

PROPERTY PRACTITIONERS REGULATORY AUTHORITY

(Formerly the Estate Agency Affairs Board)

ANNUAL PERFORMANCE PLAN

2022 - 2023



The Annual Performance Plan 2022/23 of the Property Practitioners Regulatory Authority (PPRA) is compiled with the latest available information to the PPRA.

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PROPERTY PRACTITIONERS REGULATORY AUTHORITY

Annual Performance Plan 2022/23

1. EXECUTIVE AUTHORITY STATEMENT

The financial year 2022-23 commences at the back of the recent launch of the Property Practitioners Regulatory Authority (PPRA), which has replaced the Estate Agency Affairs Board (EAAB). The launch of the PPRA marked the coming into operation of the Property Practitioners Act no. 22 of 2019 (the PPA), which is aimed at strengthening the regulatory aspect of the Human Settlements sector.

The PPRA's main functions include, among others, regulating the affairs of all property practitioners; allowing for transformation in the property sector and providing for consumer protection. The Property Practitioners Act, on which the PPRA is anchored, is a consumer-focused piece of legislation that has been designed to protect consumers in the property industry. Thus, the PPRA, in contrast to the EAAB, has far reaching powers which include inspections without notice and more serious consequences for non-compliance. Over and above this, the new Act is aimed at improving the functioning of the sector in general.

The new Act contains provisions that positively contribute to the ease of doing business which is one of the critical elements of the economic reconstruction and recovery plan. The new Act allows the Fidelity Fund Certificates (FFC) to be valid for a period of three years instead of one year which assists in reducing the administrative burden to businesses in the sector. Other advantages include the standardisation of fees across all professional levels and only Candidate Property Practitioners will pay a reduced fee for the first two years.

As we start the journey buoyed by the new Act, it is critical that we ensure that no one is left behind in building the sector. Thus, it is critical for the PPRA to create a platform through which all stakeholders can be brought on board and be engaged. All critical matters in the sector which include sector growth, investment, skills development and transformation can be planned and tested through this platform so that all sector stakeholders can hold hands and move forward together. In this way, there will be a reduction of antagonistic and acrimonious conflicts that lead to costly litigation and dampened sector growth due to delayed program implementation.

Transformation in the real estate sector has been moving at a very slow pace and it requires active intervention to create an inclusive sector. I am very pleased that the PPRA is anchored on an Act that is very clear on the issue of transformation. On Transformation the Act entails the following elements amongst others:

- Capacitation and enterprise support for historically disadvantaged property practitioners;
- Support of existing SMME's owned by historically disadvantaged property practitioners;
- Promotion of the standard of training and development of property practitioners;
- Supporting historically disadvantaged property practitioners to become principal property practitioners and owners of business property practitioners;
- Facilitation of ownership of and participation in property investment enterprises; and
- Enabling the transformation of property ownership in South Africa by providing grant support (through the Transformation Fund) to historically disadvantaged property practitioners.

If implemented, these actions can go a long way towards transforming the property practitioners sector.

Let me thank the recently appointed board and wish them well in putting together systems for the Act to find expression in the entity's programmes. Let me also thank the executives and the staff who have been working hard to ensure that the sector thrives.



MT Kubayi, MP

Minister of Human Settlements

2. FOREWORD BY THE CHAIRPERSON OF THE BOARD

In presenting its Annual Performance Plan ("APP") for the period 2022 - 2023 of the Property Practitioners Regulatory Authority ("PPRA"), formerly the EAAB, to the Executive Authority, the Honourable Minister of Human Settlements, MT Kubayi, MP, it is with great pleasure to announce that the PPRA will be well on its way to achieving the desired performance even as a newly established entity and will do so despite the challenging local and global economic situation.

The PPRA's Five Year Strategic Plan 2022 - 2025 and the Department of Human Settlements' Medium-Term Strategic Framework ("MTSF") was a pivotal guide in drafting the APP and to a large extent guided by the aforesaid documents.

The Board of directors, together with its Executive Committee and staff, reaffirms its commitment to the transformation of the property practitioner sector, to inculcate the highest standards of excellence, as well as to fulfil its statutory mandate - regulating the property practitioners sector in the public interest for the benefit of property consumers and property practitioners.

Practitioners Act No. 22 Of 2019

On 03 October 2019 the President promulgated the Property Practitioners Act No. 22 of 2019. The Property Practitioners Act repealed the Estate Agency Affairs Act and provides for the establishment of the PPRA. Effective since 01 February 2022, the Act heralds a new era in the property sector. Notwithstanding the new challenges that the Act will present for the property sector regulator, due to the expansion of its statutory mandate, the PPRA warmly embraces the promising opportunities that it brings. Important to note is that the new legislation now includes a broader spectrum of Property Practitioners.

Transformation is crucial and to that effect the Property Practitioners Act now makes specific provisions for the advancement of transformation in the property sector under Chapter 4 of the Act, and the Charter Code under section 20(1). Procurement processes will now also be linked to transformation under section 20 (2). To instil transformation the licensing or issuance of a Fidelity Fund Certificate ("FFC") it will be obligatory for all Principal Property Practitioner recipients of FFC's to be in possession of a valid BEE Certificate.

The Act provides for a Property Sector Transformation Fund and a Property Sector Research Centre.

The PPRA is working tirelessly to ensure that all stakeholders are informed of the integration in line with the new jurisdiction of the Authority. The PPRA has commenced engagements with various stakeholders who form part of the PPA to gain a better understanding of their respective business operations and to discuss the Authority's views on their respective roles and responsibilities under the auspices of the new Act. Currently, a massive public awareness campaign is underway through various media platforms to promote the PPA and the milestone developments for the property sector, including greater consumer protection, economic development, and transformation. The planned industry workshop will focus on five work streams, namely, Transformation, Fidelity Fund, Enforcement, Licensing, and Education and Training.

The primary narrative of the PPRA in relation to the PPA includes: Integrated Property sector Dialogues, public awareness and improved economic activity for all property practitioners.

Compliance and Enforcement

The inspection powers of the PPRA are enhanced with specific reference to search and seizure. This includes, amongst other things, the appointment of inspectors, the powers to issue compliance and enforcement notices, the issuance of fines dispute resolution mechanisms for mediation, adjudication and Appeal Adjudication Committees.

Funding

The Act provides for funding of the Regulatory Authority from multi-dimensional sources which allows for monies appropriated by Parliament; fees from Property Practitioners and investment of monies for the Fidelity Fund.

The Property Practitioners Fidelity Fund

The overall Fidelity Fund will be retained as is in terms of management and control including claims against the Fund. The underlying fund structure shall reflect new sectors under the new mandate.

The Transformation Fund

The establishment and monitoring of the transformation fund will be a key test in the delivery of the PPRA. We have a six months period not only to provide the guidelines and the terms of engagement, but we look forward to industry participation and good will of industry to ensuring that we receive the contributions timeously.

Initiatives as the Property sector Regulator

Innovative licensing regime – horizontal licensing on classes of licence;

- Collection of licence fees;
- Collection of contributions for the growth of the Fidelity Fund;
- Education and Training and Continuing Professional Development (CPD) that is responsive to the needs of all Property Practitioners in the property sector.

Structural Changes for the Regulator

It is imperative that the organisation is restructured to address specific needs for various spheres of Property Practitioners in the property sector within the framework of the Property Practitioners Act.

This will require expansion and reconfiguration of the PPRA's current departments and recruitment of competent employees.

We look forward to this new phase and challenges presented to the PPRA and strive incessantly to build sustainable cooperation amongst stakeholders with a view to turn the sector into an effective catalyst for economic growth, creation of sustainable jobs and a professional property practitioners sector and a transformed sector.



Steven Ngubeni (Mr)

Property Practitioners Regulatory Authority

3. ACCOUNTING OFFICER STATEMENT

The PPRA believes that 2022 - 2023 will be a year of not only growth but a considerable amount of trial and error. This emanates from the economic downturn that has adversely affected the property market on the one hand but has also been positively impacted from the perspective of buyers. One however cannot say anything in this institution without reference to the promulgation of the Property Practitioners Act. The PPRA looks forward to exciting opportunities the PPA will present. The PPRA is presenting a strategic document under the auspices of the Estate Agency Affairs Act in conjunction with the Property Practitioners Act in anticipation of the effective date for the Property Practitioners Act No 22 of 2019 being 01 February 2022. This will bring room for growth and new and exciting experiences. It will also provide an opportunity of redefining the property sector. The Property Practitioners Act also provides for transitional provisions wherein the PPRA is expected to complete work that was started in terms of the Estate Agency Affairs Act and which will continue under the Property Practitioners Act.

The PPRA herein presents the Annual Performance Plan for the period 2022 - 2023 in terms of the Department of Planning Monitoring and Evaluation (PPRA) new framework. This framework is most welcome as it speaks to outcomes and outputs as well as the transition and the systems that will be put in place in order to transcend from one legislative enactment to another.

The PPRA is an institution that is self-funded, and hence the emphasis is on administration and finance which is the core of the operation. The PPRA needs to collect all monies due, which includes fidelity fund certificate fees, educational fees, interest from trust accounts and penalties for late renewal of FFC payments and audit fees. The PPRA will be enhancing our litigation and recoveries capabilities to respond to our extended mandate. Continued fundamental emphasis will be placed on the transformation agenda. Measures aimed at ensuring that transformation occurs such as internship, incubation and amnesty programmes are in place. Engagements with transformation beneficiaries and stakeholders will continue.

The PPRA's Continuing Professional Development (CPD) programmes will be enhanced to include the new participants under the auspices of the PPA. Considerable emphasis has been placed on education and training processes, which includes the participation of all sector players either as an entry tool or a growth tool to the level of Principalisation.

The PPRA looks forward to a new era with the promulgation of the Property Practitioners Act.



Mamodupi Mohlala
Chief Executive Officer


Official sign-off

4. OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan 2022/23:

- Was developed by the management of the PPRA under the guidance of the Minister of Human Settlements.
- Takes into account all the relevant policies, legislation and other mandates for which the Property Practitioners Regulatory Authority is responsible
- Accurately reflects the outcomes and outputs which the Property Practitioners Regulatory Authority will endeavour to achieve over the period 2022/23.


Chief Financial Officer (Acting)
Napo Mafihlo

Signature: 
25 March 2022

Accounting Officer
Mamodupi Mohlala

Signature: 
25 March 2022

Chairperson
Steven Ngubeni

Signature: 
26 March 2022

MT Kubayi, MP
Minister of Human Settlements

Signature: 
05/04/2022

5. LIST OF ABBREVIATIONS/ACRONYMS

APP	Annual Performance Plan
BBBEE	Broad Based Black Economic Empowerment
CPD	Continuing Professional Development
DHS	Department of Human Settlements
PPRA	Property Practitioners Regulatory Authority
EAAA	Estate Agency Affairs Act
EE	Employment Equity
FFC	Fidelity Fund Certificate
FICA	Financial Intelligence Centre Act
FLISP	Finance Linked Individual Subsidy Programme
HDI(s)	Historically Disadvantaged Individual(s)
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NEHAWU	National Education, Health and Allied Workers Union
PDE	Professional Designation Examination
PDI	Previously Disadvantaged Individuals
PFMA	Public Finance Management Act
PPA	Property Practitioners Act
PPPFA	Preferential Procurement Policy Framework Act
EAAB	Estate Agency Affairs Board
PPRA	Property Practitioners Regulatory Authority
PSCC	Property Sector Charter Council
QTCO	Quality Council for Trades & Occupations
SAQA	South African Qualifications Authority
SASQAF	South African Statistics Quality Assessment Framework
SD	Skills Development
SMART	Specific, Measurable, Achievable, Relevant and Time-bound
SMME	Small to Medium Enterprises
SSETA	Services SETA

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Part A: Our Mandate

PART A: OUR MANDATE

6. UPDATES TO THE RELEVANT LEGISLATION AND POLICY MANDATES

6.1. UPDATES TO THE RELEVANT LEGISLATIVE AND POLICY MANDATES

The PPRA mandate is derived by the following legislations/policies:

Legislation/policy
The Constitution of the Republic of South Africa, 1996
Property Practitioners Act No 22 of 2019
National Development Plan 2030-Our future make it work (2012)
Green Paper on National Annual Performance Planning (2009)
Framework for Annual Performance Plans and Annual Performance Plans
Policy framework for the Government-wide Monitoring and Evaluation Systems 2007
Improving Government Performance: Our Approach (2009).
Housing Act, 107 of 1997

6.2. UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

- (a) Institutional policies and strategies governing the five-year planning period
- (b) The policy mandate of PPRA is derived from government's strategic and policy priorities, which are organised into 12 outcomes.
- (c) Other critical policy mandates include:
- (d) National Department of Human Settlement's Five-Year Strategic Plan
- (e) Medium-Term Strategic Framework (MTSF)
- (f) National Development Plan (NDP)
- (g) Breaking New Ground (BNG)
- (h) State of the Nation Address (SONA)
- (i) National Spatial Development Perspective (NSDP)
- (j) Annual Performance Plan (APP) Framework from DPME.
- (k) Spatial Planning and Land Use Management Act (SPLUMA)
- (l) Skills Development Levy Act
- (m) Broad Based Black Economic Empowerment Act
- (n) Employment Equity Act
- (o) Housing Act, 107 of 1997
- (p) Public Finance Management Act, 1 of 1999
- (q) Treasury Regulations
- (r) Broad Based Black Economic Empowerment Act, 53 of 2003
- (s) Preferential Procurement Policy Framework Act, 5 of 2000
- (t) Financial Intelligence Centre Act, 38 of 2001
- (u) Rental Housing Act, 50 of 1999
- (v) Housing Consumers Protection Measures Act, 95 of 1998
- (w) Consumer Protection Act, 68 of 2008
- (x) Skills Development Act, 97 of 1998
- (y) National Qualifications Framework Act, 67 of 2008

6.3. LEGISLATION/ POLICY

Legislation/ Policy
2019-2024 Medium Term Strategic Framework (MTSF)
National Evaluation Policy Framework
Revised Framework for Annual Performance Plans and Annual Performance Plans
Budget Prioritisation Framework
National Spatial Development Framework
Property Practitioners Act No 22 of 2019
Housing Act, 107 of 1997

The legislative and policy frameworks above provide the basis of the broad functions of PPRA as follows:

- Long-term planning by charting the property sector's developmental trajectory, anticipating, analysing and responding to emerging trends
- Guided by the Department of Human Settlements, development of the Strategy Plans and Annual Performance Plans for the PPRA in support of the NDP and the MTSF.

6.3.1 Monitoring

- Monitoring the implementation of the of the Strategy Plans and Annual Performance Plans for the PPRA through an Integrated Monitoring and Reporting System which is an integral component of the MTSF 2019 – 2024.

6.3.2 Evaluations

- Evaluating critical PPRA programmes with the intention to inform policy, planning, monitoring and interventions. The evaluations are also used to inform budget prioritisation.

6.3.3 Planned Policy Initiatives

(a) Transitional Provisions

The PPA anticipates that there will be a need to acclimatise to the new environment and put in place systems for the full operation of the PPRA and its provisions. Section 75 of the PPA specifically states that there will be a transitional period for the introduction of the relevant standard operating procedure and amendment and introduction of policies for both internal and external use. The transitional provisions would have to be reduced to policies that will speak to the implications of the transitional provisions on all aspects of the business of the PPRA. We will also have a separate document that will speak to the transitional provisions and the implications on staff and all stakeholder of the property practitioners sector.

(b) Transformation Fund

The transformation fund is at the top of the list. The fund will need policies that addresses two areas in relation to the introduction, establishment and monitoring of the Transformation Fund. The policy interventions will require that there be guidelines that will apply to collecting of contribution to the Transformation Fund and the terms of allocation of the Transformation Fund amounts to different projects and players, we would therefore have to prepare guidelines that will address both contributions to the Transformation Fund and manner of allocation of the Transformation Fund.

(c) Licensing Regime

Licensing is the backbone of the PPRA, the standard and approach to licensing will be critical. This will require a migration from registration to licensing regime. We are a self-funding entity and as such are reliant on license fees as one of our major sources of funding. The market analysis will assist in obtaining a full list of all the potential and current licensees that fall within the jurisdiction of the PPRA. Most importantly the framework will have to include the most encapsulating methodology that ensures a maximum return from a collection point of view. This most important because the streams of the revenue have been streamlined and reduced but further in the interests of business efficiency the period of the license is now three years which will require that licensing has built in efficiency on collection and monitoring.

(d) Financial Intelligence Centre

The PPRA is the Supervisory Body of the property practitioners' profession pursuant to the Financial Intelligence Centre Act and is obliged to take all steps required to prevent; alternatively, identify and report on, anti-money laundering and terrorist financing activities in the property practitioner sector.

