



PROPERTY PRACTITIONERS REGULATORY AUTHORITY

FINAL DRAFT ANNUAL PERFORMANCE PLAN

2024/2025

EXECUTIVE AUTHORITY STATEMENT



Mmamoloko Kubayi, (MP)

Minister of Human Settlements

As we take stock of the achievements of the sixth administration, one of the critical measures of how well the Human Settlement sector has done is the progress of the transition to Property Practitioner Regulatory Authority from the Estate Agency Affairs Board. The transition was significant in that it coincided with the appointment of a new board and, with the guidance of the new leadership, the entity's transition from instability to stability. The transition entailed a fundamental rethink and change of the executive team and the organisational systems and culture. I am pleased to report that through the stern leadership of the board and the diligent leadership of the 'new' executives the organisation has re-emerged as one of the best performing entities in the Human Settlements portfolio.

The South Africa Residential Real Estate Market size is estimated at USD 19.89 billion (R 378 billion) in 2024 and is expected to reach USD 32.71 billion (R 623.5 billion) by 2029, growing at a compound annual growth (CAGR) of 10.46% during the forecast period (2024-2029)¹. This makes the sector a very critical sector in the economy, in terms of its current and future contribution to the job creation, wealth creation and more importantly, economic growth. Its sustainability which cannot be delinked from the sustainability of our democratic experiment, is dependent on how well it is able to expand the wealth and other economic benefits to the broader South African society. This means that its activities and ownership cannot remain the preserve of the view.

It is trite to mention that the property sector remains one of the most untransformed sectors in the South African economy. Thus, regarding transformation, the PPRA has its work cut out. I welcome the assurance that going into the seventh democratic administration, the transformation of the sector remains a top priority for the PPRA. I am pleased to learn that initiatives such as the Principalization Programme, which advocates for Black-owned firms and principals, and the Regularisation Programme have been set in motion to gain momentum in the coming years. Similarly, the finalisation of the modalities of the Incubation Programme for Small and Medium-sized Enterprises (SMME) placing it at the brink of implementation is also a welcomed development.

Organisationally, I am mindful that the plan cites reliance on manual tasks and paper-based processes that slow down operations and increase the risk of errors and lack of clear information technology (IT) strategy as some of the weaknesses. I expect the leadership urgently to attend to these challenges in the coming financial year. We live in a modern mostly digital society and there is no reason for organisational systems to remain archaic. Furthermore, I expect

¹Source: <https://www.mordorintelligence.com/industry-reports/residential-real-estate-market-in-south-africa>

the PPRA's performance to continue on upward trajectory and for the entity to fully implement all the aspects of the Property Practitioners act especially the operationalisation of the Transformation Fund.

The organization has filled all the critical posts foremost amongst these being the position of the Chief Executive Officer (CEO). In this regard, I would like to congratulate Ms Thato Ramaili for her appointment as the CEO of the PPRA. Prior to her appointment, Ms Ramaili acted as CEO and was a critical part of the leadership that brought stability and improved performance in the PPRA. I have no doubt that with her skills and knowledge of the sector she will continue to take the organisation to greater heights.

Let express my gratitude to the Board, led by Dr Steven Ngubeni, the CEO Ms Thato Ramaili, who previously was acting and demonstrated great leadership, the executive management, and all staff for the hard work.

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

MT Kubayi, MP
Minister of Human Settlements

ACCOUNTING AUTHORITY STATEMENT

On behalf of the Board of Directors of the Property Practitioners Regulatory Authority (PPRA), I am honoured to present the Second Draft Annual Performance Plan (APP) for the fiscal year 2024-2025. This strategic roadmap not only delineates our primary objectives, strategies, and priorities for the upcoming year but also reflects our response to the practical challenges encountered during our inaugural financial year. The APP serves as a testament to our unwavering commitment to fostering the growth of the property industry, advancing its transformation, and ensuring the utmost integrity, transparency, and adherence to relevant rules and regulations.

Our overarching mission persists in promoting excellence within the property industry, bearing in mind the ever-evolving regulatory landscape and the dynamic real estate market, which plays a pivotal role in the economic development of our nation. To this end, we have set forth a series of strategic objectives.

