

Final Annual Performance Plan

2021 - 2022



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LIST OF ACRONYMS AND GLOSSARY OF TERMS

APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
BNG	Breaking New Ground
CSIR	Council for Scientific and industrial Research
CPI	Consumer Price Index
ERM	Enterprise Risk Management
EMHIH	Eric Molobi Housing Innovation Hub
GDP	Gross Domestic Products
HCPMA	Housing Consumers Protection Measures Act, 1998 (Act No. 95 of 1998)
IBT	Innovative Building Technologies
ICT	Information and Communication Technology
ISO	International Organisation for Standardisation
KPA	Key Performance Area
LCE	Legal, Compliance and Enforcement
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDHS	National Department of Human Settlements
NDHSWS	National Department of Human Settlement, Water and Sanitation
NDP	National Development Plan
NHBRC	National Home Builders Registration Council
NT	National Treasury
PFMA	Public Finance Management Act, 1999 (Act No.1 of 1999)
PDHS	Provincial Departments Human Settlement
ROI	Return on Investment
SABS	South African Bureau of Standards
SAPOA	South African Property Owners Association
SP	Strategic Plan
SHE	Safety, Health and Environment
SHS	Sustainable Human Settlement
SONA	State of the Nation Address
STEP	Social Transformation and Empowerment Programme

EXECUTIVE AUTHORITY STATEMENT

South Africa has been instrumental in the conceptualization of Human Settlements and we have a responsibility to stay ahead in our implementation. It is working for us because it caters for the injustices of our spatial patterns. Success is in sight. Our biggest challenge remains the demand for housing that far outstrips delivery and the stubborn separateness of our past. Our catalytic projects, which are our new cities, cater for that in some measure. In the next five years we have determined to declare 94 priority development spaces for human settlements development, multi-programme delivery integration and spatial transformation & consolidation.

The government have identified the following 7 priorities that guides the MTSF 2019-2024 and will guide our development programme for the 6th Administration.

- Economic transformation and job creation
- Education, skills and health
- Consolidating the social wage through reliable and quality basic services
- Spatial integration, human settlements and local governments
- Social cohesion and safe communities
- A capable, ethical and development state
- A better Africa and world

The human settlement priorities for 2019-2024 will be the implementation of housing and human settlements transformation, social justice and spatial justice programme focused on 94 priority development areas as presented below:

Indicator	5 year Target
Priority development areas targeted for achieving spatial transformation through multi-programme integration are declared	94 priority development areas declared for human settlements development
An integrated implementation programme for the 94 priority development areas completed	Development Plans for all 94 priority development areas, categorized and prioritized with budget & finance options.
Number of houses and serviced sites delivered through a range of programme in the housing code	470 000 housing units
	300 000 serviced sites
	Rezone 100% of acquired land within the priority development areas
Number of rental housing units delivered in priority development areas	30 000 Social Housing
	12 000 CRU

Indicator	5 year Target	
Number of informal settlements	1 500 informal settlements upgraded to Phase 3/ formalized (in terms of the HS code)	
Number of title deeds registered	Total number of title deeds registered = 1 193 222	
	Title deeds backlog	New title deeds
	Pre - 1994: 45 535	Post -2019: 300 000
	Post -1994: 500 845	
	Post – 2014: 346 842	

In the development of these priority areas, our partners stand ready to co-invest and see the blending of public investments with private capital and equity to ensure increased and rapid delivery. We are resolute. We are building new neighborhoods, new towns, new cities. We are consolidating our urban spaces. As we build new settlements, we must also renew existing neighborhoods and precincts that are dilapidated and suffer the ravages of neglect and poor maintenance. Our budget, although limited compared to the housing and settlements needs facing us, will be directed towards our delivery priorities and priority development areas.

For the next MTSF period the 6th Administration will be expanding the People's Housing Programme where households are allocated serviced stands to build their own houses, either individually or community-led co-operatives and this programme has been renamed Zenzeleni, which means do-it-yourself.

I therefore endorse the Annual Performance Plan of the NHBRC and commit the Council, Executives, Management and employees to ensuring its implementation.



L N SISULU, MP

MINISTER OF HUMAN SETTLEMENTS, WATER & SANITATION.

ACCOUNTING AUTHORITY STATEMENT

The Strategic Performance Plan 2021 – 2026 is a mid-term plan of the current term of this Administration and therefore takes cognizance of the performance of the National Home Builders Registration Council (NHBRC) for the first two years. As such, it takes into account a review of the organization's performance, the risks and the changing socio-economic imperatives that the NHBRC faced as it worked towards achieving the strategic goals that it developed and submitted to the Executive Authority and Parliament, at the commencement of the term. The NHBRC also developed the necessary interventions towards that outcome.

The Council of the NHBRC had, during the past two years, seen a gradual improvement in the performance of the organization. This improvement was, however short-lived, as the business of the NHBRC was disrupted, during the 2019 – 2020 financial year, by the COVID 19 pandemic which engendered an unpredictable and disruptive effect on the trajectory of the planned performance of the organization.

It is now close to a year since the first COVID-19 case was announced in South Africa and, following the necessary country lockdown, it is impossible to predict what the future will look like, post COVID-19. The NHBRC, like Governments, businesses, and societies throughout the world, is working hard to adjust to the new normal and Council has therefore had to take a step back and consider various strategic decisions that are aimed at repositioning the NHBRC.

In the main, critical issues of concern were a drop in revenue as the construction industry was affected by the lockdown, lower than budgeted investment which has a direct bearing on the ability to grow the Warranty Fund, as planned, and higher capacity, prior COVID 19, fixed costs. This resulted in a net operating deficit as against a net operating surplus for the organisation.

On the positive side, some industries recorded escalated growth between the second and third quarters of 2020. The largest positive contributors to growth in GDP in the third quarter were the manufacturing, mining and trade industries. The manufacturing industry increased at a rate of 210,2% and contributed 16,2 percentage points to GDP growth.^[1] While we are

hopeful of a similar emerging trend at the NHBRC, as the construction industry is resuscitated again, we remain cognizant of the preliminary data published by Stats SA. This data indicates that the number of residential building plans passed by the larger municipalities decreased by 62.3% between January and October 2020 when compared to the same period last year.

We also take note that the NHBRC's internal business is not insulated from the economic and sector performance and that the planned performance of our core business, is forecast to stagnate. It is anticipated that our home-builder registrations will maintain an annual target of about 2,400 in the MTEF with renewals standing at about 9,000 each year in the next 3 years. The NHBRC will undertake to inspect every house under construction in the non-subsidy and subsidy sector during the current MTSF period.

Based on the above, and in order to respond to these challenges, Council took a number of strategic decisions to mitigate against the above negative factors and risks. Firstly, the Council instructed Management to review and develop an improved Operating Model which includes an Inspectorate Model, the use of digital services, further enhancements in the Legislative Review, a close look at the organisational productivity, innovate on building technologies, a move towards green and sustainable building methods and enhance its research agenda specifically on the above matters.

The NHBRC is committed to improving its *modus operandi* and, in so doing, we plan to maintain our cost-containment strategy at the rate of 10% savings over the next 5 years. We also intend to strengthen our corporate governance by maintaining an implementation rate of between 80% and 100% in our audit, risk, anti-fraud and corruption and compliance plans.

Skills development and transformation of the sector, remain our organisational priorities. In line with this, the NHBRC will train 1,700 home builders during 2021/2022, 2,400 homebuilders during 2022/2023 and 2,500 homebuilders during 2023/2024 financial year. Our social transformation programme continues to target women, youth, people living with disabilities and Military Veterans. Some of the strategies to be followed in the 5 years is to

ensure that the NHBRC improves on its visibility in communities, especially the rural, low income communities and far-flung areas.

Reducing turnaround times and optimising workflow will see the enrolment of all homes with complete documentation in the 2021/2026 financial years being completed within 15 working days, in both the subsidy and the non-subsidy sectors.

As Chairperson of the Council of the NHBRC, I would like to commit our Council, the Executive Management and staff to continue service delivery, as directed in our mandate and to continue to support Government in all the efforts to manage the negative impacts of COVID-19 in the Human Settlements sector.

Warm regards

Respectfully,

A handwritten signature in black ink, appearing to read 'Julie Bayat', with a stylized flourish at the end.

Ms. Julieka Bayat
Accounting Authority
National Home Builders Registration Council

ACCOUNTING OFFICER STATEMENT

In the next 5 years, NHBRC plans to intensify its focus in the current operating and inspectorate models, digital services, legislative review, improving organisational productivity, innovative building technologies, moving towards green and sustainable building. In this regard, we will continue to fund our research agenda to specifically research these issues.

A number of elements underpinning the operating model were identified, these included issues relating to the organisational structure, processes, technology, skills and talent as well as effective communication. Furthermore, all of these elements hinge on strong leadership that is capable of driving the organisational culture. This reviewed operating model was approved by Council on 23 September 2020.

In an effort to improve on efficiencies and sustainability, we have embarked on a process to review the existing organisational structure, development of a new organisational structure and conducting an organisational design study for the National Home Builders Registration Council (NHBRC). This is done to ensure that we are in a position to discharge our mandate with a fit for purpose organisational structure that is well capacitated in relevant service critical areas.

The overall financial position of the NHBRC is concerning. This has been exacerbated by Covid-19 and the lock down in the first quarter, with the easing of lock down restrictions we saw some improvements in our financial performance albeit still behind budget, this then necessitated a review of our budget assumptions. The revision of our planning assumptions have resulted in the budget being adjusted downward. With the easing of the restrictions activities throughout our provincial offices have improved. High operational expenditure is still a cause for concern which is being addressed by the continuous implementation of the directive issued by National Treasury on cost containment.

The path to recovery from Covid-19 remains unclear. The general consensus as discussed with our consultants is that our economy continues to face a protracted period of recovery with some restrictions still in place, and that even after the initial recovery phase, most businesses will not return to “back to normal” in the immediate term.

The pandemic will leave permanent marks with disruptions to our operations and is forcing management to think of strategies that will usher in new opportunities.

To ensure that we deliver on our key mandate of protecting the housing consumer through an efficient and effective inspections of homes during construction. We duly reviewed our inspections model and emphasized our interventions in addressing the gaps identified in the entire value chain to ensure that the NHBRC can inspect all homes under construction.

We have through this exercise been able to remodel our inspections framework to improve coverage by enhancing our inspections capacity through a dual source inspection operating model which will add an outsourced channel to the existing in-house inspection resource. We have also put in place key operational interventions to ensure that our inspections process derives a qualitative output.

The digital services programme is driven by the need to expand NHBRC service channels, enhance customer experience and improve operational efficiencies. It is also a response to the 4th industrial revolution that escalates technological advancements in offering services efficiently and seamlessly.

The digital service programme impacts the entire organisation and will thus result in the transformation of the NHBRC business model, operations, skills and service channels to enable the creation and delivery of digitalised products or services as part of the broader e-Government ecosystem.

In addition, this intervention intends to achieve organisational sustainability through potential creation of new revenue streams via these additional digital service channels that will not only unlock new service offerings and new platforms but extend our consumer reach and accessibility.

On legislative review, the Housing Consumer Protection Bill, 2019 ("the Bill"), seeks to repeal the Housing Consumers Protection Measures Act, 1998 (Act No. 95 of 1998) ("the Act").

The Act came into effect on 4 June 1999 and has been amended at least three times by the Housing Consumers Protection Measures Amendment Act, 1999 (Act No. 27 of 1999), the Housing Amendment Act, 2001 (Act No. 4 of 2001), and the Housing Consumers Protection Measures Amendment Act, 2007 (Act No. 17 of 2007), respectively. The Department of Human Settlements and the National Home Builders Registration Council (“the Council”) have since identified certain challenges with key provisions of the Act, which impact negatively on the efficient execution of the Council’s mandate, as requiring review.

To this end, we are in the process of reviewing the Bill, which seeks to ensure adequate protection of housing consumers and effective regulation of the home building industry by, inter alia, strengthening the regulatory mechanisms, strengthening the protection of housing consumers, introducing effective enforcement mechanisms and prescribing appropriate penalties or sanctions to deter non-compliance by homebuilders.

The world is experiencing unprecedented levels of rising temperatures because global warming and this has devastating effect on humankind. Member States on global warming advocates that all sectors contribute in reducing carbon footprint to avoid reaching fatal levels by implementing measures that supports limiting global warming to below 2°C. The NHBRC in support of the Department of Human Settlements to provide the sector with diversified products and services and to respond appropriately to the ever-changing climate realities and building needs.

The NHBRC has embarked on journey to explore cost effective appropriate designs, that response to this need together with a selection of innovative building materials with together with the optimised designs offer improved capabilities of reducing reliance on fossil-based energy to deliver preferred ambient temperatures in houses from all climatic zones in South Africa. The NHBRC is pioneering the concept of Smart homes with customer specific designs including prefabricated houses, robust panel walls that offers attractive and robust finishes, incorporating Eco-friendly energy conservation technology in South Africa and in the process, improve the quality of products & construction processes. The concepts would create new housing values with advanced building technology focussed on construction methods, innovative building technology, materials, and cost cutting performance, quality

improvement and maintenance of Innovative Building Technology as well as optimising the life cycle costs of prefabricated homes.

The NHBRC has funded a research in the Green First- Zero Energy concept and this is currently underway and employing various Modular housing, innovative technology, cost cutting performances of quality innovative building systems and standards. Focusing on environmentally friendly and sustainable developments. Promoting the “Smart Universal homes” concepts is expected to boasts longevity rate utilising Innovative Building systems, improving indoor environment and global environment and contributing to the “Green Economy of the Home Built Environment”.

At this stage, the full extent of the impact of COVID-19 on NHBRC, construction sector and country is uncertain. We however, commit to reinforce our core mandate in inspectorate, compliance and enforcement.

At the NHBRC, we are fully aware of the declining economy and the threat it poses to jobs. We plan on maintaining our social transformation programme which includes training opportunities for women, youth, homebuilders, artisans, home inspectors, military veterans and people with disabilities. Our training interventions will include experiential learning placements where possible. Job creation, strengthening capacity and sector transformation is just as critical in the development of integrated human settlements as assurance and regulation of home-building.

The NHBRC, under my leadership commits to support the sector, government and South Africa as whole during this uncertain period.

Sincerely,

Mr. Mziwonke Dlabantu
Accounting Officer
National Home Builders Registration Council

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan 2021/2022:

- Was developed by management of the NHBRC under the guidance of Council and Executive Authority and the Minister of human settlements, water and sanitation
- Considered NHBRC mandate, relevant policies and legislation
- Accurately reflects the impact and outcomes NHBRC plans to achieve over the period 2021/2022



Ms. Nurse Chavalala
Acting Executive Manager: Corporate Services



Mr. Craig Makapela
Acting Executive Manager: Business Services



Mr. Thifangwi-Mudau
Head: Centre for Research & Housing Innovation



Ms. Molebogeng Taunyane
Acting Head: Marketing & Communications



Mr Kabir Khan
Acting Executive Manager: Legal Compliance & Enforcement



Mr. Songezo Boo
Chief Financial Officer



Ms. Mathebe Kumalo
Head: Strategy, Monitoring and Evaluation



Mr. Joseph Mutungama
Chief Audit Executive



Ms. Simphiwe Sitwayi
Chief Risk Officer



Mr. Otsile Maseng
Chief Operating Officer

Mr. Mziwonke Dlabantu
Accounting Officer



Ms Julieka Bayat
Accounting Authority

Honourable L N Sisulu, MP
Minister for Human Settlements, Water & Sanitation

PART A: OUR MANDATE

This annual performance plan is based on assessment of the current socio-economic, political environment, ministerial national priorities, National Development Plan 2030 to eradicate poverty, inequality and unemployment and transformation of South African society. NHBRC is mindful of the Constitutional right of South Africans to housing or shelter which is a basic need, especially for the poor, this plays a critical role in the development of the South African Citizenry.

In the context of targets set by the Minister, relating to NDP's Outcome 8, sustainable human settlements and an improved quality of household life, NHBRC is obliged to fulfil its mandate as prescribed in the Housing Consumers Protection Measures Act, 1998 (Act No. 95 of 1998).

This Annual Plan outlines NHBRC strategic outcomes, the deliverables for the period and resource requirements necessary to deliver on the mandate.

1. UPDATES TO THE RELEVANT LEGISLATIVE & POLICY MANDATES

The NHBRC derives its constitutional mandate from section 26 of the Constitution – Housing. This section, mandates the State to take reasonable legislative and other measures within its available resources to achieve progressive realisation of the right to adequate housing. NHBRC represents the interests of housing consumers by providing assurance through warranty protection against defined poor workmanship and quality and regulation of home building industry.

The NHBRC was established in 1999 as a Council in terms of the Housing Consumers Protection Measures Act, 1998 (Act No.95 of 1998) as amended, to protect the interests of housing consumers and to regulate the home building industry. Since its establishment, the NHBRC delivers valuable services in co-operation with the National Department of Human Settlements (DHS) and key industry players.