(e) Alignment to the Department of Human Settlements initiatives

The PPRA seeks to empower its own employees by offering them Department of Human Settlements' products such as the Finance Linked Individual Subsidy Programme ("FLISP") and affordable housing where appropriate. This initiative will operate through interactions between the PPRA and the National Education, Health and Allied Workers Union ("NEHAWU") to which many of its employees belong. The PPRA employees will also be encouraged to own their own homes and, consequently, to receive benefits from the Department of Human Settlements, Water & Sanitation including the grant of a subsidy to assist homeowners who do not qualify to obtain a mortgage loan from a financial institution.

(f) Transactional Support Initiative

Affordable housing markets are often perceived as being weak and risky but, when compared to the entire housing market, the affordable market has outperformed the top end of the market over the last seven years. The affordable housing market presents major opportunities in terms of untapped equity and for including more people into the formal housing market. The percentage of affordable properties located in the nine metropolitan municipalities in South Africa range from a low of 44% to a high of 73% of the total housing stock.

The affordable housing market segment is an area of potential business growth as this segment serves as a vital feeder to the growing middle class in South Africa. Over the past decade the provision of housing loans to this market segment has proven to be both sustainable and commercially viable.

For property practitioners to access this hitherto untapped opportunity within the affordable housing market and ensure that lower income households can enter the housing market, the PPRA has established an initiative that provides transactional support for buyers and sellers in the affordable housing market. The PPRA is determined to ensure that the transactional support services that it provides will encourage people at the lower end of the property market to enter into property transaction and to utilise immovable property as a store of wealth. The initiative, thus, supports the development of a functional and an equitable residential property market.

Creating better public access to market transaction information in the residential sector will avoid market information asymmetries which tend to be particularly marked when moving into under-developed market segments. There should, similarly, be an overall focus on reducing transaction costs to improve access and affordability.

The PPRA cannot, of course, be involved in every transaction nor is it able to provide individual consumer support. The role of the PPRA within the affordable housing market is to contribute to creating an enabling environment for property sector transactions.

(g) Establishing a Knowledge Hub

The PPRA proposes establishing a Knowledge Hub for property practitioners and consumers. Such a repository would ensure that consumers and property practitioners can access the knowledge products that have already been created by the PPRA. A knowledge exchange platform will centralise useful data, information and advice in one accessible place. Many organisations can contribute their knowledge products and links to their own data platforms. The knowledge Hub will ensure that information is easily accessible to a broader audience over a longer time period and will link enquirers to knowledge providers in a more efficient manner.

The critical benefit of the knowledge and research hub is to ensure that the PPRA has a database with respect to transformation information. Specifically, there is a need for transformation to occur from an informed point of view and as such the research centre will facilitate the collection of data. Most importantly it will facilitate the collection of relevant data that will inform the transformation initiatives of the institution.

(h) Transformation

Transformation in the property sector remains an ongoing challenge. According to the recent Land Audit Report of the Department of Rural Development and Land Reform, Black South Africans directly own just 1,2% of rural land and 7% of formally registered property in towns and cities. Whites, who constitute less than 9% of the South African population, directly own 23,6% of rural land and 11,4% of land in towns and cities.

These dismal and disconcerting figures are underscored by the fact that, in the property practitioner sector, of the total number of registered agency enterprises just 8% are black owned. Only 11% of all registered property practitioners nationwide are Black. Of the approximately 37 000 registered property practitioners within the estate agency sector, which is conservatively valued at R640 billion, only some 4 200 are Black people. When the other practitioner areas are included, the number rises significantly.

The transformation imperative for the property practitioner profession to ensure that it reflects the demographics of a democratic South Africa is, thus, presently still very much a work-in-progress and, due to intrinsic historical factors, requires a considerable amount of ground to be made up. It is self-evident that the speedy and irreversible transformation of the property practitioner profession requires the active implementation of human-centred and inter-disciplinary processes specifically designed to create necessary, desirable and sustainable changes in the behaviours, values, attitudes and perceptions of all relevant stakeholders including, but not limited to, individuals (both consumers and property practitioners alike), systems, property enterprises in general and property practitioner organisations and various enterprises in particular.

The initiatives that will be put place will be the following:

- 1 the Industry BEE Scorecard
- 2 the Transformation Fund
- 3 the internship program – ‘one learner , one property practitioner’
- 4 the principalisation – incubation program

- 5 the Amnesty of Black Property Practitioners Program – PDI (Previously Disadvantaged Individual)
- 6 Transformation educational programs - Retiree Program , Bridging Property Practitioners Program

(i) Professionalisation and Continuous Professional Development

The educational standards need to be put in place in order to make sure that the additional mandate of the PPRA is taken account. The educational material that will ensure the professionalization of all sectors especially those sectors that are being brought into the fold which were previously not regulated. The other industries will be accredited to present the current material and present the material.

The continuous professional development plan will have to be innovative and have the immediate impact of financial empowerment of estate agents. This will also be an opportunity for the PPRA to present a cutting-edge information to the industry about international best practise. This will have to be revamped and re- energised to bring the property practitioners into the new age.

(j) Key Initiatives to be implemented over the following Five-Year Period

Some of the key initiatives that the PPRA intends implementing over the next five-year period include:

- Establishment and Monitoring of a more efficient Licensing regime
- Establish and monitor the Transformation Fund
- Establish and monitor the Knowledge and Research Centre
- Streamline the work of the Transformation and the programs specifically :
 - the Industry BEE Scorecard
 - the Transformation Fund
 - the internship program – ‘one learner, one property practitioner’
 - the Principalisation – incubation program
 - the Amnesty of Black Property Practitioners Program – PDI (Previously Disadvantaged Individual)
 - Transformation educational programs - Retiree Program, Bridging Property Practitioners Program

The PPRA must facilitate an enhanced understanding and appreciation of the various systemic and other challenges faced by black participants in the property sector at all levels by conducting discussions with focus groups sourced from each of the identified target segments. This will enable the PPRA precisely to ascertain the nature and causes of specifically identified problem areas and to institute and monitor appropriate measures to resolve those challenges.

- This will include inter alia, educational barriers, regulatory and financial barriers.

- Creating and implementing learnership and internship intervention programmes (such as the “One Learner - One Property Practitioner” Youth Brigade Empowerment Programme)
- The placement of youth, women and people with disabilities through the incubation programme
- Create and implement the Principalisation programme
- It will be necessary for the PPRA to create and implement leadership intervention programmes to capacitate principal property practitioners. Specific intervention programmes should be directed towards encouraging and capacitating black women to act as principal property practitioners.

It should, finally, not be overlooked that the PPRA is not only the statutory regulator of the property practitioner sector but that it is also recognised as the professional body in property sector by the SA Qualifications Authority. With this professional body status and authority come specific additional functions and responsibilities pertaining to the sector especially where the transformation imperative is concerned.

6.4. CASE LAW DEVELOPMENTS RELATIVE TO THE OPERATION OF THE PPRA

The PPRA has yet no specific court rulings that have a significant impact on its operations or service delivery obligations.

Part B: Our Strategic Focus

7. PART B: OUR STRATEGIC FOCUS

7.1. SITUATIONAL ANALYSIS

Globally, South Africa is the signatory to the United Nations Sustainable Development Goals (SDGs) 2030. The SDGs are a set of 17 “Global Goals”, 169 targets, and 230 indicators that are designed as a standard measure for monitoring progress across the world to reduce poverty, improve quality of life, and realise development outcomes.

Continentially, the African Union adopted Agenda 2063: The Africa We Want, which is a developmental and transformation agenda for African countries. The aspiration for Agenda 2063 is that: “African countries will be amongst the best performers in global quality of life measures”. The strategies to achieve this aspiration are *“inclusive growth, job creation, increasing agricultural production; investments in science, technology, research and innovation; gender equality, youth empowerment and the provision of basic services including health, nutrition, education, shelter, water and sanitation”*.

Locally, in May 2010, the 4th Administration established the first National Planning Commission (NPC) in the country. The mandate of the first NPC was to chart a developmental agenda and trajectory for the country. The work of the first NPC culminated in the adoption of National Development Plan (NDP) Vision 2030 as the inspiration for achieving socio-economic developmental needs of the country. The NDP aims to eliminate poverty, create jobs and reduce inequality by 2030 and predates the adoption of the SDGs 2030 adopted in 2015 and Agenda 2063 adopted in May 2013. Recent analysis by the United Nations Development Programme indicates very high level of alignment between the NDP and SDGs.

The NDP posits that the country can only realise these goals by harnessing the energies of all its people in all sectors of society inter alia, government, labour, business and civil society. It is therefore critical that government builds capabilities to create an enabling environment for growing an inclusive economy.

Economic Performance and Government debt

Generally, Government debt as a percent of GDP is used by investors to measure a country’s ability to make future payments on its debt, thus affecting the country borrowing costs and government bond yields. South Africa recorded a Government Debt to GDP of 69.90 percent of GDP in 2021 as compared to 69.45% in 2020. As of 2019/20 total South African government debt was R3.18 trillion and this upward trend has implications on debt servicing. Surging debt and debt-service costs, the fastest growing expenditure line item in the budget since 2011, are key risks to South Africa’s fiscal sustainability as ongoing damage to the economy wrought by the coronavirus pandemic compounds a deterioration in public finances. According to the National Treasury, government is currently spending R303 billion annually to service debt, and this expenditure could increase to over the next three years.

The decline in economic growth and the increase in GDP to debt ratio has put pressure on the fiscus. This resulted in National Treasury revising the expenditure ceilings downward. The downward revisions will result in downscaling of services to the public.

The economic position has also been exacerbated by such factors as credit downgrades, severe drought, and high unemployment, especially, among the youth.

Unemployment and economic growth

According to the Quarterly Labour Force Survey (QLFS), there was a quarter-on-quarter net increase in Q3 of 988 000 people in the not-economically-active population. These changes resulted in the official unemployment rate increasing by 0,5 of a percentage point from 34,4% in the second quarter of 2021 to 34,9% in the third quarter of 2021 – the highest since the start of the QLFS in 2008. As of November 2021, the unemployment rate according to the expanded definition of unemployment increased by 2,2 percentage points to 46,6% in quarter 3 2021 compared to quarter 2 2021.

The results of the QLFS not only show an increase in unemployment, but also indicate a disparity in the country's labour market. There is a gender disparity in that men are more likely to be employed or economically active than women. In the third quarter of 2021, the unemployment rate, (per official definition of unemployment), was 37,3% among women. It was 32,9% among men. Further, there is a racial disparity, showing that unemployment is highest among black women than their fellow women from other races. The official unemployment rate among black African women was 41,5% during this period compared to 9,9% among white women, 25,2% among Indian/ Asian women and 29,1 among coloured women.

The outcome of the QLFS has direct implications on how programmes and interventions of the PPRA should be geared, not only towards reducing unemployment, but also towards transformation of the property sector through reducing the gender and racial disparity in economic participation in the property sector.

In the quest to mitigate economic decline and provide economic stimulus, government introduced the Economic Reconstruction and Recovery Plan (ERRP) in 2020. The overarching goal of the plan is to create a sustainable, resilient and inclusive economy through focus on the following priority areas: *Energy security; Industrial base to create jobs; mass public employment program; infrastructure development; macro-economic interventions; green economy; food security and reviving the tourism sector.*

The PPRA contributes to the achievement of the Economic Reconstruction and Recovery Plan (ERRP) through some of its programs. The "One Learner - One Property Practitioner" will contribute towards job creation and increased participation in the economy. The PPRA also contributes to, and is affected by, the ERRP priority area of reviving the tourism sector. A large number of property managers operate in the tourism sector and are now regulated by the PPRA, pursuant to s1(c) of the Property Practitioners Act,

MTSF 2019 – 2024

Since the adoption of the NDP by all parties in Parliament in 2012, the Medium-Term Strategic Framework (MTSF) evolved to become the five-year implementation plan of the NDP. The MTSF 2014-2019, which was the first of such plan to align to the NDP, provided the framework for the implementation, monitoring and reporting of the 14 priority outcomes of government, which were derived from and aligned to the chapters in the NDP.

The MTSF 2019-2024 is the translation of the government priorities outlined by the President at the 2019 State of the Nation Address (SONA) that are derived from the electoral mandate for the next five-year period. The seven priorities of this strategic framework are embedded into the three pillars of achieving a more capable state, inclusive economic growth and building the capabilities of South Africans.

The PPRA has a vital role to play in building a capable, ethical and developmental state which has been elevated by Cabinet to become priority number one. The PPRA contributes to this priority by ensuring that its Strategic

Plans and Annual Performance Plans are geared towards achieving targets identified in the seven priorities as identified in by the 6th Administration.

The MTSF 2019 – 2024 contains an integrated monitoring framework which sets out targets and indicators to be monitored for the current administrative cycle.

Evaluations will therefore be focused on the implementation and impact of programmes related to the seven priorities.

The PPRA is also expected to assist in unlocking opportunities in the property sector that have the potential to grow the economy and contribute in addressing poverty, unemployment and inequality.

Political Perspective

“Much has changed for the better since the apartheid era, but the lived reality for the majority of South Africans is still of high unemployment, limited access to economic opportunities, and asset poverty” (Economic Progress Towards the NDP, NPC 2020). And hence the national objective of the desired inclusive growth has yet to be achieved, with some of the reasons being:

- Significant improvements in employment, poverty and growth over the decade up to 2008, since then progress has stalled;
- High structural unemployment and a lack of economic participation have impacted on efforts to raise living standards, eradicate poverty and achieve greater equality.
- Performance in meeting NDP objectives for industrial dynamism over the past decade has been poor;
- South Africa still has high levels of market concentration, significant presence of collusive behaviour and legacy barriers to market access for new players, especially those that were historically disadvantaged;
- Significant asset poverty amongst the majority of the population contributes to vulnerability and constrains intergenerational class mobility - slowing overall economic and employment growth – the suite of challenges relates to land ownership in rural, township and urban areas, home ownership, access to finance, and the ability to build up household savings
- Insufficient efforts to address the youth and gender dividend and focus on higher levels of economic inclusion
- Public infrastructure investment – most notably in respect of energy, water, ICT, and transport – is central to achieving greater productivity and competitiveness, reducing spatial inequality and supporting the emergence of new job-creating sectors.
- Electricity shortages are still a key constraint, despite a slowdown in economic activity. Electricity shortages will continue to hamper economic activity and deter people from making new investments.
- Evidence suggests that the social wage has made a significant impact on the quality of life, with the multi-dimensional poverty headcount falling from 17.9% in 2001 to 8.0% by 2011, and then to 7.0% in 2016 – but there are limits to the contribution of the social wage;
- Although education outcomes have improved, we still lag behind based on international benchmarks - there is a very close correlation between improvement in education and employment and incomes;
- The quality of delivery – from public infrastructure to skills development– is determined by the capability of the state. A capable state implements policies effectively, uses state resources efficiently, and builds the confidence of citizens and the private sector;
- The COVID-19 pandemic has worsened economic growth, unemployment, poverty and inequality.

Legal Framework

The Property Practitioners Act was signed into law by the President of the Republic of South Africa on 3 October 2019. The effect of the new legislation is that it brings new players into the property space, thereby increasing the regulatory mandate of the entity. Following a proclamation notice on 14 January 2022, President Cyril Ramaphosa has declared 1 February 2022 as the date that the Property Practitioners Act 22 of 2019 (Practitioners Act) comes into operation. Such commencement has repealed the Estate Agency Affairs Act 112 of 1976 (Estate Agency Act) which presently governs the regulatory framework dealing with estate agency affairs.

The final Property Practitioners Regulations (the Regulations) which replace the draft regulations published for comment on 6 March 2020, were also published in the notice on 14 January 2022. Like the Estate Agency Act which governs “agents”, the Practitioners Act also provides for the registration of property practitioners, prescribed training and qualifications, the obligation to obtain a fidelity fund certificate, and the compulsory use of trust accounts. It also provides, amongst other matters, for the protection of consumer interests, a dispute resolution mechanism, a legal framework for the managing and letting of property, and the transformation of the property sector.

Social Impact

Recurring incidents of racism and anti-social and discriminatory behaviour have continued within the property sector. These are a source of great concern to the PPRA. Property practitioners who engage or participate in racist or anti-social and discriminatory behaviour may not only render themselves guilty of a contravention of the provisions of the Code of Conduct for Property Practitioners (“the Code of Conduct”) but will also be criminally prosecuted by the PPRA through the Equality Courts.