In our pursuit of bolstering Regulatory Compliance, the PPRA will continue to fortify our regulatory framework, with the objective of ensuring that all property practitioners uphold the highest standards of professionalism and ethics. Our aim is to elevate compliance standards, thereby safeguarding the interests of consumers and enhancing the industry's credibility. This will be achieved through an increase in the number of planned inspections in the 2024/25 financial year, alongside heightened enforcement and compliance measures, including the reinforcement and augmentation of disciplinary hearings.

The PPRA remains committed to fostering collaboration with various stakeholders, as their involvement is pivotal to our success. We are resolute in engaging with property practitioners, consumers, government entities, industry associations, and financial institutions to facilitate knowledge sharing, extend support, and promote transparency. Our strategic partnerships, exemplified by our memorandum of understanding with entities like the NHFC and BASA, are centred around educating consumers, homeowners, and tenants about property transactions.

In alignment with the Department of Human Settlements' Medium Term Strategic Framework (MTSF) and ministerial priorities, the PPRA is set to embark on several key initiatives. These include efforts to enhance organisational stability, refine educational materials, introduce new content tailored to emerging categories of registered practitioners, and persist in Continuing Professional Development (CPD) initiatives to uphold professionalism and educate real estate consumers about their rights and responsibilities in property transactions.

We are optimistic that the information and communications technology (ICT) challenges that have plagued our organisation will be effectively addressed in the upcoming fiscal year, reflecting significant progress made in this regard. Additionally, our commitment to the transformation of the real estate sector, with a focus on women, youth, military veterans, and people living with disabilities, remains unwavering.

As we navigate the challenges presented by the dynamic property sector, the PPRA remains steadfast in its dedication to fulfilling its mandate effectively. We approach the year ahead with enthusiasm and confidence in our ability to address industry concerns, empower practitioners, and protect consumer rights.

We are confident that through collaboration with our stakeholders and an embrace of innovation, we will achieve excellence in property regulation. We extend our heartfelt gratitude to all our stakeholders for the ongoing support, as we eagerly anticipate another year of progress and achievement.

A handwritten signature in black ink, appearing to read 'S. Ngubeni', is positioned above a horizontal line that extends to the right.

Chairperson of the Board
Dr Steven Ngubeni *Pr Plan, Pr AVal*
MA, MSc, MPA, LL.M, PhD

CHIEF EXECUTIVE OFFICER STATEMENT

In light of the PPRA's notable accomplishments thus far, it is imperative to underscore that the Annual Performance Plan (APP) for the fiscal year 2024/2025 will prioritise initiatives aimed at fulfilling the organisation's legislative obligations, responsibilities, and the promotion of industry transformation to rectify historical disparities while fostering inclusivity. The APP is in alignment with the directives outlined in the National Development Plan (NDP) and maintains a steadfast focus on achieving the Medium-Term Strategic Framework (MTSF) targets leading up to 2025.

In the preceding quarter, the PPRA adeptly navigated the challenges associated with the backlog of the FFC, effectively mitigating its adverse impact on the organisation. Moreover, under the current leadership, the PPRA has engaged in constructive dialogues with both industry stakeholders and the Minister to address practical impediments affecting the sector, with the aim of restoring confidence in the PPRA's capabilities within the industry.

In its unwavering commitment to professionalising the real estate sector, the PPRA is on the cusp of finalising educational standards for professionals in the field. Additionally, we have introduced a cutting-edge Continuous Professional Designation (CPD) E-Learning platform, thereby enhancing the educational experience by making it seamless and accessible.

The recently inaugurated Property Sector Research Centre, established on March 1st, 2023, is currently in the process of forging strategic partnerships with preeminent higher education institutions. The centre's mission is to leverage research findings to enhance its offerings to property practitioners and provide support to consumers. Furthermore, it aspires to play a pivotal role in influencing policy formulation at the national, regional, and global levels.

The transformation of the sector, as delineated in the Property Practitioners Act, remains our foremost concern. Initiatives such as The Principalization Programme, which advocates for Black-owned firms and principals, and the Regularisation Programme have been set in motion. The Small and Medium-sized Enterprises (SMME) Incubation Programme has completed the finalisation of its modalities and is on the brink of implementation.