In a nutshell, the NHBRC's role is to assure quality homes in the Country through:

- Educating housing consumers and homebuilders on their rights and responsibilities within the home construction industry;
- Introducing innovative and environmentally friendly building technologies;
- Providing housing consumers with warranty cover for defined building structural defects;
- Training, assessing and regulation of homebuilders to conform to approved standards

2. INSTITUTIONAL POLICIES AND STRATEGIES

- Social Transformation Programme;
- E-services Plan to digitalise our client and business services;
- National Development Plan;
- MTSF (2019/24) Human Settlements Priorities;

3. RELEVANT COURT RULINGS

None

PART B: OUR STRATEGIC FOCUS

1. UPDATED SITUATIONAL ANALYSIS

Over the past several months, COVID-19 pandemic and emergency health response brought about a severe global economic downturn. Strengthening South Africa's competitiveness in a post-pandemic world will require a new social compact, decisive action to stabilise debt and narrow the budget deficit, and determined implementation of reforms to improve the structure of the economy. In combination, these measures will enable millions of South Africans to participate in building a more productive and prosperous society.

Below is the NHBRC SWOT analysis:

Strengths	Weaknesses
<ul style="list-style-type: none">1. Mandate derived from the Act, to regulate home building industry and protect housing consumers2. NHBRC self-funds through revenue generated from own services3. Strong and healthy warranty fund4. High retention rate of critical staff with strong sector experience	<ul style="list-style-type: none">1. Inadequate cover for high-value houses2. Limitations within the current legislation impacts the extension of coverage3. Negative perception about NHBRC effectiveness4. Gaps in system integration between critical business units.
Opportunities	Threats
<ul style="list-style-type: none">1. Promulgation of the Housing Consumer Protection Bill to improve effectiveness2. Opportunities to extend the service net to cover non-subsidy rural, aging and millennial market segments3. Influence on land acquisitions for human settlements4. Identify solutions to service and assess self-taught, limited formal education artisans5. Develop a system for the accreditation of bricklayers6. Build interdepartmental co-operation and alignment in the delivery of services7. In house research partnerships with universities, TVETS and standards bodies8. Introduction of innovative building systems (including 4th industrial revolution)	<ul style="list-style-type: none">1. Delays in the passage of the new proposed Bill2. Potential increase in claims against NHBRC3. Rapid changes and innovation within the building industry4. Rapid land release programme of government and illegal occupation of land5. Diversion of strategic focus and resources from the core mandate to activities outside NHBRC mandate.6. Climate change7. Declining economic growth8. Covid-19 impact on business operations

2. EXTERNAL ENVIRONMENTAL ANALYSIS

The global shock prompted by COVID-19 pandemic, and unprecedented restrictions designed to protect public health, have led to a sharp contraction of the domestic economy.

Government interventions have somehow cushioned the impact on workers and businesses, but have not offset the full decline.

The global economic contraction brought about by COVID-19 unfolded with unprecedented speed, hitting developing countries particularly hard. In 2020, according to the World Bank, developing Countries' economies are expected to contract for the first time in at least 60 years.

Economic performance

At the beginning of 2020, the exchange rate between the two currencies was USD/ZAR 14.01, implying that one US dollar could buy R14.01, and with R14.01 you could buy \$0.85. The rand has weakened by R2.55 against the dollar since January 1, 2020, a depreciation of 18.2%. However, the South African rand has fluctuated considerably between January 1 and October 2020.

To protect South Africans and prevent the public health system from being overwhelmed, government restricted most economic activity from 26 March to 1 June. The lockdown has taken a severe toll on an already fragile economy. The limited data available suggests a steep contraction across all sectors over the past three months. Construction, retail and hospitality were particularly hard hit, and retail sales restrictions had significant knock-on effects across the economy. Reduced global demand and border closures, alongside uncertainty about the application of lockdown regulations, further hampered activity.

Unemployment

Total employment increased by 75 000 or (0,8%) quarter-on-quarter, from 9 506 000 in June 2020 to 9 581 000 in September 2020. This was largely due to increases in the following industries: trade (31 000 or 1,5%), community services (26 000 or 1,0%), construction (24 000 or 4,9%), and manufacturing (8 000 or 0,7%).¹ The electricity industry showed no

¹ STATS SA Quarterly Employment Statistics Survey – Third quarter published – 15 December 2020

change, however the following industries showed a decreased, business services (-7 000 or -0,3%), transport (-5 000 or -1,1%), and mining (-2 000 or -0,4%).

Total employment decreased by 616 000 or (-6,0%) year-on-year between September 2019 and September 2020.

This employment rates figures were obtained from STATS SA. The report includes employment up to the quarter ending September 2020.

Construction sector

The construction industry increased by 71.1% in the third quarter and there is a huge decline in the number of residential building plans passed by municipality which may have a negative impact on the NHBRC.

High levels of uncertainty about the spread of COVID-19, and its containment and treatment, have complicated decision-making for businesses, investors and households the world over. In addition, regular economic surveys have been disrupted and delayed, making policymakers more reliant on smaller, less representative surveys. As a result, estimating the economic impact over the period ahead is exceedingly difficult as a result.

3. INTERNAL ENVIRONMENTAL ANALYSIS

The Covid-19 pandemic adversely impacted NHBRC in at least three ways:

1. Home construction was locked down until June 2020
2. Planned inspections, training and enforcement programmes came to standstill
3. Unprecedented number of blocked /failed projects, affects our revenues

General building activities interrupted abruptly, meant:

- Home ownership transactions stopped- no registration at deeds
- No payment could be processed to:
 - Contractors;
 - Suppliers of material;
 - Subs contractors;

- Construction staff;
- Loss of revenues as a result of lockdown. This is an area of concern for the NHBRC going forward.

NHBRC Footprint and customer centres

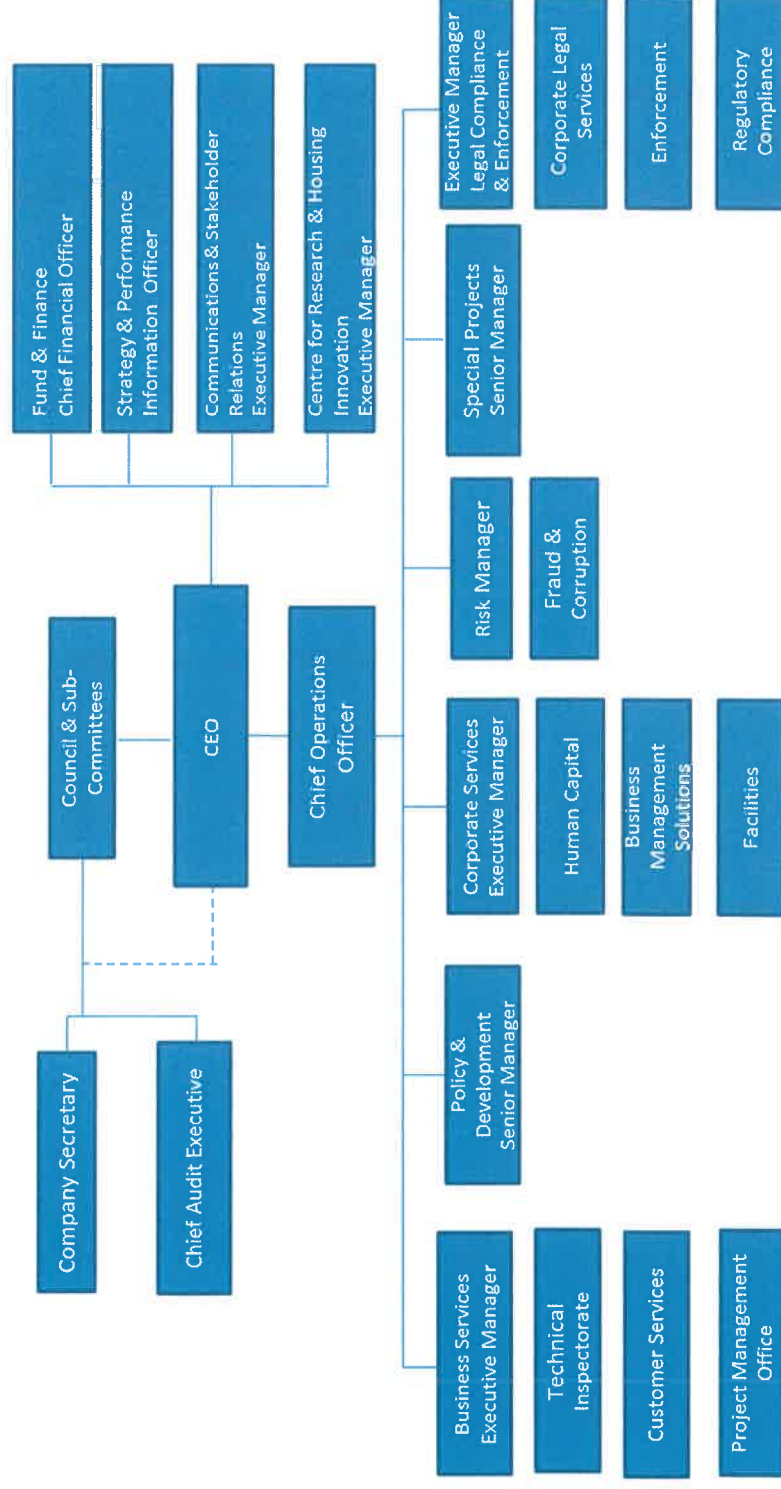
Below are our office locations:

Province	Town
Eastern Cape	<ul style="list-style-type: none"> • Port Elizabeth • East London
KwaZulu Natal	<ul style="list-style-type: none"> • Durban • Newcastle • Richards Bay
Western Cape	<ul style="list-style-type: none"> • Cape Town • George
Free State	<ul style="list-style-type: none"> • Bloemfontein • Bethlehem
Gauteng	<ul style="list-style-type: none"> • Tshwane • Sunninghill
Limpopo	<ul style="list-style-type: none"> • Polokwane • Modimolle (Bela Bela) • Tzaneen • Thulamela
Mpumalanga	<ul style="list-style-type: none"> • Nelspruit • Emalahleni (Witbank)
North West	<ul style="list-style-type: none"> • Rustenburg • Klerksdorp • Mahikeng
Northern Cape	<ul style="list-style-type: none"> • Kimberly

NHBRC Organizational Structure

In order for the NHBRC to give effect to its strategic objectives for the reporting period 2021/22, the organisation structured itself in such as a way that it can be efficient and effective in the delivery of its value final products and its programmes. The NHBRC organizational structure is aimed at enhancing the functioning of the organization. The NHBRC organisational structure is represented in the figure below.

Figure 1. NHBRC Organizational structure



*The Council is currently in the process of reviewing the organisational structure

All these initiatives are essential for us to improve customer satisfaction levels, customer knowledge, operational efficiencies, revenue, brand presence and reputation.

The NHBRC Strategy is focused around three (3) delivery pillars

1. Protecting housing consumers by:

- Ensuring they know own rights and responsibilities;
- Encouraging them to enrol homes prior to construction;
- Advising on rights to access the Warranty Fund for the repair of structural defects on homes; and
- Resolving their complaints, efficiently and timeously.

2. Enabling homebuilders to achieve industry standards by:

- Ensuring they know own rights and obligations;
- Advising them of on legal requirement to register with the NHBRC prior to carrying out any business in the residential property market;
- Empowering them through the provision of ongoing training and assessment opportunities; and
- Providing an inspection service at critical stages of construction.

3. Regulating and enforcing compliance to building standards by:

- Participating in the review of policies governing the residential property market;
- Exploring and adoption of new technologies and materials to fast-track housing delivery;
- Enforcing compliance to industry standards and remediating or penalising defaulting homebuilders.

In order to deliver on this strategy, we believe that our organisation must be fit for purpose. Meaning the NHBRC must be operationally excellent; financially sound; live the NHBRC Way and be a culture; and a values-based organization.

NHBRC Core Business

The NHBRC core business is to execute the following:

- Registration and Renewal of homebuilders

- Enrolment and Late enrolment of homes in the non-subsidy sector
- Enrolment and Late enrolment of homes in the subsidy sector
- Inspection of subsidy homes and non-subsidy homes
- Geotechnical Investigation
- Forensic investigation
- Dispute resolution
- Conciliation of disputes
- Legal advisory and enforcement of norms and standards

PART C: MEASURING OUR PERFORMANCE

1. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

For the financial year 2021/22 the NHBRC will operate under three programmes which addresses our strategic pillars. The three (3) programmes are Administration, Regulation and Consumer Protection.

The strategic outcomes are aligned to the budget structure and are as follows:

Strategic Outcomes:

Programme	Strategic outcomes
Administration	<ul style="list-style-type: none"> • Functional efficient and integrated governance • Financially sustainable organisation to promote economic inclusion
Regulation	<ul style="list-style-type: none"> • Improved regulatory compliance • Competent homebuilders and technical professionals
Consumer Protection	<ul style="list-style-type: none"> • Improved regulatory compliance

1.1. PROGRAMME 1: ADMINISTRATION

Purpose

The purpose of this programme is to provide a functional and efficient support services to the organisation by ensuring good governance, financial sustainability and improved access and visibility of our products/services.

1.2. PROGRAMME 2: REGULATION

Purpose

The purpose of this programme is to ensure registration of homebuilders, training of homebuilders, regulate & enforce compliance to building standards.

1.3. PROGRAMME 3: CONSUMER PROTECTION

Purpose

The purpose of the programme is to improve regulatory compliance in assuring quality homes through enrolments of all homes.

2. OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS

2.1. PROGRAMME 1: ADMINISTRATION

Outcome	Outputs	Output Indicators	Audited /Actual performance				Estimated performance	MTEF period		
			2017/2018	2018/2019	2019/2020	2020/2021		2021/2022	2022/2023	2023/2024
Functional and efficient and integrated government	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	Qualified audit opinion	Unqualified audit opinion with matters of emphasis	Unqualified audit opinion	Unqualified audit with no material findings	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings
	Compliant Statutory Reports	% of compliance with statutory tabling and prescripts	Not applicable	Not applicable	Not applicable	100% compliance with statutory tabling and prescripts	100% compliance with statutory tabling and prescripts	100% compliance with statutory tabling and prescripts	100% compliance with statutory tabling and prescripts	100% compliance with statutory tabling and prescripts
	Internal Audit Reports	% implementation of the approved internal audit plan	81% implementation of the approved internal audit plan	80% implementation of the approved internal audit plan	Not applicable	85% implementation of the approved internal audit plan	90% implementation of the approved internal audit plan	95% implementation of the approved internal audit plan	100% implementation of the approved internal audit plan	100% implementation of the approved internal audit plan
	Anti-Fraud and Corruption Reports	% implementation of the approved anti-fraud and corruption plan	91% implementation of the approved anti-fraud and corruption implementation plan	90% implementation of the approved anti-fraud and corruption implementation plan	Not applicable	90% implementation of the approved anti-fraud and corruption plan	90% implementation of the approved anti-fraud and corruption plan	90% implementation of the approved anti-fraud and corruption plan	90% implementation of the approved anti-fraud and corruption plan	90% implementation of the approved anti-fraud and corruption plan
	Risk Management Report	% implementation of the approved risk management plan	91% implementation of the approved risk management plan	90% implementation of the approved risk management plan	Not applicable	90% implementation of the approved risk management plan	90% implementation of the approved risk management plan	90% implementation of the approved risk management plan	100% implementation of the approved risk management plan	100% implementation of the approved risk management plan

Compliance Report	% implementation of approved compliance plan	85% approved compliance plan implemented	83% approved annual compliance plan implemented	Not applicable	70% implementation of approved compliance plan	80% implementation of approved compliance plan	80% implementation of approved compliance plan	100% implementation of approved compliance plan
Improved Accessibility and Visibility of NHBRC Products and Services	% implementation of Communication Plan	Not applicable	9 housing consumer stakeholder sessions held at province	100% implementation of Communication Plan	100% implementation of Communication Plan	100% implementation of Communication Plan	100% implementation of Communication Plan	100% implementation of Communication Plan
Financially sustainable organisation promoting economic inclusion	Number of social transformation programmes implemented	100% development and implementation of social transformation strategy	100% of social transformation strategy implemented	Not applicable	2 Social transformation programmes implemented	3 Social transformation programmes implemented	4 Social transformation programmes implemented	4 Social transformation programmes implemented
BEE spending increased by >65%	Achieve BEE spend of %	BEE Spend 65%	Achieved 70% BEE spend	Achieve BEE spend of 72%	Achieve BEE spend of >65%	Achieve BEE spend of >65%	Achieve BEE spend of >65%	Achieve BEE spend of >65%