There can be little doubt that acts of racism are not only contrary to the integrity of property practitioners in general but also bring the property practitioners profession into disrepute. Such proven behaviour would, therefore, constitute a contravention of regulation 2.1 of the Code of Conduct.

Regulation 2.6 of the Code of Conduct, for its part, enjoins property practitioners not to deny equal services to any person for reason of race, creed, sex or country of national origin. This provision of the Code of Conduct gives effect to the provisions of sections 9(3) and (4) of the Constitution, which provide that:

“(3) The state may not unfairly discriminate directly or indirectly against anyone on one or more grounds including race, gender, sex, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language and birth.

(4) No person may unfairly discriminate directly or indirectly against anyone on one or more grounds in terms of subsection (3).”

The PPRA remains determined to eradicate any vestiges of racism and anti-social and discriminatory behaviour in the property practitioner sector through both increased levels of enforcement as well as the introduction of appropriate education and sensitivity training for property practitioners and consumers alike. The Continuing Professional Development (“CPD”) programme conducted by the PPRA constitutes a useful mechanism for achieving this latter objective.

Through the promotion of continuing awareness of the offensiveness, hurt, destruction and manifestly undesirable consequences of racism and the perpetuation of racist and anti-social and discriminatory acts, the PPRA is confident that this endemic scourge will be speedily eliminated from the property sector in general and from the property practitioner environment in particular.

The Minister of Human Settlements has, in fact, tasked the PPRA with ensuring the elimination of racism, in all its nefarious forms, from the property sector. The PPRA is determined to expedite the fulfilment of this important mandate through all means at its disposal.

The PPRA has already acted resolutely, within the scope of its regulatory and authoritative powers, to remove such vestiges of racism and discrimination whenever they are identified and wherever they may occur within the property practitioner sector. Acting in concert with the property practitioner sector the PPRA was instrumental in creating an 'equality pledge' pursuant to which property practitioners are required to pledge their commitment to the principles of non-racism and absolute equity in the rendering of property practitioner services to property consumers. The response from the property practitioner sector was most encouraging and the goodwill thus engendered is of such a nature that the PPRA has good reason to anticipate that this thorny issue will be positively resolved in the near future.

Digital Technology

The property practitioner sector is one that has unequivocally embraced the widespread use of modern technology in both promoting and rendering property practitioners' services to the consuming public. Property practitioners and other stakeholders, moreover, are increasingly resorting to the use of technological devices when seeking to interact with the PPRA.

To accommodate this trend, and in line with its optimisation and modernisation strategy, many PPRA application processes are now able to be undertaken on-line. The processing of such transactions is increasingly being performed through the utilisation of the PPRA's information, communication and technological infrastructure. This has the added advantage of not only expediting the resolution of transactions but also of allowing stakeholders to track the progress of their various applications, registrations, payments and complaints simply by accessing the PPRA website.

The use by the PPRA of social media, in emulation of many similar property sector regulatory jurisdictions worldwide, has undoubtedly improved access, communication and the free-flow of information between the PPRA and its various stakeholders. The PPRA, to this end, has launched a 'Facebook' page designed to facilitate ongoing communication with stakeholders thereby enabling the PPRA more effectively to monitor, measure and assess the success, or otherwise, of its interactions with property practitioners and the consuming public alike and, just as importantly, timeously to institute appropriate remedial measures where warranted.

7.2. EXTERNAL ENVIRONMENT ANALYSIS

PPRA used PESTEL Analysis is a strategic framework to evaluate the external environment of the organization by reflecting on key factors such as Political, Economic, Social, Technological, Environmental, and Legal. The framework below thresh-out these factors as they have direct implication on strategy design and framing the APP. The extent to which PPRA navigates challenges and opportunities reflected in the PESTEL analysis will influence the operating model which is aligned to the new mandate and strategic imperatives as the organization emerge from Covid 19 pandemic.

Political	Economic	Social
<ul style="list-style-type: none"> • Diminishing public confidence manifesting in civil unrest • Low investor confidence due to among other variables state capture investigations • Collapse of the local government –adverse findings by the Auditor General • Unstable coalition at local governments • Series of public protests accompanied by destruction of property 	<ul style="list-style-type: none"> • Growth stimulation and economic recovery will take much longer than initially forecasted • Low economic growth and high public debt will continue to undermine property market as majority remain trapped in poverty. • High levels of unemployment among youth undermines economic recovery and prosperity • Shrinking public sector budgets due to a constrained fiscus • Impact of the global economic meltdown due to COVID 19 pandemic • High public debts in relation to GDP undermines developments as significant resources are spent on debt servicing • Low business confidence that is underscored by civil unrest • Inflation induced inflammatory food prices • Increased demand for housing market as covid 19 Pandemic changes the office landscape • Majority of people could not take advantage of low interest rates 	<ul style="list-style-type: none"> • Weak or lack of appropriate consumer/ education • Poor communication and consultation with the intended beneficiaries resulting in trust deficit. • Increasing urbanisation as predominantly marginalised and low-income households gravitates towards metropolitan to increase chances of employment opportunities • Limited exposure and financial planning from lower income groups limits their participation in the housing market.
<p>Technological</p> <ul style="list-style-type: none"> • The rise of digital economy innovation and deployment of robust system will impact reach of PPRA 	<p>Environmental</p> <ul style="list-style-type: none"> • Negative impact on climate change on infrastructure 	<p>Legal</p> <ul style="list-style-type: none"> • Implications of legal challenges by attorneys and property practitioners

<ul style="list-style-type: none"> • Adoption of innovative and new technologies will improve service delivery • Digital application processes and downloadable FFCs • Updating of IT system to handle the changes the legislation brings. 	<ul style="list-style-type: none"> • Unlawful occupation of land designated for property development • Increased awareness of ecological footprint has provided the market with new considerations to ensure their needs are met in a sustainable manner 	<ul style="list-style-type: none"> • Delays as a result of litigation and court judgments • Given the recency of the Act, the Authority is likely to experience court challenge • Regulations could lead to unintended consequences such as inefficient implementation mechanisms
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The PPRA commands a vast and important sphere of influence. It centres around land and access to property. This is an area of interest to multidimensional array of stakeholders.

On one dimension, it concerns government and society at large regarding the basic need of access to adequate housing, as defined in the constitution. On yet another consumer dimension, it concerns commercial institutions involved in the consumption of real estate to house and operate commercial enterprises. In the middle it concerns an array of practitioners involved in the development, financing, transacting and transfer of rights in the real estate.

The stakeholder analysis below considers the key groups – those external to the PPRA and the property sector (external stakeholders) and those in the property sector but external to the PPRA (intra-sector stakeholders). Thereafter an internal lens is put on the PPRA in the SWOT analysis.

External Stakeholders, not necessarily in the Property Sector				
Stakeholder	Characteristics / Attributes?	Influence	Interest	Linkages with other stakeholders
National, Provincial and Local Government Institutions	Agents of service delivery Key implementer of the targets in the NDP	H	H	Key player in the legislative and regulatory environment
Private Sector	Driver of economic growth	H	M	Provision of capital and employment opportunities through partnerships and investment
Civil Society	The voice of various organised sectors of society Includes but not limited to citizen advocacy groups, foundations, interest groups, NGOs, professional associations, religious groups etc. They play an active role in active citizenship and public participation	H	H	Participate in planning and implementation of the NDP Holds government and the private sector accountable

External Stakeholders, not necessarily in the Property Sector

Stakeholder	Characteristics / Attributes?	Influence	Interest	Linkages with other stakeholders
Labour	Bargaining and statutory councils formed in the interest of protecting the collective interests of the labour force	H	H	Main negotiators of working conditions and terms of employment between employers and employees in South Africa
Academia	Key producers of new knowledge Key players in the development of new skills and capabilities Research outcomes can influence social discourse and policies.	L	H	Generating knowledge for all sectors of society. They prepare students for employment
Experts (domestic + international)	Provide expertise in the development, implementation and monitoring of long- term country plans	H	M	Subject matter experts
Ruling party	Sets the political agenda	H	H	Election manifesto
Cabinet	Executive structure of government	H	H	Approval of policy documents and plans
Audit Committee	Independent oversight body	H	H	Advisory role over management responsibilities
Financial Institutions	Most property sales are financed. These institutions play a critical enabling role.	H	M	Linkages with public sector initiatives to improve access, particularly in the affordable housing market (e.g. FLISP).
AGSA	Constitutional body tasked with responsibility of oversight accountability and governance in the public sector	H	H	Audit role on compliance with Legislation

Intra-Sector Stakeholders

Intra-Sector Stakeholders				
Stakeholder	Key Considerations	Influence	Interest	Linkages with other stakeholders
National Department of Human Settlements	Policy, regulation, and programming imperatives Transformation of the sector to reflect the country's demographics in the property market	H	H	Key player in the legislative and regulatory environment
Department of Planning Monitoring and Evaluation	Policy and regulation imperatives driven by data Promoting data driven policy and programming change	H	M	Policy and regulatory guidelines for entities and government departments
Estate Agencies	Compliance with PPA Transformation imperatives driven by equity considerations especially from Black buyers entering the property market Continuation of undue influence to sellers to use certain conveyors	H	H	Financial Sector Regulation Act, Regulators, SARS, National Finance Board, National Treasury and SETA
Bridging Finance Practitioners	Compliance with PPA and professional body codes of good practice Compliance with Property Sector Charter Code Compliance with other relevant legislation	H	M	Financial institutions, Banking associations
Business Broker Practitioners	Compliance with PPA and professional body codes of good practice Compliance with Property Sector Charter Code Compliance with other relevant legislation	H	M	Financial institutions, Banking associations
Bond brokers	Compliance with PPA Sourcing, negotiating and securing mortgage bonds to achieve the best deals possible, based on the	H	H	Mortgage Origination Council of South Africa (MORCSA), South African Property Owners Association (SAPOA); and

Intra-Sector Stakeholders

Stakeholder	Key Considerations	Influence	Interest	Linkages with other stakeholders
	individualised needs of each and every client.			financial institutions, Banking associations
Bond originators	Compliance with PPA and professional body codes of good practice Leveraging on social capital and institutional capital to secure better deal for a client from lenders (intermediaries services)	L	H	Mortgage Origination Council of South Africa (MORCSA), The Independent Regulatory Board for Auditors (IRBA), The Council for Debt Collectors (CDC)
Conveyancers	Compliance with PPA and legal professional body codes of good practice Transformation imperatives	H	M	Stakeholder value chain include the estate agent, seller and purchaser to the mortgage originator, bank valuator, bond attorney, financial institutions and conveyancer
Real estate investors	Compliance with PPA and legal professional body codes of good practice Transformation imperatives	H	H	the Real Estate Business Owners of South Africa (REBOSA); the Institute of Estate Agency of South Africa (IEASA); the South African Property Owners Association (SAPOA); and the National Association of Managing Agents (NAMA). The South African Institute of Auctioneers (SAIA); and the International Business Broking Association of South Africa (IBBASA)
Service Seta	Partnership with PPR on new programmes and funding of such Accreditation of newly developed programmes for the sector	H	H	Department of Higher Education and Training (DHET), South African Qualification Authority, host employers' organisations such as ROBOSA, IEASA, NAMA
Professional Bodies	Setting Norms and standards for members, advocacy and lobbying on behalf of their members	H	H	the Institute of Estate Agency of South Africa (IEASA);

Intra-Sector Stakeholders				
Stakeholder	Key Considerations	Influence	Interest	Linkages with other stakeholders
				<p>the South African Property Owners Association (SAPOA); and</p> <p>the National Association of Managing Agents (NAMA).</p> <p>The South African Institute of Auctioneers (SAIA); and</p> <p>the International Business Broking Association of South Africa (IBBASA)</p>
Auctioneers	<p>Compliance with PPA and regulations</p> <p>Advocacy for programmes members</p> <p>Transformation imperatives as it relates to entrance of Black auctioneers</p>	H	H	<p>the South African Property Owners Association (SAPOA); and</p> <p>the National Association of Managing Agents (NAMA).</p> <p>The South African Institute of Auctioneers (SAIA); and</p> <p>the International Business Broking Association of South Africa (IBBASA)</p>
Fund managers	<p>Compliance with PPA and regulations</p>	H	H	<p>the Institute of Estate Agency of South Africa (IEASA);</p> <p>the South African Property Owners Association (SAPOA); and</p> <p>the National Association of Managing Agents (NAMA).</p> <p>The South African Institute of Auctioneers (SAIA); and</p> <p>the International Business Broking Association of South Africa (IBBASA)</p>
National Research Foundation	<p>Strategic partnerships to initiate programmes to respond to national priorities and international agendas to benefit society and ensure a better life for all.</p> <p>Strengthening institutional capacity, the Property Research Centre</p>	H	H	<p>Bilateral agreements (country to country)</p> <p>international Science Council, Science Granting Council Initiative (Africa)</p> <p>Global Knowledge Partnership and universities</p>
Property Developers	<p>Compliance with PPA</p>	H	H	<p>Fund managers, national and international financial institutions, government</p>

Intra-Sector Stakeholders

Stakeholder	Key Considerations	Influence	Interest	Linkages with other stakeholders
				institutions, municipalities and private entities holding land parcel.
Landowners	Compliance with PPA Land reform agenda in the country	H	H	Government at different levels, Fund managers, national and international financial institutions, government institutions and private entities holding land parcel.
Property Sector Charter Council	Fostering transformation through framework which supports the implementation B-BBEE in the sector	H	H	SETA, sector regulatory bodies, academic institution, government, and labour unions
South African Qualifications Authority	Registration of qualifications and programmes which support the transformation of the sector	H	H	SETAs, academic institutions, National Research Foundation, labour unions
Trade unions	Compliance with Labour laws Training and advocacy programmes for members Provide mediation and reconciliation services among members	H	H	the Institute of Estate Agency of South Africa (IEASA); the South African Property Owners Association (SAPOA); and the National Association of Managing Agents (NAMA). The South African Institute of Auctioneers (SAIA); and government departments and entities
Institute of Property practitioners of South Africa IEASA);	Compliance with PPA Advocacy programmes for members on transformation of the sector Promoting inclusivity through facilitating hosting learners for intern or learnership programme to support transformation agenda Provide mediation services to members based on code of good practice and ethics	H	H	the South African Property Owners Association (SAPOA); and the National Association of Managing Agents (NAMA). The South African Institute of Auctioneers (SAIA); and government departments and
Real Estate Business Owners	Compliance with PPA Facilitating hosting learners for intern or	H	H	Business owners and principals of estate agencies operating in the

Intra-Sector Stakeholders				
Stakeholder	Key Considerations	Influence	Interest	Linkages with other stakeholders
of South Africa (REBOSA);	learnership programme to support transformation agenda Provide mediation services to members based on code of good practice and ethics			South African residential real estate sector.

7.2.1 Key Messages from Situational and Environmental Analysis

The PPRA is tasked with regulating practitioners in the property sector, a sector that enjoys interest from a wide array of stakeholders, including government.

Government developed the NDP, with aspirations, among others to improve the quality of life of its citizens. Although there has been progress in several objectives, not all have been met. Among others, gender and racial disparity in employment and economic participation persists. The government has also recently developed the Economic Reconstruction and Recovery Plan (ERRP). To this end, the PPRA has the “One-Learner One-Practitioner” program, designed at upskilling the youth and introducing them into a career path in the property sector. The PPRA also has targets laid out in Part C of this document, to help black women to achieve full principal status through the Principalisation program, among others.

The PPRA recognises the mammoth task at hand in this strategic planning cycle to achieve its mandate, given the somewhat unfavourable economic and socio-political conditions. For instance, low investor confidence recognized in the PESTEL, has the potential to affect our property-investor stakeholders. This could in turn limit the growth in the property sector, to levels that will challenge the growth targets that the PPRA has set in the absorption of youth and other groups into the sector.

Success in executing the stakeholder management plan will lead to mutual awareness of the PPRA’s and its stakeholders’ objectives, robust challenge and solutions that are likely going to lead to better achievement of the PPRA’s targets, in spite of the challenging external environment in some areas.

7.3. INTERNAL ENVIRONMENT ANALYSIS

The situational analysis is based on an assessment of both the internal and external environment. The analysis highlights strengths in:

- Governance, through the timely appointment of the PPRA board with the requisite skills and experience per s7 of the PPA; as well as stability and continuity in the company secretariat.
- Competent executive management
- A good balance sheet and a self-sustaining position.

There are opportunities arising from:

- Legislation that enables the PPRA to carry its mandate
- New initiatives mandated by the legislation, like the sector Transformation Fund, to drive transformation

A weakness is identified arising from the number of vacancies in the organisation. The PPRA has set targets to implement a new HR plan, linked to the extended mandate and aligned organogram.

