international links with peer organisations; and</li> <li>• Encourage research and development of non-standardised construction-related products or systems.</li> </ul>
A vital element of the mandated functions is the certification process required by Sections 7 and 8 of the Act.	<p>This requires ASA to:</p> <ul style="list-style-type: none"> <li>• Make rules and determine the processes, procedures, and forms for and relating to the (a) issuing; (b) amendment; (c) suspension; (d) reinstatement; (e) withdrawal; or (f) renewal of an ASA Certificate.</li> <li>• Subject to the payment of the required fees, ASA issues a certificate in the prescribed form if it is satisfied that a non-standardised construction-related product or system is fit-for-purpose.</li> <li>• Monitor such certificates and manage the renewal of certificates; and</li> <li>• Establish and maintain a public register of rejected applications and certificates issued, amended, suspended, reinstated, withdrawn, and renewed.</li> </ul>



#### 4. Alignment to National Development Plan (NDP), New Growth Path (NGP) and Medium-Term Strategic Framework (MTSF).

In support of its Executive Authority, ASA aligns with the government-wide plans identified in the seven priorities of Government as stated by the President at the State of the Nation Address on 20 June 2019. The priorities are meant to address the country's current harsh economic challenges. These seven priorities aim to fast-track South Africa's path to prosperity. Implementing the plans will enable the government to realise the vision of the National Development Plan (NDP) and Vision 2030. The priorities will focus on actions with the most significant impact, fostering immediate short- and long-term benefits over the next eight years. The stagnant economy will rely on the following seven priorities to kick-start the economy:



**Figure 1: Direct Links to Sectoral, Provincial and Entity Priorities.**

Source: NDPWI, <http://www.publicworks.gov.za>

In this regard, ASA will contribute to the mandate of the DPWI in addressing the issues of poverty alleviation and unemployment reduction in the country. The certificates awarded by ASA allow the users to build infrastructure within the country. The ASA certificates have been deemed to satisfy status within the National Building Regulations and thereby comply with the requirement of the National Building Standards. These ASA-approved products will be used to deliver social infrastructure in the country. The construction of these social infrastructures will provide those involved in the delivery of this infrastructure with employment opportunities for the duration of the implementation of the projects and thereby contribute towards poverty alleviation and unemployment reduction amongst the beneficiary communities.

The ASA has identified four strategic outcomes for 2020-2025. While functions of the ASA cut across the entire built environment sector, its primary alignment is with the DPWI's strategic outcomes, as summarised below:

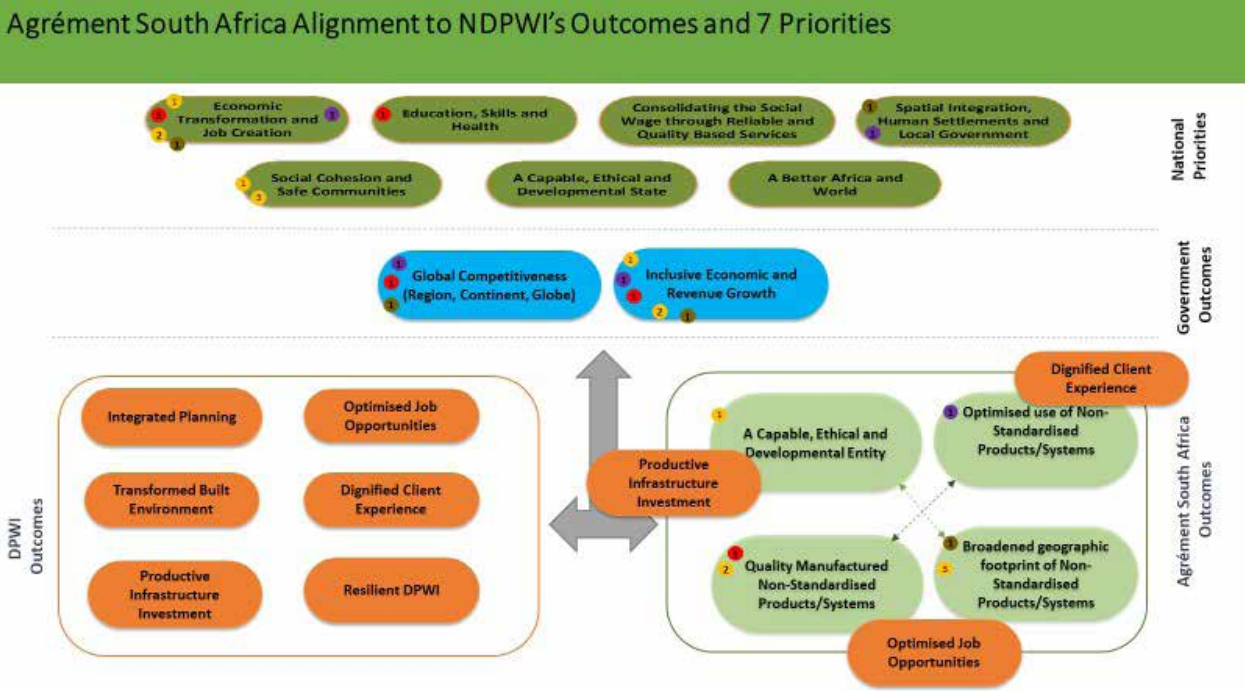


Figure 2: ASA alignment to NDPWI outcomes, NDP and MTSF 7 Priorities.  
Source: Agrément South Africa Strategy Workshop.

Below is the Agrément South Africa Strategy Map linked to DPWI and aligned to the DPWI outcomes, National outcomes, and National priorities.

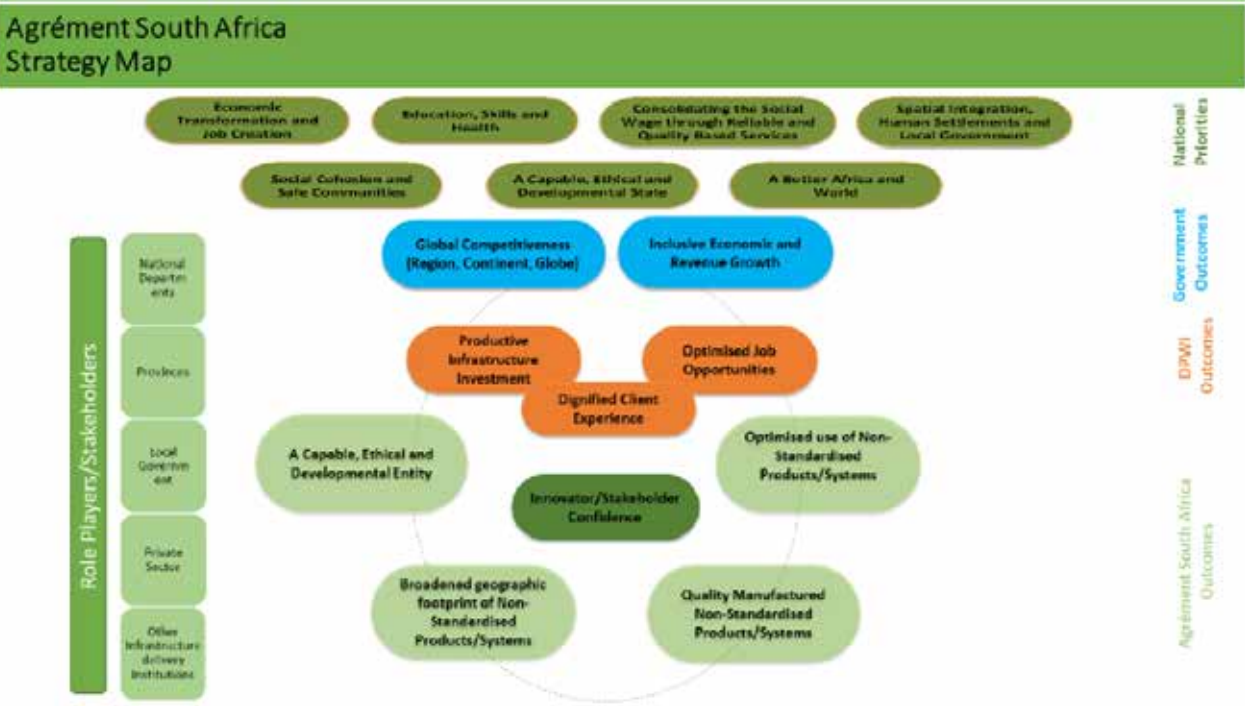


Figure 3: ASA Strategy Map linked to DPWI.  
Source: Agrément South Africa Strategy Workshop.

## 5. Relevant Court Rulings

There are currently no court rulings which are relevant to ASA.

## Part B:



## Our Strategic Focus



## 6. Vision

To be the leading regulator on non-standardised construction products and systems in South Africa.

## 7. Mission

To enhance ASA's position as an impartial and internationally acknowledged South African centre of excellence to:

- Provide assurance to specifiers and users of the fitness-for-purpose of non-standardised construction-related products or systems.
- Support and promote integrated socio-economic development in the Republic as it relates to the construction industry.
- Support and promote the introduction and use of certified non-standardised construction-related products or systems in the local or international market; and
- Support policymakers to minimise the risk associated with using non-standardised construction-related products or systems.

## 8. Values

ASA's values are aligned with the values espoused in the Constitution. The core values that underpin the culture of ASA are:

- **People** – Respect people for who they are, their knowledge, skills and experience as individuals and team members.
- **Reputation** – Upholding ASA's brand through excellence, integrity, and quality.
- **Innovation** – Inspire the introduction of sustainable, innovative solutions.
- **Diversity** – Embracing a dynamic and multi-cultural environment that respects the individual.
- **Accountability** – Assume ownership of what happens due to one's choices or actions.

## 9. Situational analysis

### 9.1 External Environment Analysis

ASA operates within the built environment sector of South Africa (SA). The Board of ASA is the Accounting Authority. ASA reports to Parliament through the office of the Executive Authority, the Minister of NDPWI, in terms of the Public Finance Management Act (PFMA). ASA's activities are aligned to its mandate, which, in turn, are aligned with the NDPWI

and national priorities. The activities of ASA are impacted by the macro-economy and the state of the built environment industry generally, and the construction sector (especially housing construction) in particular. A PESTLE tool has been used to track and analyse the external environment that can affect ASA's business activities and impedes its ability to achieve government priorities.

#### (a) Political

Geopolitics has a severe impact on food security and energy. In addition, this disruption of construction projects by construction mafias resulted in low usage of innovative technologies.

#### (b) Economic

The global pandemic for the last two years has affected the South African economy, adversely affecting the construction industry. The impact was devastating, resulting in several construction companies closing their operations. The increase in the cost of living will impact the affordability of certification; therefore, this will cause a decrease in several project applications and revenue generation. Power interruptions continue to negatively impact the manufacturing industry, thus leading to low production of innovative technologies.

#### (c) Sociological

ASA may be unable to conduct planned training for Small, Medium and Micro Enterprises (SMME) due to social unrest, which may result in low revenue generation.

#### (d) Technological

The increase in the use of Artificial Intelligence (AI) will increase the development of innovative technologies; this will require ASA to match the certification rate with the speed of production. ASA should also consider some AI initiatives for the evaluation/ assessment process to expedite the certification processes.