2.2. PROGRAMME 2: REGULATION

Outcomes	Outputs	Output Indicator	Audited /Actual performance					Estimated performance	MTEF PERIOD		
			2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024		
Improved regulatory compliance	Registered builders	Number of home builders registered	3,435 homebuilders registered	3,600 homebuilders registered	3,880 homebuilders registered	2,336 homebuilders registered	2,370 homebuilders registered	2,420 homebuilders registered	2,480 homebuilders registered		
	Renewed registrations	Number of registrations renewed	13,832 registrations renewed	14,117 registrations renewed	14,561 registrations renewed	8,914 home builders to renew their registration	9,050 registrations renewed	9,260 registrations renewed	9,500 registrations renewed		
	Inspected homes non-subsidy	% of homes inspected – non subsidy	75,176 inspections conducted in the non-subsidy sector	85,263 homes inspected in the non-subsidy sector	22,418 homes inspected in the non-subsidy sector	16,282 homes inspected in the non-subsidy sector	100% of homes inspected– non subsidy	100% of homes inspected– non subsidy	100% of homes inspected– non subsidy		
	Inspected homes subsidy	% of homes inspected - subsidy	83,369 homes inspected in the subsidy sector.	68,009 homes inspected in the subsidy sector	27,228 homes inspected in the subsidy sector	23,961 homes inspected in the subsidy sector	100% of homes inspected– subsidy	100% of homes inspected– subsidy	100% of homes inspected–subsidy		
	% of Suspensions within 10 working days	% of prosecutable matters suspended within 10 working days of receipt of instruction	7 days taken to suspend defaulting homebuilders	100% of homebuilders suspended on prosecutable matters	95% of prosecutable matters suspended within 10 working days of receipt of instruction	80% of prosecutable matters suspended within 10 working days of receipt of instruction	80% of prosecutable matters suspended within 10 working days of receipt of instruction	80% of prosecutable matters suspended within 10 working days of receipt of instruction	80% of prosecutable matters suspended within 10 working days of receipt of instruction		
	% Disciplinary Committee set down within 120 working days of approval to prosecute	% of prosecutable matters set down for hearing before the DC within 120 working days from date of approval to prosecute	95 days taken to prosecute defaulting homebuilders	100% of prosecutable matters set down for hearing before Disciplinary Committee.	57% of prosecutable matters set down for hearing before the DC within 120 working days of	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of approval to prosecute	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of approval to prosecute	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of approval to prosecute	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of approval to prosecute		

Outcomes	Outputs	Output Indicator	Audited /Actual performance				Estimated performance	MTEF PERIOD		
			2017/2018	2018/2019	2019/2020	2020/2021		2021/2022	2022/2023	2023/2024
					suspension OR from date of receipt of instruction				approval to prosecute	
Competent homebuilders and technical professionals	Disputes resolved	Percentage of disputes resolved	Not applicable	Not applicable	Not applicable	100% disputes resolved within 90 days		90% disputes resolved within 90 days	90% disputes resolved within 90 days	90% disputes resolved within 90 days
	Trained builders	Number of homebuilders trained	2,357 home builders trained	2,541 homebuilders trained	3,141 homebuilders trained	1,700 homebuilders trained		1,700 homebuilders trained	2,400 homebuilders trained	2,500 homebuilders trained
	Trained youth	Number of Youth trained	2,946 Youth trained	2,184 Youth trained	2,214 Youth trained	1,300 Youth trained		1,500 Youth trained	2,000 Youth trained	2,100 Youth trained
	Trained women	Number of Women trained	1,880 Women trained	2,042 Women trained	2,021 Women trained	1,300 Women trained		1,400 Women trained	1,980 Women trained	2,000 Women trained
	Trained military veterans	Number of Military veterans trained	442 Military Veterans trained	262 Military Veterans trained	385 Military Veterans trained	90 Military Veterans trained		100 Military Veterans trained	150 Military Veterans trained	200 Military Veterans trained
	Trained people with disabilities	Number of people with disabilities trained	365 people with disabilities trained	219 people with disabilities trained	384 people with disabilities trained	90 people with disabilities trained		200 people with disabilities trained	200 people with disabilities trained	250 people with disabilities trained
	Trained technical professionals	Number of Technical professionals trained	587 Technical professionals trained	602 Technical professionals trained	891 Technical professionals trained	600 Technical professionals trained		690 Technical professionals trained	695 Technical professionals trained	700 Technical professionals trained
	Trained artisans	Number of Artisans trained	766 Artisans trained	441 Artisans trained	514 Artisans trained	600 Artisans trained		600 Artisans trained	600 Artisans trained	600 Artisans trained

2.3. PROGRAMME 3: CONSUMER PROTECTION

Outcomes	Outputs	Output Indicators	Audited /Actual performance				Estimated performance	MTEF PERIOD			
			2017/2018	2018/2019	2019/2020	2020/2021		2021/2022	2022/2023	2023/2024	
Improved regulatory compliance	Compliant enrolments subsidy	% of enrolment applications approved - Subsidy	66,691 subsidy homes enrolled	76,526 subsidy homes enrolled	69,761 homes enrolled in the subsidy sector	100% of compliant enrolment applications approved within 15 working days from date of receipt - subsidy	100% of enrolment applications approved Subsidy	100% of enrolment applications approved Subsidy	100% of enrolment applications approved Subsidy		
	Compliant enrolments subsidy	% of subsidy project enrolment applications approved	Not applicable	Not applicable	Not applicable	Not applicable	100% subsidy project enrolment applications approved	100% subsidy project enrolment applications approved	100% subsidy project enrolment applications approved		
	Compliant enrolments subsidy non-subsidy	% of enrolment applications approved – Non subsidy	56,506 homes enrolled in the non-subsidy	51,585 homes enrolled in the non-subsidy	48,166 homes enrolled in the non-subsidy sector	100% of compliant enrolment applications approved within 15 working days from date of receipt – non subsidy	100% of enrolment applications approved non subsidy	100% of enrolment applications approved – non subsidy	100% of enrolment applications approved – non subsidy		
Greenhouse gas emission reduction	Constructed Green First- ZERO energy model house	Appointment of a contractor to construct the “Green First, Zero Energy model house Design	Not applicable	Not application	50% completion of a design of a green edge rated IBT house	Adoption of criteria that meet the “Green First- ZERO energy model house”	Appointment of a contractor to construct the “Green First, Zero Energy model house Design	Construction of the Green First Zero energy based model house	Evaluation and monitoring of the Green First Zero energy constructed Green First Zero energy model house against set criteria and share the results with the sector.		

3. OUTPUT INDICATORS: ANNUAL AND QUARTERLY TARGETS

3.1. PROGRAMME 1: ADMINISTRATION

Output Indicators	Annual targets	Quarterly targets			
		1st	2nd	3rd	4th
Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	Not applicable	Unqualified audit opinion with no material findings	Not applicable	Not applicable
% of compliance with statutory tabling and prescripts	100% compliance with statutory tabling and prescripts	100% compliance with statutory tabling and prescripts	100% compliance with statutory tabling and prescripts	100% compliance with statutory tabling and prescripts	100% compliance with statutory tabling and prescripts
% implementation of the approved internal audit plan	90% implementation of the approved internal audit plan	20% implementation of the approved internal audit plan	40% implementation of the approved internal audit plan	60% implementation of the approved internal audit plan	90% implementation of the approved internal audit plan
% implementation of the approved anti-fraud and corruption plan	90% implementation of the approved anti-fraud and corruption plan	20% implementation of the approved anti-fraud and corruption plan	40% implementation of the approved anti-fraud and corruption plan	60% implementation of the approved anti-fraud and corruption plan	90% implementation of the approved anti-fraud and corruption plan
% implementation of the approved risk management plan	90% implementation of the approved risk management plan	20% implementation of the approved risk management plan	40% implementation of the approved risk management plan	60% implementation of the approved risk management plan	90% implementation of the approved risk management plan
% implementation of approved compliance plan	80% implementation of approved compliance plan	20% implementation of approved compliance plan	40% implementation of approved compliance plan	60% implementation of approved compliance plan	80% implementation of approved compliance plan
implementation of Communication Plan	100% implementation of Communication Plan	15% implementation of Communication Plan	50% implementation of Communication Plan	85% implementation of Communication Plan	100% implementation of Communication Plan

Number of social transformation programmes implemented	3 Social transformation programmes implemented	1 social transformation programmes implemented (Youth)	1 social transformation programmes implemented (Women)	1 social transformation programmes implemented (Disability Programme)	0 Social transformation Programme implemented
% BEE Spend	Achieve BEE spend of >65%	BEE spend of >65%	BEE spend of >65%	BEE spend of >65%	BEE spend of >65%

3.2. PROGRAMME 2: REGULATION

Output Indicators	Annual targets	Quarterly targets			
		1st	2nd	3rd	4 th
Number of home builders registered	2,370 homebuilders registered	711 homebuilders registered	711 homebuilders registered	474 homebuilders registered	474 homebuilders registered
Number of registrations renewed	9,050 registrations renewed	2,715 registrations renewed	2,715 registrations renewed	1,810 registrations renewed	1,810 registrations renewed
% of homes inspected- non subsidy	100% of homes inspected- non subsidy	100% of homes inspected- non subsidy	100% of homes inspected- non subsidy	100% of homes inspected- non subsidy	100% of homes inspected- non subsidy
% of homes inspected- subsidy	100% of homes inspected- subsidy	100% of homes inspected- subsidy	100% of homes inspected- subsidy	100% of homes inspected- subsidy	100% of homes inspected- subsidy
% of prosecutable matters suspended within 10 working days of receipt of instruction	80% of prosecutable matters suspended within 10 working days of receipt of instruction	80% of prosecutable matters suspended within 10 working days of receipt of instruction	80% of prosecutable matters suspended within 10 working days of receipt of instruction	80% of prosecutable matters suspended within 10 working days of receipt of instruction	80% of prosecutable matters suspended within 10 working days of receipt of instruction
% of prosecutable matters set down for hearing before the DC within 120 working days from date of approval to prosecute	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of approval to prosecute	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of approval to prosecute	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of approval to prosecute	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of approval to prosecute	80% of prosecutable matters set down for hearing before the DC within 120 working days from date of approval to prosecute

Output Indicators	Annual targets	Quarterly targets			
		1st	2nd	3rd	4 th
Percentage of disputes resolved	90% disputes resolved within 90 days	90% disputes resolved within 90 days	90% disputes resolved within 90 days	90% disputes resolved within 90 days	90% disputes resolved within 90 days
Number of homebuilders trained	1,700 homebuilders trained	400 home builders trained	600 home builders trained	250 home builders trained	450 home builders trained
Number of Youth trained	1,500 Youth trained	350 youth trained	500 youth trained	250 youth trained	400 youth trained
Number of Women trained	1,400 Women trained	350 women trained	400 women trained	250 women trained	400 women trained
Number of Military veterans trained	100 Military Veterans trained	25 military veterans trained	30 military veterans trained	15 military veterans trained	30 military veterans trained
Number of people with disabilities trained	200 people with disabilities trained	60 people with disabilities trained	60 people with disabilities trained	25 people with disabilities trained	55 people with disabilities trained
Number of Technical professionals trained	690 Technical professionals trained	130 technical professionals trained	250 technical professionals trained	70 technical professionals trained	240 technical professionals trained
Number of Artisans trained	600 Artisans trained	0 artisans trained	300 artisans trained	0 artisans trained	300 artisans trained

3.3. PROGRAMME 3: CONSUMER PROTECTION

Outcome indicators	Annual target	Quarterly targets			
		1st	2nd	3rd	4th
% of enrolment applications approved - Subsidy	100% of enrolment applications approved - Subsidy	100% of enrolment applications approved - Subsidy	100% of enrolment applications approved - Subsidy	100% of enrolment applications approved - Subsidy	100% of enrolment applications approved - Subsidy
% of subsidy project enrolment applications approved	100% subsidy project enrolment applications approved	100% subsidy project enrolment applications approved	100% subsidy project enrolment applications approved	100% subsidy project enrolment applications approved	100% subsidy project enrolment applications approved
% of enrolment applications approved – non subsidy	100% of enrolment applications approved – non subsidy	100% of enrolment applications – non subsidy	100% of enrolment applications – non subsidy	100% of enrolment applications – non subsidy	100% of enrolment applications – non subsidy
Appointment of a contractor to construct the “Green First, Zero Energy model house Designs	Appointment of a contractor to construct the “Green First, Zero Energy model house Designs	Drafting of 2x Architectural designs that aims to maximise the “Green First, Zero Energy model house concept.	Drafting of 2x structural designs that aims to maximise the “Green First, Zero Energy model house concept	Approval of terms of reference for the appointment of a contractor to construct the Green First, Zero energy model house	Appointment of a contractor to construct “Green First, Zero Energy model house

4. EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

By the end of 2025/2026 the NHBRC plans to have improved cost, internal efficiencies and ensure a sustainable warranty fund. This will be done through a phased approach over the 5-year period. This is an effort to broaden access to our services in rural and urban areas in equitable measures.

Even though our registrations are declining in line with the declining construction sector, we plan to resolve all disputes lodged within 90 working days progressively throughout the period.

The NHBRC will provide a database of all trained personnel within the designated groups to the Department of Human Settlements to be absorbed into subsidy projects.

Below is each programme and associated outcomes explanations:

Programme 1: Administration

Outcome 1: Improved accessibility & visibility of NHBRC products and services	Explanations
Priority 2: Economic transformation and job creation Priority 3: Education, skills and health	Broaden our training and consumer education programmes opportunities to increase visibility and promote access to products and services
Contribution to the NHBRC mandate	NHBRC conducts training programmes in line with legislation
Priority related to women, youth and PWD	NHBRC introduced a social transformation programme which targets women, youth, PWD and military veterans mainly through training interventions
Enablers	Budget
Outcomes' contribution to achieving the intended impact	Target consumers and builders with education programmes promoting NHBRC's mandate

Outcome 2: Financially sustainable organisation promoting economic inclusion	Explanations
Contribution to MTSF priority 1: Economic transformation and job creation Contribution to MTSF priority 6: A capable, ethical and development state NDP 2030: Faster & inclusive economic growth	To ensure NHBRC considers the nationwide imperative to use government procurement to broaden access for SMME, stimulate domestic industry and job creation
Contribution to the NHBRC Mandate	Transformation of the sector and broadening access to SMMEs
Priority related to Women, Youth and PWD	NHBRC plans to spent more than 65% of its procurement spent on BBEE, which includes companies owned by women, youth, PWD
Enablers	Budget
Outcomes' contribution to achieving the intended impact	Broadening access and transformation of sector

Outcome 3: Functional, efficient and integrated governance	Explanations
Priority 2: Economic transformation and job creation Priority 3: Education, skills and health	To maintain ethical standards and accountability for resources
Contribution to the NHBRC Mandate	Compliance with governance structures
Priority related to Women, Youth and PWD	N/A
Enablers	King 4
Outcomes' contribution to achieving the intended impact	Ensure sound and sustainable warranty fund

Programme 2: Regulation

Outcome 4: Improved regulatory compliance	Explanations
Contribution to MTSF priority 4: Spatial integration, human settlements and local governments	NHBRC plans to enforce compliance and improve regulation efficiency
NDP 2030: Transformation of Human Settlements	We plan to enrol every house within 15 days of receipt of required documents
Contribution to the NHBRC mandate	Regulate sector through enrolments, inspections and enforcement of norms and standards
Priority related to women, youth and PWD	N/A
Enablers	Budget
Outcomes' contribution to achieving the intended impact	Ensure housing consumers live in safe and quality houses

Outcome 5: Competent homebuilders and technical professionals	Explanations
Contribution to MTSF priority 4: Spatial integration, human settlements and local governments	NHBRC ensures home builders have capacity to build safe and quality houses through training programmes
NDP 2030: Transformation of Human Settlements	
Contribution to the NHBRC mandate	It is NHBRC's legal requirement to capacitate the home building industry
Priority related to women, youth and PWD	Our training programmes target women, youth and PWD
Enablers	Budget
Outcomes' contribution to achieving the intended impact	Ensure home builders are capacitated and capable of delivering quality homes

Programme 3: Consumer Protection

Outcome 6: Greenhouse gas emission reduction	Explanations
Contribution to MTSF priority 4: Spatial integration, human settlements and local governments	NHBRC has a research agenda, which will be implemented in the MTSF. The agenda aims to advance technology, highlight the impact of climate change on houses, manage policy shifts in the interest of housing consumers, builders, sector and NHBRC
NDP 2030: Transformation of Human Settlements	
Contribution to the NHBRC mandate	Outcomes of the research will be used to identify and recommend new products that comply to the minimum NHBRC Technical standards
Priority related to women, youth and PWD	N/A
Enablers	Budget
Outcomes' contribution to achieving the intended impact	Outcomes of the research will be used to identify and recommend new products with potential to reduce greenhouse gas emissions levels.