Threats to achieving the mandates of setting up a sector Transformation Fund and sector Research Centre are recognised, since these will be resource intensive. The PPRA will develop a business plan for the Transformation Fund, which should help mitigate the risk. Partnerships will be sought with organisations like the National Research Foundation (NRF) in setting up the Research Centre.

Sector Landscape - SWOT Analysis (Internal)

Strengths	Weakness
<p>Legislative compliance</p> <ul style="list-style-type: none"> The Property Practitioners Act No. 22 of 2019 (PPA) has far reaching enforcement powers which addresses gaps of the previous dispensation The PPA is a consumer-focused piece of legislation that has been designed to protect consumers in the property industry – it obliges property practitioners to operate ethically. <p>Transformation</p> <ul style="list-style-type: none"> Application of the PPA recognises key change levers such as Employment Equity Act and Broad-Based Black Economic Empowerment and the Property Sector Charter. HDIs are in a better position to participate in the market as the PPA outlaws any type of practice in which a practitioner provides a consumer with an incentive to use a particular conveyancer or service provider. Through the transformation fund, the PPRA will expedite transformation of the sector by implementing empowerment programmes, including programmes to promote black-owned firms. <p>Licensing / Compliance</p> <ul style="list-style-type: none"> Appointment of auditors by licensed practitioners increase accountability across the system Since the property practitioner cannot operate legally unless they display a valid Fidelity Fund Certificate, accountability and transparency is heightened <p>Property Practitioner Fidelity Fund</p> <ul style="list-style-type: none"> Through the organizational restructuring, alignment and prioritization of IT systems, the Fund management can be optimized. Diversification of investment portfolios presents an opportunity to grow the Fidelity Fund 	<p>Management</p> <ul style="list-style-type: none"> Organisational performance hinges on optimum filling of strategic positions at national and provincial levels. The current vacancy gaps could undermine performance Positions that traditionally drive a high-performance culture in Strategy, Finance and Human Capital are among the vacancies/actors The PPRA has developed a new organogram aligned to its extended functions and has targets in the APP to fill the organogram in the 2022/23 financial year. <p>Database and Knowledge Systems</p> <ul style="list-style-type: none"> The PPRA is starting off on a weak footing regarding business intelligence and baseline data pertaining to its extended property practitioner stakeholders. The PPRA is however developing a wider stakeholder management plan to address this gap. There are institutions and associations that are recognised in the PPRA's stakeholder assessment as potentially useful partners in shoring up business intelligence in this area.

<p>Governance</p> <ul style="list-style-type: none"> • The new Board of directors has the requisite skills and technical capacity, per s7 of the PPA, to provide sound leadership necessary for the organization to meet its mandate. The CEO and company secretary provide a degree of continuity and institutional memory to complement the board's strength. • Sufficient internal governance structures to support the implementation of the organizational strategy • The company secretariat remains a critical element of good corporate governance – the stability at this level will support the new board of directors <p>IT Governance</p> <ul style="list-style-type: none"> • The organization has a good basis for benchmarking purposes and to ensure the deliver on its mandate through the use IT and business strategy alignment which also support compliance • Investment in IT Governance will reduce risks over time as the organization is taking advantage of COVID 19 operational imperatives <p>Management</p> <ul style="list-style-type: none"> • Competent and qualified management at the helm • Competent disciplinary and claims committee • Design business Model and Service Delivery Model <p>Financial</p> <ul style="list-style-type: none"> • The PPRA starts off with a good balance sheet and is in a self-sustaining position. Careful budgeting is however required to assess and address the financial implications of the expanded mandate, such that the strong starting financial position is not threatens. 	
Opportunities	Threats
<p>Transformation</p> <ul style="list-style-type: none"> • Property sector Incubator for small struggling Estate Agencies, rehabilitation of non-compliant Estate Agencies is key in transformation of the sector • The establishment of Property Sector Research Centre will support evidence-led decision making. It will also contribute to transformation by lowering the educational 	<p>Transformation</p> <ul style="list-style-type: none"> • The Property Sector Transformation Fund may not be established within the prescribed period; or to the requisite funding capability; or, once established, fail to grow sustainably. • A business case for the establishment of the fund will be developed. This will help attract contributions into the fund, thereby mitigating against the above threats.

barriers and providing equal access to knowledge regarding the property sector.

- Section 50(a)(x) of the PPA makes a valid BEE certificate mandatory for issuance of fidelity fund certificates. This provides an opportunity for the PPRA, in conjunction with the Property Sector Charter Council (PSCC) to track the state of transformation more accurately in the sector. The PSCC analyses a sample of BEE certificates as an input into their state of transformation reports.

Legislation compliance

- According to the Property Sector Charter Council, the average adjusted BBBEE score for the sector puts it at a recognition level of 6. The mandatory BBBEE certificates also provide the PPRA an opportunity to devise incentives, within the ambit of the law, to further drive transformation – by making the BBBEE certificate not only a matter of compliance to get FFCs, but also a tool of commercial value to qualifying enterprises.
- The PPRA will also explore a funding mechanism for the Transformation Fund, based on contributions from the property practitioners. There is an opportunity to link the level of contribution to the fund to the BBBEE level. For an example, a reverse sliding scale would result in those with better BBBEE scores.

- Typically, research is resource intensive. Availability of resources may threaten success of the initiative to establish the Property Sector Research Centre. The PPRA will have to partner with public and private sector organisations like the National Research Foundation (NRF) and educational institutions. The PPRA has set a target in the Annual Performance Plan 2022/23 to have an MoU signed with the NRF and a research agenda agreed in the year.

Legislation compliance

- Stakeholder onboarding and advocacy campaigns must be consistent over a longer period to embed dictates of PPRA – Inconsistent advocacy campaigns and communication drive may undermine strategy execution.
- Prospects for litigation remains, however regulations would address any gaps

Property Practitioner Fidelity Fund

- The organizational restructuring, alignment is process which required consultation. If the consultation with labour is not adequately addressed and managed the Fund management may not be optimized.
- Slow pace of approval process may result in an increased interest claims by practitioners
- Lack or a weak control environment increases risks of money laundering, fraud and theft which can lead to higher claims from Fidelity Fund.
- An increase in uninformed / un-empowered property consumers and consequent escalation in the number of complaints and claims may negatively impact the Fund's sustainability.

Licensing / Compliance

- Although valid B-BBEE are non-negotiables, clarity on levels creates vacuums or space for undeserving practitioners.
- In anticipation of queries from practitioners, the organization should build or strengthen mediation capacity to address all queries and avoid unnecessary litigations.

Management

	<ul style="list-style-type: none"> • Vacancies at senior levels at national and provincial level needs urgent attention. Speed and agility will determine responsiveness • Stakeholder relation and management is key given the new dispensation; it is therefore imperative to pitch this item for senior managers to secure confidence on how the strategy is being implemented

Key Message from the SWOT Analysis

Overall, the PPRA enters this new strategy planning period in a good footing, with notable strengths and exploitable opportunities to deliver on its mandates. Plans are being put in place to address weaknesses and mitigate threats, starting in the APP 2021-22 with an MoU with the National Research Foundation (NRF) to address the resource threat in setting up the Research Centre; the business case to address the resource threat in setting up and growing the Transformation Fund, as well as in executing the HR plan upon approval of the PPRA organogram, to address the identified weakness in human capital in certain departments.

Part C: Measuring of Our Performance

8. PART C: MEASURING OUR PERFORMANCE

8.1. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

The drafting of the Annual Performance Plan 2022-2023 has been guided the Department of Human Settlements Medium-Term Strategic Framework (“MTSF”) and utilising the recently promulgated Property Practitioners Act No. 22 of 2019 which came into effect on the 01 February 2022. The Property Practitioner Regulatory Authority (PPRA) has the responsibility to regulate, maintain and promote the conduct of property practitioners, issue Fidelity Fund certificates, prescribe the standard of education and training for property practitioners, investigate complaints lodged against property practitioners, manage and control the Property Practitioners Fidelity Fund.

These Seven Apex Priorities derived from the NDP, Electoral Mandate and SONA, form the MTSF baseline:

- **Priority 1:** A Capable, Ethical and Developmental State
- **Priority 2:** Economic Transformation and Job Creation
- **Priority 3:** Education, Skills and Health
- **Priority 4:** Consolidating the Social Wage through Reliable and Quality Basic Services
- **Priority 5:** Spatial Integration, Human Settlements and Local Government
- **Priority 6:** Social Cohesion and Safe Communities
- **Priority 7:** A better Africa and World

The PPRA aligns with the DHS through:

Priority	Problem Statement	Overview
Priority 1: A Capable, Ethical and Developmental State	State capacity is uneven and at times uncoordinated. Maladministration, poor governance and corruption need to be addresses across all three spheres, including public entities.	Priority 1 focuses on building a capable, ethical and development state which underpins the achievement of the other priorities of the MTSF 2019-2024
Priority 5: Spatial Integration, Human Settlements and Local Government	The legacy of spatial inequalities and access to assets continue to hobble inclusive growth.	Priority 5 seeks to address historical spatial inequalities, ensure the development of sustainable human settlements and promote access to basic services. Key to this is also to ensure environmental sustainability in both urban and rural spaces.

Key components to ensure implementation include the following:

- Improving the quality of interventions including delivery plans/ implementation plans
- Alignment of Annual Performance Plans and APPs
- Geospatial referencing and spatial planning alignment
- District Development Model (N/A)
- MTSF Monitoring and Reporting System

- Performance Management System

Alignment with MTSF

PPA oblige the entity to align not only the strategy but the APP with the approved Medium Term Strategic Framework (MTSF) for the 6th Administration. Henceforth the entity will focus on the following priorities.

- a) Property sector transformation
- b) Property transformation Fund
- c) Property Research Centre
- d) Development of the qualification standards for property practitioners.
- e) Prescription of continuing professional development requirements for the property practitioners.
- f) Establish transformation and empowerment programmes that include Principalisation Programme; Regularisation Programme; Consumer Awareness Programme; Work Readiness Programme.

8.2. Property Practitioners Regulatory Authority (PPRA): 2019/24 MEDIUM TERM STRATEGIC FRAMEWORK CONTRIBUTIONS

MTSF Indicator	MTSF contribution by the PPRA	Comments
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, help me buy a home) and tenant education programme	To be reported quarterly
	Monitor and report on the number of persons exposed to education programmes on owning and renting a home	To be reported quarterly
	Number of consumer disputes submitted and resolved within 90 days	To be reported quarterly
Consumer protection programmes implemented	Report the number of property practitioners registered and number of new (youth) property practitioners registered (one learner one property practitioner programme)	To be reported quarterly
	In collaboration with DHS, develop an implementation strategy with targets for the transformation of the residential property sector	To be reported quarterly
Transformation of the residential property market	Develop transformation targets for the sector	To be reported quarterly
	Monitor and report on the implementation of the sector transformation targets	To be reported quarterly

8.3. Impact Statement

Impact Statement	A fully transformed integrated Property Sector that reflects the demographics of society and ensure access to social services and economic opportunities in cities, regions and rural areas.
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8.4. PROGRAMME 1: ADMINISTRATION

Purpose

The programme seeks to give effect to Chapter 6 of the PPA which provides for effective governance, collection, utilisation, of the Funds of Authority.

8.4.1 Outcome, Output, Performance Indicator and Targets

Outcome	Output	Output Indicator	Annual Target				MTEF Period
			Audited/Actual Performance		Estimated Performance		
			2018/19	2019/20	2020/21		
MTSF Priority 1: A capable, ethical and developmental state							
Functional, efficient and integrated government	Unqualified audit opinion with no material findings	1. Unqualified audit opinion with no material findings	New Indicator	New Indicator	New Indicator	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings
	Internal Audit Annual Plan	2. Percentage implementation of the approved internal audit plan	New Indicator	New Indicator	New Indicator	100% implementation of the approved internal audit annual plan	100% implementation of the approved internal audit annual plan
	Risk Management Plan	3. Percentage implementation of the approved risk management plan	New Indicator	New Indicator	New Indicator	100% implementation of the approved risk management plan	100% implementation of the approved risk management plan

Annual Target									
Outcome	Output	Output Indicator	Audited/Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21		2021/22	2022/23	2023/24
	Fraud Prevention Plan	4. Percentage implementation of fraud prevention plan	New Indicator	New Indicator	New Indicator	Approval of fraud prevention plan	100% implementation of fraud prevention plan	100% implementation of fraud prevention plan	100% implementation of fraud prevention plan
	Procurement Spent on designated groups	Percentage of procurement budget spend on women owned enterprises	New Indicator	New Indicator	New Indicator	New Indicator	40% of procurement budget spent on women owned enterprises	40% of procurement budget spent on women owned enterprises	40% of procurement budget spent on women owned enterprises
		Percentage of procurement budget spend on youth owned enterprises	New Indicator	New Indicator	New Indicator	New Indicator	20% of procurement budget spent on youth owned enterprises	20% of procurement budget spent on youth owned enterprises	20% of procurement budget spent on youth owned enterprises
		Percentage of procurement budget spend on enterprises owned	New Indicator	New Indicator	New Indicator	New Indicator	5% of procurement budget spent on enterprises	5% of procurement budget spent on enterprises	5% of procurement budget spent on enterprises

Annual Target									
Outcome	Output	Output Indicator	Audited/Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Stakeholders contributing to the implementation of the PPA	4. Percent Implementation of PPRA stakeholder management plan	New Indicator	New Indicator	New Indicator	Approval of the PPRA stakeholder management plan	70% Implementation of PPRA stakeholder management plan	100% Implementation of PPRA stakeholder management plan	100% Implementation of PPRA stakeholder management plan
			New Indicator	New Indicator	New Indicator	New Indicator	80% of consumer queries resolved within 90 days	90% of consumer queries resolved within 90 days	95% of consumer queries resolved within 90 days
	Reduced and speedy resolution of consumer queries	Percentage of consumer queries resolved within 90 days	New Indicator	New Indicator	New Indicator	New Indicator	80% of consumer queries resolved within 90 days	90% of consumer queries resolved within 90 days	95% of consumer queries resolved within 90 days

8.4.2 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
Audit Outcome	Unqualified audit opinion with no material findings	Submission of quality AFS and Performance report.	Unqualified audit opinion with no material findings	Implementation of audit action plan	Implementation of audit action plan
Percentage implementation of the approved internal audit plan	100% implementation of the approved internal audit annual plan	25% implementation of the approved internal audit annual plan	50% implementation of the approved internal audit annual plan	75% implementation of the approved internal audit annual plan	100% implementation of the approved internal audit annual plan
Percentage implementation of fraud prevention plan	100% implementation of fraud prevention plan	Approval of fraud prevention plan	100% implementation of fraud prevention plan	100% implementation of fraud prevention plan	100% implementation of fraud prevention plan
Percentage implementation of the approved risk management plan	100% of risk mitigation plans implemented per annum	100% of risk mitigation plans implemented	100% of risk mitigation plans implemented	100% of risk mitigation plans implemented	100% of risk mitigation plans implemented
Percentage of procurement budget spend on women owned enterprises	40% of procurement budget spent on women owned enterprises	40% of procurement budget spent on women owned enterprises	40% of procurement budget spent on women owned enterprises	40% of procurement budget spent on women owned enterprises	40% of procurement budget spent on women owned enterprises

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
Percentage of procurement budget spend on youth owned enterprises	20% of procurement budget spent on youth owned enterprises	20% of procurement budget spent on youth owned enterprises	20% of procurement budget spent on youth owned enterprises	20% of procurement budget spent on youth owned enterprises	20% of procurement budget spent on youth owned enterprises
Percentage of procurement budget spend on enterprises owned by people with disabilities	5% of procurement budget spent on enterprises owned by people with disabilities	5% of procurement budget spent on enterprises owned by people with disabilities	5% of procurement budget spent on enterprises owned by people with disabilities	5% of procurement budget spent on enterprises owned by people with disabilities	5% of procurement budget spent on enterprises owned by people with disabilities
Percentage of implementation of the approved human resource management plan	80% implementation of the approved human resource management plan	20% implementation of the approved human resource management plan	40% implementation of the approved human resource management plan	60% implementation of the approved human resource management plan	80% implementation of the approved human resource management plan
Percentage collection of allowed fees	100% of allowed fees collected	100% of allowed fees collected	100% of allowed fees collected	100% of allowed fees collected	100% of allowed fees collected
Percent Implementation of PPRA stakeholder management plan	70% Implementation of PPRA stakeholder management plan	40% Implementation of PPRA stakeholder management plan	50% Implementation of PPRA stakeholder management plan	60% Implementation of PPRA stakeholder management plan	70% Implementation of PPRA stakeholder management plan

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
Percentage of consumer queries resolved within 90 days	80% of consumer queries resolved within a 90 day period	80% of consumer queries resolved within a 90 day period	80% of consumer queries resolved within a 90 day period	80% of consumer queries resolved within a 90 day period	80% of consumer queries resolved within a 90 day period

8.5. PROGRAMME 2: Licensing and Compliance

Purpose of the Programme

The programme seeks to give effect to Sections 47 and 48 of the Act which compels property practitioners (including its Directors, Members or Trustees, and its employees who act as property practitioners) to obtain and hold a valid Fidelity Fund Certificate.