#### (e) Legal

The current Agrément South Africa Act, No 11 of 2015 and other government policies do not promote the regulation of using ASA-certified products. The involuntary certifications ASA with the following challenges:

- Agrément certificate holders compete for government projects with non-certified innovative technologies' owners;
- Difficulty in promoting the use of certified innovative technologies;
- Difficulty in regulating the use of innovative technologies country-wide; and

- Difficulty registering innovative technologies as many products are not certified.

#### (f) Environmental

The effects of climate change or the demands for carbon-neutral and carbon-negative building technologies will increase the number of innovative technologies, requiring ASA to monitor new innovative technologies closely. ASA will need to seek more climate-friendly building technologies and get certified proactively.

In addressing the issues highlighted by the PESTEL tool, the following initiatives will be implemented:

- MOU signed with specifiers to increase the demand for innovative technologies.
- Engaging with affected certificate holders to come up with relevant solutions. Keeping abreast of mafias' interruptions affects the industry and thereby affects certificate holders.
- Review our database to rank our certificate holders in terms of micro enterprises etc.
- Review our R&D processes to respond to technological advances.
- Initiate the review of the Act to limit the use of innovative uncertified systems and products and protect the public from unsafe products and systems. To engage the policymakers to expedite the review of the Act.
- ASA will continue implementing the eco-labelling launched in September 2022 to address climate change's impact, ensuring the products and materials are environmentally friendly. This initiative will facilitate the introduction of a Green Economy.

ASA has, over the years, yet to be able to analyse industry trends regarding the usage of ASA-certified products and systems, as opposed to conventional materials and methods. ASA will continue with this analysis in the 2023/2024 financial year, and a quarterly report will be issued.

#### Strategic links with members of the World Federation of Technical Assessment Organisations, cidb, CBE, NH-BRC, IDT, SABS and National Government

ASA has and maintains solid strategic links with World Federation of Technical Assessment Organisations (WFTAO) members and shares technical information for mutual benefit. The NDPWI continues to provide the strategic policy direction for the entities reporting to it. These sister entities include the Construction Industry Development Board (cidb), the Industrial Development Trust (IDT) and the Council for the Built Environment (CBE). The ASA plays a role

in some South African Bureau of Standards (SABS) Standards Generation Committees and the Industry Advisory Council of the National Home Builders Registration Council (NH-BRC). Overall, ASA is vital in safely introducing fit-for-purpose innovative construction technologies for the built environment. The National Department of Human Settlements continued to rely on the technical assessments undertaken by the organisation in the selection process of non-standardised systems and products. ASA deals with innovative construction products and systems, which are tested and certificated. The need to increase ASA visibility will go a long way to benefit innovative construction to a broader customer base that should include most of the population of South Africa.

#### 9.2 Internal Environment Analysis.

Agrément South Africa has used a combination of SWOT analysis and results-based methodology to inform the development of the Annual Performance Plan. The internal factors that impact the operations of Agrément South Africa include strengths, weaknesses, opportunities, and threats are discussed on the following page:

From the above internal analysis (see Figure 13), ASA executes its mandate by evaluating the fitness for purpose of various innovations, construction products and systems. This includes building systems, construction-related materials and products, several sanitation products, different plumbing pipes and fittings, bathtubs, bathroom and toilet units, and sanitary disposal systems.

#### The following pathways to change were developed:

- Conduct a technical assessment of innovative and non-standardised construction-related products and systems and ensure that such products and systems are used for the intended purpose.
- Research the market on innovative ideas and participants, share information and empower new and emerging innovators on non-standardised construction-related products or systems.
- Develop any rules, processes, procedures, criteria, or guidelines necessary for the manufacturing of quality Non-Standardised Products/Systems that are fit for purpose; and
- Promote the use of certified non-standardised construction-related products or systems in most (where applicable) public social-economic infrastructure programmes ranging from refurbishment, replacement, and upgrades to the construction of public infrastructure across the country.

Below is ASA's internal analysis as it seeks to improve its effectiveness in the built environment:



Figure 4: ASA SWOT Analysis.

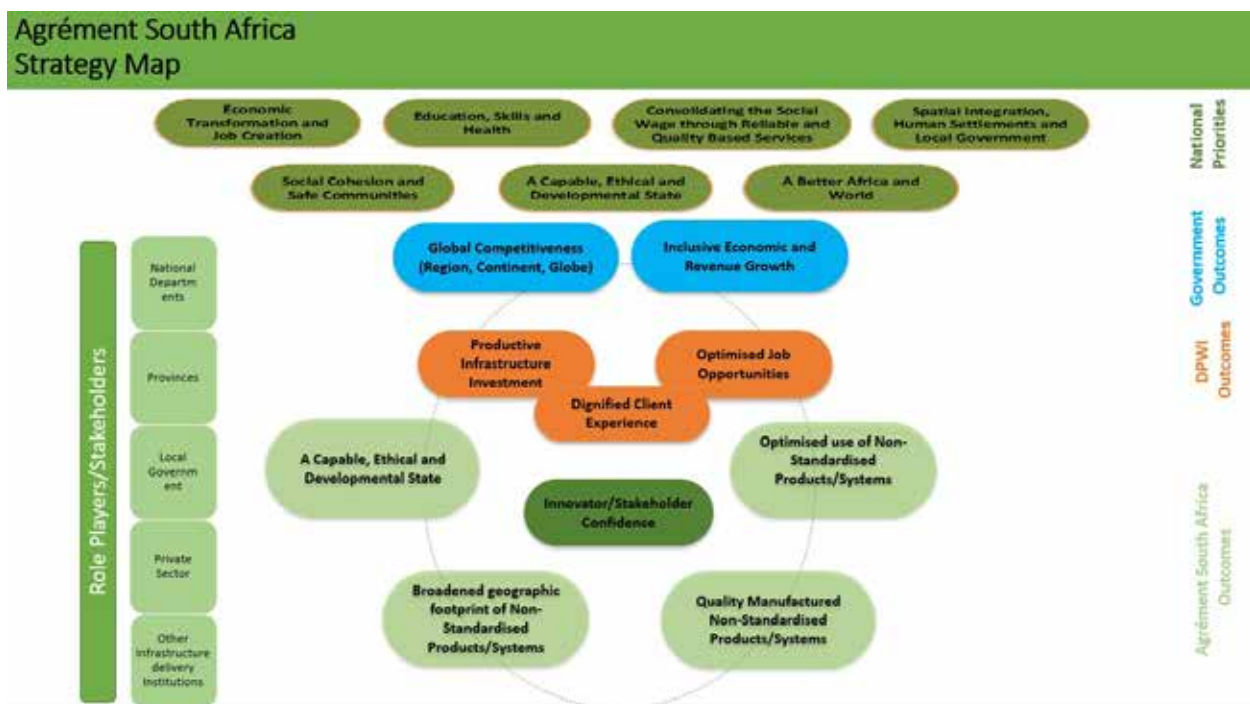


Figure 5: ASA Strategy Map linked to DPWI.

Source: Agrément South Africa Strategy Workshop.

### 9.2.1 Trend Analysis on Prior Performance

As stated, Agrément South Africa fulfils its mandate by assessing and certifying innovative and non-standardised products and systems. Over the five-year, applications have been gradually decreasing, and so is the number of certificates issued. The unfavourable economic conditions coupled with load shedding, which is at its highest level, stage six, further confirm the collapse of the construction sector. The construction mafia may not be ruled out in this challenge. As Agrément South Africa, we view these trends as a sign of worse things to come in short to medium terms.

ASA will initiate monitoring and categorising the new applicants in terms of designated groups. ASA will count the number of applicants received and report quarterly on the new applicants. This will be included in the operational plans. In addition, our marketing initiatives will be specifically geared towards the designated groups. Also, as part of the transformation initiative, we will support the applicants through training to reach the desired outcomes of having certified products.

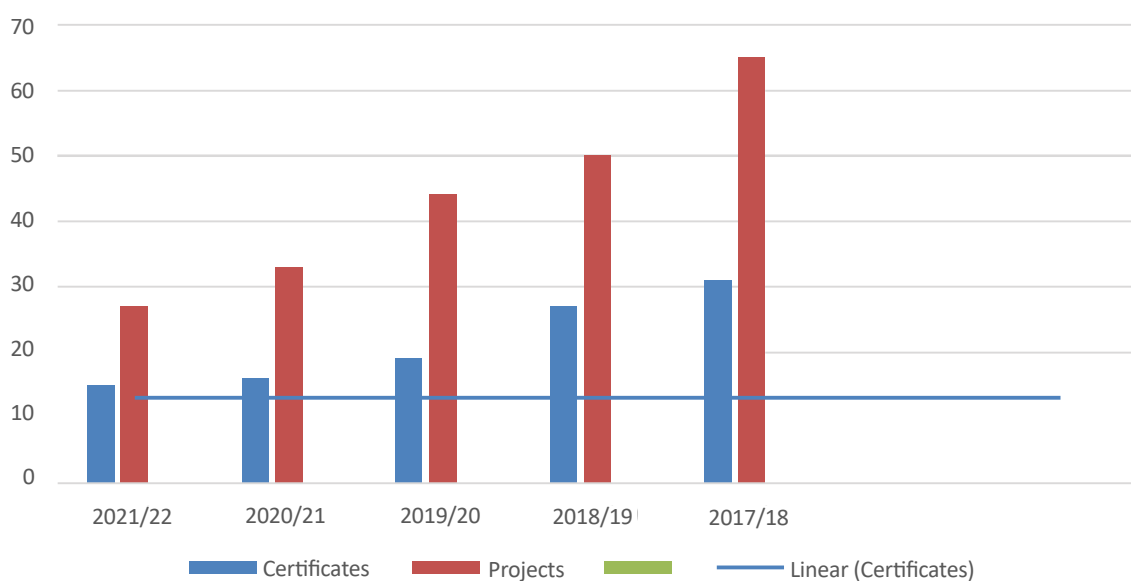
The graph below reflects the trends on issued certificates versus projects assessed over five years:

During the 2021-2022 financial year, 15 certificates were issued. Certificated products/systems include road products, building systems, traffic monitoring systems, paints, toilet systems and water storage tanks.

The performance of products and systems was assessed against set performance criteria. At the same time, the manufacture and, where applicable, installation or erection were evaluated in terms of documented and approved quality management systems. The Board's Technical Committee was satisfied that due diligence was exercised during the assessment process. It involved confirmation that evaluations were completed per assessment sub-programs/contracts with favourable test results and assessments from external specialists and testing laboratories; ensuring that an approved, documented quality system was in place and on record with Agrément South Africa; and reviewing draft certificates.

Innovation can lead to efficiency, proven in several countries worldwide, including South Africa. In the built environment context, this means reduced construction cost and time. Innovation can act as an agent of reform in the construction industry through job creation, assisting in creating a green economy, reducing the effectiveness of monopolies that may occur in specific industry sectors, material beneficiation, etc. Most of the Agrément-certified products and systems have the above advantages.

**Certificates issued versus projects assessed.**





### 9.2.2 Key stakeholders

The table below analyses the stakeholders with whom ASA interacts.