5. PROGRAMME RESOURCE CONSIDERATIONS

Overview of 2021/22 and MTEF (Medium Term Expenditure Framework) estimates

Expenditure Estimates	Audited Outcomes		Budget		Medium term expenditure estimates					
	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	Budget	Budget
	Actual R'000	Actual R'000	Budget R'000	Budget R'000	Budget R'000	Budget R'000	Budget R'000	Budget R'000		
Program 1: Administration										
Unqualified audit opinion with no material findings	-	-	-	-	-	-	-	-	-	-
% of compliance with statutory tabling and prescripts	-	-	-	-	-	-	-	-	-	-
% implementation of the approved internal audit plan	-	-	-	-	-	-	-	-	-	-
% implementation of the approved anti-fraud and corruption Implementation Plan	-	-	-	-	-	-	-	-	-	-
% implementation of the approved risk management plan	-	-	-	-	-	-	-	-	-	-
% implementation of approved compliance plan	-	-	-	-	-	-	-	-	-	-
% implementation of communication plan	1 601	1 710	2 000	2 340	2 400	2 410	3 000	3 000		3 000
Number of social transformation programmes implemented	-	-	-	-	-	-	-	-	-	-
Achieve BEE spend of %	226 395	238 846	251 982	265 842	280 462	295 888	312 162	312 162		312 162
Program 2: Regulation										
Number of home builders registered	4,918	3,123	2,314	2,117	2,233	2,365	2,486	2,486		2,486

Expenditure Estimates	Audited Outcomes			Budget	Medium term expenditure estimates					
	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024		
	Actual	Actual	Budget	Budget	Budget	Budget	Budget	Budget		
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000		
Number of registrations renewed	8,216	9,923	9,699	6,628	6,993	7,378	7,783	7,783		
% of homes inspected- non subsidy	154 297	165 319	189 312	193 312	203 944	215 161	226 995	226 995		
% of homes inspected- non subsidy	154 297	165 319	189 312	193 312	203 944	215 161	226 995	226 995		
% of prosecutable matters suspended within 10 working days of receipt of instruction	4 681	3 810	5 691	5 975	6 274	6 619	6 983	6 983		
% of prosecutable matters set down for hearing before the DC within 120 working days from date of approval to prosecute.	4 681	3 810	5 691	5 975	6 274	6 619	6 983	6 983		
Percentage disputes resolved	-	-	-	-	-	-	-	-		
Number of home builders trained	1 200	1 200	1 250	1 300	1 500	1 750	1 900	1 900		
Number of Youth trained	2 000	2 000	2 200	2 420	2 662	2 300	2 380	2 380		
Number of Women trained	900	900	990	1 089	1 197	1 200	1 250	1 250		
Number of Military Veterans trained	180	200	220	242	266	280	300	300		
Number of people with disabilities trained	1 300	1 385	1 523	1 675	1 842	2 026	2 127	2 127		
Number of Technical professional trained	400	400	440	484	532	595	615	615		

Expenditure Estimates	Audited Outcomes			Budget	Medium term expenditure estimates			
	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
	Actual	Actual	Budget	Budget	Budget	Budget	Budget	Budget
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Number of Artisans trained	351	400	440	484	532	585	600	600
Programme 3: Protection								
% of enrolment applications approved - subsidy	190,076	132,486	244,870	175,278	184,919	195,089	205,819	205,819
% of subsidy project enrolment applications approved	-	-	-	-	-	-	-	-
% of enrolment applications approved – Non Subsidy	596,753	655,563	546,818	680,610	718,043	757,536	799,200	799,200
Appointment of a contractor to construct the "Green First, Zero Energy model house Designs	-	-	-	-	-	-	-	-

6. UPDATED KEY RISKS AND MITIGATION FROM THE SP

Outcome	Key risks	Risk mitigations
Functional, efficient and integrated governance	<ul style="list-style-type: none"> • Lack of proper systems and processes • Fraud and corruption • Impact of COVID-19 on operations • Slowing down of risk/fraud plans implementation 	<ul style="list-style-type: none"> • Development of online systems and continuous improvement of processes • Drive fraud and anti-corruption campaigns • Revision of APP targets in 2020 is such that missed targets in 2020 will be brought up to speed before the end of MTSF • Implementation of risk/fraud plans will meet the MTSF target at the end of the 5-year planning period
Improved accessibility and visibility of NHBRC products and services	<ul style="list-style-type: none"> • Declining performance of construction sector affects pool of housing consumers • Impact of COVID-19 on operations 	<ul style="list-style-type: none"> • Planning in line with the sector growth projections • Revision of APP targets in 2020 is such that missed targets in 2020 will be brought up to speed before the end of MTSF
Financially sustainable organisation promoting economic inclusion	<ul style="list-style-type: none"> • Declining performance of construction sector affects NHBRC revenues • Poor corporate governance • Impact of COVID-19 on operations 	<ul style="list-style-type: none"> • Promulgation of the Housing Consumer Protection Bill offers opportunities for alternative revenue streams • Develop a risk management strategy to address corporate governance • Revision of APP targets in 2020 is such that missed targets in 2020 will be brought up to speed before the end of MTSF
Improved regulatory compliance	<ul style="list-style-type: none"> • Ensuring regulatory compliance is expensive and the declining revenues poses a risk to execution of this mandate • Impact of COVID-19 on operations 	<ul style="list-style-type: none"> • Promulgation of the Housing Consumer Protection Bill offers opportunities for alternative revenue streams • Revision of APP targets in 2020 is such that missed targets in 2020 will be brought up to speed before the end of MTSF
Competent homebuilders and technical professionals	<ul style="list-style-type: none"> • Home builder training is expensive and the declining revenues poses a risk to execution of this mandate 	<ul style="list-style-type: none"> • Promulgation of the Housing Consumer Protection Bill offers opportunities for alternative revenue streams • Revision of APP targets in 2020 is such that missed targets in

	<ul style="list-style-type: none"> Impact of COVID-19 on operations 	2020 will be brought up to speed before the end of MTSF
Greenhouse gas emission reduction	<ul style="list-style-type: none"> Insufficient funding for research agenda 	<ul style="list-style-type: none"> Written motivation to council to fund research agenda

7. PUBLIC ENTITIES

Name of public entity	Mandate	Outcomes	Current annual budget
N/A			

8. INFRASTRUCTURE PROJECTS

N/A

9. PUBLIC-PRIVATE PARTNERSHIPS (PPPS)

PPP title	Purpose	Outputs	Current value of agreement	End date of agreement	
N/A					

PART D: TECHNICAL INDICATOR DESCRIPTIONS (TIDS)

1. PROGRAMME 1: ADMINISTRATION

Unqualified audit opinion with no material findings

Indicator title	Unqualified audit opinion with no material findings
Definition	It is the opinion expressed by Auditor-General of South Africa (AGSA) on the annual report after assessing financial statements of the organisation. This takes place at the end of the financial year after performance is reviewed against predetermined objectives outlined in the budget and strategic & annual plan documents.
Source of data	Audit report in the annual report of the prior financial year

Indicator title	Unqualified audit opinion with no material findings
Method of calculation or assessment	Audit opinion expressed in the annual report issued in the reporting year
Means of verification	Management letter issued by the AGSA on completion of audit Annual report
Assumptions	Adherence to good governance by all employees and Council Compliance to approved policies Compliance to National Treasury and other relevant regulations. Target name is clarified to its complete name.
Disaggregation of beneficiaries (where applicable)	n/a
Spatial transformation (where applicable)	n/a
Calculation type	Non-cumulative
Reporting cycle	Annually
Desired performance	Unqualified audit opinion with no material findings
Indicator responsibility	Chief Financial Officer

% of compliance with statutory tabling and prescripts

Indicator Title	% of compliance with statutory tabling and prescripts
Definition	<p>The indicator measures the level of compliance by the NHBRC to key corporate governance requirements as outlined in legislation and other corporate governance guidelines/regulations (PFMA, Treasury Regulations and Guidelines). Coordinate the NHBRC submissions to the department of human settlements for the following statutory reports:</p> <p>Annual report APP SCP Quarterly reports</p>
Source of data	Request from the department for submission of Annual report, APP, SCP and Quarterly reports.
Method of calculation / Assessment	<p>Comparison of reports submission dates to letters of request from National Department of Human Settlements</p> <p>Calculation: (Number of submissions submitted/number of submission requested) x100</p>
Means of verification	<p>Quarterly reports Annual Report Annual Performance Plan Strategic Plan (where applicable) Proof of submission Presentations Invitation to tabling meeting</p>
Assumptions	<p>Non-cancellation or postponement of Council meetings Submissions from programme managers</p>

	On time submissions to meet reporting timelines Accurate performance information submitted by managers
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly, annually or as advised by the National Department of Human Settlements
Desired performance	100% Compliance with relevant key governance prescripts and requirements
Indicator responsibility	Head of Strategy

% implementation of approved internal audit plan

Indicator title	% implementation of approved internal audit plan
Definition	Implementation and completion of audits in line with the approved internal audit plan
Source of data	Information sourced from business units and external audits reports
Method of calculation or assessment	Total number of activities implemented/ total number of planned activities for the financial year X 100
Means of verification	Approved internal audit plan Updated internal audit plan Internal audit reports issued
Assumptions	Unrestricted access to records Availability of personnel Cooperation and support from business units and stakeholders

Indicator title	% implementation of approved internal audit plan
	Quality of information and records
Disaggregation of beneficiaries (where applicable)	Not applicable
Spatial transformation (where applicable)	Not applicable
Desired performance	100% audit completed as per approved audit plan which will results in reasonable assurance to management on the adequacy and effectiveness of the system internal controls, risk management and governance processes
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Indicator responsibility	Chief Audit Executive

% implementation of approved anti-fraud and corruption plan

Indicator Title	% implementation of approved anti-fraud and corruption plan
Definition	Implementation of approved anti-fraud and corruption plan. Activities in the plan include fraud investigations, facilitating fraud prevention projects and awareness and assisting in forensic assignments as required.
Source of data	Approved anti-fraud and corruption plan\Progress reports
Method of calculation / Assessment	Total number of activities implemented/ total number of planned activities for the financial year X 100
Means of verification	Progress reports
Assumptions	Unrestricted access to records Availability of personnel

Indicator Title	% implementation of approved anti-fraud and corruption plan
	Cooperation and support from stakeholders (e.g. business units and provinces).
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Cumulative (Year to date)
Reporting cycle	Quarterly and annually
Desired performance	Implement all activities in the approved anti-fraud and corruption implementation plan.
Indicator responsibility	Chief Risk Officer

% implementation of the approved risk management plan

Indicator Title	% implementation of the approved risk management plan
Definition	Risk management implementation plan is aligned to risk management strategy and unpacks specific risk management activities which will be implemented for particular year including responsible persons, resources required and targets dates.
Source of data	Departmental Annual Performance Plans will be used as a source to confirm outcomes in which strategic risks needs to be identified. Risk management methodology embedded in the risk identification template will be used as the source to facilitate completion of strategic risk register. Risk monitoring tool to be used for monitoring actions identified in the strategic risk register. Data will be collected from provincial offices and updated in the

Indicator Title	% implementation of the approved risk management plan
	risk register. The approved strategic risk register will be used as a source for the approved strategic risks including key risks.
Method of calculation / Assessment	Total number of activities implemented/ total number of planned activities for the financial year X 100
Means of verification	Approved risk management plan Progress report Risk registers
Assumptions	Complete, accurate, timeous risk information and co-operation from internal stakeholders (Risk Champions and Risk Owners).
Disaggregation of Beneficiaries (where applicable)	NA
Spatial Transformation (where applicable)	NA
Reporting cycle	Cumulative (Year to date)
Desired performance	Risk management embedded into strategic day-to-day operations, performance measurement as well as during decision making processes.
Indicator responsibility	Chief Risk Officer

% implementation of approved compliance plan

Indicator title	% implementation of approved compliance plan
Definition	The organisation sets plans to achieve a certain level of compliance in its operations, processes and procedures in line with applicable laws and best business practices.
Source of data	Approved regulatory compliance plan
Method of calculation or assessment	Total number of compliance activities completed within specific period/ total number of compliance

Indicator title	% implementation of approved compliance plan
	activities planned for completion in the same period multiply by 100
Means of verification	Compliance Plan Progress reports
Assumptions	Unrestricted access to records Availability of personnel Cooperation and support from business units and stakeholders Quality of information and records
Disaggregation of beneficiaries (where applicable)	n/a
Spatial transformation (where applicable)	n/a
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	100% achievement of compliance plan
Indicator responsibility	Executive Manager: Legal Compliance and Enforcement

% implementation of communication plan

Indicator title	% implementation of communication plan
Definition	To measure progress of all activities planned in the communication plan. These activities include nationwide housing consumers and stakeholder awareness campaigns and road shows to educate them about their rights and obligations. NHBRC uses different media campaigns including face to face engagements, print, TV, radio and digital platforms.
Source of data	Communication plan
Method of calculation or assessment	Total number of activities implemented/ total number of planned activities for the period X 100
Means of verification	Approved communication plan

Indicator title	% implementation of communication plan
	Progress report
Assumptions	Availability of approved budgets. Availability of media space as per our strategy. Ability of third parties / partners to meet agreed-to deliverables
Disaggregation of beneficiaries (where applicable)	Service provider will target companies owned by women, youth, and people with disabilities
Spatial transformation (where applicable)	N/A
Calculation Type	Cumulative (Year to date)
Reporting cycle	Quarterly and annually
Desired performance	Improved brand awareness and informed stakeholders
Indicator responsibility	Head of Marketing/Communication

Implementation of Social Transformation programmes

Indicator title	Number of social transformation programmes implemented
Definition	Is a process of holistically changing the human settlements delivery landscape through the actions of all employees and members of the NHBRC Council to ensure empowerment and mainstreaming of women, youth, people with disabilities and military veterans.
Source of data	Social transformation charter Approved social transformation plan Progress report
Method of calculation or assessment	Count of number of social transformation programmes implemented
Means of verification	Progress reports

Assumptions	Participants will be willing to take part in social transformation activities.
Disaggregation of beneficiaries (where applicable)	1 programme each financial year for: women, youth, disabilities and military veterans
Spatial transformation (where applicable)	N/A
Calculation Type	Cumulative (Year to date)
Reporting cycle	Quarterly and annually
Desired performance	Implement 3 social transformation programmes in 2021/22
Indicator responsibility	Manager Human Capital

Achieve BEE spend of %

Indicator title	Achieve BEE spend of %
Definition	Procure >65% of products & services from BEE accredited suppliers registered on the NHBRC database or through competitive bidding processes.
Source of data	Input information from suppliers awarded contracts. Data collected from the ERP system.
Method of calculation or assessment	Total amount of discretionary spend paid to accredited BEE service providers within a specific financial year/quarter divide by the total amount of discretionary spend paid to all service providers for the same period multiply by 100.
Means of verification	Supplier payment report
Assumptions	N/A
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation Type	Quarterly and annually
Reporting cycle	Quarterly
Desired performance	Above 65%
Indicator responsibility	Chief Financial Officer

2. PROGRAMME 2: REGULATION

Number of homebuilders registered

Indicator title	Number of homebuilders registered
Definition	Registration includes evaluation for technical, financial, managerial competence of the homebuilder and payment of prescribed registration fees in order to obtain a license to trade in the sector. Homebuilders wishing to obtain NHBRC certificate are required to submit NHBRC application with supporting documents, pay prescribed non-refundable registration fee, undertake technical assessment and pass it according to the prescribed minimum score, pay annual fee and obtain NHBRC certificate valid for 1 year from date of issue. A compliant homebuilder will be the builder will complied with all the registrations requirements and obtained NHBRC membership certificate.
Source of data	CRM report
Method of calculation/Assessment	Number of certificates issued to newly registered homebuilders.
Means of verification	System generated report
Assumptions	Homebuilders will apply to register with the NHBRC. Technical Managers will pass the technical assessments. Homebuilders will pay registration and annual fees.
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually

Indicator title	Number of homebuilders registered
Desired performance	2,370 homebuilders registered
Indicator responsibility	Executive Manager: Business Services

Number of registrations renewed

Indicator title	Number of registrations renewed
Definition	Annual renewal of homebuilder registrations which includes verification of material changes from initial registration with regards to technical, managerial competence and contact details. Registered homebuilders are required to submit a renewal form, update personal/company details, pay prescribed annual fee, undertake technical assessment where technical manager has changed and obtain new certificate valid for a period of one year from the expiry date of the previous certificate
Source of data	CRM system
Method of calculation/assessment	Number of renewal certificates issued homebuilders
Means of verification	System generated report
Assumptions	Homebuilders will submit renewal applications. Homebuilders will pay annual fees.
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	9,050 registrations renewed
Indicator responsibility	Executive Manager: Business Services

% of homes inspected- non subsidy

Indicator title	% of homes inspected- non subsidy
Definition	<p>This indicator measures the percentage of enrolled homes inspected in the non-subsidy sector as per Section 3(h) of Act 95/1998 (as amended), and as per Rule 11(10)(b) of the Regulations to this Act. Inspections will be conducted to confirm compliance with the prescribed NHBRC technical requirements as per the NHBRC Home Building Manual.</p> <p>NHBRC will cover the following four inspection stages during the inspection process: Sub-structure, Super-structure, Practical Completion and Storm Water.</p> <p>The outcome of the inspection process is to ensure that all structural elements in enrolled homes, will comply with the NHBRC technical requirements. Homes under-construction are determined by the request from homebuilders for first inspection which is mandatory.</p> <p>Only enrolled homes will be inspected as unenrolled homes are in contravention of the ACT</p>
Source of data	<p>Database on enrolments under construction where homebuilders request first mandatory inspection.</p> <p>The inspection information is collected by NHBRC Inspectors and captured into the QM (Mobile Solution) system.</p> <p>Builder quality index for homes (BQIH) form is used to record the inspection information.</p>
Method of calculation or assessment	<p>The total number of homes inspected divide by the total number of homes under-construction multiply by 100</p>
Means of verification	<p>Database of inspection requests from the homebuilder</p> <p>Inspection reports</p>