Our recruitment endeavours for the C-Suite, Executive Management, and critical vacant positions within the PPRA have been successfully concluded. This achievement has significantly contributed to enhancing organisational stability and structure, thereby fostering an environment conducive to expediting overall performance and fully realising our mandate. Our resolute dedication to the implementation of this Annual Performance Plan remains unwavering.




Thato Ramaili

Chief Executive Officer


OFFICIAL SIGN-OFF

It is hereby certified that this 2024/25 Annual Performance Plan:

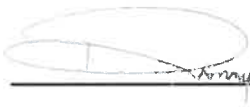
- 1) Was developed by the Management of the Property Practitioners Regulatory Authority, under the guidance of the Board and the Minister of Human Settlements.
- 2) Considers all the relevant policies, and legislation for which the Property Practitioners Regulatory Authority is responsible.
- 3) Accurately reflects the Outputs and Targets that the Property Practitioners Regulatory Authority will endeavour to achieve over the 2024/25 financial year.

Strategic Alignment Oversight:  _____ 28 March 2024


Londolani Tshavhungwa **Date**
Manager: Strategy Planning, Performance
Monitoring and Evaluation

Financial Information Oversight:  _____ 28 March 2024

Evert Potgieter **Date**
Chief Financial Officer

Authorised By:  _____ 28 March 2024

Thato Ramaili **Date**
Chief Executive Officer

Submitted By:  _____ 28 March 2024

Dr Steven Ngubeni **Date**
Chairperson of the Board

APPROVED BY:  _____ 28/03/2024

MT Kubayi, MP **Date**
Minister of Human Settlements

ABBREVIATIONS AND ACRONYMS

AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
BFI	Budget Facility for Infrastructure
BNG	Breaking New Ground
CCMA	Commission for Conciliation, Mediation and Arbitration
CDC	Council for Debt Collectors
COP26	26th United Nations Climate Change Conference of the Parties
COVID-19	Novel Coronavirus Disease 2019
CPD	Continuing Professional Development
DDM	District Delivery Model
DHET	Department of Higher Education and Training
DPME	Department of Planning Monitoring and Evaluation
EAAB	Estate Agency Affairs Board
ERRP	Economic Reconstruction and Recovery Plan
ESG	Environmental, Social, and Governance
FFC	Fidelity Fund Certificate
GDP	Gross Domestic Product
HSI	Homeowner Sentiment Index
IBBASA	International Business Broking Association of South Africa
IEASA	Institute of Estate Agents of South Africa
IMF	International Monetary Fund
IRBA	Independent Regulatory Board for Auditors
M&E	Monitoring and Evaluation
MORCSA	Mortgage Origination Council of South Africa
MTSF	Medium-Term Strategic Framework
NDHS	National Department of Human Settlement

NDP	National Development Plan
NGO	Non-governmental Organisation
NPC	National Planning Commission
NSAA	National Spatial Action Area
NSDF	National Spatial Development Framework
PDA	Priority Development Areas
PESTEL	Political, Economic, Social, Technological, Environmental and Legislative
PFMA	Public Finance Management Act (No. 1 of 1999)
PHSHDA	Priority Human Settlements and Housing Development Area
PPA	Property Practitioners Act (No. 22 of 2019)
PPRA	Property Practitioners Regulatory Authority
REBOSA	Real Estate Business Owners of South Africa
SAIA	South African Institute of Auctioneers
SAPOA	South African Property Owners Association
SAQA	South African Qualifications Authority
SARS	South African Revenue Services
SDG	Sustainable Development Goal
SETA	Sector Education and Training Authority
SMME	Small, Medium and Micro Enterprise
SONA	State of the Nation Address
SP	Strategic Plan
SPLUMA	Spatial Planning and Land Use Management Act
UN	United Nations

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PART A: OUR MANDATE

The Property Practitioners Regulatory Authority (PPRA) is a schedule 3A public entity in terms of the Public Finance Management Act, 1999. The PPRA reports to the Minister of Human Settlements as the Executive Authority and shareholder representative. The PPRA is a successor in title to the erstwhile Estate Agency Affairs Board (EAAB) and it is established by section 5 of the Property Practitioners Act, 22 of 2019 ("the Act"). The PPRA's primary mandate is premised on the following strategic pillars:

- To regulate the conduct and activities of property practitioners when engaged in financing, leasing, marketing, sale, purchasing and managing of property.
- To set and determine educational and training standards of property practitioners.
- To ensure transformation of the property industry to reflect the demographics of the country.
- To safeguard consumer interests.
- Educate and inform consumers about their rights and responsibilities relating to the financing, marketing, leasing, sale, purchasing of property as set out in section 69 of the Act;
- To manage and administer the Property Practitioners Fidelity Fund and pay-out claims against the Property Practitioners Fidelity Fund in accordance with the provisions of the Act;
- To ensure overall compliance to the Act.

In delivering on our core legislative mandate, the PPRA is responsible for undertaking its functions in line with the following key legislation and policy frameworks, which directly inform the various day-to-day operations.

1. UPDATES TO THE RELEVANT LEGISLATIVE AND POLICY MANDATES

Table 1: Legislation and Policy Mandates

Legislation relating to PPRA Mandate	Broad Governance Legislation
- Housing Act (No. 107 of 1997)	- Public Finance Management Act (No. 1 of 1999) (PFMA)
- Rental Amendment Act (No. 35 of 2014)	- Treasury Regulations
- Restitution of Land Rights Act (No. 22 of 1994)	- Companies Act (No. 71 of 2008)
- Housing Consumers Protection Measures Act (No. 95 of 1998)	- Competitions Act (No. 89 of 1998)
- Consumer Protection Act (No. 68 of 2008)	- Protection of Personal Information Act (No. 4 of 2013)
- Home Loan and Mortgage Disclosure Act (No. 63 of 2000)	- Prevention and Combating of Corrupt Activities Act (No. 12 of 2004)
- Social Housing Act (No.16 of 2008)	- Promotion of Access to Information Act (No. 2 of 2000)
- Spatial Land Use Management Act (No.16 of 2013)	- Promotion of Administrative Justice Act (No. 3 of 2000)
- Financial Intelligence Centre Act (No. 38 of 2001)	- Promotion of Equality and Prevention of Unfair Discrimination Act (No. 4 of 2000)
- Electronic Communications and Transactions Act (No. 25 of 2002)	- Protected Disclosures Act (No. 26 of 2000)
- Property Sector Council Charter and the Property Sector Transformation Code	- Broad-Based Black Economic Empowerment Act (No. 53 of 2003), as amended by Broad-Based Black Economic Empowerment Act (No. 46 of 2013)
- National Qualifications Framework Act (No. 67 of 2008)	- Employment Equity Act (No. 55 of 1998)
- Skills Development Act (No. 97 of 1998)	

Legislation relating to PPRA Mandate	Broad Governance Legislation
<ul style="list-style-type: none"> - Skills Development Levy Act (No. 9 of 1999) 	<ul style="list-style-type: none"> - Preferential Procurement Policy Framework Act (No. 5 of 2000) and Preferential Procurement Regulations (2017) - Labour Relations Act (No. 66 of 1995) - Basic Conditions of Employment Act (No. 75 of 1997) - Intergovernmental Relations Framework Act (No. 13 of 2005)
Key Policy Frameworks	
<ul style="list-style-type: none"> - UN Sustainable Development Goals (SDGs) - African Union Agenda 2063 - National Development Plan, Vision 2030 - National Spatial Development Framework (NSDF) - Medium-Term Strategic Framework 2019-2024 (MTSF) - Comprehensive Plan for the Creation of Sustainable Human Settlements (2004). - Integrated Urban Development Framework (2016). - District Development Model (DDM) - National Youth Policy 2015-2020 (2020-2030 under development). - White Paper on the Rights of Persons with Disabilities (2016). - State of the Nation Address (SONA). - National Department of Human Settlements, 2020-2025 Strategic Plan. - Empowerment Policy (DHS, 2021) 	

2. UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

The PPRA intends to contribute to the attainment of the National Development Plan's (NDP) strategic goals meaningfully and significantly, particularly that of "spatial transformation, through a commitment to building a legitimate and equitable property sector," as a national public entity operating within the developmental state trajectory. The PPRA had many transitional challenges during its first year of operation as the main property industry regulator, including, among others:

1. Expanded regulatory mandate.
2. Increased number of property practitioners requiring Fidelity Fund Certificates (FFCs), under the new licensing regime.
3. Determining new qualification standards for the new property practitioners as defined in the Act;
4. The need to accelerate transformation of the property sector to reflect the demographics of the country;
5. The need to implement consumer education and awareness programmes;
6. The need to enhance service delivery and administrative efficiency;

Effectively and meaningfully addressing these challenges would require the PPRA to take appropriate action to change the Real Estate Sector, instil the highest ethical and professional standards among real estate professionals, and safeguard the public interest.