8.5.1 Outcome, Output, Performance Indicator and Targets

Outcome	Output	Output Indicator	Annual Target						
			Audited/Actual Performance		Estimated Performance	MTEF Period			
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
MTSF Priority 5: Spatial Integration, Human Settlements and Local Government									
Inclusive, integrated and transformed property sector	Property Practitioners registered on the database of the PPRA	Number of property practitioners registered on the database of the PPRA per annum	New Indicator	New Indicator	New Indicator	9 000 property practitioners registered on the database of the PPRA per annum	9 000 property practitioners registered on the database of the PPRA per annum	10 000 property practitioners registered on the database of the PPRA per annum	10 000 property practitioners registered on the database of the PPRA per annum
	New registrations processed within 30 days	Percentage of all compliant new registrations processed within 30 days	New Indicator	New Indicator	New Indicator	100% of all compliant new registrations processed within 30 days	100% of all compliant new registrations processed within 30 days	100% of all compliant new registrations processed within 30 days	100% of all compliant new registrations processed within 30 days

8.5.2 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
Number of new property practitioners registered on the database of the PPRA per annum	9 000 new property practitioners registered on the database of the PPRA per annum	2250 new property practitioners registered on the database of the PPRA per quarter	2250 new property practitioners registered on the database of the PPRA per quarter	2250 new property practitioners registered on the database of the PPRA per quarter	2250 new property practitioners registered on the database of the PPRA per quarter
Percentage of all compliant new registrations processed within 30 days	100% of all compliant new registrations processed within 30 days	100% of all compliant new registrations processed within 30 days	100% of all compliant new registrations processed within 30 days	100% of all compliant new registrations processed within 30 days	100% of all compliant new registrations processed within 30 days

8.6. PROGRAMME 3: Inspection and Enforcement

Purpose of the Programme

The programme seeks to give effect to Sections 24 and 25 of the Act which make provision for inspections / searches at the business premises of property practitioners.

8.6.1 Outcome, Output, Performance Indicator and Targets

Outcome	Output	Output Indicator	Annual Target						
			Audited/Actual Performance		Estimated Performance	MTEF Period			
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
MTSF Priority 1: A capable, ethical and developmental state									
Sub-programme: Enforcement Mechanisms									
Functional, efficient and integrated government	Approved Guideline for the Inspections as contemplated in the PPA	4x Quarterly Inspection Guidelines issued	New Indicator	New Indicator	New Indicator	New Indicator	New Indicator	4x Quarterly Inspection Guidelines issued	4x Quarterly Inspection Guidelines issued
	Effective Enforcement	Percentage of completed investigations that result in disciplinary hearings	New Indicator	New Indicator	New Indicator	New Indicator	New Indicator	75% of completed investigations that result in disciplinary hearings	75% of completed investigations that result in disciplinary hearings
		Percentage of disciplinary outcomes enforced	New Indicator	New Indicator	New Indicator	New Indicator	New Indicator	100% of disciplinary outcomes enforced	100% of disciplinary outcomes enforced

8.6.2 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
Approved Guideline for the Inspections as contemplated in the PPA	4x Quarterly Inspection Guidelines issued	1x Inspection Guidelines issued per quarter	1x Inspection Guidelines issued per quarter	1x Inspection Guidelines issued per quarter	1x Inspection Guidelines issued per quarter
Percentage of completed investigations that result in disciplinary hearings	75% of completed investigations that result in disciplinary hearings	75% of completed investigations that result in disciplinary hearings	75% of completed investigations that result in disciplinary hearings	75% of completed investigations that result in disciplinary hearings	75% of completed investigations that result in disciplinary hearings
Percentage of disciplinary outcomes enforced	100% of disciplinary outcomes enforced	100% of disciplinary outcomes enforced	100% of disciplinary outcomes enforced	100% of disciplinary outcomes enforced	100% of disciplinary outcomes enforced

8.7. PROGRAMME 4: Research, Professionalisation and Training

Purpose

The programme seeks to give effect to Chapter 7 of the Regulations dealing with education and requiring that a person who intends to become a Property Practitioner serving as a candidate Property Practitioner under the supervision of a principal Property Practitioner or a qualified Property Practitioner (of at least three years' experience)

8.7.1 Outcome, Output, Performance Indicator and Targets

Outcome	Output	Output Indicator	Annual Target						
			Audited/Actual Performance		Estimated Performance	MTEF Period			
			2018/19	2019/20	2020/21	2022/23	2023/24	2024/25	
MTSF Priority 5: Spatial Integration, Human settlements and Local Government									
Inclusive, integrated and transformed property sector	Increase in the number of Property Practitioners who are registered for CPD and have met CPD requirements in full	Percentage Increase of Property Practitioners who are registered for CPD and have met CPD requirements in full	New Indicator	New Indicator	New Indicator	New Indicator	30% Increase of Property Practitioners who are registered for CPD and have met CPD requirements in full	30% Increase of Property Practitioners who are registered for CPD and have met CPD requirements in full	30% Increase of Property Practitioners who are registered for CPD and have met CPD requirements in full
	Approved Standards for qualification for property practitioners	Percentage implementation of the Skills Development Plan	New Indicator	New Indicator	New Indicator	New Indicator	100% implementation of the Skills Development Plan	100% implementation of the Skills Development Plan	100% implementation of the Skills Development Plan

Annual Target								
Outcome	Output	Output Indicator	Audited/Actual Performance			Estimated Performance	MTEF Period	
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Develop and establish research capacity and knowledge in management in sector	Creation of Central Repository for industry research and knowledge	New Indicator	New Indicator	New Indicator	Establish MOU with the NRF and Institutions of Higher Learning	Implement research agenda	Implement research agenda
	Youth candidate practitioners placed with property industry host employers through the "One Learner - One Property Practitioner" Programme	Number of candidate practitioners placed with property industry host employers through the "One Learner - One Property Practitioner" Programme	New Indicator	New Indicator	New Indicator	New Indicator	2 000 candidate practitioners placed with property industry host employers through the one learner – one Property Practitioner programme	2 000 candidate practitioners placed with property industry host employers through the one learner – one Property Practitioner programme
		Retention rate of youth candidate practitioners placed with property industry host employers through the "One Learner - One Property Practitioner" Programme	New Indicator	New Indicator	New Indicator	New Indicator	70% retention rate of youth candidate practitioners in the "One Learner - One Property	70% retention rate of youth candidate practitioners in the "One Learner - One Property

8.7.2 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
Percentage Increase of Property Practitioners who are registered for CPD and have met CPD requirements in full	30% Increase of Property Practitioners who are registered for CPD and have met CPD requirements in full	30% Increase of Property Practitioners who are registered for CPD and have met CPD requirements in full	30% Increase of Property Practitioners who are registered for CPD and have met CPD requirements in full	30% Increase of Property Practitioners who are registered for CPD and have met CPD requirements in full	30% Increase of Property Practitioners who are registered for CPD and have met CPD requirements in full
Percentage implementation of the Skills Development Plan	100% implementation of the Skills Development Plan	100% implementation of the Skills Development Plan	100% implementation of the Skills Development Plan	100% implementation of the Skills Development Plan	100% implementation of the Skills Development Plan
Creation of Central Repository for industry research and knowledge	Implement research agenda	Conduct Situational Analysis	Conduct Situational Analysis	Agree needs-based research agenda with research partners	Implement research agenda
Number of candidate practitioners placed with property industry host employers through the "One Learner - One Property Practitioner" Programme	2 000 candidate practitioners placed with property industry host employers through the one learner - one Property Practitioner programme	500 candidate practitioners placed with property industry host employers through the one learner - one Property Practitioner programme	500 candidate practitioners placed with property industry host employers through the one learner - one Property Practitioner programme	500 candidate practitioners placed with property industry host employers through the one learner - one Property Practitioner programme	500 candidate practitioners placed with property industry host employers through the one learner - one Property Practitioner programme
Retention rate of youth candidate practitioners in the "One Learner - One Property Practitioner" Programme	70% retention rate of youth candidate practitioners in the "One Learner - One Property Practitioner" programme	70% retention rate of youth candidate practitioners in the "One Learner - One Property Practitioner" programme	70% retention rate of youth candidate practitioners in the "One Learner - One Property Practitioner" programme	70% retention rate of youth candidate practitioners in the "One Learner - One Property Practitioner" programme	70% retention rate of youth candidate practitioners in the "One Learner - One Property Practitioner" programme

8.8. PROGRAMME 5: Transformation

Purpose

The programme seeks to give effect to Chapter 4 of the PPA, with the broad objective of putting in place mechanisms for promoting and enhancing participation of historically disadvantaged South Africans in the property sector by:

- Implementing and assessing measures to progressively promoting an inclusive and integrated property sector.
- Implementing appropriate measures and assessing the state of transformation within the property sector.
- Creating such mechanisms for the continuous monitoring and evaluation of the sector performance on the transformation imperatives and granting of incentives as may be prescribed; and
- Introducing measures to be implemented, which may include incubation and capacity building programmes to redress the imbalances of the past.
- Cross functional interface with other section to ensure that transformational agenda is pursued, i.e. reviewing models and initiatives.

8.8.1 Outcome, Output, Performance Indicator and Targets

Outcome	Output	Output Indicator	Annual Target						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
MTSF Priority 5: Spatial Integration, Human Settlements and Local Government									
Inclusive, integrated and transformed property sector	Property Sector Transformation Fund established within six months	Property Sector Transformation Fund established within six months	New Indicator	New Indicator	New Indicator	New Target	Property Sector Transformation Fund established	Maintain a financially sustainable and growing Fund that will provide a minimum of R500,000 in real terms for transformation grant funding per black participant	Maintain a financially sustainable and growing Fund that will provide a minimum of R500,000 in real terms for transformation grant funding per black participant
	Increase in number of Full status Black Women that have been supported through the Principalsation Programme	Number of Full status Black Women that have been supported through the Principalsation Programme	New Indicator	New Indicator	New Indicator	New Target	300 Full status Black Women supported through the implementation of the Principalsation Programme	300 Full status Black Women supported through the implementation of the Principalsation Programme	300 Full status Black Women supported through the implementation of the Principalsation Programme

Outcome	Output	Output Indicator	Annual Target						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Effective Incubation Programme for historically disadvantaged groups	Number of SMMES owned by historically disadvantaged groups placed through the incubation programme	New Indicator	New Indicator	New Indicator	New Target	25 SMMES owned by historically disadvantaged groups placed through the incubation programme	25 SMMES owned by historically disadvantaged groups placed through the incubation programme	25 SMMES owned by historically disadvantaged groups placed through the incubation programme

8.8.2 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
Increase in the number of participants as a consequents of the establishment of the Property Sector Transformation Fund	New Target	Property Sector Transformation Fund established	Property Sector Transformation Fund established	Maintain a financially sustainable and growing Fund	Maintain a financially sustainable and growing Fund
Number of Full status Black Women that have been supported through the Principialisation Programme	300 Full status Black Women supported through the implementation of the Principialisation Programme	75 Full status Black Women supported through the implementation of the Principialisation Programme	75 Full status Black Women supported through the implementation of the Principialisation Programme	75 Full status Black Women supported through the implementation of the Principialisation Programme	75 Full status Black Women supported through the implementation of the Principialisation Programme
Number of SMMES owned by historically disadvantaged groups placed through the incubation programme	25 SMMES owned by historically disadvantaged groups placed through the incubation programme	6 SMMES owned by historically disadvantaged groups placed through the incubation programme	6 SMMES owned by historically disadvantaged groups placed through the incubation programme	6 SMMES owned by historically disadvantaged groups placed through the incubation programme	7 SMMES owned by historically disadvantaged groups placed through the incubation programme

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

The envisaged impact of the PPRA is directly linked to its mandate of its regulatory interventions, which includes to regulate the affairs of all property practitioners; to allow for transformation in the property sector and to provide for consumer protection.

In the medium-term period, the PPRA to focus on overseeing the implementation of the PPA and its promulgated Regulations. This will largely be to ensure a transitional process that is smooth and risk proof.

8.10. Enabling conditions to meet the MTSF 2019-2024 priorities

Key to the success of PPRA in fulfilling its mandate of ensuring the full transformation of the property sector. A Transformation Fund is to be created within 6 months of when the PPRA is established. It will be funded by the Fidelity Fund; government grant; fees and fines paid by PPs; Investments; and monies donated or bequeathed to the PPRA. The funds are to be used to promote the interests of the historically disadvantaged, including providing for training and development and education of the general public. The PPRA will seek to accelerate the provisions of Act wherein, the Property Sector Transformation Charter which will apply to all property practitioners is developed with its implementable scorecards.

The PPRA will strengthen its internal capacity to issue licenses within specified periods by the Act and ensuring compliance by the FFC holders.

The transitional period during the medium term will be underpinned by regular interaction and consultations with key stakeholders.

The following are explanations of the enabling conditions for the attainment of the NDP/MTSF 2019-2024 imperatives in relation to the core mandate of the PPRA:

8.11. Programme 1: Administration

The PPRA road map to achieving the Annual Performance Plan for 2022-23 in support of the MTSF Priority 1 of building an effective and capacitated government will include the following:

- Establishment of the Property Practitioners Fidelity Fund within six months of commencement of the Act.
- Building on the expanded mandate and structures, reflection on the PPA.
- Strengthening the capacity of the PPRA to implement Property Practitioners Act (PPA) which will only be able to achieve the desired outcome if it is driven by a stable and well-functioning regulatory authority.
- Stakeholder engagement and Sector Consensus.
- Ensuring an Unqualified audit opinion with no material findings.

8.12. Programme 2: Licensing and Compliance

The objectives of compliance are to ensure property practitioners (including its Directors, Members or Trustees, and its employees who act as property practitioners) obtain and hold a valid Fidelity Fund Certificate.

The PPRA will amplify the provisions of the PPA which is aimed at strengthening the regulatory aspect of the human settlements sector.

The PPRA supports the objectives of the Department of Human Settlements in working towards the National Development Plan (NDP) 2030, implemented through the Medium Term Strategic Framework (MTSF) 2019-

2024 through the achievement of MTSF Priority 5: Spatial Integration, Human settlements and Local Government.

8.13. Programme 3: Inspection and Enforcement

The PPA is anchored, as a consumer-focused piece of legislation that has been designed to protect consumers in the property industry. And hence the PPRA, in contrast to EAAB, will have more reaching power which include inspections without notice and more serious consequences for non-compliance.