Indicator title	% of homes inspected- non subsidy
Assumptions	Enrolled homes will be constructed Homebuilders will contact NHBRC for mandatory inspection
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	100% inspection of all enrolled homes
Indicator responsibility	Executive Manager: Business Services

% of homes inspected- subsidy

Indicator title	% of homes inspected- subsidy
Definition	<p>This indicator measures the percentage of enrolled homes inspected in the subsidy sector as per Section 3(h) of Act 95/1998 (as amended), and as per Rule 11(10)(b) of the Regulations to this Act. Inspections will be conducted to confirm compliance with the prescribed NHBRC technical requirements as per the NHBRC Home Building Manual.</p> <p>NHBRC will cover the following four inspection stages during the inspection process: Sub-structure, Super-structure, Practical Completion and Storm Water.</p> <p>The outcome of the inspection process is to ensure that all structural elements in enrolled homes, will comply with the NHBRC technical requirements. Homes under-construction are determined by the request from homebuilders for first inspection which is mandatory.</p>

Indicator title	% of homes inspected- subsidy
	Only enrolled homes will be inspected as unenrolled homes are in contravention of the ACT
Source of data	Database on enrolments under construction where homebuilders request first mandatory inspection. The inspection information is collected by NHBRC Inspectors and captured into the QM (Mobile Solution) system. Builder quality index for homes (BQIH) form is used to record the inspection information.
Method of calculation or assessment	The total number of homes inspected divide by the total number of homes under-construction multiply by 100
Means of verification	Database of inspection requests from the homebuilder Inspection reports
Assumptions	Enrolled homes will be constructed Homebuilders will contact NHBRC for mandatory inspection
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	100% inspection of all enrolled homes
Indicator responsibility	Executive Manager: Business Services

% of Prosecutable matters suspended within 10 working days of receipt of instruction

Indicator title	% of prosecutable matters suspended within 10 working days of receipt of instruction
Definition	The homebuilder must be given notice of intention to suspend their registration and an opportunity to give reasons why their registration should not be

Indicator title	% of prosecutable matters suspended within 10 working days of receipt of instruction
	suspended. The homebuilder's registration must be suspended if they fail to respond or to provide valid reasons why their registration should not be suspended and the organisation is of the opinion that there are reasonable prospects of successful prosecution.
Source of data	The information comes from provincial offices and it is emailed or hand delivered to the Paralegal in central office and is contained in the suspension database
Method of calculation or assessment	The indicator is calculated by using the number of days it takes from the date of receipt of instruction from the provincial office to the date of approval of suspension by the Enforcement Manager or his/her delegated person. The number of these suspended instructions within 10 working days of receipt should make 80% or more of total instructions received from provincial office
Means of verification	Report of suspended homebuilders
Assumptions	Notice of non-compliance will be issued
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Reporting cycle	Quarterly and Annually
Desired performance	Zero suspensions
Indicator responsibility	Executive Manager: Legal, Compliance and Enforcement

% of prosecutable matters set down for hearing before the DC within 120 working days from date of approval to prosecute.

Indicator title	% of prosecutable matters set down for hearing before the Disciplinary Committee (DC) within 120 working days from date approval to prosecute
Definition	The disciplinary process is initiated by sending a Charge Letter, a Charge Sheet, an Affidavit and a Plea to the homebuilder. Summons are issued for the homebuilder and witnesses to appear before the

Indicator title	% of prosecutable matters set down for hearing before the Disciplinary Committee (DC) within 120 working days from date approval to prosecute
	Disciplinary Committee after obtaining a suitable hearing date in consultation with Secretariat.
Source of data	The information comes from provincial offices and it is emailed or hand delivered to the Paralegal in central office and it is contained in the DC database.
Method of calculation or assessment	<p>The indicator is calculated by using the number of matters set down before the DC to prosecute from the date of approval of instruction by the Manager.</p> <p>The achievement is based on the number of matters that were presented to the DC within 120 days.</p> <p>These matters presented within 120 working days should be 80% of total matters presented to DC</p>
Means of verification	DC roll
Assumptions	The Disciplinary Committee will not cancel or postpone
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	100% within 120 working days
Indicator responsibility	Executive Manager: Legal Compliance and Enforcement

Percentage of disputes resolved.

Indicator title	Percentage of disputes resolved
Definition	<p>Housing Consumers whose homes are enrolled with the NHBRC can lodge a complaint against the homebuilder who fails to rectify defects or respond to their complaints.</p> <p>Complaints are lodged by the Housing Consumers by completing the complaints form at the NHBRC provincial offices.</p> <p>The NHBRC facilitate complaint between homebuilder and Housing Consumer.</p>

	Where homebuilder fails to rectify structural complain, the NHBRC will appoint a service provider to do the repairs using the warranty funds and money spent will be claimed from the defaulting homebuilder.
Source of data	Database of complaints lodged
Method of calculation or assessment	The indicator is calculated by using the average number of days taken to resolve the complaint from the date of receipt as per the date stamp and the date the matter was closed or escalated to conciliation, and a closure letter to be issued to the Housing Consumer.
Means of verification	Complaint form submitted; complaint closure letter sent to the Housing Consumer. Report of complaints lodged
Assumptions	Homebuilders will be willing to rectify the defects Complainants will provide required documentations
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Resolve all disputes within 90 days
Indicator responsibility	Executive Manager: Business Services

Number of homebuilders trained

Indicator title	Number of homebuilders trained
Definition	To capacitate home builders with technical building skills, competencies and capacity to meet technical building standards necessary to improve quality of homes construction. Training is offered to NHBRC registered builders, employees of the registered homebuilder and builders intending to register with the NHBRC
Source of data	Memorandum with TVETs External service providers and internal trainers conducting training Applications by homebuilders

	Applications by other stakeholders Internal requests from Business Services for potential homebuilders struggling to pass the technical assessment.
Method of calculation or assessment	Number of homebuilders attending the training Calculation is based on the number of homebuilders per module using unique ID numbers/NHBRC Registration number
Means of verification	Attendance register/certificate Report of learners
Assumptions	Learners available to attend and complete training Funds to sponsor training
Disaggregation of beneficiaries (where applicable)	Target for homebuilder: 1,700
Spatial transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	1,700 homebuilders trained
Indicator responsibility	Manager: Education Training and Development

Number of youths trained

Indicator title	Number of youths trained
Definition	Capacitate South Africans who are at the age of 18 to 35 with technical home building skills required in the construction/building sector and/or support youth to become skilled labourers or to establish own trading companies within the construction sector and in the process create job opportunities in the country.
Source of data	Memorandum with QCTO/CETA/TVETS External Service providers and internal trainers conducting the training

Indicator title	Number of youths trained
	Applications for training by youth Applications for training by other stakeholders on behalf of youth
Method of calculation or assessment	Number of youths attending the training Calculation is based on the number of youth per module using unique ID numbers
Means of verification	Attendance register/certificate Report of learners
Assumptions	Learners will attend and complete training They will be funds to sponsor training
Disaggregation of beneficiaries (where applicable)	Target for youth: 1,500
Spatial transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	1,500 youth trained
Indicator responsibility	Manager: Education Training and Development

Number of women trained

Indicator title	Number of women trained
Definition	Capacitate women with technical home building skills required in the construction/building sector and/or support women to become skilled labourers or to establish own trading companies within the construction sector in the process create job opportunities in the country.
Source of data	Applications for training by women Applications for training by other stakeholders on behalf of women
Method of calculation or assessment	Number of women to attend and complete training

Indicator title	Number of women trained
	Calculation is based on the number of women per module using unique ID numbers
Means of verification	Attendance register/certificates Report of women trained
Assumptions	Learners will attend and complete training Funds to sponsor training
Disaggregation of beneficiaries (where applicable)	Target for women: 1,400
Spatial transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and Annually
Desired performance	1,400 women trained
Indicator responsibility	Manager: Education Training and Development

Number of military veterans trained

Indicator title	Number of military veterans trained
Definition	Capacitate military veterans with technical home building skills required in the construction/building sector and/or support them to become skilled labourers or to establish own trading companies within the construction sector and in the process create job opportunities in the country. Military Veterans South African who rendered military service to any of the military organisations, former statutory and liberation armies, which were involved on all sides of South Africa's liberation war from 1960 to 1993; served in the then Union Defence Force. The training also include the children of the military veterans.
Source of data	Applications for training by department of Military veterans or Leadership structures under SAMVA.

Indicator title	Number of military veterans trained
Method of calculation or assessment	Number of military veterans who attended training Calculation is based on the number of military veterans per module using force number
Means of verification	Attendance register/certificates Report of military veterans trained
Assumptions	Military veterans registering for NHBRC training Learners attending and completing training Funds to sponsor training
Disaggregation of beneficiaries (where applicable)	Target for military veterans: 100
Spatial transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	100 military veterans trained
Indicator responsibility	Manager: Education Training and Development

Number of people with disabilities trained

Indicator title	Number of people with disabilities trained
Definition	Capacitate people living with disabilities with technical home building skills required in the construction/building sector and/or support them to become skilled labourers or to establish own trading companies within the construction sector and in the process create job opportunities in the country. The training is for people with disability who have been declared by medical practitioner
Source of data	Memorandum with QCTO/CETA/TVETS External service providers and Internal trainers conducting the training Applications for training by a person with disabilities

Indicator title	Number of people with disabilities trained
	Applications for training by other stakeholders on behalf of people with disabilities
Method of calculation or assessment	Number of people living with disabilities attending training Calculation is based on number of people living with disabilities per module using unique grant number.
Means of verification	Attendance register/certificates Report of people with disabilities trained
Assumptions	People with disabilities will register for NHBRC training The NHBRC will have funds to sponsor training Learners will attend and complete training
Disaggregation of beneficiaries (where applicable)	Target for people with disabilities: 200
Spatial transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	200 people with disabilities trained
Indicator responsibility	Manager: Education Training and Development

Number of Technical professionals trained

Indicator title	Number of technical professionals trained
Definition	To enhance technical competencies of Technical Professionals (Inspectors/ Engineers/Architects/ QS etc). in the home building sector. Technical professional are NHBRC staff members with employee number and employees from the municipality or provincial departments as verified by the letter from the municipality
Source of data	Technical training requested / recommended for technical professionals

Indicator title	Number of technical professionals trained
Means of verification	Attendance register Report of technical professionals trained
Method of calculation or assessment	Number of inspectors that attend the training Calculation is based on the number of technical professionals per module using unique ID numbers/employee number and letter from the department/municipality
Assumptions	Technical profession will apply for NHBRC training Technical profession will attend training sponsored by the NHBRC
Disaggregation of beneficiaries (where applicable)	Target for technical professional: 690
Spatial transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	690 Technical professionals trained
Indicator responsibility	Manager: Education Training and Development

Number of artisans trained

Indicator title	Number of artisans trained
Definition	To capacitate artisans with training in the home building sector. To attract youths and women to take up trades in the home building sector.
Source of data	Proof of registration at TVETs colleges
Method of calculation or assessment	Number of artisans enrolled at institution of higher learning Calculation is based on the number of artisans per module using unique ID numbers
Means of verification	Proof of registration at TVETs colleges Report of the list of enrolled learners
Assumptions	Learners must meet registration criteria at TVETs Learners will attend the training
Disaggregation of beneficiaries (where applicable)	Target for artisans: 600
Spatial transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	600 Artisans trained
Indicator responsibility	Manager: Education Training and Development

3. PROGRAMME 3: CONSUMER PROTECTION

% of enrolment applications approved - subsidy

Indicator title	% of enrolment applications approved - subsidy
Definition	<p>The Departments submits application for subsidy enrolment of homes pre and post construction. A compliant enrolment refers to an application where all the mandatory supporting documents have been submitted to the NHBRC. The application letter for enrolment should indicate the following:</p> <p>Project Name Homebuilders name Enrolment & Programme Type Number of Units Unique (HSS/G) Number</p> <p>The application letter will be accompanied by the following supporting documents:</p> <p>Phase 1 & 2 Geotechnical Report DSR & CGS B4 Certificate (for dolomitic areas) Survey General (SG) Diagram Site Development Plan (SDP) with ERF Numbers Services Drawings/certificate or as-built drawings NHBRC Certificate, ECSA Certificate and SACAP Certificate Approved Municipal Drawings Signed Engineering Drawings Preliminary Schedule of Works Beneficiary List</p> <p>The Developer pays the enrolment fee based on the quantum amount of the subsidy programme type.</p>

	The enrolment approval letter is then issued to the developer.
Source of data	Application for enrolment received from provincial departments of Human Settlements The information is collected by NHBRC Provincial offices and is recorded manually and /or on the CRM subsidy system.
Method of calculation or assessment	Total number of approved enrolments divide by the total number of complaint applications multiply by 100
Means of verification	Report on subsidy enrolments approved
Assumptions	Department will submit compliant documents
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	100% of enrolments approved
Indicator responsibility	Executive Manager: Business Services

% of subsidy project enrolment applications approved

Indicator title	% of enrolment applications approved - subsidy
Definition	<p>The Departments submits application for subsidy project enrolment which shows the layout of the area to be developed and the type of soil. Project enrolment is only applicable on green-field project (empty land)</p> <p>A compliant enrolment refers to an application where all the mandatory supporting documents have been submitted to the NHBRC. The application letter for enrolment should indicate the following:</p>

	<p>Project Name</p> <p>Homebuilders name</p> <p>Enrolment & Programme Type</p> <p>Number of Units</p> <p>Unique (HSS/G) Number</p> <p>The application letter will be accompanied by the following supporting documents:</p> <p>Phase 1 & 2 Geotechnical Report</p> <p>DSR & CGS B4 Certificate (for dolomitic areas)</p> <p>Survey General (SG) Diagram</p> <p>Site Development Plan (SDP) with ERF Numbers</p> <p>Services Drawings/certificate or as-built drawings</p> <p>NHBRC Certificate, ECSA Certificate and SACAP Certificate</p> <p>Preliminary Schedule of Works</p> <p>The Developer pays the project enrolment fee based on the quantum amount of the subsidy programme type.</p> <p>The enrolment approval letter for the project enrolment is then issued to the developer.</p>
Source of data	<p>Application for project enrolment is received from provincial departments of Human Settlements</p> <p>The information is collected by NHBRC Provincial offices and is recorded manually and /or on the CRM subsidy system.</p>
Method of calculation or assessment	<p>Total number of approved project enrolments divide by the total number of complaint project enrolment applications multiply by 100</p>
Means of verification	<p>Report on subsidy project enrolments approved</p>
Assumptions	<p>Department will submit compliant documents</p>
Disaggregation of beneficiaries (where applicable)	<p>N/A</p>

Spatial transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	100% of enrolments approved
Indicator responsibility	Executive Manager: Business Services

% of enrolment applications approved – non subsidy

Indicator title	% of enrolment applications approved - non-subsidy
Definition	<p>Homebuilder are required enrol homes 15 days prior to construction in terms of section 14 of the ACT.</p> <p>Where homebuilder started construction without enrolling the Act makes provision for a late enrolment application. A compliant enrolment refers to an application where all the mandatory supporting documents and fees are received before the approval of the enrolment.</p> <p>Homebuilder submits application for enrolment of homes pre or post commencement of construction with the following documents:</p> <ul style="list-style-type: none"> Individual home or Sectional title form signed by the homebuilder and engineer Building plans Building contract/price breakdown Proof of land value Pay prescribed enrolment fee according to the NHBRC price schedule (minimum 1.3% of the total enrolment value) Proof payment Financial bank guarantee of 80% in terms of sectional title where 20% is paid during enrolment

Indicator title	% of enrolment applications approved - non-subsidy
	Financial guarantee in terms of late enrolment (if applicable) Payment of late enrolment fees in case of late enrolment where construction has already commenced NHBRC issue enrolment certificate/ST001
Source of data/assessment	CRM report with the list of enrolled homes
Method of calculation or assessment	Total number of approved enrolments divide by the total number of enrolments issued (Certificate/ST001 printed) multiply by 100
Means of verification	Report on the number of homes enrolled
Assumptions	Homebuilder will submit compliant documents
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	100% of enrolments approved
Indicator responsibility	Executive Manager: Business Services

Appointment of a contractor to construct the “Green First, Zero Energy model house Designs

Indicator title	Appointment of a contractor to construct the “Green First, Zero Energy model house Designs
Definition	The indicator describes the process of constructing a Green First-Zero energy model house. This includes: 1. Adoption of Green First-Zero energy model house criteria, 2. Drafting & Adopting designs that seeks to achieve the objectives of the set criteria (reduced

	dependency on fossil-based energy), then appointment of service provider to construct the house and then evaluating the performance of the house under South African climate conditions against the set criteria.
Source of data	Architectural designs principles, energy saving literature and reports
Method of calculation or assessment	Approved draft designs against the adopted criteria
Means of verification	Adopted criteria & Designs Progress reports Appointment letter for the service provider to construct the house
Assumptions	There will be funds to sponsor the project. Adopted criteria will help meet the objectives
Disaggregation of beneficiaries (where applicable)	N/A
Spatial transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Green First, Zero Energy model house
Indicator responsibility	Manager: Centre for research and Housing innovation