**Table 2: Agrément South Africa Stakeholders.**

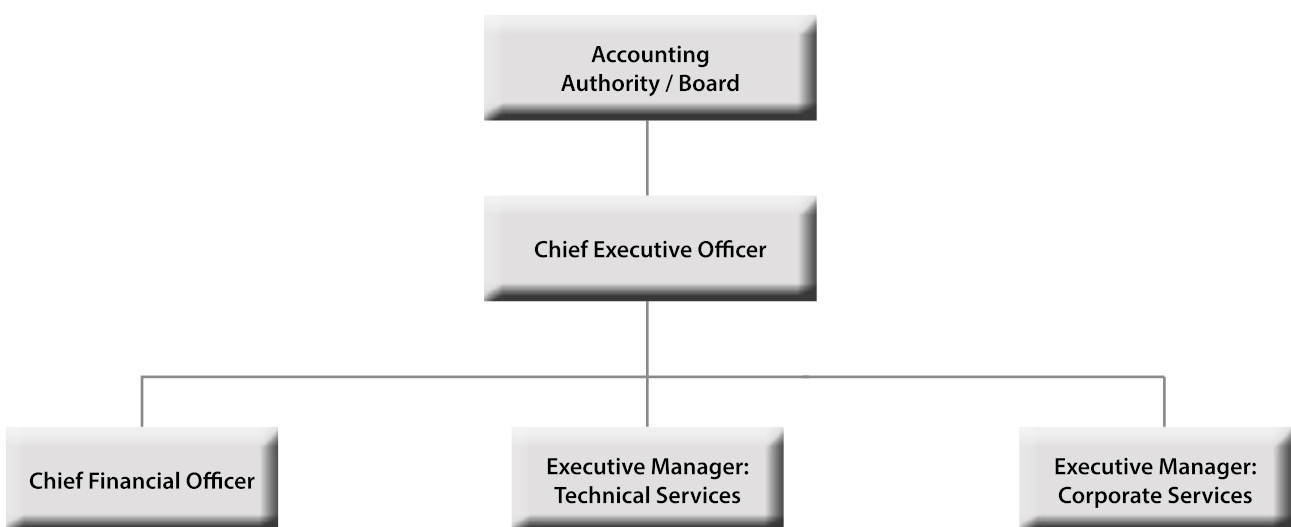
Stakeholder	Nature of Interest	Source of Power	Additional Comments
<b>Building professionals.</b>	Benefits associated with innovative construction technologies.	Innovative technology, products and systems usually need to be specified.	Innovative construction systems can be safely introduced as they have been successfully assessed as fit for purpose.
<b>Certificate holders.</b>	Facilitation of approvals and marketing.	ASA certification is deemed to satisfy the requirements of the building regulations.	The local authority, NHBRC and the bank ultimately accept the innovation. ASA intercedes on behalf of the certificate holder should certification not be obtained, which is seldom necessary.
<b>Departments of Human Settlements and Water and Sanitation.</b>	The provision of housing subsidy.	The Department is mandated to decide where human settlements will be located and which construction technology/methodology to employ.	The NHBRC acts as the DHS field agent and, in effect, must approve and monitor non-standard subsidy housing.
<b>Department of Public Works and Infrastructure (DPWI).</b>	Tasked with encouraging the use of innovative products and systems to benefit South Africa.	Funding the day-to-day operations of ASA.	Enhance working relationships; continue support to employment creation, such as using a compressed earth building system at the Gombani village in Limpopo.
<b>Homeowners.</b>	Benefits associated with innovative construction technologies.	Financial sustainability.	Innovative construction systems can be erected faster and are usually cheaper than conventional construction, which increases return on investment.
<b>Local authorities.</b>	Plan approval is required by law. Promote uniformity in the understanding and implementation of National Building Regulations (NBR) made in terms of the National Building Regulations & Building Standards Act No. 103 of 1977.	The withholding of building plan approval; when present, professional architects and engineers are required to perform specific functions.	Tasked to ensure that buildings erected in their jurisdictions comply with NBR requirements. Responsible for NBR administration and the control of on-site activities on construction projects.

Stakeholder	Nature of Interest	Source of Power	Additional Comments
<b>National Home Builders Registration Council (NHBRC) and Council for the Built Environment (CBE).</b>	ASA will prioritise marketing awareness and visibility-related activities by partnering with sister organisations like the NHBRC and CBE in their various marketing activities. This will increase ASA's regional footprint.	Management of risk associated with their structural and water penetration warranty scheme.  Refusal to register contractor and building, thereby denying insurance coverage.	ASA will focus on strengthening relationships with strategic partners in line with governments' rationalisation of public entities initiative by signing an MOU with NHBRC to increase collaboration and foster closer working relationships.
<b>SAICE</b>	The Institution provides technical leadership in support and enhancement of poverty alleviation, sustainable development, and the development and maintenance of infrastructure.	SAICE has a worldwide liaison network and links with many international bodies. The Africa Engineers Forum, which SAICE established, currently commands a high level of credibility and respect across the globe.	ASA will work with SAICE for joint research development.
<b>SACPCMP</b>	To regulate Project and Construction Management Professionals to protect the public.	Registering professionals and maintaining a national register of professionals.  Identifying the type and scope of work for the Project and Construction Management Professions.	SACPCMP was established to create an enabling environment for the promotion, growth, and transformation of Built Environment Management Professions through advocacy, research and best practice; ASA will prioritise marketing awareness to set a footprint within professional bodies.
<b>National Regulator for Compulsory Specifications (NRCS).</b>	Government is Responsible for protecting the health and safety of citizens and the environment and ensuring fair trade.	The government must ensure that national and international trade is fair and based on reliable measurements.	NRCS is a public entity responsible to the Minister of Trade, Industry and Competition for administering technical regulations, including compulsory specifications based on standards that protect human health, safety and the environment.
<b>South African Bureau of Standards (SABS).</b>	Promotes South African national standards to facilitate international trade and enhance South Africa's economic performance and transformation.	Develops, promotes, and maintains standardisation and quality for commodities and renders related conformity assessment services.	Ensure the continued existence of the SABS as the prime national institution in its field;
<b>South African Local Government Association (SALGA).</b>	Acts as an employer body representing all municipal members and, by agreement, associate members.	Represents, promotes, and protects local government's interests and raises the local government's profile.	Efficient service delivery.

Stakeholder	Nature of Interest	Source of Power	Additional Comments
<b>Roads Agencies.</b>	Benefits associated with innovative construction technologies.	Innovative construction technologies and products and systems are usually not specified.	The aim is to keep the economic “arteries” of South Africa’s economy in good condition without harm to our environment, enhance citizens’ travel experience and improve and maintain the national road network for the social development and economic growth of South Africa.

### 9.3 Organisational Structure

The ASA’s organisational structure has changed as the business model evolved. The figure below details ASA’s current functional design. ASA will continue to review its structure to ensure proper resourcing and implementation of its mandate.



**Figure 6: Current Agrément South Africa functional structure.**

**To address the above, Agrément South Africa will, amongst other things:**

- **Continue to review the organisational design to implement these strategies.**

Continuous improvements in implementing our mandate and any other mandate from the executive authority. ASA is managed by the Chief Executive Officer (CEO), assisted by the Executive Management team of the Chief Financial Officer (CFO), Executive Manager: Corporate Services and Executive Manager: Technical Services.

The above organisational structure reflects the current operational functions and the critical support capabilities to deliver on its mandate.

ASA requires additional staff to assist in evaluating, assessing, and approving existing infrastructure development technologies to better direct housing and human settlement investments, fast-track delivery, and ensure affordability and diversity of the products available in the market through enhanced quality and quantity of innovative construction technologies as well as supporting and encouraging the certification of products that utilise waste materials. As ASA’s evaluation and certification base grows, the need for additional technical evaluators/quality assurance, research and development and environmental specialists, and support functions will grow over the medium to long term.

Additionally, as the organisation seeks to address its legislated mandate (for instance, augmenting and promoting research and development) and broader socio-economic imperatives as determined by its Executive Authority, new sets of skills and competencies and additional staff will be required. This will necessitate a short- to medium-term review of the current organisational structure and staffing approach.

- **Invest in information technology to respond to digital transformation and artificial intelligence.**

ASA will keep abreast with technological changes and embrace digital transformation and artificial intelligence. This adaptation will ensure that the organisation is agile and that its human capital is fully capacitated to respond to the changing environment.

In addition, ASA will embark on a Business Impact Analysis (BIA), a critical process in business continuity and disaster recovery planning.

- **Review facilities to ensure fit-for-purpose as the organisation changes.**

With the current and anticipated growth in the short to medium term, ASA will require additional office space in line with Ergonomics' best practices. This will ensure improved collaboration among internal teams and interactions. In addition, separate premises will further enhance ASA visibility.

- **Effective and impactful marketing and communication strategies.**

ASA will undertake a rigorous marketing and brand awareness process in the short to medium term. This will be achieved through strategic partnerships and collaboration with other built environment stakeholders. Advertising in regional and national radio stations and billboards as well as TV.

The table below reflects the total number of staff members as per approved organisational structure at the end of the reporting period.

**Table 3: Agrément South Africa - Staff Establishment.**

POSITION	FILLED	VACANT	TOTAL
<b>CEO's Office</b>			
Chief Executive Officer	1	0	1
Board Secretary	1	0	1
Group Assistant	1	0	1
Monitoring & Evaluation Manager	0	1	1
Stakeholder Relations Manager	0	1	1
QMS Coordinator	1	0	1
<b>CEO's Office Totals</b>	<b>4</b>	<b>2</b>	<b>6</b>
<b>Finance</b>			
Chief Financial Officer	1	0	1
Financial Accountant	1	0	1
Procurement Officer	1	0	1
<b>Finance Totals</b>	<b>3</b>	<b>0</b>	<b>3</b>



POSITION	FILLED	VACANT	TOTAL
<b>Corporate Services</b>			
Executive Manager: Corporate Services	1	0	1
Marketing and Communications Practitioner	1	0	1
Human Resources Business Partner	1	0	1
ICT Technical Support Specialist	1	0	1
<b>Corporate Services Totals</b>	<b>4</b>	<b>0</b>	<b>4</b>
<b>Technical Services</b>			
Executive Manager: Technical Services	0	1	1
Administrative and Technical Officer	1	0	1
Technical Group Leader: Assessments	1	0	1
Senior Technical Assessor	2	0	2
Technical Assessors	6	0	6
Draughtsperson	1	0	1
Eco Labelling Manager	0	1	1
Technical Group Leader: Quality Assurance	1	0	1
QA Specialist	1	1	2
Quality Assurance Officers	1	1	2
Technical Group Leader: Research & Development	1	0	1
Technical Research & Development Specialists	2	0	2
<b>Technical Services Totals</b>	<b>17</b>	<b>4</b>	<b>21</b>
<b>Total</b>	<b>28</b>	<b>6</b>	<b>34</b>

Agrément South Africa has a total staff establishment of **34** posts, of which **28** are filled permanently and on contract, and five are vacant. The entity currently has a vacancy rate of **18**. Due to budget constraints, the entity has reviewed its organisational structure to ensure that ASA continues to achieve its mandate. To implement eco-labelling and green building projects effectively. ASA will engage with National Treasury regarding funding to appoint prioritised environmental specialist positions. The process is aligned with the integrated Human Resource Plan to ensure that ASA is capacitated to deliver on its mandate and respond to the Government's policy agenda, taking into consideration the financial position of ASA.