8.14. Programme 4: Research, Professionalisation and Training

The PPRA road map for the next financial year in the Annual Performance Plan for 2022-23 in support of the MTSF Priority 1 of building an effective and capacitated government, and professionalising the property sector will include the following:

- Development of the qualification standards for property practitioners.
- Development of course materials, including assessment and approval of existing materials of representative bodies.
- Establishment of Professional Designation Examination
- Development of standards for the practical training of non-principal property practitioners
- Regulation of Candidate property practitioners (CPPs) undergoing 12 months of training, under the active supervision and control of an agency principal or a qualified agent with at least three years' experience.
- Prescription of continuing professional development requirements for the property practitioners.
- Establish the Knowledge and Research Centre for making available knowledge resources and to disseminate knowledge in the property sector

8.15. Programme 5: Transformation

The PPRA road map for the next financial year, in the Annual Performance Plan for 2022-23 in support of the MTSF Priority 5 of Spatial Integration, Human settlements and Local Government by ensuring transformation of the property sector so that the historically disadvantaged, especially women and people living with disabilities, can participate meaningfully, and so will include the following:

- Capacitation and enterprise support for historically disadvantaged property practitioners;
- Support of existing SMME's owned by historically disadvantaged property practitioners.
- Promotion of the standard of training and development of historically disadvantaged property practitioners.
- Supporting existing historically disadvantaged property practitioners to become principal property practitioners and owners of business property practitioners.
- Facilitation of ownership of and participation in property investment enterprises.
- Enabling the transformation of property ownership in South Africa by providing grant support (through the Transformation Fund) to historically disadvantaged property practitioners who are in the business of developing residential properties in the affordable and secondary housing markets

9. PROGRAMME RECOURSE CONSIDERATIONS

9.1. Table: Group Budget Allocation for Programmes

Property Practitioner Regulatory Authority Rand thousand (Costs per programme)	Audited outcome		Adj. Approp	Revised Estimate	Medium Term Expenditure		
	2019/20	2020/21			2022/23	2023/24	2024/25
Administration	91 777	92 000	106 915	139 879	141 217	148 332	155 730
Licensing and Compliance	27 290	26 658	30 980	40 531	41 991	42 981	45 125,00
Inspection and Enforcement	5 491	6 256	7 270	9 511	8 449	10 086	10 589
Research, Professionalisation and Training	11 590	11 515	13 382	17 508	17 833	18 566	19 492
Transformation activities	7 530	299	5 133	6 715	24 717	25 953	27 892
Promotion and awareness campaigns	4 528	5	5 485	7 176	5 115	5 521	6 325
Fidelity Fund	30 407	19 300	26 343	27 954	33 543	31 267	28 125
Total	178 613	156 033	195 507	249 275	272 865	282 706	293 278

9.2. Statement of Financial Position – PPRA

Financial position	2018/19		2019/20		2020/21		2021/22		Medium-term estimate		
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Approved budget	2022/23	2023/24	2024/25
Carrying value of assets	106 193	113 217	112 287	111 788	120 777	109 249	129 231	111 595	144 099	150 668	155 794
<i>of which:</i>											
Acquisition of assets	(2 950)	(1 657)	(1 200)	(728)	(4 084)	(1 004)	(1 300)	(1 300)	(18 100)	(10 850)	(9 600)
Investments	-	-	-	-	-	-	-	-	-	-	-
Inventory	251	616	677	302	540	59	578	578	62	65	68
Loans	4 601	51 122	48 122	39 798	33 828	18 733	28 754	19 899	28 754	28 754	28 754
Accrued investment interest	-	-	-	-	-	-	-	-	-	-	-
Receivables and prepayments	6 782	43 908	36 530	58 194	56 750	83 927	57 390	57 390	68 899	61 933	76 950
Cash and cash equivalents	18 948	21 354	28 052	7 107	19 297	11 183	20 648	18 046	13 912	30 782	50 150
Total assets	136 775	230 217	225 668	217 189	231 192	223 150	236 601	207 508	255 725	272 202	311 716
Accumulated surplus/(deficit)	90 782	99 381	132 403	91 476	114 403	102 298	119 368	99 305	138 595	155 059	174 254
Capital and reserves	-	42 616	42 615	42 616	42 616	42 616	53 270	47 866	53 270	53 270	49 333
Trade and other payables	15 495	57 574	23 855	65 870	55 320	56 437	44 905	44 905	44 905	44 905	65 333
Provisions	13 149	30 119	26 157	16 638	18 194	21 177	18 320	14 831	18 320	18 320	22 135
Derivatives financial instruments	17 349	528	638	589	660	623	739	601	635	648	661
Total equity and liabilities	136 775	230 217	225 668	217 189	231 192	223 151	236 602	207 508	255 725	272 202	311 716
Contingent liabilities	-	-	-	-	-	-	-	-	-	-	-

9.3. Statement of Financial Performance -PPRA

Statement of financial performance	2018/19		2019/20		2020/21		2021/22		Medium-term estimate			
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Approved budget	2022/23	2023/24	2024/25	
R thousand												
Revenue												
Tax revenue	-	-	-	-	-	-	-	-	-	-	-	-
Non-tax revenue	166 942	191 640	169 253	135 852	200 532	123 253	174 129	174 129	248 846	256 864	270 414	
Sale of goods and services other than capital assets	150 541	136 208	150 966	112 860	154 706	91 081	152 774	152 774	227 654	239 037	251 696	
Sales of goods and services produced by entity	150 541	136 208	150 966	112 860	154 706	91 081	152 774	152 774	227 654	239 037	251 696	
of which:												
Administrative fees	71 609	53 619	58 489	52 687	61 147	51 167	68 223	68 223	63 792	66 981	70 330	
Sales by market establishment	78 932	82 589	92 477	59 973	93 559	39 914	84 551	84 551	163 863	172 056	181 365	
Other non-tax revenue	16 401	55 432	18 287	23 192	45 826	32 171	21 355	21 355	21 192	17 827	18 719	
Transfers received	-	-	-	-	-	24 000	-	-	-	-	-	
Total revenue	166 942	191 640	169 253	135 852	200 532	147 253	174 129	174 129	248 846	256 864	270 414	
Expenses												
Current expenses	151 636	170 170	159 835	143 758	186 917	136 429	169 164	168 704	209 489	214 400	222 219	
Compensation of employees	102 179	83 275	103 190	92 579	130 599	95 490	115 616	115 616	138 819	140 692	145 194	
Goods and services	43 527	83 713	50 560	48 002	51 310	37 410	49 930	49 470	66 566	69 428	72 552	
Depreciation	5 930	3 182	6 085	3 177	5 008	3 529	3 618	3 618	4 104	4 281	4 473	
Transfers and subsidies	-	-	-	-	-	-	-	-	21 000	26 000	29 000	
Total expenses	151 636	170 170	159 835	143 758	186 917	136 429	169 164	168 704	230 489	240 400	251 219	
Surplus/(Deficit)	15 306	21 470	9 418	(7 906)	13 615	10 824	4 965	5 425	18 356	16 464	19 195	

9.4. Cash Flow data -PPRA

Cash flow data	2018/19		2019/20		2020/21		2021/22		Medium-term estimate		
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Approved budget	2022/23	2023/24	2024/25
R thousand	22 642	41 551	19 035	(23 824)	21 739	(15 984)	10 267	10 790	24 836	27 720	28 968
Cash flow from operating activities											
Receipts											
Non-tax receipts	166 942	191 640	169 253	103 999	200 532	97 521	174 129	174 129	174 407	181 907	190 093
Sales of goods and services other than capital assets	155 267	136 208	156 489	93 361	154 706	78 008	152 774	152 774	141 904	148 006	154 666
produced by entity (excl. capital assets)	155 267	136 208	156 489	93 361	154 706	78 008	152 774	152 774	141 904	148 006	154 666
Administrative fees	71 609	53 619	58 489	42 048	61 147	41 410	68 223	68 223	63 792	66 535	69 529
Sales by market establishment	42 120	82 589	92 477	51 313	93 559	36 598	84 551	84 551	78 112	81 471	85 137
Other sales	41 538	-	5 523	-	-	-	-	-	-	-	-
Other non-tax receipts	11 675	55 432	12 764	10 638	45 826	19 512	21 355	21 355	32 503	33 901	35 427
Transfers received	-	-	-	-	-	24 000	-	-	-	-	-
Total receipts	166 942	191 640	169 253	103 999	200 532	121 521	174 129	174 129	174 407	181 907	190 093
Payment											
Current payments	144 300	150 089	150 218	127 822	178 783	137 504	163 862	163 339	149 571	154 187	161 125
Compensation of employees	102 179	83 625	104 090	88 495	129 039	91 897	115 066	115 616	110 986	115 759	120 968
Goods and services	42 121	66 464	46 128	39 327	49 754	45 608	48 796	47 723	38 585	38 428	40 157
Total payment	144 300	150 089	150 218	127 822	178 783	137 504	163 862	163 339	149 571	154 187	161 125
activities (Financial Institutions only)	-	-	-	-	-	-	-	-	-	-	-
Cash flow from investing activities	(13 050)	(1 762)	(6 950)	(1 748)	(13 544)	(1 004)	(4 700)	(4 700)	(18 100)	(10 850)	(9 600)
Acquisition of software and other intangible assets	(10 100)	(105)	(7 750)	(1 020)	(9 460)	-	(3 400)	(3 400)	-	-	-
Cash flow from financing activities	-	(46 406)	-	11 324	-	21 065	-	2 120	22 118	23 069	24 107
Borrowing activities	-	(46 406)	-	11 324	-	21 065	-	2 120	-	-	-
Net increase / (decrease) in cash and cash equivalents	9 592	(6 617)	10 085	(14 248)	8 195	4 077	5 567	8 210	6 736	16 870	19 368

9.5. Projected income and expenditure for the year ended 31 March 2023

	2022/2023 PPRA Proposed Budget	QUARTERLY TARGETS			
		Quarter 1	Quarter 2	Quarter 3	Quarter 4
Turnover	248 845 798,40	42 136 195,47	73 370 978,69	32 322 948,81	101 015 675,43
FFC Renewals					
Principals (Natural persons in the PPA Act)	68 413 383,12	6 841 338,31	47 889 368,19	6 841 338,31	6 841 338,31
Full Status (Natural persons in the PPA Act)	13 463 810,42	1 346 381,04	9 424 667,30	1 346 381,04	1 346 381,04
Intern Estate Agents (Natural persons in the PPA Act)	27 118 244,44	2 711 824,44	18 982 771,10	2 711 824,44	2 711 824,44
Attorneys (Natural persons in the PPA Act)	27 096 504,48	2 709 650,45	18 967 553,13	2 709 650,45	2 709 650,45
	734 823,79	73 482,38	514 376,65	73 482,38	73 482,38
	95 449 147,05	14 049 040,10	4 235 793,44	4 235 793,44	72 928 520,06
Examinations					
Examination Fees	5 209 302,04	1 302 325,51	1 302 325,51	1 302 325,51	1 302 325,51
Sales -Study Guides	945 776,72	236 444,18	236 444,18	236 444,18	236 444,18
CPD Fees	89 211 333,27	12 489 586,66	2 676 340,00	2 676 340,00	71 369 066,62
Appeals on Examination Results	82 735,02	20 683,76	20 683,76	20 683,76	20 683,76
	186 398,65	46 599,66	46 599,66	46 599,66	46 599,66
Interest Income					
Interest on Investments	185 707,86	46 426,96	46 426,96	46 426,96	46 426,96
Interest Other	690,79	172,70	172,70	172,70	172,70
	84 796 869,58	21 199 217,39	21 199 217,39	21 199 217,39	21 199 217,39
Other Income					
Management fee	63 791 687,19	15 947 921,80	15 947 921,80	15 947 921,80	15 947 921,80
Fines	4 447 881,00	1 111 970,25	1 111 970,25	1 111 970,25	1 111 970,25
Penalties	12 538 766,71	3 134 691,68	3 134 691,68	3 134 691,68	3 134 691,68
Delivery charges	10 000,00	2 500,00	2 500,00	2 500,00	2 500,00
Legal document charges	30 000,00	7 500,00	7 500,00	7 500,00	7 500,00
Duplicate and Amendments - FFC	3 978 534,68	994 633,67	994 633,67	994 633,67	994 633,67
	209 489 709,02	50 292 089,34	59 289 486,70	49 809 199,54	50 098 933,42
Operating costs					

Admin expense

	14 727 557,42	18 249 667,62	14 244 667,62	14 534 401,50
Venue Hire	812 500,00	203 125,00	203 125,00	203 125,00
COS - NQF 4 & 5	500 000,00	125 000,00	125 000,00	125 000,00
Invigilators' and Markers Fees	562 500,00	140 625,00	140 625,00	140 625,00
Conferences and Breakaways	237 500,00	59 375,00	59 375,00	59 375,00
Staff Training and development	1 331 834,15	332 958,54	332 958,54	332 958,54
Bursaries	752 500,00	188 125,00	188 125,00	188 125,00
Software License	562 500,00	140 625,00	140 625,00	140 625,00
Hardware Maintenance	62 500,00	15 625,00	15 625,00	15 625,00
Software Maintenance	187 500,00	46 875,00	46 875,00	46 875,00
Publication and Communication	1 075 000,00	268 750,00	268 750,00	268 750,00
Insurance	562 500,00	140 625,00	140 625,00	140 625,00
Assets expensed	38 012,50	9 503,13	9 503,13	9 503,13
Provision for doubtful debts	11 375 000,00	2 843 750,00	2 843 750,00	2 843 750,00
Impairment Loss	435 671,79	108 917,95	108 917,95	108 917,95
Postages	187 500,00	46 875,00	46 875,00	46 875,00
Stationery and Printing	112 500,00	28 125,00	28 125,00	28 125,00
Travelling expenses	750 000,00	187 500,00	187 500,00	187 500,00
Bank Charge	437 500,00	109 375,00	109 375,00	109 375,00
Auditors Remuneration	4 375 000,00	3 062 500,00	437 500,00	437 500,00
Internal Audit Fees	1 800 000,00	1 260 000,00	180 000,00	180 000,00
Forensic Audit	500 000,00	350 000,00	50 000,00	50 000,00
Telephone and Connection costs	4 394 339,38	1 098 584,84	1 098 584,84	1 098 584,84
Photo-copier charges	737 500,00	184 375,00	184 375,00	184 375,00
Staff welfare	281 538,89	70 384,72	70 384,72	70 384,72
Catering and Refreshments	409 901,16	102 475,29	102 475,29	102 475,29
Consumables	81 076,25	20 269,06	20 269,06	20 269,06
Garden and Plant Maintenance	381 150,00	95 287,50	95 287,50	95 287,50
Subscriptions	458 000,00	114 500,00	114 500,00	114 500,00
Office Cleaning	1 550 000,00	387 500,00	387 500,00	387 500,00
Rates and Taxes Office Building	1 300 000,00	325 000,00	325 000,00	325 000,00
Repairs and Maintenance Building	1 187 500,00	296 875,00	296 875,00	296 875,00
Security Costs	1 075 593,75	268 898,44	268 898,44	268 898,44
Water and Electricity	1 819 125,00	454 781,25	454 781,25	454 781,25
Repairs and Maintenance Vehicle	93 843,75	23 460,94	23 460,94	23 460,94
Repairs & Maintenance Furniture & Equipment	250 000,00	62 500,00	62 500,00	62 500,00
Promotion and Marketing	800 000,00	200 000,00	200 000,00	200 000,00
Advertising	700 000,00	175 000,00	175 000,00	175 000,00
Consultants Fees	8 500 000,00	2 125 000,00	2 125 000,00	2 125 000,00
Corporate Gifts	312 500,00	78 125,00	78 125,00	78 125,00
Call Centre	4 730 279,57	1 182 569,89	1 182 569,89	1 182 569,89
CPD Expenses	1 931 559,20	772 623,68	289 733,88	289 733,88
Depreciation - Office furniture	312 500,00	78 125,00	78 125,00	78 125,00
Depreciation - Computer equipment	993 860,44	248 465,11	248 465,11	248 465,11
Depreciation - Motor Vehicles	19 619,25	4 904,81	4 904,81	4 904,81
Depreciation - Buildings	1 958 320,78	489 580,20	489 580,20	489 580,20
Amortisation - Software	740 568,85	185 142,21	185 142,21	185 142,21
Amortisation - Intellectual Property	79 499,44	19 874,86	19 874,86	19 874,86

Other operating expense	9 300 000,00	2 325 000,00	2 325 000,00	2 325 000,00	2 325 000,00
Disciplinary costs	850 000,00	212 500,00	212 500,00	212 500,00	212 500,00
Legal Costs	4 500 000,00	1 125 000,00	1 125 000,00	1 125 000,00	1 125 000,00
Rental - Leased Building	2 450 000,00	612 500,00	612 500,00	612 500,00	612 500,00
Recruitment and Selection	1 500 000,00	375 000,00	375 000,00	375 000,00	375 000,00
Staff costs	133 183 414,86	37 402 319,09	37 402 319,09	37 402 319,09	37 402 319,09
13th Cheque	4 249 354,17	1 062 338,54	1 062 338,54	1 062 338,54	1 062 338,54
Salaries and Wages	93 785 670,97	23 446 417,74	23 446 417,74	23 446 417,74	23 446 417,74
Overtime Expenses	168 856,85	42 214,21	42 214,21	42 214,21	42 214,21
Performance Bonus	5 475 287,16	-	5 475 287,16	-	-
Travel Allowance	1 529 259,34	382 314,84	382 314,84	382 314,84	382 314,84
Cell phone Allowance	532 800,00	133 200,00	133 200,00	133 200,00	133 200,00
Pension Fund Contributions	14 448 303,00	3 612 075,75	3 612 075,75	3 612 075,75	3 612 075,75
U.I.F Contributions	371 677,60	92 919,40	92 919,40	92 919,40	92 919,40
Medical Aid Contributions	6 006 341,38	1 501 585,34	1 501 585,34	1 501 585,34	1 501 585,34
Skills Development Levies	916 332,05	229 083,01	229 083,01	229 083,01	229 083,01
Leave Pay	4 859 532,35	1 214 883,09	1 214 883,09	1 214 883,09	1 214 883,09
Long service awards	840 000,00	210 000,00	210 000,00	210 000,00	210 000,00
Board Members Remuneration	5 250 000,00	1 312 500,00	1 312 500,00	1 312 500,00	1 312 500,00
Board Members Remuneration	5 000 000,00	1 250 000,00	1 250 000,00	1 250 000,00	1 250 000,00
Virtual Meeting/Data Allowance	250 000,00	62 500,00	62 500,00	62 500,00	62 500,00
Skills Development Levy	209 489 709,02	50 292 089,34	59 289 486,70	49 809 199,54	50 098 933,42
Grant expense	21 000 000,00	5 250 000,00	5 250 000,00	5 250 000,00	5 250 000,00
Grant for the Fidelity Fund	10 000 000,00	2 500 000,00	2 500 000,00	2 500 000,00	2 500 000,00
Grant for the transformation Fund	11 000 000,00	2 750 000,00	2 750 000,00	2 750 000,00	2 750 000,00
Surplus/(Deficit) before CAPEX	18 356 089,38	-	13 405 893,87	8 831 491,98	-
					22 736 250,73
					45 666 742,01