PART E: ANNEXURES TO THE ANNUAL PERFORMANCE PLAN

ANNEXURE A: AMENDMENTS TO THE SP: NONE**ANNEXURE B: CONDITIONAL GRANTS: NOT APPLICABLE****ANNEXURE C: CONSOLIDATED INDICATORS**

Institution	Output Indicators	Annual Targets	Data Source
NA	NA	NA	NA

ANNEXURE D: DISTRICT DEVELOPMENT MODEL: NOT APPLICABLE**ANNEXURE E: MTSF TARGETS CONTRIBUTION**

MTSF Indicator	MTSF contribution by entity	Comments
94 area-based integrated multisectoral development plans for priority development areas completed by 2024	Develop a multi-year project enrolment programme	To be reported quarterly
100% of new projects validated for implementation readiness and implementation status of existing projects assessed prior to funding approvals	Validate and report on the readiness of housing development projects	To be reported quarterly
	Ensure all housing development projects are enrolled	To be reported quarterly
12 000 Community Residential Units (CRU) completed	Ensure that CRU new built are enrolled	To be reported quarterly
450 000 housing units and 300 000 serviced sites delivered through subsidy mechanism to households earning R0 to R3500 per month	Enrol and inspect that buildings are designed and constructed according to prevailing regulations as well as norms & standards	To be reported quarterly
Number of persons in the target market exposed to education programmes on various aspects of owning and renting a home	Implement a borrower, homeownership (Zenzeleni, a help me buy a home) and tenant education programme)	To be reported quarterly

MTSF Indicator	MTSF contribution by entity	Comments
	Monitor and report on the number of persons exposed to education programmes on owning or renting a home	To be reported quarterly
Transactional Support Programme implemented	Establish a presence in transactional support sites	To be reported quarterly
	Monitor and report on transaction support programmes	To be reported quarterly
Consumer protection programmes implemented	Monitor that home building projects within the priority development areas are enrolled	To be reported quarterly
	Report on number of home building projects and units registered	
	Inspect enrolled home building projects and units to ensure that the prevailing building regulations are observed	To be reported quarterly
	Report the number of projects and units inspected	To be reported quarterly
Transformation of the residential property market	In collaboration for DHS develop an implementation strategy with targets for the transformation of the residential property sector	
30 000 social housing units delivered	Enrol and inspect social housing projects	To be reported quarterly

**NATIONAL HOME BUILDERS REGISTRATION COUNCIL
MATERIALITY FRAMEWORK
FOR THE YEAR ENDING 31 MARCH 2022**

Gross Expenditure	0.25% - 1%
Gross Revenue	0.5% - 1%
Net Income	2.5% - 5%
Fixed Assets	2% - 5%
Financial Support (Loans)	1% - 2%
Total Assets	0.5% - 2%

[illegible]

Statement of financial position

**NATIONAL HOME BUILDERS REGISTRATION COUNCIL
PROPOSED ANNUAL BUDGET
FOR THE FINANCIAL YEAR 2021/22**

NATIONAL HOME BUILDERS REGISTRATION COUNCIL BUDGETED STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDING 31 MARCH 2021 TO 31 MARCH 2022										
Description	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021	NB		2021 - 2022	2022-2023	2023-2024	2024-2025
	Audited Actual	Audited Actual	Audited Actual	Approved Budget	Proposed Budget	Budget	Budget	Budget	Budget	Budget
Revenue	845 952 736	957 026 430	923 826 279	892 207 146	759 368 192	819 757 582	846 809 582	874 754 298		
Fees revenue	43 458 923	101 043 788	80 016 941	34 180 257	63 545 036	73 308 205	75 727 375	78 226 379		
Reg - Administration	3 123 790	3 374 924	3 351 283	2 303 000	1 927 940	2 378 999	2 457 506	2 538 604		
Reg - Annual	1 294 554	2 380 974	2 033 829	1 842 120	1 542 118	1 902 910	1 965 706	2 030 574		
Reg - Annual Renewals	9 923 722	9 436 914	10 494 094	7 368 480	7 597 429	7 611 640	7 862 824	8 122 297		
Project Enrolment	26 620 587	82 945 375	61 619 160	19 929 602	50 185 009	58 587 278	60 520 658	62 517 840		
Reg - Builders Manual	1 586 025	1 754 493	1 690 313	-	-	-	-	-		
Late Enrolment Fees	518 064	651 729	434 201	1 000 000	800 000	1 033 000	1 067 089	1 102 303		
Document sales	392 201	499 379	394 060	1 737 055	1 492 540	1 794 378	1 853 592	1 914 761		
Non Subsidy Enrolment Fees	655 563 715	592 533 678	559 494 346	670 098 397	552 477 697	602 211 644	622 084 628	642 613 421		
Speculative	341 518 557	312 822 603	284 246 459	342 748 264	255 006 240	294 923 629	304 656 108	314 709 760		
Cluster Sectional Title	314 045 158	279 711 075	275 247 887	327 350 132	297 471 457	307 288 016	317 428 520	327 903 661		
Subsidy enrolment fees	132 486 380	232 361 454	219 516 260	165 128 493	125 345 459	120 577 733	124 556 798	128 667 173		
Home Enrolment (0.75%)	132 486 380	232 361 454	219 516 260	8 054 240	22 027 588	8 320 030	8 594 591	8 878 213		
Consolidation (2.1%)	-	-	-	157 074 252	103 317 871	112 257 703	115 962 207	119 788 960		
Other Revenue	7 298 213	30 412 510	49 452 122	2 800 000	3 000 000	3 000 000	3 099 000	3 201 267		
Legal DC Penalty	2 554 058	5 460 257	11 312 700	2 800 000	3 000 000	3 000 000	3 099 000	3 201 267		
Sundry Income	4 744 155	24 952 253	38 139 422	-	-	-	-	-		
Technical Services Revenue	7 145 505	675 000	15 346 610	20 000 000	15 000 000	20 660 000	21 341 780	22 046 059		
Technical Service	5 206 050	-	8 662 210	3 000 000	3 000 000	3 099 000	3 201 267	3 306 909		
Geotechnical	-	675 000	-	7 000 000	5 000 000	7 231 000	7 469 623	7 716 121		
Forensic Assessment	1 939 455	-	6 684 400	10 000 000	7 000 000	10 330 000	10 670 890	11 023 029		
Testing Services	-	-	-	-	-	-	-	-		
Total Revenue	845 952 736	957 026 430	923 826 279	892 207 146	759 368 192	819 757 582	846 809 582	874 754 298		

Description	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022-2023	2023-2024	2024-2025
	Audited Actual	Audited Actual	Audited Actual	Approved Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
Operating Expenses	20 792 879	3 763 286	4 439 967	23 064 823	10 792 940	11 149 107	11 517 028	11 897 090
Accreditation Fees	662 643	-7 965	33 099	875 000	927 000	957 591	989 192	1 021 835
Direct Cost of Builders Manuals	1 415 279	1 192 899	1 454 724	938 405	681 284	703 766	726 990	750 981
Outstanding claims provision	13 295 901	1 660 884	-9 603 207	9 000 000	-	-	-	-
Direct Cost of Certificates	444 714	-	-	251 418	384 657	397 350	410 463	424 008
Technical Services	4 974 341	917 468	12 555 351	12 000 000	8 800 000	9 090 400	9 390 383	9 700 266
General & Administration	11 483 423	11 590 446	8 514 159	7 068 958	4 892 838	5 054 302	5 221 094	5 393 390
Motor Vehicle Expenses	354 176	545 202	470 474	665 200	602 050	621 918	642 441	663 641
Office Equipment Expenses (printers lease)	6 195 721	5 926 049	3 281 911	3 490 058	3 063 801	3 154 576	3 258 677	3 366 213
Mobile Office Expenses	4 719 600	480 600	-	-	-	-	-	-
Office Furniture Expenses	37 568	3 895 588	4 203 360	886 200	775 425	801 014	827 447	854 753
Relocation cost	-	-	65 132	1 500 000	-	-	-	-
Generator/ UPS Expenses	176 358	743 007	493 281	527 500	461 563	476 794	492 528	508 782
Council Related Costs	9 221 124	9 810 797	11 332 167	10 745 200	8 785 488	9 075 409	9 374 897	9 684 269
Council Remuneration	5 371 483	5 367 871	4 571 330	5 382 900	4 710 038	4 865 469	5 026 029	5 191 888
Disciplinary Committee costs	3 849 640	4 442 927	6 760 837	5 362 300	4 075 450	4 209 940	4 348 868	4 492 381
Permanent Staff Costs	453 805 821	485 737 251	534 444 533	522 047 638	502 690 510	503 391 106	504 114 822	504 862 421
Permanent Staff: Salary	329 433 820	440 727 900	472 463 541	476 460 317	476 460 317	476 460 317	476 460 317	476 460 317
Permanent Staff: Incentive Bonus	14 235 708	14 130 969	26 452 038	21 477 537	-	-	-	-
Staff Costs - Allowances	83 330 390	11 687 279	11 414 107	14 737 377	14 737 377	15 223 710	15 726 093	16 245 054
Other Employment Costs	11 347 299	3 410 391	10 714 273	3 122 407	6 492 815	6 707 078	6 928 412	7 157 049
Temporary staff	15 458 605	15 780 712	13 400 574	6 250 000	5 000 000	5 000 000	5 000 000	5 000 000

Description	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022-2023	2023-2024	2024-2025
	Audited Actual	Audited Actual	Audited Actual	Approved Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget
General Costs	164 492 361	150 278 455	203 954 248	172 378 738	133 960 287	138 380 977	142 947 549	147 664 818
Insurance Paid	1 175 926	2 528 270	1 009 008	2 200 000	2 000 000	2 066 000	2 134 178	2 204 606
Information Technology	41 845 932	31 466 760	49 859 798	31 904 872	26 501 000	27 375 533	28 278 926	29 212 130
Legal Fees	11 622 706	12 020 177	19 619 679	13 100 000	13 200 000	13 635 600	14 085 575	14 550 399
Marketing Fees	8 275 471	8 338 190	20 990 560	20 715 000	12 460 000	12 871 180	13 295 929	13 734 695
Telephone Expenses	17 726 755	16 606 086	17 480 467	18 000 000	15 460 800	15 971 006	16 498 050	17 042 485
Travelling Expenses	27 058 834	26 825 722	30 908 968	19 266 011	12 351 117	12 758 704	13 179 741	13 614 673
Travelling Expenses-Inspectors	19 739 336	20 831 176	28 724 096	34 871 582	22 735 600	23 485 875	24 260 909	25 061 519
Training for Emerging	8 499 625	9 367 821	2 449 933	-	-	-	-	-
Training and Development Staff	3 526 160	5 109 102	6 501 487	3 908 673	5 075 822	5 243 324	5 416 354	5 595 094
Training - Youth, Women & Veterans	18 118 988	8 611 974	12 247 737	15 050 000	13 058 673	13 489 609	13 934 766	14 394 614
Training & Dev.Interns- STEP	-	-	2 400 271	3 000 000	2 000 000	2 066 000	2 134 178	2 204 606
Audit Fees	5 475 634	5 771 511	9 814 801	6 000 000	6 000 000	6 198 000	6 402 534	6 613 818
General Office costs(Unifrom,Grocery)	1 426 994	2 801 666	1 947 442	4 362 600	3 117 275	3 220 145	3 326 410	3 436 181

Description	2017 - 2018 Audited Actual	2018 - 2019 Audited Actual	2019 - 2020 Audited Actual	2020 - 2021 Approved Budget	2021 - 2022 Proposed Budget	2022-2023 Proposed Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget
Other Expenses	70 893 671	55 073 434	66 536 307	74 030 378	62 588 871	64 077 004	65 614 244	67 202 216
Bank Charges	2 975 976	2 660 680	1 317 168	3 000 000	2 050 000	2 117 650	2 187 532	2 259 721
Provision for doubtful debts	17 909 896	-	1 650 405	-	-	-	-	-
Cleaning	1 925 122	2 667 940	1 650 405	2 732 450	2 390 894	2 469 793	2 551 296	2 635 489
New employees take over contract	78 181	131 620	4 459 753	-	-	-	-	-
Catering: Internal Activities	2 486 640	3 602 260	4 459 753	1 866 295	1 633 008	1 686 897	1 742 565	1 800 070
Conferences and Seminars	-	-	-	2 250 000	1 687 500	1 743 188	1 800 713	1 860 136
Venues and facilities	4 466 267	4 515 980	4 866 991	2 645 000	1 063 750	1 119 514	1 156 458	1 194 621
Consulting Fees	10 003 382	7 982 469	16 079 917	15 850 000	15 566 667	16 080 367	16 611 019	17 159 182
Courier & Freight	817 520	166 143	612 095	733 675	550 256	588 415	587 172	606 549
PE - Electricity & Water	4 428 417	4 516 814	5 308 171	5 592 555	4 893 486	5 054 971	5 221 785	5 394 104
Entertainment Expenses	5 413	5 626	-479	-	-	-	-	-
Fines and Penalties	4 390	1 179 180	670	-	-	-	-	-
Flowers & Gifts	162 380	174 615	223 724	456 250	202 188	208 860	215 752	222 872
P/P-Mun rates & Tax	825 901	620 459	945 615	2 492 000	1 890 500	1 942 557	2 006 661	2 072 881
PE - Rent of Premises	12 132 563	14 728 281	17 831 717	19 993 085	17 493 949	17 493 949	17 493 949	17 493 949
PE - Repair & Maintenance	477 333	543 356	1 311 306	1 012 800	886 200	915 445	945 654	976 861
Postage	291 015	341 199	314 653	554 403	485 103	501 111	517 648	534 730
Printing	2 140 908	1 105 335	1 648 898	1 680 088	1 260 066	1 301 648	1 344 603	1 388 974
Security	3 313 192	4 003 192	3 781 919	4 500 000	3 837 500	3 964 138	4 094 954	4 230 088
Special Projects	-2	1 886 082	33 672	200 000	175 000	180 775	186 741	192 903
PE - Plant Expenses	138 860	44 983	42 871	395 625	346 172	357 596	369 396	381 586
Stationery	2 432 704	845 648	1 808 763	2 045 118	1 789 478	1 848 531	1 909 533	1 972 547
Subscriptions	634 731	567 199	577 094	683 640	598 185	617 925	638 317	659 381
Rounding Differences / Minor Ad	-27	-19	752 708	-	-	-	-	-
Office Refurbishment	263 687	1 233 768	687 709	1 990 000	1 041 250	1 075 611	1 111 106	1 147 773
Other Costs - Rental of Premises	1 586 004	1 289 151	1 834 126	1 887 395	1 651 471	1 705 969	1 762 266	1 820 421
Off-site Archiving	1 381 241	250 182	441 876	1 470 000	1 086 250	1 122 096	1 159 125	1 197 377
Interest Paid	11 978	31 289	4 964	-	-	-	-	-
EXPENSES	730 689 278	716 253 669	829 221 381	809 335 735	723 710 933	731 127 905	738 789 633	746 704 203

Description	2017 - 2018 Audited Actual	2018 - 2019 Audited Actual	2019 - 2020 Audited Actual	2020 - 2021 Approved Budget	2021 - 2022 Proposed Budget	2022-2023 Proposed Budget	2023-2024 Proposed Budget	2024-2025 Proposed Budget
SURPLUS/(DEFICIT) BEFORE INTEREST AND DEPRECIATION	115 263 459	240 772 760	94 604 898	82 871 411	35 657 258	88 629 676	108 019 949	128 050 096
DEPRECIATION AND AMORTIZATION	23 849 690	23 357 650	22 073 948	27 443 920	22 200 420	22 933 034	23 689 824	24 471 588
Amortization	15 238 120	15 276 266	15 272 400	16 352 500	14 852 000	15 342 116	15 848 406	16 371 403
Depreciation	8 611 544	8 081 384	6 801 548	11 091 420	7 348 420	7 590 918	7 841 418	8 100 185
Operating Profit after amortisation, depreciation	91 413 769	217 415 111	72 530 950	55 427 491	13 456 838	65 696 643	84 330 125	103 578 507
Actuarial adjustment	(69 269 227)	(48 710 815)	(110 310 227)	-	-	-	-	-
Change in unearned premium provision	(133 336 797)	31 370 618	(146 019 405)	-	-	-	-	-
Change in unexpired risk provision	64 067 570	(80 081 433)	35 709 178	-	-	-	-	-
adjustment	22 144 542	168 704 296	(37 779 277)	55 427 491	13 456 838	65 696 643	84 330 125	103 578 507
Research & Development	770 147	1 739 484	2 314 907	7 000 000	3 000 000	3 099 000	3 201 267	3 306 909
Profit from operating activities	21 374 395	166 964 811	(40 094 183)	48 427 491	10 456 838	62 597 643	81 128 858	100 271 599
Interest Received	592 698 386	423 538 888	176 813 031	500 690 861	477 118 507	492 863 418	509 127 910	525 929 131
Interest Received	391 750 017	435 025 136	456 840 513	445 236 000	420 000 000	433 860 000	448 177 380	462 967 234
Dividend income	13 766 575	16 475 368	17 868 438	16 300 000	16 789 000	17 343 037	17 915 357	18 506 564
Realized (Gain)/ loss	197 549 213	(17 350 295)	(288 988 951)	51 154 861	52 689 507	54 428 261	56 224 393	58 079 798
Asset management service fees	(10 367 419)	(10 611 322)	(8 906 968)	(12 000 000)	(12 360 000)	(12 767 880)	(13 189 220)	(13 624 464)
Surplus/ (Deficit)	614 072 781	590 503 699	136 718 848	549 118 352	487 575 345	555 461 060	590 256 768	626 200 730