Due to continuous structure review, some positions will be outsourced to achieve efficiency. The outsourced areas are Information Technology, Internal audit, and legal services, which are in preparation for the instruction from the National Treasury regarding the study on corporate shared services initiatives.

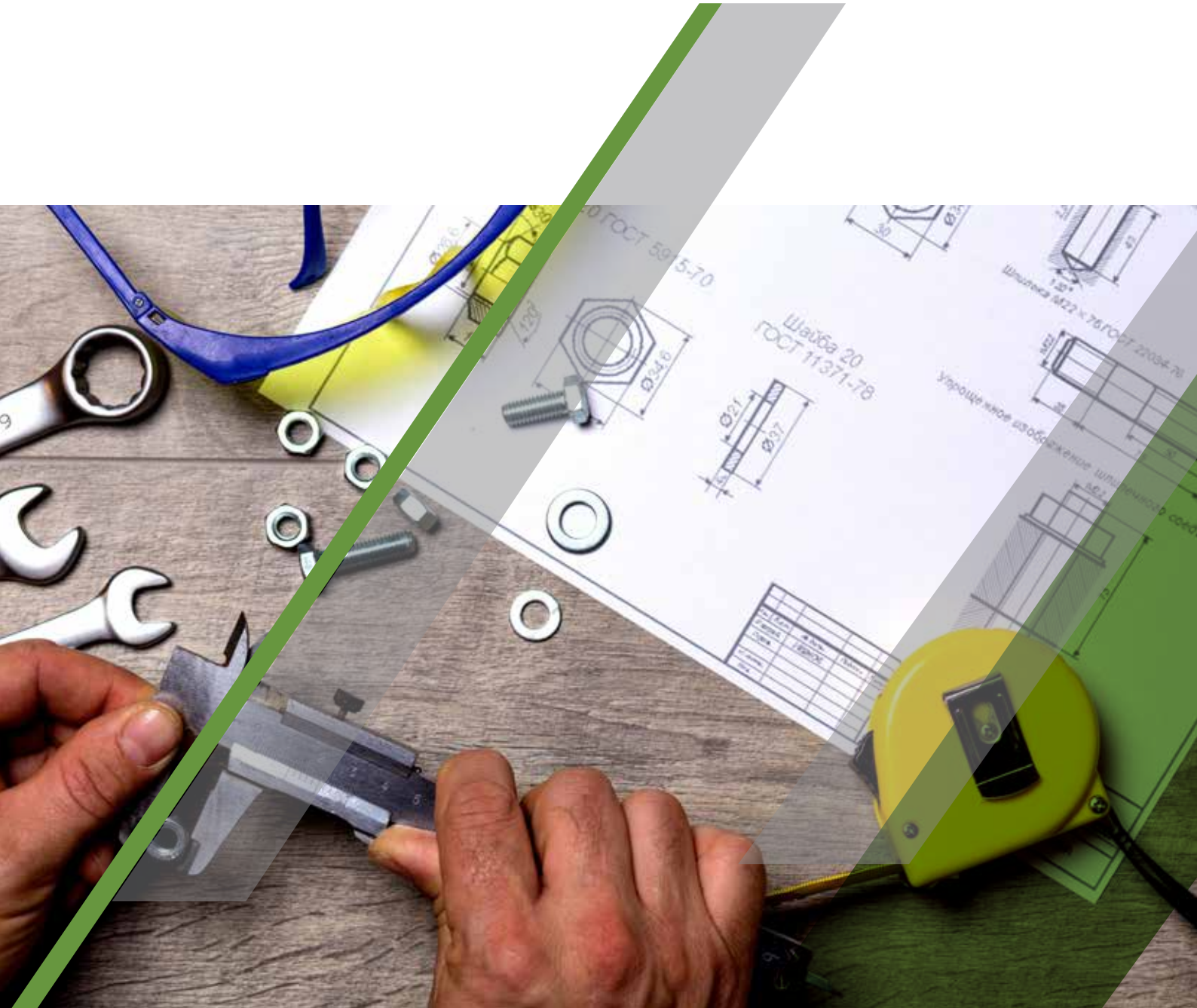
## 10. Annual Performance Planning Process

The strategic planning process was a combined ASA Board and Executive Management exercise. It comprised one-on-one engagements with members of the ASA Board and the Executive Management and a workshop to formulate and agree on the strategic direction for ASA.

**The following are critical steps undertaken by Agrément South Africa:**

**Table 4: Description of the Annual Performance Planning Process.**

Activity	Timeframe
• Develop environmental scanning guidelines and templates and obtain Executive Committee (EXCO) endorsement.	30 April 2022
• Execute the environmental scanning process by undertaking research and business intelligence gathering.	12 to 13 May 2022
• Conduct Operational planning workshop to develop departmental operational plans.	27 to 29 June 2022
• Conduct the Executive Committee's Annual Performance Planning Session to process the environmental scan, strategy proposals, and recommendations.	12 July 2022
• Conduct Board's Annual Performance Planning Session to process the environmental scan, strategy proposals, and recommendations on proposals.	4 to 5 August 2022
• Conduct Follow-up Executive Committee Annual Performance planning session to develop impact statement, outcomes, outputs, and output indicators.	15 August 2022
• Review the draft Annual Performance Plan and present the top Executive Committee for consideration in preparation for tabling to the Board for consideration.	11 October 2022
• Finalise the Annual Performance Plan and budget (MTEF) and submit it to the NDPWI.	30 October 2022
• Receive DPWI comments on Annual Performance Plan documents.	30 November 2022
• Update the Annual Performance Planning Document.	30 November 2022 to 14 December 2022
• Present Annual Performance Plan Document to Executive management.	15 December 2022
• Submit the Annual Performance document to Audit and Risk Committee for approval.	07 January 2023
• Special EXCO to review the Annual Performance Plan.	14 January 2023
• Submit Annual Performance Plan Document to the Board on or approval before final submission to Executive authority.	28 January 2023 (Board)
• Received approval by executive authority.	End February 2023
• Implement the Annual Performance Plan.	1 April 2023
• Report Annual Performance implementation progress every quarter.	Quarterly





## Part C:

# Measuring ASA's Performance.



## 11. Institutional Programme Performance Information.

Programmes	Sub-Programmes
1. Technical Services	Technical Services.
2. Administration.	Financial Services.
	Corporate Services.

### Programme: Administration of Agrément South Africa.

#### 11.1 Programme 1: Technical Services.

**Purpose:** The certificates granted promote improved construction methods, thereby contributing towards the impact of innovative non-standard construction-related products and systems for which there are no South African national standards. Sub-Programme comprises the core service delivery functions of ASA. It includes Products / Systems Certification, Quality Audits and Research and Development.

- **Products / Systems Certification:** The purpose is to promote introducing and using innovative and non-standardised construction-related products and systems through technical assessment of fitness-for-purpose and subsequent certification.
- **Quality Audits:** The purpose is to ensure that good-quality materials and satisfactory standards of design, manufacture and, where appropriate, erection, installation or application of all ASA's certificate holders and licensees' systems or products are consistently maintained within defined ASA parameters.
- **Research and Development:** The purpose is to encourage and support the business activities of ASA in partnership with other sector stakeholders and to encourage the development of non-standardised construction-related products and systems.

## 11.1.1 Outcome, Outputs, Performance Indicators and Targets

Table 5: Sub-programme 1: Technical Services: Strategic objectives and medium-term targets for 2022/2023 – 2024/2025.

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
			2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
Optimised use of non-standardised construction-related Products and Systems. (DPWI outcome – Optimised job opportunities, dignified client experience and productive investment infrastructure)	Implementation of Eco Label Scheme.	Number of Eco Label Scheme specifications approved by the Board.	Approved business model on Eco Label scheme.	2 Eco Label scheme specifications approved by the Board.	3 Eco Label Scheme specifications approved by the Board.	6 Eco Label Scheme specifications approved by the Board.		-	-
		Number of Eco Labels issued	-	-	-	-	Issue 10 Eco Labels	Issue 15 Eco Labels	Issue 20 Eco Labels
	Agrément certification projects are managed and finalised within timeframes.	Percentage of Agrément certification projects managed and finalised within agreed timeframes.	58% (19 certification projects) of Agrément non-standardised construction-related products and systems processed.	33% (16 certification projects) of Agrément non-standardised construction-related products and systems approved within timeframes.	59.3% (15 certification projects) of projects assessed and completed as per the project timeframes.	87% of projects assessed and completed as per the project timeframes.	90% of projects assessed and completed as per the agreed project timeframes.	95% of projects assessed and completed as per the agreed project timeframes.	97% of projects assessed and completed as per the agreed project timeframes

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
			2019/2020	2020/2021	2021/2022		2023/2024	2024/2025	2025/2026
Quality Assurance. (DPWI outcome – Optimised job opportunities, dignified client experience and productive investment infrastructure)	Agrément certificates issued	Number of Agrément certificates Issued	19 Agrément certificates issued.	16 Agrément certificates issued.	15	20 Agrément certificates issued	24 Agrément certificates issued	28 Agrément certificates issued	30 Agrément certificates issued
	Analysis of the usage of Agrément certified products and systems	Number of market and usage analysis reports	-	-	-	4 Agrément certified products and systems market and usage reports issued	4 Agrément certified products and systems market and usage reports issued.	4 Agrément certified products and systems market and usage reports issued.	6 Agrément certified products and systems market and usage reports issued.
	Promotion of the introduction and use of non-standardised construction-related products or systems	Number of agreements entered with specifiers to promote non-standardised construction-related products and Systems	New Indicator.	New Indicator.	New Indicator.	2 Agreement signed with specifiers*	3 Agrément signed with specifiers*	5 Agreement signed with specifiers*	6 Agreement signed with specifiers*
	Quality Assurance on all certificates in use.	Percentage of quality and compliance inspections conducted for valid issued certificates.	56% of certificate holders, with paid annual fees, were inspected.	92% achieved (196 out of 213 inspections were conducted).	63% achieved (178 out of 284 inspections were conducted).	Quality and compliance audits were conducted for 90% of valid certificates in use.	Quality and compliance audits were conducted for 92% of valid certificates in use.	Quality and compliance inspections conducted for 95% of valid certificates in use.	Quality and compliance inspections were conducted for 97% of valid certificates in use.

Legend \* Specifiers means “someone who draws up specifications giving details of intellectual property.”

## 1.1.2 Output Indicators, Annual and Quarterly Targets.

Table 6: Sub-Programme 1: Technical Services: Indicators, Annual and Quarterly Targets for 2023/2024.