9.6. Statement of Financial Position – PPF

Financial position	2018/19		2019/20		2020/21		2021/22		Medium-term estimate		
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Approved budget	2022/23	2023/24	2024/25
Carrying value of assets of which:	-	-	-	-	-	-	-	-	-	-	-
Acquisition of assets	-	-	-	-	-	-	-	-	-	-	-
Investments	637 208	632 019	671 696	482 836	708 155	586 351	668 549	491 333	515 899	538 083	562 297
Receivables and prepayments	3 821	5 627	3 571	2 199	3 821	7 789	4 088	8 178	8 587	8 956	9 359
Cash and cash equivalents	4 339	5 927	4 147	128 444	16 477	23 188	25 681	24 347	25 565	26 664	27 864
Total assets	645 368	643 573	679 413	613 478	728 453	617 328	698 319	523 858	550 051	573 703	599 520
Accumulated surplus/(deficit)	639 000	584 440	623 989	568 682	688 137	593 592	663 663	500 639	525 671	548 275	572 947
Trade and other payables	6 368	6 051	5 145	2 394	4 116	1 861	3 293	251	263	275	287
Provisions	-	1 960	2 156	2 604	2 372	3 141	2 609	3 298	3 463	3 612	3 775
Managed funds (e.g. poverty alleviation fund)	-	51 122	48 122	39 798	33 828	18 733	28 754	19 670	20 653	21 542	22 511
Derivatives financial instruments	-	-	-	-	-	-	-	-	-	-	-
Total equity and liabilities	645 368	643 573	679 413	613 478	728 453	617 328	698 319	523 858	550 051	573 704	599 520
Contingent liabilities	-	-	-	-	-	-	-	-	-	-	-

9.7. Statement of Financial Performance – PPF

Statement of financial performance	2018/19		2019/20		2020/21		2021/22		Medium-term estimate			
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Approved budget	2022/23	2023/24	2024/25	
R thousand												
Revenue												
Tax revenue	-	-	-	-	-	-	-	-	-	-	-	-
Non-tax revenue	162 003	87 972	143 577	71 722	108 850	95 377	98 369	98 369	99 629	103 236	107 032	107 032
Sale of goods and services other than capital assets	107 192	87 972	98 999	71 722	108 850	95 377	98 369	98 369	99 629	103 236	107 032	107 032
Sales of goods and services produced by entity of which:	107 192	87 972	98 999	71 722	108 850	95 377	98 369	98 369	99 629	103 236	107 032	107 032
Administrative fees	66 212	57 672	54 806	58 510	76 460	58 688	63 833	63 833	57 910	58 736	59 564	59 564
Sales by market establishment	40 980	30 300	44 193	13 212	32 390	36 689	34 536	34 536	41 719	44 500	47 468	47 468
Other sales	-	-	-	-	-	-	-	-	-	-	-	-
Sales of scrap, waste, arms and other used current goods	-	-	-	-	-	-	-	-	-	-	-	-
Other non-tax revenue	54 811	-	44 578	-	-	-	-	-	-	-	-	-
Transfers received	-	-	-	-	-	-	-	-	10 000	-	-	-
Total revenue	162 003	87 972	143 577	71 722	108 850	95 377	98 369	98 369	109 629	103 236	107 032	107 032
Expenses												
Current expenses	146 194	81 034	139 988	87 480	108 289	70 467	94 566	94 566	109 358	97 842	97 806	97 806
Compensation of employees	-	-	-	-	-	-	-	-	-	-	-	-
Goods and services	145 552	81 034	139 301	87 480	108 289	70 467	94 566	94 566	109 358	97 842	97 806	97 806
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	642	-	687	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	146 194	81 034	139 988	87 480	108 289	70 467	94 566	94 566	109 358	97 842	97 806	97 806
Surplus/(Deficit)	15 809	6 938	3 589	(15 758)	561	24 910	3 803	3 803	271	5 393	9 226	9 226

9.8. Cash Flow data – PPF

Cash flow data	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
R thousand	Budget	Budget	Budget	Budget estimate	Approved budget	Medium-term estimate	
Cash flow from operating activities	5 874	(14 123)	(15 342)	(13 750)	(13 750)	(25 288)	(26 359)
Receipts							
Tax receipts	-	-	-	-	-	-	-
Non-tax receipts	120 642	82 931	62 536	77 045	77 045	61 952	64 616
Sales of goods and services other than capital assets	120 642	82 931	62 536	77 045	77 045	61 952	64 616
Sales of goods and services produced by entity (excl. capital assets)	120 642	82 931	62 536	77 045	77 045	61 952	64 616
of which:							
Administrative fees	-	57 672	59 361	63 832	63 832	54 982	57 347
Sales by market establishment	112 082	25 259	3 175	13 213	13 213	6 970	7 270
Other sales	8 560	-	-	-	-	-	-
Total receipts	120 642	82 931	62 536	77 045	77 045	61 952	64 616
Payment							
Current payments	114 768	97 054	77 878	90 795	90 795	87 240	90 976
Compensation of employees	-	-	-	-	-	-	-
Goods and services	114 126	97 054	77 878	90 795	90 795	87 240	90 976
Interest and rent on land	642	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-
Total payment	114 768	97 054	77 878	90 795	90 795	87 240	90 976
Cash flow from advancing activities (Financial Institutions only)	-	-	-	-	-	-	-
Cash flow from investing activities	15 308	(30 124)	149 183	(13 980)	(13 980)	(7 591)	(7 917)
Other flows from investing activities	15 308	(30 124)	149 183	(13 980)	(13 980)	(7 591)	(7 917)
Cash flow from financing activities	-	46 405	(11 324)	33 527	33 527	35 203	36 717
Deferred income	-	-	-	-	-	-	-
Borrowing activities	-	46 405	(11 324)	33 527	33 527	35 203	36 717
Net increase / (decrease) in cash and cash equivalents	21 182	2 159	122 517	5 797	5 797	2 325	2 441

9.9. Projected income and expenditure for the year ended 31 March 2023 -PPFF

	Proposed PPFF Budget 2022/23	QUARTERLY TARGETS			
		Quarter 1	Quarter 2	Quarter 3	Quarter 4
Revenue	109 629 059	19 620 698	50 766 966	19 620 698	19 620 698
Contributions Board	2 738 800	273 880	1 917 160	273 880	273 880
Contributions	2 738 800	273 880	1 917 160	273 880	273 880
Interest	56 141 785	6 659 699	36 162 688	6 659 699	6 659 699
Agent interest	49 171 648	4 917 165	34 420 153	4917164,772	4917164,772
Interest on Investments	6 970 137	1 742 534	1742534,325	1742534,325	1742534,325
Grant income	10 000 000	2 500 000	2 500 000	2 500 000	2 500 000
Grant from PPRA	10 000 000	2 500 000	2500000	2500000	2500000
Other Income	40 748 474	10 187 118	10 187 118	10 187 118	10 187 118
Claims Recoveries	6 000 000	1 500 000	1500000	1500000	1500000
Fair Value Adjustments	34 719 128	8 679 782	8679781,998	8679781,998	8679781,998
Leamership Programme (SSETA)	-	-	0	0	0
Other Income	29 346	7 337	7336,5	7336,5	7336,5
Host employers recoveries from SSETA	-	-	0	0	0
Operating costs	109 358 371	27 339 593	27 339 593	27 339 593	27 339 593
Admin Costs	109 358 371	27 339 593	27 339 593	27 339 593	27 339 593
Bank Charges	18 917	4 729	4729,175	4729,175	4729,175
Claims Paid	6 000 000	1 500 000	1500000	1500000	1500000
Management Fees	63 791 763	15 947 941	15947940,85	15947940,85	15947940,85
Provision for bad debts	9 663 150	2 415 788	2415787,5	2415787,5	2415787,5
Stakeholder Awareness	3 000 000	750 000	750000	750000	750000
Transformation Initiatives & ONCE OFF Grant to PPTF in 2022-2023	17 590 538	4 397 635	4397634,5	4397634,5	4397634,5
Insurance	278 979	69 745	69744,8125	69744,8125	69744,8125
Publications - Agent Magazine	3 515 024	878 756	878756	878756	878756
Legal fees	5 500 000	1 375 000	1375000	1375000	1375000
Surplus/(Deficit)	270 688	(7 718 895)	23 427 373	(7 718 895)	(7 718 895)

9.10. Statement of Financial Performance -PSTF

	February and March 2022		2022/2023			
	PPRA Budget for 2 February and March	PPRA Proposed Budget	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Total Revenue	2 417 000,00	28 590 538,00	7 147 634,50	7 147 634,50	7 147 634,50	7 147 634,50
Grant from PPRA Revenue (Once off initial Grant)	2 417 000,00	11 000 000,00	2 750 000,00	2 750 000,00	2 750 000,00	2 750 000,00
		17 590 538,00	4 397 634,50	4 397 634,50	4 397 634,50	4 397 634,50
Operating costs	2 417 000,00	217 000,00	54 250,00	54 250,00	54 250,00	54 250,00
Preparation of Balanced score card	2 000 000,00	-	-	-	-	-
Formulating templates for the complianc	200 000,00	-	-	-	-	-
Venue Hire	100 000,00	100 000,00	25 000,00	25 000,00	25 000,00	25 000,00
Petty Cash	30 000,00	30 000,00	7 500,00	7 500,00	7 500,00	7 500,00
Staff training and development	87 000,00	87 000,00	21 750,00	21 750,00	21 750,00	21 750,00
Project costs		25 929 526,90	6 125 000,00	6 125 000,00	6 125 000,00	6 125 000,00
<i>Transformation cost:</i>						
Incubation for principals		12 500 000,00	3 125 000,00	3 125 000,00	3 125 000,00	3 125 000,00
SMME's		1 000 000,00	250 000,00	250 000,00	250 000,00	250 000,00
One learner Programme		1 000 000,00	250 000,00	250 000,00	250 000,00	250 000,00
Workplace Readiness programme		600 000,00	150 000,00	150 000,00	150 000,00	150 000,00
The establishment of the property research centre		600 000,00	150 000,00	150 000,00	150 000,00	150 000,00
Interventions such as the establishment of the transformation fund		600 000,00	150 000,00	150 000,00	150 000,00	150 000,00
Amnesty Programme (PDIs)		1 000 000,00	250 000,00	250 000,00	250 000,00	250 000,00
entrepreneurship programme		600 000,00	150 000,00	150 000,00	150 000,00	150 000,00
New Venture Creation Programme		600 000,00	150 000,00	150 000,00	150 000,00	150 000,00
RiteressProgramme		1 000 000,00	250 000,00	250 000,00	250 000,00	250 000,00
Education Training - Short courses		1 500 000,00	375 000,00	375 000,00	375 000,00	375 000,00
Study material for 7 sub-sectors		3 500 000,00	875 000,00	875 000,00	875 000,00	875 000,00
Consumer education awareness		1 429 526,90	357 381,73	666 344,23	666 344,23	666 344,23
TOTAL COSTS	2 417 000,00	26 146 526,90	6 179 250,00	6 179 250,00	6 179 250,00	6 179 250,00
Surplus/(Deficit) before CAPEX	-	2 444 011,10	968 384,50	968 384,50	968 384,50	968 384,50

9.11. Narrative: Explanation of the contribution of resources towards achievement of outputs.

Financial Performance Overview

The PPRA Statement of Financial Performance outlines a revenue growth of 42% based on expected growth in the number of Property Practitioners which will now include other practitioners like bond originators, bond brokers, auctioneers and property developers.

Total expenditure for 2022/2023 includes amongst others,

- Phased out implementation of the incremental headcount costs of the proposed structure beginning with Transformation and Licencing functions, with the other functions planned for implementation in the latter years.
- R21m of Grants and subsidies to the Fidelity Fund and Transformation Fund.

The inherent trading surplus of R18.3m in 2022/2023 will be sufficient to cover the funding of capital expenditure amounting to R18.1m.

The above financial performance will result in growth in net assets of R19.2m in 2022/2023 (per the statement of financial position), with increase in cash and cash equivalents of R6.7m (as per the cash flow statement).

Roll out plan for the proposed organogram

Due to the incremental flow of future benefits expected from the increase in scope of operations inherent from the PPA, the implementation of the proposed organogram will be carried out on a piecemeal basis over the years to balance out the incremental costs thereof to the incremental benefits to be derived from the new entrants in the Property sector market.

PPRA has budgeted for expenditure projections relating to the Compensation of Employees (COE) in accordance with the "MTEF COE Guidelines for Costing and Budgeting for Compensation of Employees" which requires that zero % cost of living and 0% escalation in bonus adjustments for 2022/23 and 2023/24 financial year be implemented. Budgeted remuneration for Executives excludes any entitlement for a bonus.

Statement of financial position outlook

One of the biggest contributors to the costs of the institution (EAAB) has been the allowances on the losses from the debtors from both exchange and non-exchange transactions. It is hence imperative that our debtors' collection efforts are enhanced to avoid these allowances of losses.

We have projected that our revenue collection will be enhanced hence a projection of the reduction in these losses.

Employee costs remain the biggest contributor of the total expenditure due to the reliance of human resources. As at the effective date of the PPA Act the EAAB Group was in a Net Asset position hence solvent accompanied by a healthy liquidity position reflected by a current ratio of 8.5.

PPRA will inherit an increase in expenditure related to the transformation initiatives as one of the main focus areas and it's on top of the PPRA focus area list. Licensing is the backbone of the PPRA, the standard and approach to licensing will be critical hence the projected increase in the expenditure.