While the NDP's numerous chapters are impacted by a fair and legitimate property sector, Chapter 8 — Transforming Human Settlements and the National Space Economy — is where the PPRA and NDP are most closely aligned. The national, provincial, local, and social partners, as well as the private sector, labour, and civil society, must work together for the NDP goals to be met. The three spheres of government need to work collaboratively to ensure alignment between their powers and functions, the planning processes, budget allocation processes, and coordinated implementation. Priorities must be clearly articulated in the short and medium-term plans across the spheres of government. The overriding principle is that the whole of government should take collective ownership of the priorities and responsibility for achieving the outcomes of the NDP within the context of their respective mandates.

Over the medium-term, in terms of the Medium-Term Strategic Framework (MTSF) 2019-2024, the PPRA takes its guidance from the National Department of Human Settlements in terms of Priority 5: Spatial Integration, Human Settlements and Local Government, which aims at achieving:

- 1) A spatially just and transformed national space economy that enables access to social services and economic opportunities in cities, regions, and rural areas, through outcomes related to:
 - a) Spatial transformation.
 - b) Adequate housing and improved quality living environments.
 - c) Security of tenure.
- 2) Transformation of human settlements into liveable neighbourhoods by 2030.

The DHS is also rolling out the implementation of the Priority Human Settlement and Housing Development Areas (PHSHDAs), which aim to:

- a) Create opportunities for liveable, inclusive, and resilient towns and cities.
- b) Reverse the unjust and dysfunctional spatial legacy of Apartheid.
- c) Improve participation of the disadvantaged in the residential property market.
- d) Increase the asset creation potential of the State's investments in human settlements.

The 2024 impact is to achieve spatial transformation through improved integrated settlement development and linking job opportunities and housing opportunities.

The PPRA has been delegated responsibilities to contribute to Strategic Pillar 4 of the Human Settlements' MTSF: Facilitate the development of a single residential property market, as follows:

Table 2: PPRA Contribution to MTSF 2019-2024

MTSF Indicator	MTSF Contribution by Entity
Strategic Pillar 4: Facilitate the development of a single residential property market	
Number of people in the target market exposed to education programmes on owning and renting a home	Implement a borrower, homeownership (Zenzeleni, Help Me Buy a Home), and Tenant Education Programme
	Monitor and report on the number of persons exposed to education programmes on owning and renting a home

MTSF Indicator	MTSF Contribution by Entity
Consumer protection programmes implemented	Number of consumer disputes submitted to PPRA and resolved within 90 days
	Report of number of estate agents registered and number of new (youth) estate agents registered (expanded to the full definition of property practitioners in terms of the PPA)
Residential property sector transformation achieved	In collaboration with DHS develop an implementation strategy with targets for the transformation of the residential property sector
	Develop transformation targets for the sector
	Monitor and report on the implementation of the sector transformation targets

Specific interventions and performance indicators have been included in Part C of the APP to reflect the PPRA's contribution to the above MTSF indicators of the Human Settlements' sector.

At an institutional level, the PPRA also contributes to the following MTSF 2019-2024 Priorities:

- 1) Priority 2: Economic transformation and job creation through targeted procurement to black majority-owned businesses, as well as implementing preferential procurement regulations in support of the MTSF targets for designated groups by ensuring that 40% of entity procurement is spent on designated groups.
- 2) Priority 1: Capable, Ethical and Developmental State is the foundation of the PPRA operations as the organisation transitions from being the EAAB to a fully functional and well-governed Property Practitioners Regulatory Authority as directed by the Act.