Output Indicator	Annual Target 2023/2024	Quarterly Targets			
		1st	2nd	3rd	4th
Outcome: Optimised use of non-Standardised construction-related products and systems.					
Number of Eco Labels issued	10 Eco Labels issued	-	-	5 Eco Labels issued	5 Eco Labels issued
Percentage of Agrément certification projects managed and finalised within agreed timeframes.	90% of projects assessed and completed as per the agreed project timeframes.	90% of projects are approved as per the agreed project timeframes.	90% of projects are approved as per the agreed project timeframes.	90% of projects are approved as per the agreed project timeframes.	90% of projects are approved as per the agreed project timeframes.
Number of Agrément certificates issued	24 Agrément certificates issued	4 Agrément certificates issued	8 Agrément certificates issued.	6 Agrément certificates issued.	6 Agrément certificates issued.
Number of market and usage analysis reports	4 Agrément certified products and systems market and usage reports issued.	1 Agrément certified products and systems market and usage reports issued.	2 Agrément certified products and systems market and usage reports issued.	3 Agrément certified products and systems market and usage reports issued.	4 Agrément certified products and systems market and usage reports issued.
Number of agreements entered with specifiers to promote non-standardised construction-related products or systems	2 Agrément signed with specifiers.	-		1 signed agreement with specifiers.	1 signed agreement with specifiers.
Outcome: Quality Assurance.					
Percentage of quality and compliance inspections conducted for valid issued certificates.	Quality and compliance audits were conducted for 92% of valid certificates in use.	Quality and compliance audits were conducted for 5% of valid certificates in use.	Quality and compliance audits were conducted for 35% of valid certificates in use.	Quality and compliance audits were conducted for 65% of valid certificates in use.	Quality and compliance audits were conducted for 92% of valid certificates in use.



### 1.1.3 Explanation of planned performance over the planning period.

#### (a) Contribution of its outputs achieving the intended outcomes and Impact.

To create jobs and transform the economy of South Africa, ASA endeavours to process 90% of non-standardised construction products and systems certification requests within reasonable timeframes, as agreed to with clients. ASA further endeavours to ensure that the quality and terms and conditions against which all certificates are issued are upheld. For this, we aim to inspect 92% of issued certificates for their validity and compliance with quality management. These activities are expected to increase stakeholder confidence in ASA-certified products and systems.

#### (b) A description of planned performance in relation to the programme's outputs.

The built environment has witnessed market dominance by the same stakeholders and inventors, with very few new market entrants. This is sometimes seen in the difficulty with which new market entrants and innovators manage to have their products and systems certified. New innovators' products and systems fail more often, resulting in continuous redevelopment of the products and systems, thus delaying the introduction of the invention to the market. Through its research and development programme, ASA endeavours to support new innovators (women, youth and people with disabilities) in getting their products and systems certified and ready for market. We plan to host country-wide education and awareness programmes and encourage new entrants to the innovative built environment market. We will educate new innovators on minimum performance standards to consider in developing their products and systems.

### 11.2 Programme 2: Administration - Financial Services.

**Purpose:** To provide overall financial and supply chain management, strategic leadership, operational efficiency, and service excellence and provide organisational support services to operate and function as an organisation with a track record of quality, effective delivery, and professional service.



## 11.2.1 Outcome, Outputs, Performance Indicators and Targets.

Table 7: Sub-Programme 2: Financial Services: Strategic objectives and medium-term targets for 2022/2023 – 2024/2025.

Outcome	Outputs	Output Indicators	Audited / Actual performance			Estimated performance	MTEF Targets		
			2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
<b>Resilient, ethical, and capable entity.</b>	To ensure effective implementation of corporate governance across the Board.	Audit opinion issued	Unqualified audit report with Emphasis of matter.	Unqualified external audit report, with Emphasis of matter.	Unqualified Audit report, with Compliance issues.	Clean external audit report without Compliance issues.	Clean external audit report without compliance issues.	Clean external audit report without compliance issues.	Clean external audit report without compliance issues.
	To monitor compliance with the prescript of the supply chain to ensure approved invoices are paid within 30 days.	Percentage expenditure spent against the approved budget	N/A	N/A	98.0% (R34.0m of the annual budget of 34.7m) of approved expenditure spent of the approved budget. A total expenditure of R34.0 million was paid within 30 days except three invoices amounting to R35,000.00 which was paid after 30 days.	95% of the expenditure is spent against the approved budget.	96% of the expenditure spent against the approved budget.	97% of the expenditure spent against the approved budget.	98% of the expenditure spent against the approved budget.

Outcome	Outputs	Output Indicator s	Audited / Actual performance				MTEF Targets		
			2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
		Percentage of payments made within 30 days	N/A	N/A	N/A	Percentage compliance with the 30-day payment requirement	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days
	To monitor compliance with the prescript of supply chain to ensure zero irregular expenditure in implementing the budget.	Percentage change of irregular expenditure.	R3,159,536	R116,270	R113,120	Approved budget spent with five percent or less of irregular expenditure.	60% decrease in the irregular expenditure balance	70% decrease in the irregular expenditure balance	80% decrease in the irregular expenditure balance

Outcome	Outputs	Output Indicators	Audited / Actual performance				Estimated performance	MTEF Targets		
			2019/2020	2020/2021	2021/2022	2022/2023		2023/2024	2024/2025	2025/2026
Industrialization/ Growing the Productive Economy	To monitor compliance with the prescript of the supply chain to ensure zero percent of fruitless and wasteful incurred of the approved budget.	Percentage change of fruitless and wasteful expenditure	R54,738	R61,193	R33,629	Approved budget spent with five percent or less of fruitless and wasteful expenditure		60% decrease in the fruitless and wasteful expenditure balance	70% decrease in the fruitless and wasteful expenditure balance	80% decrease in the fruitless and wasteful expenditure balance
	Developed small, medium and micro enterprises (SMME)	Number of training provided to SMME	New indicator	New indicator	New indicator	4 SMME training held on procurement and certifications requirements		4 SMME training held on procurement and certifications requirements	4 SMME training held on procurement and certifications requirements	4 SMME training held on procurement and certifications requirements
		Percentage of procurement spent on designated groups	New indicator	New indicator	New indicator	30% of ASA's procurement directed to designated groups		30% of ASA's procurement directed to designated groups	30% of ASA's procurement directed to designated groups	30% of ASA's procurement directed to designated groups



## 11.2.2 Output Indicators, Annual and Quarterly Targets.

Output Indicator	Annual Target 2023/2024	Quarterly Targets			
		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
Outcome: Resilient, ethical, and capable state					
Audit opinion issued	Clean external audit report without compliance issues	N/A, as the audit is finalised in August 2023.	Clean external audit report without compliance issues	N/A	N/A
Percentage expenditure spent against approved budget.	96% of the expenditure spent against the approved budget.	Minimum of 15% of the expenditure is spent against the approved budget.	Minimum of 30% of the expenditure is spent against the approved budget.	Minimum of 65% of the expenditure is spent against the approved budget.	Minimum of 96% of the expenditure is spent against the approved budget.
Percentage of payments made within 30 days.	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days.	100% of valid invoices paid within 30 days.	100% of valid invoices paid within 30 days.	100% of valid invoices paid within 30 days.
Percentage change of irregular expenditure.	60% decrease in the irregular expenditure balance	10% decrease in the irregular expenditure balance	20% decrease in the irregular expenditure balance	40% decrease in the irregular expenditure balance	60% decrease in the irregular expenditure balance
Percentage change of fruitless and wasteful expenditure	60% decrease in the irregular expenditure balance	10% decrease in the fruitless and wasteful expenditure balance	20% decrease in the fruitless and wasteful expenditure balance	40% decrease in the fruitless and wasteful expenditure balance	60% decrease in the fruitless and wasteful expenditure balance
Number of training provided to SMMEs	4 SMME training held on procurement and certifications requirements	1 SMME training held on procurement and certifications requirements	1 SMME training held on procurement and certifications requirements	1 SMME training held on procurement and certifications requirements	1 SMME training held on procurement and certifications requirements

Table 8: Sub-Programme 2: Financial Services: Indicators, Annual and Quarterly Targets for 2022/2023.

Output Indicator	Annual Target 2023/2024	Quarterly Targets			
		1st	2nd	3rd	4th
Percentage of procurement spent on designated groups	30% of ASA's procurement spend directed to designated groups	30% of ASA procurement spend directed to designated groups	30% of ASA procurement spend directed to designated groups	30% of ASA procurement spend directed to designated groups	30% of ASA procurement spend directed to designated groups

11.2.3 Explanation of planned performance over the planning period.

(a) Contribution of its outputs achieving the intended outcomes and Impact

ASA will maintain the standards of achieving unqualified audit opinion to ensure a resilient, ethical, and capable entity. Regarding ASA's total approved budget, a minimum procurement spends 96% of the total approved budget with a change in percent on irregular, fruitless, and wasteful expenditures. All percentage change payments are made within 30 days. To strengthen local procurement, ASA plans to hold four training with small- medium enterprises on procurement and certification requirements. It further plans on directing 30% of its procurement spend to designated groups (women, youth and persons with disability).

(b) A description of planned performance in relation to the programme's outputs

Since its establishment, ASA has achieved unqualified audit opinion. It will maintain the standards set by implementing internal financial controls to improve the control environment and monitor compliance with applicable laws and regulations.

### 11.3 Programme 2: Administration - Corporate Services.

**Purpose:** To provide overall strategic leadership, operational efficiency and service excellence and provide organisational support services to operate and function as an organisation with a track record of quality, effective delivery, and professional service.

#### 11.3.1 Outcome, Outputs, Performance Indicators and Targets.

**Table 9: Sub-Programme 3: Corporate Services: Strategic objectives and medium-term targets for 2022/2023 - 2024/2025.**

Outcome	Outputs	Output Indicators	Audited / Actual performance				Estimated performance	MTEF Targets		
			2019/2020	2020/2021	2021/2022	2022/2023		2023/2024	2024/2025	2025/2026
A resilient, ethical and capable entity	Empowered human capital.	Percentage of training implemented in line with the approved training plans and budget.	New indicator	Q1: 100% Q2: 100% Q3: 80% Q4: 50% (5 of the ten training plans were processed)	100% implementation of planned training in line with the approved training plans and budget.	100% implementation of planned training in line with the approved training plans and budget.	100% implementation of planned training in line with the approved training plans and budget.	100% implementation of planned training in line with the approved training plans and budget.	100% implementation of planned training in line with the approved training plans and budget.	100% implementation of planned training in line with the approved training plans and budget.
			New indicator	New indicator	New indicator	New indicator	New indicator	10%	10%	10%

11.3.2 Output Indicators, Annual and Quarterly Targets.

Table 10: Sub-Programme 3: Corporate Services: Indicators, Annual and Quarterly Targets for 2023/2024.

Output Indicator	Annual Target 2023/2024	Quarterly Targets			
		1st	2nd	3rd	4th
Outcome: A resilient, ethical, and capable entity.					
Percentage of training implemented in line with the approved training plans and budget.	100% implementation of planned training in line with the approved training plans and budget.	No target	30% implementation of planned training in line with the approved training plans and budget.	60% implementation of planned training in line with the approved training plans and budget.	100% implementation of planned training in line with the approved training plans and budget.
Percentage of vacancy rate	10%	10%	10%	10%	10%

11.3.3 Explanation of planned performance over the medium-term period.

(a) Contribution of its outputs achieving the intended outcomes and Impact.

In ensuring ASA’s mandate, the entity aims to fill prioritised critical vacancies to achieve strategic objectives. ASA will continue to develop its staff to keep abreast of the trends and ensure the organisation is agile to respond to the changing demands.

(b) A description of planned performance in relation to the programme’s outputs.