10. UPDATED KEY RISKS AND MITIGATION FROM THE SP

Outcomes	Key Risks	Risk Mitigation Measures
Inclusive, integrated and transformed property sector	Insufficient budget to meet the MTSF targets	To find an alternative revenue enhancement mechanism
	Lack of adherence of industry transformation targets by property practitioners	To establish a support Programme to encourage industry transformation
	Insufficient research and policies to enable implementation	To partner with industry players and academic institutions to assist with research and policy development
	Inadequate institutional resource base for implementation of PPA	DHS and Industry support for implementation of PPA
	Mismanagement of the transition from repealed EAAB Act to the new PPA	We managed and engaging Transitional Process
Functional, efficient and integrated government	Adverse Audit Opinion	Implementation of Internal Control systems for improved performance management. Implementation and monitoring of the audit action plan.
	Insufficient Implementation of required strategy, structure, systems and processes.	Implementation of required strategy, structure, systems and processes.
	Inadequately resourced service delivery model	Implementation of fully resourced organisational structure
	Misaligned Policies	Policies align with new strategy and the PPA

11. PUBLIC ENTITIES

Name of Public Entity	Mandate	Outcome	Current Annual Budget
Not Applicable			

Part D: Technical Indicator Descriptions (TIDs)

12. TECHNICAL DESCRIPTORS

12.1. Programme 1: Administration

Audit

Indicator Title	Unqualified audit opinion with no material findings
Definition	The indicator measures processes, systems and controls implemented by the PPRA to ensure that an opinion with no material findings is achieved.
Source of data	Annual financial statements, reports on predetermined objectives, documented business processes/ standard operating procedures (SOPs), annual audit plan and risk management plan, Internal Audit Report, Annual Performance Report and previous AG Report.
Method of Calculation / Assessment	An unqualified audit report on the financial statements with no adverse comment in the report of the AG on the quality of the financial information presented. An unqualified audit opinion on the performance information with no adverse comment on the quality of the information.
Means of verification	Scrutiny of the AG report
Assumptions	Availability of AG Report and Management report from the AG
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Financial statements free from material errors and misstatements
Calculation type	Non-cumulative
Reporting cycle	Annual
Desired performance	100% compliance with the applicable Legislation, Corporate Governance prescripts, Financial reporting standards and PPRA policies. Unqualified audit opinion
Indicator Responsibility	Chief Financial Officer

Internal Audit

Indicator Title	Percentage implementation of approved internal audit plan
Definition	Prudent and efficient use and management of the PPRA resources, testing the adequacy of internal controls; delivery on the mandate and compliance with applicable legislation.
Source of data	Internal audit reports and internal audit progress reports.
Method of Calculation / Assessment	Total number of audits completed / total number of planned audits for the reporting period
Means of verification	Approved 3-year rolling plan Status report to Exco and Board
Assumptions	Internal Audit Reports exist
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	100% audit completed as per approved audit plan which will result in reasonable assurance to management on the adequacy and effectiveness of the system internal controls, risk management and governance processes.
Indicator Responsibility	Chief Financial Officer

Risk Management

Indicator Title	Percentage implementation of approved risk management plan
Definition	Measures the implementation of the risk management plan is aligned to the strategic risk register and unpacks specific risk management and compliance activities for the year.
Source of data	Strategic Risk Register
Method of Calculation / Assessment	Total number of activities implemented / total number of planned activities for the quarter / annually
Means of verification	Risk monitoring reports Strategic risk register Status report to Exco and Board
Assumptions	Complete, accurate, timeous risk information and cooperation from internal stakeholders
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	Risk mitigations implemented as planned. Risk management imbedded into strategic day to day operations, performance measurement and decision-making processes
Indicator Responsibility	Chief Risk Officer

Anti-Corruption and Integrity Management

Indicator Title	Percentage implementation of Fraud Prevention Plan
Definition	Measures the implementation of the fraud prevention plan is aligned to the PPRA policies on prevention corruption and fraud and unpacks specific anti-fraud and corruption, and compliance activities for the year.
Source of data	Quarterly progress reports on risk, anti-corruption and integrity management implementation plan
Method of Calculation / Assessment	Verification of existence of quarterly progress reports on the risk, anti-corruption and integrity management implementation plan
Means of verification	Risk monitoring reports Strategic risk register Status report to Exco and Board
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	4 quarterly progress reports on risk, anti-corruption and integrity management implementation plan produced
Indicator Responsibility	Chief Risk Officer

Empowerment

Indicator Title	Percentage of procurement budget spend on women
Definition	Measures the percentage spend on all operational and capital expenditure that the PPRA incurs through procurement on business at least 51% owned by women
Source of data	Income Statement and balance sheet
Method of Calculation / Assessment	(The value of asset purchases + the value of expenditure on the income statement excluding salaries, depreciation and interest procured from companies that are at least 51% owned by women / (The value of asset purchases + the value of expenditure on the income statement excluding salaries, depreciation and interest procured)
Means of verification	B-BBEE declarations
Assumptions	Nil
Disaggregation of Beneficiaries (where applicable)	Nil
Spatial Transformation (where applicable)	Nil
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	40%
Indicator Responsibility	Chief Financial Officer

Indicator Title	Percentage of procurement budget spend on youth
Definition	Measures the percentage spend on all operational and capital expenditure that the PPRA incurs through procurement on business at least 51% owned by the youth (persons under the aged 35 at the time of purchase order)
Source of data	Income Statement and balance sheet
Method of Calculation / Assessment	(The value of asset purchases + the value of expenditure on the income statement excluding salaries, depreciation and interest procured from companies that are at least 51% owned by youth / (The value of asset purchases + the value of expenditure on the income statement excluding salaries, depreciation and interest procured)
Means of verification	B-BBEE declarations
Assumptions	Nil
Disaggregation of Beneficiaries (where applicable)	Nil
Spatial Transformation (where applicable)	Nil
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	20%
Indicator Responsibility	Chief Financial Officer

Indicator Title	Percentage of procurement budget spend on persons with disabilities
Definition	Measures the percentage spend on all operational and capital expenditure that the PPRA incurs through procurement on business at least 51% owned by persons with disabilities
Source of data	Income Statement and balance sheet
Method of Calculation / Assessment	(The value of asset purchases + the value of expenditure on the income statement excluding salaries, depreciation and interest procured from companies that are at least 51% owned by persons with disabilities / (The value of asset purchases + the value of expenditure on the income statement excluding salaries, depreciation and interest procured)
Means of verification	B-BBEE declarations
Assumptions	Nil
Disaggregation of Beneficiaries (where applicable)	Nil
Spatial Transformation (where applicable)	Nil
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	5%
Indicator Responsibility	Chief Financial Officer

Human Resources

Indicator Title	Percentage implementation of the approved human resource management plan
<p>Definition</p>	<p>Measures progress towards implementing the milestones of the approved PPRA human resources management plan.</p> <p>The plan includes the full spectrum of talent management programmes – service delivery model, organisational design and development, recruitment and selection, employee relations and wellness, performance management, rewards and recognition and HR information systems.</p>
<p>Source of data</p>	<p>Approved HR Plan</p>
<p>Method of Calculation / Assessment</p>	<p>Number of milestones achieved against planned for the period to date, expressed as a percentage.</p>
<p>Means of verification</p>	<p>Approved documents, meeting minutes and agendas.</p>
<p>Assumptions</p>	<p>Budget is available for recruitment and HR support for the development of key elements of the HR plan.</p>
<p>Disaggregation of Beneficiaries (where applicable)</p>	<p>Nil</p>
<p>Spatial Transformation (where applicable)</p>	<p>Nil</p>
<p>Calculation type</p>	<p>Cumulative</p>
<p>Reporting cycle</p>	<p>Quarterly and Annually</p>
<p>Desired performance</p>	<p>100% compliance to plan, and the approved organisational structure fully resourced</p>
<p>Indicator Responsibility</p>	<p>Executive Manager : HR</p>

Collection Systems

Indicator Title	Percentage collection of allowed fees
Definition	Measures the efficiency of allowed fee collection. Collection of fees is a key revenue source for the Authority, per the PPA.
Source of data	Financial report
Method of Calculation / Assessment	Sum of fees collected as a percentage of the sum of all allowed fees in the period under review.
Means of verification	SAP system
Assumptions	Effective collection system exists
Disaggregation of Beneficiaries (where applicable)	Nil
Spatial Transformation (where applicable)	Nil
Calculation type	Non-cumulative, target applies in each distinct reporting period
Reporting cycle	Quarterly and Annually
Desired performance	Higher than planned target is desired.
Indicator Responsibility	Chief Financial Officer

Stakeholder Management

Indicator Title	Percentage Implementation of the PPRA stakeholder management plan
Definition	Measures the percentage compliance to the Stakeholder Management Plan (The stakeholder management plan is the systematic identification, analysis, planning and implementation of actions designed to engage with stakeholders in order to improve stakeholder relations and support to PPRA activities and projects)
Source of data	Stakeholder management plan
Method of Calculation / Assessment	(Number of stakeholder tasks implemented)/(Total Number of tasks per stakeholder plan) - Reports issued and published
Means of verification	Verification of existence of quarterly progress reports on the Collection plan
Assumptions	Status report to Exco and Board
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	Adherence to the stakeholder management plan which result in fully engaged and involved PPRA stakeholders
Indicator Responsibility	Chief Executive Officer

Consumer Management

Indicator Title	Percentage of consumer queries resolved within 90 days
Definition	Measures the percentage of queries received by the PPRA, investigated and resolved within 90 days
Source of data	Complaints Register
Method of Calculation / Assessment	$(\text{Number of consumer queries reported and investigated}) / (\text{Number of queries received and resolved within 90 days}) * 100$
Means of verification	Quarterly progress reports on the Complaints Register
Assumptions	Status report to Exco and Board
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	Reduced and speedy resolution of consumer queries over a period not exceeding 90 days
Indicator Responsibility	Executive Manager: Inspections and Enforcement

12.2. Programme 2: Licensing and Compliance

Indicator Title	Number of new property practitioners registered on the database of the PPRA
Definition	Measures the number of new property practitioners registered on the PPRA database for purposes of enforcing compliance to PPA, transforming the property sector and collecting subscriptions
Source of data	Download reports from the SAP system. New registrations and New applications reports from SAP
Method of Calculation / Assessment	Total number of property practitioners on the PPRA database each period less the number of property practitioners in the previous period
Means of verification	Quarterly progress reports
Assumptions	Status report to Exco and Board
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	All eligible property practitioners in the expanded mandate fully registered and compliant
Indicator Responsibility	Executive Manager: Licensing and Compliance

Compliant New Registration

Indicator Title	Percentage of all compliant new registrations processed within 30 days
Definition	Measures the percentage of new registrations that are processed within 30 days
Source of data	Download reports from the SAP system. New registrations and New applications reports from SAP
Method of Calculation / Assessment	$(\text{Number of compliant registrations processed within 30 days}) / (\text{Total Number of compliant registrations received within 30 days}) * 100$
Means of verification	Quarterly progress reports
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	Compliant registrations are processed within 30 days of receipt
Indicator Responsibility	CFO and Executive Manager: Licensing and Compliance

12.3. Programme 3: Inspections and Enforcement

Performed Inspections

Indicator Title	Quarterly inspection guidelines issued to industry
Definition	Measures the frequency of Inspection Guidelines issued by the PPRA to industry with the intention of issuing one inspection guideline in each quarter
Source of data	PPA and the Inspection Reports
Method of Calculation / Assessment	Quarterly reports on inspection guidelines
Means of verification	Quarterly Reports
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative.
Reporting cycle	Quarterly and Annually
Desired performance	Full compliance to the Property Practitioners Act
Indicator Responsibility	Executive Manager: Inspections and Enforcement

Disciplinary Hearings

Indicator Title	Percentage of completed investigations that result in disciplinary hearings
Definition	<p>Consumers lodge complaints against property practitioners for transgressions in terms of the Property Practitioners Act. These complaints are investigated by the PPRA and where necessary disciplinary hearings are held.</p> <p>The indicator measures the PPRA's efficiency in conducting disciplinary hearings for all completed investigations.</p>
Source of data	Inspection and Compliance Reports
Method of Calculation / Assessment	(Number of disciplinary hearings held divided by the total number of investigations completed, expressed as a percentage.
Means of verification	Quarterly Reports
Assumptions	N/A
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% compliance
Indicator Responsibility	Executive Manager: Inspections and Enforcement

12.4. Programme 4: Research, Professionalisation and Training

Registered Property Practitioners with professional designation

Indicator Title	Percentage increase of registered Property Practitioners with professional designation
Definition	Measures the increase in percentage terms of property practitioners who are registered for CPD and have met CPD requirements in full.
Source of data	SAP Report
Method of Calculation / Assessment	Number of registered property practitioners holding the professional designation / the number of registered property practitioners holding a professional designation in the previous year x 100
Means of verification	Quarterly Reports and Trend Analysis
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	30% increase
Indicator Responsibility	Executive Manager: Education & Training

Skills Development

Indicator Title	Percentage of implementation of the Skills Development Plan
Definition	Measures the percentage compliance to the Approved HR Plan which contains the Skills Development Plan
Source of data	Approved HR Plan containing the Skills Development Plan
Method of Calculation / Assessment	Quarterly progress reports on the Skills Development Plan
Means of verification	Verification of existence of quarterly progress reports on the Skills Development Plan
Assumptions	Status report to Exco and Board
Disaggregation of Beneficiaries (where applicable)	Nil
Spatial Transformation (where applicable)	Nil
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	100% compliance
Indicator Responsibility	Executive Manager : HR

Central Repository

Indicator Title	Creation of Central Repository for industry research and knowledge
Definition	Measures the establishment of a central repository as defined in the PPA
Source of data	PPA
Method of Calculation / Assessment	Quarterly progress reports
Means of verification	Verification of existence of a central repository
Assumptions	Status report to Exco and Board
Disaggregation of Beneficiaries (where applicable)	Nil
Spatial Transformation (where applicable)	Nil
Calculation type	Non-Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	100% compliance
Indicator Responsibility	Chief Executive Officer

Candidate Practitioners

Indicator Title	Number of candidate practitioners placed with property industry host employers through the “One learner-One Property Practitioner Programme”
Definition	Measures the Number of candidate practitioners placed with property industry host employers through the “One learner-One Property Practitioner Programme”
Source of data	Industry Placement Reports
Method of Calculation / Assessment	Quarterly progress reports
Means of verification	Audit Reports of Placements
Assumptions	Status report to Exco and Board
Disaggregation of Beneficiaries (where applicable)	Nil
Spatial Transformation (where applicable)	Nil
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	100% compliance
Indicator Responsibility	Chief Executive Officer

Indicator Title	Retention rate of youth candidate practitioners in the “One Learner - One Property Practitioner” Programme
Definition	Measures the percentage of candidate practitioners retained in the “One learner-One Property Practitioner Programme”
Source of data	Industry Placement Reports
Method of Calculation / Assessment	Number of candidate practitioners currently in programme / total number of interns started with the programme
Means of verification	Audit Reports of Placements
Assumptions	Status report to Exco and Board
Disaggregation of Beneficiaries (where applicable)	Nil
Spatial Transformation (where applicable)	Nil
Calculation type	Non-cumulative, snapshot at each reporting period
Reporting cycle	Quarterly and Annually
Desired performance	100% compliance
Indicator Responsibility	Chief Executive Officer

12.5. Programme 5: Transformation

Indicator Title	Transformation Fund Established within six months from 1 February 2022
Definition	Measures that the property fund is established with the stipulated period as per the PPA
Source of data	Established fund
Method of Calculation / Assessment	Transformation Fund established and maintained in a financially sustainable and growing manner
Means of verification	Transformation Fund established as verified
Assumptions	Status report to Exco and Board
Disaggregation of Beneficiaries (where applicable)	Nil
Spatial Transformation (where applicable)	Nil
Calculation type	Non-Cumulative
Reporting cycle	Q2
Desired performance	Transformation Fund established
Indicator Responsibility	Chief Executive Officer

Indicator Title	Sustainable Transformation Fund to promote equity in the sector
Definition	The PPRA has to establish the sector Transformation Fund. The target is for the fund to grow sustainably and be able to fund to the value of R500 000 per participant each year, in real terms.
Source of data	Established fund
Method of Calculation / Assessment	Transformation fund value/nominal number of participants/(1+inflation raten), where n is the nth year from inception of fund. Targeted number of participants to be 100 and reviewed each APP.
Means of verification	Property Fund established as verified
Assumptions	Status report to Exco and Board
Disaggregation of Beneficiaries (where applicable)	Nil
Spatial Transformation (where applicable)	Nil

Calculation type	Non-Cumulative
Reporting cycle	Q2
Desired performance	Property Fund established
Indicator Responsibility	Chief Executive Officer
Indicator Responsibility	Executive Manager: Transformation

Principalisation Programme for Black Women

Indicator Title	Number of Full Status Black Women that have been supported through the Principalisation Programme
Definition	Measures the Number of Full Status Black Women that have been supported through the Principalisation Programme . (The Principalisation Programme is aimed at increasing ownership and management control of estate agencies by Black people. This indicator focuses on the participation of Black Women in this Programme)
Source of data	Property practitioners database
Method of Calculation / Assessment	Number of Black Women that were supported through the programme to reach full status
Means of verification	Status reports to Exco and Board
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	300 Full Status Black Women that have been supported through the Principalisation Programme
Indicator Responsibility	Executive Manager: Transformation

Established Black Principals

Indicator Title	Number of Black Principals established through the Implementation of the Principalisation Programme
Definition	The Principalisation Programme is aimed at increasing ownership and management control of property practitioner businesses by Black people. The focus is placed on Black property practitioners upgrading to a Principal Estate Agent.
Source of data	Black property practitioners on the SAP Database
Method of Calculation / Assessment	Calculate the Number of black principals on the SAP Database
Assumptions	1 000 black property practitioners
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	1 000 principals established through the Implementation of the Principalisation Programme
Desired performance	Black property practitioners on the SAP Database and full active Principals
Indicator Responsibility	Executive Manager: Transformation

Incubation Programme: Micro and SMME's

Indicator Title	Number of SMMEs owned by historically disadvantaged groups placed through the Incubation Programme
Definition	Measures the Number of SMMEs owned by historically disadvantaged groups placed through the Incubation Programme.
Source of data	Property practitioners database Incubation Placement and Progress Reports Procurement Reports
Method of Calculation / Assessment	Number of SMMEs participating in the incubation programme
Means of verification	Status reports to Exco and Board
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	25 annual intake and participation in the Incubation Programme
Indicator Responsibility	Executive Manager: Transformation

13. ANNEXURE A: DISTRICT DEVELOPMENT MODEL

None.