NATIONAL HOME BUILDERS REGISTRATION COUNCIL
BUDGETED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021 TO 31 MARCH 2025

Notes	2017/18 Actual R	2018/19 Actual R	2019/20 Actual R	2020/21 Budget R	2021/22 Budget R	2022/23 Budget R	2023/24 Budget R	2024/25 Budget R
ASSETS								
Non-current assets	6 388 081 181	6 202 458 507	6 784 244 698	7 600 225 373	8 164 327 167	8 758 865 090	9 447 684 857	10 127 734 803
Property, plant and equipment	93 087 014	88 375 634	86 818 067	108 781 647	99 314 368	89 773 725	79 131 049	67 856 240
Intangible Asset	86 215 158	71 291 392	56 013 993	90 866 492	96 866 492	81 524 376	65 675 970	98 418 777
Investments	6 208 779 009	6 042 791 480	6 641 412 639	7 400 577 235	7 968 146 308	8 587 566 991	9 302 877 839	9 961 459 787
Current assets	360 199 950	1 170 005 264	823 978 602	627 748 245	600 739 801	623 818 831	589 550 026	602 302 268
Inventories	13 158 231	11 940 688	10 473 048	9 473 048	7 473 048	6 421 431	4 921 431	3 421 431
Accounts receivables	15 991 624	61 458 431	46 635 411	88 986 694	66 530 246	64 487 865	61 338 954	59 968 800
Cash and cash equivalents	331 050 095	1 096 606 145	766 870 143	549 288 503	526 736 507	552 909 535	523 289 641	538 912 038
	6 748 281 131	7 372 463 770	7 608 223 300	8 227 973 618	8 765 066 968	9 382 683 921	10 037 234 883	10 730 037 071
EQUITY AND LIABILITIES								
Reserves	5 170 537 838	5 761 041 537	5 897 760 384	6 446 878 735	6 934 454 081	7 489 915 141	8 080 171 909	8 706 372 639
Accumulated Surplus	5 153 844 441	5 753 715 961	5 892 884 741	6 421 886 144	6 919 888 108	7 486 349 251	8 058 211 107	8 666 655 204
Emerging contractor Reserves	16 693 397	7 325 576	4 875 642	24 992 591	14 565 972	3 565 889	21 960 802	39 717 434
Current liabilities	148 268 553	134 808 913	143 953 608	159 757 749	152 528 953	155 951 910	159 457 513	163 142 780
Accounts payable	123 865 986	100 385 833	100 239 977	115 169 845	107 049 292	109 582 655	112 140 473	114 879 399
Deposits/Guarantees	24 402 567	34 421 080	43 713 631	44 587 904	45 479 662	46 389 255	47 317 040	48 263 381
Technical liabilities	1 429 474 739	1 476 615 320	1 566 509 308	1 621 337 134	1 678 083 933	1 736 816 871	1 797 605 462	1 860 521 653
Provision for outstanding claims	51 177 873	49 607 639	29 191 401	30 213 100	31 270 558	32 365 028	33 497 803	34 670 227
Provision for unearned premium	1 081 444 036	1 050 073 416	1 196 092 823	1 237 956 071	1 281 284 534	1 326 129 492	1 372 544 025	1 420 583 066
Provision for unexpired risk	296 852 830	376 934 263	341 225 085	353 167 963	365 528 842	378 322 351	391 563 633	405 268 361
NHBRC Final Annual Performance Plan 2021/2022	6 748 281 131	7 372 463 770	7 608 223 300	8 227 973 618	8 765 066 967	9 382 683 922	10 037 234 883	10 730 037 072

**NATIONAL HOME BUILDERS REGISTRATION COUNCIL
BUDGETED STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDING 31 MARCH 2021 TO 31 MARCH 2025**

	Accumulated Surplus	Emerging Contractor Reserve	Total
Balance at 2016/2017	4 531 272 035	25 193 022	4 556 465 057
Net surplus for the period	614 072 781		614 072 781
Utilised	8 499 625	(8 499 625)	-
Balance at 2017/2018	5 153 844 441	16 693 397	5 170 537 838
Net surplus for the period	590 503 699		590 503 699
Utilised	9 367 821	(9 367 821)	-
Balance at 2018/2019	5 753 715 961	7 325 576	5 761 041 537
Net surplus for the period	136 718 848		136 718 848
Utilised	2 449 933	(2 449 933)	-
Balance at 2019/2020	5 892 884 741	4 875 642	5 897 760 384
Net surplus for the period	549 118 352		549 118 352
Transfer to reserve	(30 000 000)	30 000 000	-
Utilised	9 883 051	(9 883 051)	-
Balance at 2020/2021	6 421 886 144	24 992 591	6 446 878 735
Net surplus for the period	487 575 345		487 575 345
Utilised	10 426 619	(10 426 619)	-
Balance at 2021/2022	6 919 888 108	14 565 972	6 934 454 081
Net surplus for the period	555 461 060		555 461 060
Utilised	11 000 083	(11 000 083)	-
Balance at 2022/2023	7 486 349 251	3 565 889	7 489 915 141
Net surplus for the period	590 256 768		590 256 768
Transfer to reserve	(30 000 000)	30 000 000	-
Utilised	11 605 088	(11 605 088)	-
Balance at 2023/2024	8 058 211 107	21 960 802	8 080 171 909
Net surplus for the period	626 200 730		626 200 730
Transfer to reserve	(30 000 000)	30 000 000	-
Utilised	12 243 367	(12 243 367)	-
Balance at 2024/2025	8 666 655 204	39 717 434	8 706 372 639

**BUDGETED CASH FLOW STATEMENT
FOR THE YEAR ENDING 31 MARCH 2021 TO 31 MARCH 2025**

	Note	2017/2018 Actual R	2018/2019 Actual R	2019/2020 Actual R	2020/2021 Budget R	2021/2022 Budget R	2022/2023 Budget R	2023/2024 Budget R	2024/2025 Budget R
Cash generated from operations	8	157 086 382	184 062 540	108 786 060	156 867 849	40 278 364	242 582 892	239 619 865	262 911 527
Interest Paid		(11 978)	(31 289)	(4 964)	-	-	-	-	-
Interest Received		12 970 552	23 905 548	30 003 499	30 903 604	31 830 712	32 785 633	33 769 202	34 782 278
Cash flow from operating activities		170 044 956	207 936 800	138 784 595	187 771 453	72 109 076	275 368 525	273 389 067	297 693 805
Investing activities									
Additions to property, plant and equipment		(4 746 560)	(3 693 155)	(5 339 373)	(33 055 000)	(2 000 000)	(2 500 000)	(2 000 000)	(2 000 000)
Additions to intangible asset		-	(352 499)	-	(18 500 000)	(6 000 000)	-	-	-
Purchase of financial assets		(29 732 149)	(2 366 877)	(14 009 771)	-	-	-	-	-
Proceeds on sale of financial assets		-	567 262 899	(438 358 422)	(353 798 093)	(86 661 072)	(269 247 494)	(274 835 934)	(229 017 213)
Cash flow from investing activities		(34 478 709)	560 850 368	(457 707 566)	(405 353 093)	(94 661 072)	(271 747 494)	(276 835 934)	(231 017 213)
Cash flow from financing activities									
Claims paid		(9 436 711)	(3 231 118)	(10 813 031)	-	-	-	-	-
Net decrease in cash and cash equivalents		126 129 536	765 556 050	-329 736 002	(217 581 640)	(22 551 996)	3 621 032	-3 446 867	66 676 592
Cash and cash equivalents at beginning of year		204 920 559	331 050 095	1 096 606 145	766 870 143	549 288 503	549 288 503	526 736 507	523 289 641
Cash and cash equivalents at the end of the year		331 050 095	1 096 606 145	766 870 143	549 288 503	526 736 507	552 909 535	523 289 641	589 966 233

**NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE BUDGETED FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 MARCH 2021 TO 31 MARCH 2025**

1 Property, plant and equipment

	Computer equipment R	Office furniture and equipment R	Motor vehicles R	Land and Buildings R	Land and Buildings R	Total R
Balance at 2017/2018						
Opening net carrying Cost	10 389 985 24 509 389 (14 119 404)	11 446 266 23 092 292 (11 646 026)	248 132 1 169 897 (921 765)	17 751 947 17 751 947 -	57 769 684 75 746 283 (17 976 599)	97 606 013 142 269 808 (44 663 794)
Accumulated depreciation						
Additions	1 729 517	1 928 103	1 088 940	-	-	4 746 560
Disposal	(376 766)	(257 250)	(20 000)	-	-	(654 016)
Depreciation	(2 999 924)	(1 734 466)	(89 840)	-	(3 787 314)	(8 611 544)
Closing net carrying	8 742 812	11 382 654	1 227 232	17 751 947	53 982 369	93 087 014
Cost	20 794 405	23 782 984	1 920 892	17 751 947	75 746 282	139 996 510
Accumulated depreciation	(12 051 593)	(12 400 330)	(693 660)	-	(21 763 913)	(46 909 496)
Balance at 2018/2019						
Opening net carrying amount	8 742 812	11 382 654	1 227 232	17 751 947	53 982 369	93 087 014
Cost	20 794 405	23 782 984	1 920 892	17 751 947	75 746 282	139 996 510
Accumulated depreciation	(12 051 593)	(12 400 330)	(693 660)	-	(21 763 913)	(46 909 496)
Additions	2 075 355	1 617 800	-	-	-	3 693 155
Disposal	(138 841)	(126 828)	(40 001)	-	17 483	(8 081 384)
Depreciation	(2 017 655)	(2 384 188)	1 499	-	(3 681 040)	(8 081 384)
Closing net carrying	8 661 672	10 489 439	1 188 730	17 751 947	50 283 846	88 375 634
Cost	21 751 346	24 591 706	1 565 239	17 751 947	75 707 782	141 368 020
Accumulated depreciation	(13 089 674)	(14 102 267)	(376 509)	-	(25 423 936)	(52 992 386)

Balance at 2019/2020									
Opening net carrying amount	8 661 672	10 489 439	1 188 730	17 751 947	50 283 846	88 375 634			
Cost	21 751 346	24 591 706	1 565 239	17 751 947	75 707 782	141 368 020			
Accumulated depreciation	(13 089 674)	(14 102 267)	(376 509)	-	(25 423 936)	(52 992 386)			
Additions	3 709 524	1 629 849	-	-	-	5 339 373			
Disposal	(87 204)	(8 186)				(95 390)			
Depreciation	(1 682 374)	(1 221 076)	(112 711)	-	(3 785 388)	(6 801 549)			
Closing net carrying	10 601 618	10 890 025	1 076 019	17 751 947	46 498 458	86 818 067			
Cost	25 373 666	26 213 369	1 565 239	17 751 947	75 707 782	146 612 003			
Accumulated depreciation	(14 772 048)	(15 323 343)	(489 220)	-	(29 209 324)	(59 793 935)			
Balance at 2020/2021									
Opening net carrying amount	10 601 618	10 890 026	1 076 019	17 751 947	46 498 458	86 818 068			
Cost	25 373 666	26 213 369	1 565 239	17 751 947	75 707 782	146 612 003			
Accumulated depreciation	(14 772 048)	(15 323 343)	(489 220)	-	(29 209 324)	(59 793 935)			
Additions	20 060 000	12 495 000	500 000	-	-	33 055 000			
Depreciation	(2 576 399)	(3 078 874)	(150 944)	-	(5 285 204)	(11 091 420)			
Closing net carrying	28 085 219	20 306 151	1 425 075	17 751 947	41 213 254	108 781 647			
Cost	45 433 666	38 708 369	2 065 239	17 751 947	75 707 782	179 667 003			
Accumulated depreciation	(17 348 447)	(18 402 217)	(640 164)	-	(34 494 528)	(70 885 355)			

Balance at 2021/2022						
Opening net carrying amount	28 085 219	20 306 152	1 425 075	17 751 947	41 213 254	108 781 648
Cost	45 433 666	38 708 369	2 065 239	17 751 947	75 707 782	179 667 003
Accumulated depreciation	(17 348 447)	(18 402 217)	(640 164)	-	(34 494 528)	(70 885 355)
Additions	1 000 000	1 000 000	-	-	-	2 000 000
Depreciation	(2 705 219)	(3 232 817)	(158 491)	-	(5 370 752)	(11 467 279)
Closing net carrying	26 380 000	18 073 334	1 266 583	17 751 947	35 842 503	99 314 368
Cost	46 433 666	39 708 369	2 065 239	17 751 947	75 707 782	181 667 003
Accumulated depreciation	(20 053 666)	(21 635 034)	(798 656)	-	(39 865 279)	(82 352 635)
	Computer equipment R	Office furniture and equipment R	Motor vehicles R	Land and Buildings R	Land and Buildings R	Total R
Balance at 2022/2023						
Opening net carrying amount	26 380 000	18 073 335	1 266 583	17 751 947	35 842 503	99 314 369
Cost	46 433 666	39 708 369	2 065 239	17 751 947	75 707 782	181 667 003
Accumulated depreciation	(20 053 666)	(21 635 034)	(798 656)	-	(39 865 279)	(82 352 635)
Additions	1 000 000	1 000 000	500 000	-	-	2 500 000
Depreciation	(2 840 480)	(3 394 458)	(166 416)	-	(5 639 289)	(12 040 643)
Closing net carrying	24 539 521	15 678 876	1 600 167	17 751 947	30 203 213	89 773 725
Cost	47 433 666	40 708 369	2 565 239	17 751 947	75 707 782	184 167 003
Accumulated depreciation	(22 894 145)	(25 029 492)	(965 072)	-	(45 504 569)	(94 393 278)

Balance at 2023/2024							
Opening net carrying amount	24 539 521	15 678 877	1 600 167	17 751 947	30 203 213	89 773 726	
Cost	47 433 666	40 708 369	2 565 239	17 751 947	75 707 782	184 167 003	
Accumulated depreciation	(22 894 145)	(25 029 492)	(965 072)	-	(45 504 569)	(94 393 278)	
Additions	1 000 000	1 000 000	-	-	-	2 000 000	
Depreciation	(2 982 504)	(3 564 181)	(174 737)	-	(5 921 254)	(12 642 675)	
Closing net carrying	22 557 017	13 114 695	1 425 431	17 751 947	24 281 960	79 131 049	
Cost	48 433 666	41 708 369	2 565 239	17 751 947	75 707 782	186 167 003	
Accumulated depreciation	(25 876 649)	(28 593 673)	(1 139 808)	-	(51 425 822)	(107 035 953)	
Balance at 2024/2025							
Opening net carrying amount	22 557 017	13 114 696	1 425 431	17 751 947	24 281 960	79 131 050	
Cost	48 433 666	41 708 369	2 565 239	17 751 947	75 707 782	186 167 003	
Accumulated depreciation	(25 876 649)	(28 593 673)	(1 139 808)	-	(51 425 822)	(107 035 953)	
Additions	1 000 000	1 000 000	-	-	-	2 000 000	
Depreciation	(3 131 629)	(3 742 390)	(183 474)	-	(6 217 317)	(13 274 809)	
Closing net carrying	20 425 388	10 372 305	1 241 957	17 751 947	18 064 643	67 856 240	
Cost	49 433 666	42 708 369	2 565 239	17 751 947	75 707 782	188 167 003	
Accumulated depreciation	(29 008 278)	(32 336 063)	(1 323 282)	-	(57 643 139)	(120 310 762)	

**NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE BUDGETED FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 MARCH 2021 TO 31 MARCH 2025**

2 Intangible Asset

	Software development	Total
Balance at 2017/2018		
Opening net carrying amount	101 952 148	101 952 148
Cost	175 858 460	175 858 460
Accumulated Amortisation	(73 906 312)	(73 906 313)
Disposal	(53 951 688)	(53 951 688)
Amortisation on Disposals	53 452 817	53 452 817
Amortisation	(15 238 120)	(15 238 120)
Closing net carrying amount	86 215 158	86 215 158
Cost	121 906 772	121 906 773
Accumulated Amortisation	(35 691 614)	(35 691 614)
Balance at 2018/2019		
Opening net carrying amount	86 215 158	86 215 159
Cost	121 906 772	121 906 773
Accumulated Amortisation	(35 691 614)	(35 691 614)
Additions	352 499	352 499
Amortisation	(15 276 266)	(15 276 266)
Closing net carrying amount	71 291 392	71 291 392
Cost	122 230 124	122 230 125
Accumulated Amortisation	(50 938 732)	(50 938 732)
Balance at 2019/2020		
Opening net carrying amount	71 291 392	71 291 392
Cost	122 230 124	122 230 125
Accumulated Amortisation	(50 938 732)	(50 938 732)
Disposal	(61 537)	(61 537)
Amortisation on Disposals	56 537	56 537
Amortisation	(15 272 400)	(15 272 400)
Closing net carrying amount	56 013 992	56 013 993
Cost	122 168 587	122 168 587
Accumulated Amortisation	(66 154 595)	(66 154 595)
Balance at 2020/2021		
Opening net carrying amount	56 013 992	56 013 992
Cost	122 168 587	122 168 588
Accumulated Amortisation	(66 154 595)	(66 154 595)
Additions	18 500 000	18 500 000
Amortisation	16 352 500	16 352 500
Closing net carrying amount	90 866 492	90 866 492
Cost	140 668 587	140 668 587
Accumulated Amortisation	(49 802 095)	(49 802 095)