With the current competition for Talent, ASA will ensure that it attracts and employs experienced individuals from designated groups to address the transformation challenge in the built environment. Furthermore, ASA aims to create its talent pool by developing its staff to become experts in the built environment.

12. Programme Resource Consideration.

ASA is funded from two primary sources: an annual government grant and its revenues. In this regard, during the 2022/23 financial year, ASA had total revenue of R 36.8 million, comprising R 34.0 million in the annual transfer from NDPWI and R2.8 million in its revenue. The latter comprised R 1.8 million rendering of services and R1,0 million return on investments. The table below summarises the MTEF budget for ASA. A key challenge evident in the medium term is nearly constant budget allocation which will require ASA to be more cost-efficient and seek to increase its revenues in the future.



Table 11: Budget Allocation for the programme as per the ENE.

Statement of financial performance	Budget	Audited Outcome	Budget	Audited Outcome	Budget	Audited Outcome	Budget	Audited Outcome	Approved budget	Audited Outcome	Approved budget	2023/24	2024/25	Medium Term Estimate
R thousand	2018/19		2019/20		2020/21		2021/22		2022/23	2023/24		2024/25	2025/26	
Revenue														
Tax revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-tax revenue	3,292	4,323	3,972	4,724	2,528	4,300	4,570	4,973	2,820	3,764	4,249	4,499		
Sale of goods and services other than capital assets	2,442	2,643	2,634	2,553	0	2,966	3,154	3,805	1,801	2,401	2,886	3,136		
Of which:														
Administrative fees	655	0	1,160	119	75	1,418	1,529	3,560	1,231	1,831	2,031	2,281		
Sales by market establishment	1,787	2,643	1,474	2434	1,294	1,548	1,625	155	570	570	855	855		
Other non-tax revenue	850	1,680	1,338	2,171	1,159	1,335	1,416	1,168	1,019	1,363	1,363	1,363		
Transfers received	29,988	29,988	31,062	32,010	29,027	31,164	33,078	33,078	33,951	34,082	35,613	37,117		
Total revenue	33,280	34,311	35,034	36,734	31,555	35,464	37,648	38,051	36,771	37,846	39,862	41,616		
Expenses														
Current expenses	33,280	29,893	35,034	35,227	34,135	35,464	37,648	32,409	36,771	37,846	39,862	41,616		
Compensation of employees	19,541	15,127	20,810	19,059	22,063	21,175	23,010	23,282	25,025	26,596	27,757	28,969		
Goods and services	13,099	11,237	13,974	14,083	9,047	9,916	14,192	7,769	10,833	10,879	11,374	11,882		
Depreciation	640	3,624	250	2,084	2,711	0	446	1,357	913	372	732	765		
Solidarity Fund	-	-	-	-	0	3,578	-	-	-	-	-	-		
COVID-19 Expenses	-	-	-	-	314	795	-	-	-	-	-	-		
Total expenses	33,280	29,893	35,034	35,227	34,135	35,464	37,648	32,409	36,771	37,846	39,862	41,616		
Surplus/(Deficit))	-	4,418	-	1,507	-	(2,581)	-	5,552	-	-	-	-		

## 13. Updated Key Risks

There are several attendant risks associated with the strategy. ASA has undertaken a comprehensive risk review and formulated a risk register aligned with the outcomes set out above. This is presented below.

### Risk management

ASA can be adversely affected by various business risks and economic developments. A structured risk management process helps Executive management understand how risks might impact the organisation and take appropriate risk mitigation initiatives. Doing business inherently involves taking risks. ASA strives for a culture of openness and transparency in which identified risks are disclosed proactively, and unexpected events are reported as soon as they occur.

Executive management is responsible for designing, implementing, and operating an adequately functioning risk management. The main objective is to identify and manage the strategic, operational, financial, performance and financial reporting and compliance risks to which ASA is exposed, to promote effectiveness and efficiency in the ASA operations, and to promote reliable performance and financial reporting compliance with laws and regulations. Executive management is aware that such a framework can neither provide absolute assurance that its objectives will be achieved nor can it entirely prevent material errors, losses, fraud and violating laws and regulations.

*For proper implementation of the risk management framework, the accounting authority, the Board is supported by the following pillars:*

#### **Executive management**

This function owns and manages risk and is responsible for maintaining adequate controls and executing risk and control procedures daily. It involves identification and assessing risks being undertaken and establishing appropriate controls to mitigate the risks. There are sufficient management controls to monitor ongoing compliance and to highlight control breakdown.

#### **Audit and Risk Committee**

This is an Oversight Committee of the board and supports Executive management, and helps ensure that the risk and control procedures are operating as intended.

#### **Internal Audit**

This function reports to Audit and Risk Committee and provides independent objective assurance on the effectiveness of governance, risk management and internal controls, including how management manages and controls risks. Internal Audits bring a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes.

In implementing our mandate, we face several risks that may interfere with our business objectives. Some risks relate to our operational processes, while others relate to our business environment. It is essential to understand the nature of these risks and their impact on our business, financial conditions, economic conditions, and results of operations. Some more relevant risks are described below, which may not be in the order of likelihood or materiality. These risks are not the only ones we face; some may not yet be known to us, and specific threats that we do not believe to be material could become material.

The outcome, together with significant risks currently considered relevant and applicable mitigation measures, are outlined as follows:

Table 12: Risk management.

OUTCOMES	KEY RISK	RISK MITIGATIONS
<b>Sub-program 1: Technical Services</b>		
Optimised use of non-standardised construction-related products and systems.	Inaccurate and unachievable predictions in revenue generation as per eco-label scheme business model.	Market analysis to be done to inform an updated business model.
	Eco ASA is not recognised as a national scheme.	Implement the approved Marketing Strategy and plan to market the scheme.
	Insufficient market penetration model and structure to attract new business about certification of non-standardized products and systems.	Implement the approved Marketing Strategy and plan to market all ASA certification schemes.
	No regulation is in place to support the implementation of the ASA ACT and ASA certification policies.	Gazetting of ASA rules to support the implementation of the ASA Act.
	ASA is not ISO 9001 certified.	ASA to maintain the ISO 9001 system and certification.
	ASA Certification and Quality Assurance Processes must be accredited, Assessors must be recognised as professionally competent, and ASA cannot fulfil its Mandate.	ASA to obtain SANAS accreditation as an ISO 9001 certification body.
<b>Sub-program 2: Finance Department</b>		
A resilient, ethical, and capable entity.	Adverse audit outcomes	<p>Implementation of internal controls for financial and human resources services.</p> <p>Providing training/workshops for staff</p> <p>Regularly checking the NT website for updates.</p> <p>Regular consultations with the internal auditors and external auditors</p> <p>Independent reviews on tenders by the internal auditors</p>
	Reduced funding as a result of budget cuts in government funding	<p>ASA has reviewed its operations and innovated its overall operational processes to generate more revenue.</p> <p>ASA is also collaborating with other entities within the DPWI to share operational costs and maximise synergies.</p>

OUTCOMES	KEY RISK	RISK MITIGATIONS
<b>Sub-program 3: Corporate Services Department</b>		
A resilient, ethical, and capable entity.	Inability to fully execute the mandate and achieve organisational objectives.	The CFO will explore and recommend financial measures to fill all positions in the new organisational structure to mitigate unhealthy working conditions and staff burnout leading to poor work performance.
	Irrelevant applications result in delays in filling critical positions.	Carry out the recruitment of Critical Posts as per the recommendations of the organisational diagnostic.
	Lack of appropriate skill and expertise.	Implementation of the annual staff training plans.
<b>Sub-Programme: 4: Office of the CEO</b>		
A resilient, ethical, and capable entity.	Inability to meet performance targets and compliance with existing standard operating procedures.	Fast-track integration of performance monitoring and evaluation with Quality Management Systems
	Market penetration, Organisational visibility and integrity.	Foster partnerships with other public entities.
	Optimal performance of organisational processes	Monitor process performance on a monthly, quarterly and annual basis.
	Capacity constraints that lead to interruptions in business process efficiencies	Capacitate the organisation

Table 13: Agrément South Africa's Mandate and Budget

Agrément South Africa	Mandate	Key Outputs	Current annual budget
Agrément South Africa.	The core mandate of ASA is the technical assessment and issuing of approval certificates for non-standardised construction-related products and systems for which there are no South African national standards.	Provide assurance to specifiers and users of the fitness-for-purpose of non-standardised construction-related products or systems.	R12,250,000

## 14. Infrastructure Projects

There are no Infrastructure Projects planned.

## 15. Public-Private Partnerships.

There are no Public Private Partnerships planned.





## Part D:

# Technical Indicator Descriptions

## 16. Sub-programme 1: Technical Services.

<b>Indicator Title:</b>	<b>Number of Eco Labels issued</b>	
<b>Definition:</b>	The indicator seeks to ensure the issuance of ecolabels through the assessment of products to establish their environmental impact in line with the business model.	
<b>Source of data:</b>	Issued ecolabels.	
<b>Method of calculation:</b>	<b>Quantitative</b>  Count the number of Eco Labels.	
<b>Means of verification:</b>	TECO agenda and minutes reflecting approval of Eco Labels  Board agenda and minutes reflecting approval of Eco Labels	
<b>Assumptions:</b>	Correctness of market predictions in the business model.  Availability of technical experts to peer review.	
<b>Disaggregation of Beneficiaries (where applicable):</b>	Not applicable.	
<b>Spatial Transformation (where applicable):</b>	Not applicable.	
<b>Calculation type:</b>	Non-Cumulative.	
<b>Reporting cycle:</b>	Quarterly	
<b>Desired performance:</b>	<b>TARGETS</b>  <b>Annual Target:</b> 10 Eco labels issued  <b>Quarter 1:</b> No target  <b>Quarter 2:</b> No target  <b>Quarter 3:</b> 5 eco-labels issued  <b>Quarter 4:</b> 5 eco-labels issued	<b>ADMISSABLE EVIDENCE</b>  Extract of TECO minutes and progress report <b>Quarter 1:</b> No target  <b>Quarter 2:</b> No target  <b>Quarter 3:</b> TECO agenda and minutes to approve the 5 Eco-labels <b>Quarter 4:</b> TECO agenda and minutes to approve the 5 Eco-labels
<b>Indicator Responsibility:</b>	Executive Manager: Technical Services.	

<b>Indicator Title:</b>	<b>Percentage of Agrément certification projects managed and finalised within agreed timeframes.</b>	
<b>Definition:</b>	<p>The indicator seeks to improve service delivery efficiency by reducing the turnaround time to process applications and technical assessment of innovative and non-standardised construction-related products and systems.</p> <p><b>Definition</b>  Project: Applications for assessment of products and systems with an accepted work offer and approved project management plan.  Completion: All assessment activities are completed, and the summary report is submitted to TECO.</p>	
<b>Source of data:</b>	Accepted Work Offers. Approved Project Management Plan. Evaluation Status Report. Projects Committee Minutes. TECO minutes.	
<b>Method of calculation:</b>	<p><b>Quantitative</b></p> <p><i>Total number of projects completed within approved agreed project timeframes during the quarter / Total number of certification projects due during the quarter under review X100.</i></p>	
<b>Means of verification:</b>	List of projects presented to TECO (approved, deferred and non-approved).	
<b>Assumptions:</b>	Completeness of data.	
<b>Disaggregation of Beneficiaries (where applicable):</b>	Not applicable.	
<b>Spatial Transformation (where applicable):</b>	Not applicable.	
<b>Calculation type:</b>	Non-Cumulative.	
<b>Reporting cycle:</b>	Quarterly.	
<b>Desired performance:</b>	<p><b>TARGETS</b></p> <p><b>Annual Target:</b> 90% of projects approved as per the agreed project timeframes</p> <p><b>Quarter 1:</b> 90% of projects approved as per the agreed project timeframes</p> <p><b>Quarter 2:</b> 90% of projects approved as per the agreed project timeframes</p> <p><b>Quarter 3:</b> 90% of projects approved as per the agreed project timeframes</p> <p><b>Quarter 4:</b> 90% of projects approved as per the agreed project timeframes</p>	<p><b>ADMISSABLE EVIDENCE</b></p> <p>Extract of TECO minutes and progress report</p> <p><b>Quarter 1:</b> Extract of TECO minutes and progress report</p> <p><b>Quarter 2:</b> Extract of TECO minutes and progress report</p> <p><b>Quarter 3:</b> Extract of TECO minutes and progress report</p> <p><b>Quarter 4:</b> Extract of TECO minutes and progress report</p>
<b>Indicator Responsibility:</b>	Executive Manager: Technical Services.	



<b>Indicator Title:</b>	<b>Number of Agrément certificates issued</b>	
<b>Definition:</b>	The indicator seeks to clarify the number of certificates issued.	
<b>Source of data:</b>	TECO minutes.  The data will be collected from the Board Secretary (TECO Secretary).	
<b>Method of calculation:</b>	Quantitative Count the number of Agrément certification projects approved.	
<b>Means of verification:</b>	List of Certificates approved by Board	
<b>Assumptions:</b>	Completeness of data.	
<b>Disaggregation of Beneficiaries (where applicable):</b>	Not applicable.	
<b>Spatial Transformation (where applicable):</b>	Not applicable.	
<b>Calculation type:</b>	Cumulative.	
<b>Reporting cycle:</b>	Quarterly.	
<b>Desired performance:</b>	<b>TARGETS</b> <b>Annual target:</b> 24 Agrément certificates issued  <b>Quarter 1:</b> 4 Agrément certificates issued  <b>Quarter 2:</b> 8 Agrément certificates issued  <b>Quarter 3:</b> 6 Agrément certificates issued  <b>Quarter 4:</b> 6 Agrément certificates issued	<b>ADMISSIBLE EVIDENCE</b>  <b>Quarter 1:</b> Board resolution  <b>Quarter 2:</b> Board resolution  <b>Quarter 3:</b> Board resolution  <b>Quarter 4:</b> Board resolution
<b>Indicator Responsibility:</b>	Executive Manager: Technical Services.	

<b>Indicator Title:</b>	<b>Number of market and usage analysis reports</b>	
<b>Definition:</b>	This indicator seeks to ensure that ASA analyses market trends, in terms of ASA-certified products and systems, as an alternative to conventional materials and methods, as well as to establish ASA-certified products and systems footprint.	
<b>Source of data:</b>	Market Analysis Reports.	
<b>Method of calculation:</b>	<b>Quantitative</b> Count the number of market analysis reports issued.	
<b>Means of verification:</b>	Published Market Analysis Reports on the ASA website.	
<b>Assumptions:</b>	A quarterly change in market trends.	
<b>Disaggregation of Beneficiaries (where applicable):</b>	Not applicable	
<b>Spatial Transformation (where applicable):</b>	Not applicable.	
<b>Calculation type:</b>	Cumulative.	
<b>Reporting cycle:</b>	Quarterly.	
<b>Desired performance:</b>	<b>TARGETS</b>  <b>Quarter 1:</b> Q1 Agrément certified products and systems market and usage reports issued  <b>Quarter 2:</b> Q4 Agrément certified products and systems market and usage reports issued  <b>Quarter 3:</b> Q3 Agrément certified products and systems market and usage reports issued  <b>Quarter 4:</b> Q4 Agrément certified products and systems market and usage reports issued	<b>ADMISSIBLE EVIDENCE</b>  <b>Quarter 1:</b> Approved webform  <b>Quarter 2:</b> Approved webform  <b>Quarter 3:</b> Approved webform  <b>Quarter 4:</b> Approved webform
<b>Indicator Responsibility:</b>	Executive Manager: Technical Services.	

<b>Indicator Title:</b>	<b>Number of agreements entered with specifiers to promote non-standardised construction-related products and systems</b>	
<b>Definition:</b>	This indicator seeks to ensure the promotion of the introduction and use of non-standardised construction-related products or systems that the quality of certified products and systems is upheld.	
<b>Source of data:</b>	Agreements with specifiers.	
<b>Method of calculation:</b>	Count the number of agreements entered with specifiers.	
<b>Means of verification:</b>	Signed Agreements or letters of intent to sign.	
<b>Assumptions:</b>	Specifiers* willingness to enter such agreements.	
<b>Disaggregation of Beneficiaries (where applicable):</b>	Not applicable	
<b>Spatial Transformation (where applicable):</b>	Not applicable	
<b>Calculation type:</b>	Cumulative.	
<b>Reporting cycle:</b>	Quarterly.	
<b>Desired performance:</b>	<b>TARGETS</b> <b>Annual target</b> 2 Signed Agreements with specifiers  <b>Quarter 1:</b> No target  <b>Quarter 2:</b> No target  <b>Quarter 3:</b> Signed 1st agreement with specifiers  <b>Quarter 4:</b> Signed 2nd agreement with specifiers	<b>ADMISSIBLE EVIDENCE</b>  <b>Quarter 1:</b> No target  <b>Quarter 2:</b> No target  <b>Quarter 3:</b> 1 signed agreement with specifiers or letter of intent to sign  <b>Quarter 4:</b> 1 signed agreement with specifiers or letter of intent to sign
<b>Indicator Responsibility:</b>	Executive Manager: Technical Services.	

*Legend \* Specifiers means "someone who draws up specifications giving details of intellectual property."*

<b>Indicator Title:</b>	<b>Percentage of quality and compliance inspections conducted for valid issued certificates.</b>	
<b>Definition:</b>	This indicator seeks to uphold the quality of certified products and systems. Definition: Valid issued certificate – Agrément SA issued active certificates and was in use at the end of the reporting period.	
<b>Source of data:</b>	Performance register Quality management evaluation checklist report. Certificates database	
<b>Method of calculation:</b>	Quantitative  <i>(The number of quality and compliance inspections conducted/ Total the number of Agrément valid certificates issued) x100.</i>	
<b>Means of verification:</b>	Quarterly inspection reports.	
<b>Assumptions:</b>	All active certificates are in use.  Reliable or updated database.	
<b>Disaggregation of Beneficiaries (where applicable):</b>	Not applicable.	
<b>Spatial Transformation (where applicable):</b>	Not applicable.	
<b>Calculation type:</b>	Cumulative.	
<b>Reporting cycle:</b>	Quarterly.	
<b>Desired performance:</b>	<b>TARGETS</b> <b>Annual Target:</b>  <b>Quarter 1:</b> Quality and compliance audits conducted for 5% of validly issued certificates  <b>Quarter 2:</b> Quality and compliance audits conducted for 35% of validly issued certificates  <b>Quarter 3:</b> Quality and compliance audits conducted for 65% of validly issued certificates  <b>Quarter 4:</b> Quality and compliance audits conducted for 92% of validly issued certificates	<b>ADMISSIBLE EVIDENCE</b>  <b>Quarter 1:</b> Quarterly inspection reports.  <b>Quarter 2:</b> Quarterly inspection reports.  <b>Quarter 3:</b> Quarterly inspection reports.  <b>Quarter 4:</b> Quarterly inspection reports.
<b>Indicator Responsibility:</b>	Executive Manager: Technical Services.	

## 17. Sub-Programme 2: Financial Services.

Strategic Outcome: Resilient, ethical, and capable entity

<b>Indicator Title:</b>	<b>Audit opinion issued</b>	
<b>Definition:</b>	This indicator intends to assess the audit outcome for the 2022/23 financial year.	
<b>Source of data:</b>	External audit report for the period 1 April 2022 to 31 March 2023	
<b>Method of calculation:</b>	Qualitative – Assessment of External Audit outcomes	
<b>Means of verification:</b>	External audit report for the period 1 April 2022 to 31 March 2023	
<b>Assumptions:</b>	Accounting and reporting system availability. Compliance with prescripts Availability of support staff.	
<b>Disaggregation of Beneficiaries (where applicable):</b>	None.	
<b>Spatial Transformation (where applicable):</b>	None.	
<b>Calculation type:</b>	Non-Cumulative.	
<b>Reporting cycle:</b>	Annually	
<b>Desired performance:</b>	<b>TARGETS</b> <b>Annual target:</b> Unqualified audit outcomes with no significant findings  <b>Quarter 1:</b> No target <b>Quarter 2:</b> Unqualified audit outcomes with no significant findings <b>Quarter 3:</b> No target <b>Quarter 4:</b> No target	<b>ADMISSIBLE EVIDENCE</b>  <b>Quarter 2:</b> External audit report
<b>Indicator Responsibility:</b>	Chief Financial Officer.	



Indicator Title:	Percentage expenditure spent against approved budget	
Definition:	This indicator proactively promotes sound financial management by measuring expenditures against approved budgets.	
Source of data:	Quarterly Management Accounts.	
Method of calculation:	<b>Quantitative:</b> Count the actual cumulative amount spent over the quarter, divide it by the approved budget for the same period, and express it as a percentage.	
Means of verification:	Accounting information and records.	
Assumptions:	Accounting and reporting system availability.  Availability of support staff.	
Disaggregation of Beneficiaries (where applicable):	Not applicable.	
Spatial Transformation (where applicable):	Not applicable.	
Calculation type:	Cumulative.	
Reporting cycle:	Quarterly.	
Desired performance:	<b>TARGET</b> <b>Annual target:</b> 96% of the approved expenditure budget spent <b>Quarter 1:</b> Minimum of 15% of expenditure spent against the approved budget.  <b>Quarter 2:</b> Minimum 30% of expenditure spent against the approved budget.  <b>Quarter 3:</b> Minimum of 65% of expenditure spent against the approved budget.  <b>Quarter 4:</b> Minimum 96% of expenditure spent against the approved budget.	<b>Quarter 1:</b> Quarterly Management Accounts  <b>Quarter 2:</b> Quarterly Management Accounts  <b>Quarter 3:</b> Quarterly Management Accounts  <b>Quarter 4:</b> Quarterly Management Accounts
Indicator Responsibility:	Chief Financial Officer.	