Balance at 2021/2022		
Opening net carrying amount	90 866 492	90 866 492
Cost	140 668 587	140 668 588
Accumulated Amortisation	(49 802 095)	(49 802 095)
Additions	6 000 000	6 000 000
Amortisation	(14 852 000)	(14 852 000)
Closing net carrying amount	96 866 492	96 866 492
Cost	146 668 587	146 668 587
Accumulated Amortisation	(49 802 095)	(49 802 095)
Balance at 2022/2023		
Opening net carrying amount	96 866 492	96 866 492
Cost	146 668 587	146 668 588
Accumulated Amortisation	(49 802 095)	(49 802 095)
Amortisation	(15 342 116)	(15 342 116)
Closing net carrying amount	81 524 376	81 524 376
Cost	131 326 471	131 326 471
Accumulated Amortisation	(49 802 095)	(49 802 095)
Balance at 2023/2024		
Opening net carrying amount	81 524 376	81 524 376
Cost	131 326 471	131 326 472
Accumulated Amortisation	(49 802 095)	(49 802 095)
Amortisation	(15 848 406)	(15 848 406)
Closing net carrying amount	65 675 970	65 675 970
Cost	115 478 065	115 478 065
Accumulated Amortisation	(49 802 095)	(49 802 095)
Balance at 2024/2025		
Opening net carrying amount	65 675 970	65 675 970
Cost	115 478 065	115 478 066
Accumulated Amortisation	(49 802 095)	(49 802 095)
Amortisation	16 371 403	16 371 403
Closing net carrying amount	98 418 777	98 418 777
Cost	131 849 468	131 849 468
Accumulated Amortisation	(33 430 692)	(33 430 692)

NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE BUDGETED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDING 31 MARCH 2021 TO 31 MARCH 2025

	2017/18 Actual R	2018/19 Actual R	2019/20 Actual R	2020/21 Budget R	2021/22 Budget R	2022/23 Budget R	2023/24 Budget R	2024/25 Budget R
3 Investment in securities								
Available-for-sale investments								
Opening balance	5 600 622 985	6 208 779 009	6 042 791 480	6 641 412 639	7 400 577 235	7 968 146 308	8 587 566 991	9 302 877 839
Interest received and Investment income	405 516 592	451 500 505	456 840 513	420 000 000	451 203 037	482 460 196	514 846 876	548 397 211
Administration fee	(10 387 419)	(10 611 322)	(8 906 988)	(12 360 000)	(12 767 880)	(13 189 220)	(13 624 464)	(14 074 072)
Fair value net gains/ (loss)	197 549 213	(17 350 295)	(288 988 951)	52 689 507	54 428 261	56 224 393	29 039 899	29 998 216
(Withdrawal) / Additions	15 457 638	(589 526 417)	439 676 565	298 835 089	74 705 656	93 925 313	185 048 538	94 260 593
	6 208 779 009	6 042 791 480	6 641 412 639	7 400 577 235	7 968 146 308	8 587 566 991	9 302 877 839	9 961 459 787
4 Accounts receivable								
Trade debtors	75 263 119	98 378 790	48 776 777	69 767 495	63 424 995	57 659 086	52 417 351	47 652 138
Provision for bad debts	(72 409 926)	(61 007 113)	(30 641 038)	(27 855 489)	(25 323 172)	(23 021 065)	(20 928 241)	(19 025 674)
Sundry debtors	13 138 432	24 086 754	28 499 672	27 074 688	28 428 423	29 849 844	29 849 844	31 342 336
	15 991 624	61 458 431	46 635 411	68 986 694	66 530 246	64 487 865	61 338 954	59 968 800
5 Cash and cash equivalents								
Bank	252 242 894	450 551 639	559 078 618	331 124 687	297 680 921	312 564 967	282 796 875	282 796 875
Short-term bank deposits	93 003	77 409	172 851	164 208	155 998	-	148 198	148 198
Call Account	78 714 198	645 977 096	207 618 674	217 999 608	228 899 588	240 344 567	240 344 567	255 966 964
	331 050 095	1 096 606 145	766 870 143	549 288 503	526 736 507	552 909 535	523 289 641	538 912 038
6 Accounts payable								
Accounts payable	24 032 368	27 262 684	31 896 116	45 459 106	35 944 338	37 035 602	38 162 879	39 422 254
Leave Accrual	24 291 534	22 537 063	27 986 278	28 546 003	29 116 923	29 699 262	30 293 247	30 899 112
Sundry creditors	75 542 084	50 586 086	40 357 584	41 164 736	41 988 030	42 827 791	43 684 347	44 558 034
	123 865 986	100 385 833	100 239 977	115 169 845	107 049 292	109 562 655	112 140 473	114 879 399

NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NOTES TO THE BUDGETED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDING 31 MARCH 2021 TO 31 MARCH 2025

	2017/18 Actual R	2018/19 Actual R	2019/20 Actual R	2020/21 Budget R	2021/22 Budget R	2022/23 Budget R	2023/24 Budget R	2024/25 Budget R
7 Deposits Gaurantees								
Bank Gaurantees	24 402 567	34 421 080	43 713 631	44 587 904	45 479 662	46 389 255	47 317 040	48 263 381
	24 402 567	34 421 080	43 713 631	44 587 904	45 479 662	46 389 255	47 317 040	48 263 381
8 Reconciliation of surplus to cash generated from operations								
Surplus for the period	614 072 781	590 503 699	136 718 848	549 118 352	405 894 455	555 461 060	590 256 768	626 200 730
Adjust for non cash items:								
Depreciation of property, plant and equipment	8 611 544	8 081 384	6 801 548	7 348 420	7 590 918	7 841 418	8 100 185	8 367 491
Amortisation of Intangible Asset	15 238 120	15 278 266	15 272 400	14 852 000	15 342 116	15 848 406	16 371 403	16 911 660
Claims paid	9 436 711	3 231 118	10 813 031					
Transaction cost on investment	1 303 958	724 845	556 566	592 743	631 272	672 304	716 004	762 544
Net loss on disposal of property plant and equipment	1 152 885	323 177	100 393	110 432	117 610	125 255	125 255	-
Administration fee	10 367 419	10 611 322	8 906 968	12 360 000	12 767 880	13 189 220	13 624 464	14 074 072
Fair value gain on financial instruments	(197 549 213)	17 350 295	288 988 951	52 689 507	54 428 261	56 224 393	29 039 899	29 998 216
Dividend received	(13 766 575)	(16 475 368)	(17 868 438)	(16 789 000)	(17 343 037)	(17 915 357)	(18 506 564)	(19 117 281)
Movement in technical provision	64 686 858	30 872 341	89 893 988	54 827 826	56 746 800	58 732 938	60 788 590	63 828 020
Interest paid	11 978	31 289	4 964	5 461	-	-	-	-
Interest received	(391 750 016)	(435 025 136)	(456 840 513)	(481 966 741)	(508 474 911)	(448 177 380)	(462 967 234)	(478 245 152)
Operating income before working capital changes	121 816 450	225 505 231	83 348 707	193 149 000	27 701 363	242 002 257	237 548 771	262 780 299
(Increase) / Decrease in inventory	21 906	1 217 543	1 467 640	1 000 000	2 000 000	1 051 617	1 500 000	1 500 000
(Increase) / Decrease in accounts receivable	29 297 451	(45 468 907)	14 823 021	(22 351 283)	2 456 448	2 042 381	3 148 911	1 370 154
Increase / (Decrease) in accounts payable	5 950 575	2 806 573	9 146 694	(14 929 868)	8 120 553	(2 513 363)	(2 577 818)	(2 738 927)
	157 086 382	184 062 540	108 786 060	156 867 849	40 278 364	242 582 892	239 619 865	262 911 527

BUDGET QUARTERLY BREAKDOWN

NATIONAL HOME BUILDERS REGISTRATION COUNCIL					
ANNUAL ESTIMATED CONSOLIDATED BUDGET BY DIVISION					
2021-2022					
DESCRIPTION	QUARTER 1 2021-2022 Budget	QUARTER 2 2021-2022 Budget	QUARTER 3 2021-2022 Budget	QUARTER 4 2021-2022 Budget	GRAND TOTAL 2021-2022 Budget
REVENUE					
ENROLMENTS NON-SUBSIDY	82 871 655	82 871 655	165 743 309	220 991 079	552 477 697
ENROL FEE : SUBSIDY HOME	2 202 759	4 405 518	6 608 276	8 811 035	22 027 588
ENROL FEE : CONSOLIDATION	10 331 787	20 663 574	30 995 361	41 327 148	103 317 871
ENROL FEE : SUBSIDY PROJECT	5 018 501	10 037 002	15 055 503	20 074 004	50 185 009
REGISTRATION : ADMIN FEES	289 191	289 191	578 382	771 176	1 927 940
REGISTRATION : ANNUAL FEES	231 318	231 318	462 635	616 847	1 542 118
RENEWAL : ANNUAL FEES	1 139 614	1 139 614	2 279 229	3 038 972	7 597 429
BUILDER MANUALS	223 881	223 881	447 762	597 016	1 492 540
LATE ENROLMENT	120 000	120 000	240 000	320 000	800 000
FORENSIC ASSESSMENTS	700 000	1 400 000	2 100 000	2 800 000	7 000 000
GEO TECH ASSESSMENT	500 000	1 000 000	1 500 000	2 000 000	5 000 000
LEGAL DC PENALTY	450 000	450 000	900 000	1 200 000	3 000 000
TECHNICAL SERVICE	300 000	600 000	900 000	1 200 000	3 000 000
REVENUE TOTAL	184 378 705	123 431 732	227 810 457	303 747 277	759 368 192
EXPENSES					
ACCREDITATION FEES	231 750	231 750	231 750	231 750	927 000
AUDIT COSTS	1 500 000	1 500 000	1 500 000	1 500 000	6 000 000
BANK CHARGES AND CARD FEES	512 500	512 500	512 500	512 500	2 050 000
C/P:BUSINESS&ADVISORY SERV	3 891 667	3 891 667	3 891 667	3 891 667	15 566 667
C/P:BUS&ADV SER:RESEARCH&ADVISOR	750 000	750 000	750 000	750 000	3 000 000
CATERING: INTERNAL ACTIVITIES	408 252	408 252	408 252	408 252	1 633 008
COMMUNICATION COSTS	3 865 200	3 865 200	3 865 200	3 865 200	15 460 800
COMPUTER SERVICES COSTS	6 625 250	6 625 250	6 625 250	6 625 250	26 501 000
CONTRCTRS: TRNSPRT/ RELCTN CONTR	-	-	-	-	-
CONTRCTRS:PLANT FLOWRS&OTHR DEC	221 550	221 550	221 550	221 550	886 200
COST OF BUILDER MANUALS	170 321	170 321	170 321	170 321	681 284
COST OF CERTIFICATES	96 164	96 164	96 164	96 164	384 657
COUNCIL COSTS	1 177 509	1 177 509	1 177 509	1 177 509	4 710 038
DISCIPLINARY COMMITTEE COSTS	1 018 863	1 018 863	1 018 863	1 018 863	4 075 450
FLEET SERVICES COSTS	150 513	150 513	150 513	150 513	602 050
GENERAL OFFICE COSTS(Unifrom, Grocery)	779 319	779 319	779 319	779 319	3 117 275
GENERATOR EXPENSES	115 391	115 391	115 391	115 391	461 563
INV STA&PRNT:PRINTING	315 017	315 017	315 017	315 017	1 260 066
INV STA&PRNT:STATIONERY	447 370	447 370	447 370	447 370	1 789 478
LEGAL SERVICES COSTS	3 300 000	3 300 000	3 300 000	3 300 000	13 200 000
MARKETING COSTS	3 115 000	3 115 000	3 115 000	3 115 000	12 460 000
MINOR ASSETS COSTS	193 856	193 856	193 856	193 856	775 425
O/P:COURIER & DELIVERY SERVS	137 564	137 564	137 564	137 564	550 256
O/P:FLOWERS & GIFTS	50 547	50 547	50 547	50 547	202 188
O/P:NON LIFE INSURANCE PRM	500 000	500 000	500 000	500 000	2 000 000
O/P:PROF BODIES,MEMB&SUBSC FEES	149 546	149 546	149 546	149 546	598 185
O/P:STORAGE OF FILES	271 563	271 563	271 563	271 563	1 086 250
OP/L:HIRE AND RENTAL:EQUIPMENT	763 450	763 450	763 450	763 450	3 053 801
OP/L:RENTAL OF PREMISES	4 373 487	4 373 487	4 373 487	4 373 487	17 493 949
OUTSTANDING CLAIMS	-	-	-	-	-

P/P:CLEANING SERVICES	597 723	597 723	597 723	597 723	2 390 894
P/P:CONFERENCING,EVENT & WORKSHOPS	421 875	421 875	421 875	421 875	1 687 500
P/P:CONTRCTD MAINT PROP	260 313	260 313	260 313	260 313	1 041 250
P/P:CONTRCTD REF&REH PROP	86 543	86 543	86 543	86 543	346 172
P/P:LEASE OPERATING COSTS	412 868	412 868	412 868	412 868	1 651 471
P/P:MUN RATES AND TAXES	470 125	470 125	470 125	470 125	1 880 500
P/P:SAFEGUARD&SECURITY	959 375	959 375	959 375	959 375	3 837 500
P/P:WATER & ELECTR SERVICES	1 223 371	1 223 371	1 223 371	1 223 371	4 893 486
POSTAGE	121 276	121 276	121 276	121 276	485 103
SALARIES AND WAGES	125 672 627	125 672 627	125 672 627	125 672 627	502 690 510
SPECIAL PROJECTS	43 750	43 750	43 750	43 750	175 000
TECHNICAL SERVICE	2 200 000	2 200 000	2 200 000	2 200 000	8 800 000
TRAIN & DEV:EMPLOYEES AND BURSARIES	1 268 956	1 268 956	1 268 956	1 268 956	5 075 822
TRAIN & DEV:INTERNS- STEP	500 000	500 000	500 000	500 000	2 000 000
TRAIN & DEV:WOMEN,YOUTH,DSP,VETS	3 264 668	3 264 668	3 264 668	3 264 668	13 058 673
TRAVEL AND SUBSISTANCE COSTS	3 087 779	3 087 779	3 087 779	3 087 779	12 351 117
TRAVEL COST INSPECTORATE	5 683 900	5 683 900	5 683 900	5 683 900	22 735 600
VENUES AND FACILITIES	270 938	270 938	270 938	270 938	1 083 750
EXPENSES TOTAL	181 677 733	181 677 733	181 677 733	181 677 733	726 710 884
SURPLUS/ (DEFICIT) BEFORE INTEREST AND DEPRECIATION	(77 299 028)	(58 245 981)	46 132 724	122 069 543	32 657 258
DEPRECIATION AND AMORTISATION					
AMORTISATION	3 713 000	3 713 000	3 713 000	3 713 000	14 852 000
DEPRECIATION	1 837 105	1 837 105	1 837 105	1 837 105	7 348 420
DEPRECIATION AND AMORTISATION TOTAL	5 550 105	5 550 105	5 550 105	5 550 105	22 200 420
INVESTMENT INCOME					
INTEREST RECEIVED : CURRENT ACCOUNT	4 428 500	4 428 500	4 428 500	4 428 500	17 714 000
INTEREST RECEIVED : INVESTMENT	100 000 000	100 000 000	100 000 000	100 000 000	400 000 000
INTEREST RECEIVED : SALARY ACCOUNT	15 000	15 000	15 000	15 000	60 000
INTEREST RECEIVED : TRUST ACCOUNT	556 500	556 500	556 500	556 500	2 226 000
DIVIDEND INCOME	4 197 250	4 197 250	4 197 250	4 197 250	16 789 000
REALIZED GAIN	13 172 377	13 172 377	13 172 377	13 172 377	52 689 507
C/P:FUND MANAGEMENT FEES	(3 090 000)	(3 090 000)	(3 090 000)	(3 090 000)	(12 360 000)
INVESTMENT INCOME TOTAL	119 279 627	119 279 627	119 279 627	119 279 627	477 118 507
SURPLUS/ (DEFICIT) FOR THE PERIOD	36 430 494	55 483 540	159 862 246	235 798 065	487 575 345