<b>Indicator Title:</b>	<b>Percentage of payments made within 30 days</b>	
<b>Definition:</b>	This indicator intends to measure the efficiency of supplier payment within the prescribed timelines.	
<b>Source of data:</b>	30-Day payment period report.	
<b>Method of calculation:</b>	<b>Quantitative:</b> Count the number of payments made within the quarter made within 30 days and divide by the total number of invoices received for the same quarter and express as a percentage.	
<b>Means of verification:</b>	Accounting information and records.	
<b>Assumptions:</b>	Accounting and reporting system availability.  The invoices received are valid.	
<b>Disaggregation of Beneficiaries (where applicable):</b>	Not applicable.	
<b>Spatial Transformation (where applicable):</b>	Not applicable.	
<b>Calculation type:</b>	Non-Cumulative.	
<b>Reporting cycle:</b>	Quarterly.	
<b>Desired performance:</b>	<b>TARGETS</b>  <b>Annual Target:</b> 100% of valid invoices paid within 30 days  <b>Quarter 1:</b> 100% of valid invoices paid within 30 days  <b>Quarter2:</b> 100% of valid invoices paid within 30 days  <b>Quarter 3:</b> 100% of valid invoices paid within 30 days  <b>Quarter 4:</b> 100% of valid invoices paid within 30 days	<b>ADMISSIBLE EVIDENCE:</b>  <b>Quarter 1:</b> 30-Day payment period report.  <b>Quarter 2:</b> 30-Day payment period report.  <b>Quarter 3:</b> 30-Day payment period report.  <b>Quarter 4:</b> 30-Day payment period report.
<b>Indicator Responsibility:</b>	Chief Financial Officer.	

<b>Indicator Title:</b>	<b>Percentage change of irregular expenditure</b>	
<b>Definition:</b>	This indicator seeks to promote sound financial management and compliance with prescripts.	
<b>Source of data:</b>	Quarterly Management Accounts.	
<b>Method of calculation:</b>	<b>Quantitative:</b> The actual amount of irregular expenditure balance at the end of the prior year minus the irregular expenditure balance at the end of the quarter and divided by the irregular expenditure balance at the end of the preceding year.	
<b>Means of verification:</b>	Accounting information and Irregular expenditure register.	
<b>Assumptions:</b>	Accounting and reporting system availability.  Availability of support staff.	
<b>Disaggregation of Beneficiaries (where applicable):</b>	Not applicable	
<b>Spatial Transformation (where applicable):</b>	Not applicable	
<b>Calculation type:</b>	Non-Cumulative.	
<b>Reporting cycle:</b>	Quarterly.	
<b>Desired performance:</b>	<b>TARGET</b> <b>Annual target:</b> 60% decrease in the irregular expenditure balance  <b>Quarter 1:</b> 10% decrease in the irregular expenditure balance  <b>Quarter 2:</b> 20% decrease in the irregular expenditure balance  <b>Quarter 3:</b> 40% decrease in the irregular expenditure balance  <b>Quarter 4:</b> 60% decrease in the irregular expenditure balance	<b>ADMISSIBLE EVIDENCE</b>  <b>Quarter 1:</b> Quarterly Management Accounts  <b>Quarter 2:</b> Quarterly Management Accounts  <b>Quarter 3:</b> Quarterly Management Accounts  <b>Quarter 4:</b> Quarterly Management Accounts
<b>Indicator Responsibility:</b>	Chief Financial Officer.	

<b>Indicator Title:</b>	<b>Percentage change of fruitless and wasteful expenditure</b>	
<b>Definition:</b>	This indicator promotes sound financial management and compliance with prescripts for zero fruitless and wasteful expenditure.	
<b>Source of data:</b>	Quarterly Management Accounts.	
<b>Method of calculation:</b>	<b>Quantitative:</b> The actual amount of fruitless and wasteful expenditure balance at the end of the prior year minus the fruitless and wasteful expenditure balance at the end of the quarter and divided by the irregular expenditure balance at the end of the preceding year.	
<b>Means of verification:</b>	Accounting information and fruitless and wasteful expenditure.	
<b>Assumptions:</b>	Accounting and reporting system availability.  Availability of support staff.	
<b>Disaggregation of Beneficiaries (where applicable):</b>	Not applicable.	
<b>Spatial Transformation (where applicable):</b>	Not applicable.	
<b>Calculation type:</b>	Cumulative.	
<b>Reporting cycle:</b>	Quarterly.	
<b>Desired performance:</b>	<b>TARGETS</b> <b>Annual target:</b> 60% decrease in the fruitless and wasteful expenditure balance <b>Quarter 1:</b> 10% decrease in the fruitless and wasteful expenditure balance <b>Quarter 2:</b> 20% decrease in the fruitless and wasteful expenditure balance <b>Quarter 3:</b> 40% decrease in the fruitless and wasteful expenditure balance <b>Quarter 4:</b> 60% decrease in the fruitless and wasteful expenditure balance	<b>ADMISSIBLE EVIDENCE</b>  <b>Quarter 1:</b> Quarterly Management Accounts <b>Quarter 2:</b> Quarterly Management Accounts <b>Quarter 3:</b> Quarterly Management Accounts <b>Quarter 4:</b> Quarterly Management Accounts
<b>Indicator Responsibility:</b>	Chief Financial Officer.	

Indicator Title:	Number of training provided to SMME	
Definition:	This indicator measures the number of training sessions held, providing training to the small-medium enterprise.	
Source of data:	Quarterly SMME training report.	
Method of calculation:	Count the cumulative number of training sessions held over the year per quarter.	
Means of verification:	Attendance register.	
Assumptions:	Availability of support staff.	
Disaggregation of Beneficiaries (where applicable):	Not applicable.	
Spatial Transformation (where applicable):	Not applicable.	
Calculation type:	Cumulative.	
Reporting cycle:	Quarterly.	
Desired performance:	<b>TARGETS</b> <b>Annual target:</b> 4 SMME training held on procurement and certifications requirements <b>Quarter 1:</b> 1 SMME training held on procurement and certifications requirements <b>Quarter 2:</b> 1 SMME training held on procurement and certifications requirements <b>Quarter 3:</b> 1 SMME training held on procurement and certifications requirements <b>Quarter 4:</b> 1 SMME training held on procurement and certifications requirements	<b>ADMISSIBLE EVIDENCE</b>  <b>Quarter 1:</b> Attendance registers  <b>Quarter 2:</b> Attendance registers  <b>Quarter 3:</b> Attendance registers  <b>Quarter 4:</b> Attendance registers
Indicator Responsibility:	Executive Manager: Technical Services and Chief Financial Officer.	



<b>Indicator Title:</b>	<b>Percentage of procurement spent on designated groups</b>	
<b>Definition:</b>	<p>This indicator seeks to increase the procurement spend on designated groups.</p> <p>Designated groups refer to women, youth and persons living with disabilities.</p>	
<b>Source of data:</b>	Designated groups spending report	
<b>Method of calculation:</b>	<b>Quantitative:</b> Count the actual cumulative amount of procurement spent on the designated groups over the quarter, divide by procurement spent for the same period, and express as a percentage.	
<b>Means of verification:</b>	Accounting information and records.	
<b>Assumptions:</b>	<p>Accounting and reporting system availability.</p> <p>Availability of support staff.</p>	
<b>Disaggregation of Beneficiaries (where applicable):</b>	Not applicable.	
<b>Spatial Transformation (where applicable):</b>	Not applicable.	
<b>Calculation type:</b>	Cumulative.	
<b>Reporting cycle:</b>	Quarterly.	
<b>Desired performance:</b>	<p><b>TARGETS</b></p> <p><b>Annual target:</b> 30% of ASA's procurement directed to designated groups</p> <p><b>Quarter 1:</b> 30% of ASA's procurement directed to designated groups</p> <p><b>Quarter 2:</b> 30% of ASA's procurement directed to designated groups</p> <p><b>Quarter 3:</b> 30% of ASA's procurement directed to designated groups</p> <p><b>Quarter 4:</b> 30% of ASA's procurement directed to designated groups</p>	<p><b>ADMISSIBLE EVIDENCE</b></p> <p><b>Quarter 1:</b> Designated group's spending report</p> <p><b>Quarter 2:</b> Designated group's spending report</p> <p><b>Quarter 3:</b> Designated group's spending report</p> <p><b>Quarter 4:</b> Designated group's spending report</p>
<b>Indicator Responsibility:</b>	Chief Financial Officer.	

## 18. Sub-Programme 2: Corporate Services.

Strategic Outcome: resilient, ethical, and capable entity

<b>Indicator Title:</b>	<b>Percentage of training implemented in line with the approved training plans and budget.</b>	
<b>Definition:</b>	This indicator measures the training to improve the entity's capabilities to achieve its mandate.	
<b>Source of data:</b>	Training Plan.	
<b>Method of calculation:</b>	Count the cumulative actual number of training over the quarter, divide by the total training for the same period, and express as a percentage.  $\frac{\text{Count the cumulative actual number of training over the quarter.}}{\text{Total training for the same period.}}$	
<b>Means of verification:</b>	Attendance registers and certificates.	
<b>Assumptions:</b>	Availability of budget.  Procurement turn-around time in appointing training providers.	
<b>Disaggregation of Beneficiaries (where applicable):</b>	None.	
<b>Spatial Transformation (where applicable):</b>	None.	
<b>Calculation type:</b>	Cumulative	
<b>Reporting cycle:</b>	Quarterly.	
<b>Desired performance:</b>	<b>TARGETS</b> <b>Annual target:</b> 100% implementation of planned training in line with the approved training plans and budget.  <b>Quarter 1:</b> No target  <b>Quarter 2:</b> 30% implementation of planned training in line with the approved training plans and budget.  <b>Quarter 3:</b> 60% implementation of planned training in line with the approved training plans and budget.  <b>Quarter 4:</b> 100% implementation of planned training in line with the approved training plans and budget.	<b>Quarter 1:</b> Training report  <b>Quarter 2:</b> Training report  <b>Quarter 3:</b> Training report  <b>Quarter 4:</b> Training report
<b>Indicator Responsibility:</b>	Executive Manager: Corporate Services.	

<b>Indicator Title:</b>	<b>Percentage of vacancy rate</b>	
<b>Definition:</b>	This indicator seeks to measure the minimising of the organisational vacancy rate in improving the entity's capabilities to achieve its mandate.	
<b>Source of data:</b>	Staff establishment	
<b>Method of calculation:</b>	<p>Quarterly calculation</p> <p><b>Number of funded vacant positions in the staff establishment</b></p> <p>the number of all funded posts in the staff establishment      *100</p> <p>Annual calculation</p> <p>Addition of the four quarterly outputs divided by four.</p>	
<b>Means of verification:</b>	Staff establishment	
<b>Assumptions:</b>	Vacancies are filled within three months of advertising the positions.	
<b>Disaggregation of Beneficiaries (where applicable):</b>	None.	
<b>Spatial Transformation (where applicable):</b>	None	
<b>Calculation type:</b>	Non-cumulative	
<b>Reporting cycle:</b>	Quarterly	
<b>Desired performance:</b>	<p><b>TARGETS</b></p> <p><b>Annual target:</b> 10%</p> <p><b>Quarter 1</b> 10%</p> <p><b>Quarter 2:</b> 10%</p> <p><b>Quarter 3:</b> 10%</p> <p><b>Quarter 4:</b> 10%</p>	<p><b>Quarter 1:</b> Staff establishment report</p> <p><b>Quarter 2:</b> Staff establishment report</p> <p><b>Quarter 3:</b> Staff establishment report</p> <p><b>Quarter 4:</b> Staff establishment report</p>
<b>Indicator Responsibility</b>	Executive Manager: Corporate Services	

## NOTES



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