The DHS has in place a transversal outcome for all reporting public entities in terms of which the PPRA aligns: A functional, efficient, and integrated government, with standardised indicators relating to internal audit, risk, and fraud and corruption included at an output-level in this APP.

2.1. PLANNED INSTITUTIONAL POLICY INITIATIVES

To give effect to the provisions of the Act, there are several institutional policies, frameworks, and programmes that need to be developed and implemented to transition the Authority to being fully functional in terms of the Act: The Trust account is now designated as a section 54(2)(a) trust account and to ensure that the bank implements this requirement of the Act, the PPRA has had several consultations with Banking Association of South Africa (BASA). BASA has confirmed that several banks have already made system changes to cater for the change in legislation by implementing naming convention for trust accounts.

The PPRA's executive team backed up by its strong management team together looks forward in executing its legislative mandate of:

- (a) Regulating the conduct of property practitioners in dealing with the consumers;

- (b) Regulating the conduct of property practitioners in so far as marketing, managing, financing, letting, renting, hiring, sale and purchase of property are concerned;
- (c) Regulating and ensure that there is compliance with the provisions of the Act;
- (d) Ensuring that the consumers are protected from undesirable and sanctionable practices as set out in section 62 and section 63 of the Act;
- (e) Regulating any other conduct which falls within the ambit of the Act in as far as property practitioners and consumers in this market are concerned;
- (f) Providing for the education, training and development of property practitioners and candidate property practitioners;
- (g) Educating and inform consumers about their rights as set out in section 69; and
- (h) Implementing measures to ensure that the property sector is transformed as set out in Chapter 4.

Further under the new Act we intend to continue:

- (a) With stakeholder engagements as a critical forum for dialogue, learning, and exchange of information with our stakeholders;
- (b) Looking into better ways of improving on delivery of FFC's;
- (c) Implement the newly established approaches to regulation, supervision, and enforcement;
- (d) Increase awareness of regulations and the code of conduct to all stakeholders;
- (e) Act decisively and visibly against any form of contravention by any practitioner; and
- (f) Pursue additional innovations in order to improve efficiency in respect of all the departments

1) Transformation of the Property Sector

Section 20 of the PPA mandates the Property Sector Transformation Charter Code's application to all property practitioners. It also requires all state organs to engage property practitioners who adhere to broad-based black economic empowerment and employment equity legislation and policies when procuring property-related goods and services.

The PPRA is committed to driving transformation in the property sector to achieve industry equity. This entails implementing robust initiatives and legislative policies to promote transformation. One of the key policy mandates of the PPA is for property practitioners to comply with broad-based black economic empowerment and employment equity legislation when providing property-related goods and services to state entities. This aims to uplift black real estate agencies and foster black-owned commercial property ownership. The PPRA's transformation strategy includes supporting employment equity, empowering black women, and disabled individuals, and establishing a research centre for expert knowledge in property sector transformation.

There are a number of transformation and empowerment programmes that the PPRA will review, develop, and implement to support the transformation agenda, including but not limited to: The Principalisation (Incubation) Programme; Regularisation Programme, Consumer Awareness Programme, Work Readiness Programme, Internship Programme – *'one learner, one property practitioner'*, Amnesty of Black Property Practitioners Programme, and other transformational education programmes, such as the Retiree Programme and the Bridging Property Practitioners Programme.

a) Property Sector Transformation Fund

Section 21 of the PPA mandates the creation of a Property Sector Transformation Fund, into which grants must be paid, within six months of its inception. The transformation fund was established during the fiscal year 2022/2023.

The policy interventions will require that there be guidelines that will apply to the collection of contributions to the Transformation Fund and the terms of allocation of the Transformation Fund amounts to different projects and players. The PPRA, therefore, must prepare guidelines that will address two areas:

- i) Contributions to the Transformation Fund, and
- ii) The manner of allocation of the Transformation Fund.

2) Property Sector Research Centre

The establishment of the Property Sector Research Centre marks a significant initiative aimed at conducting market research in collaboration with key stakeholders such as the National Research Foundation and institutions of higher learning. Its primary objectives encompass enhancing national research capabilities, acting as a central repository of expertise in property sector transformation, and facilitating South Africa's transition toward a knowledge-based economy. The research agenda of the Centre is meticulously designed to prioritize critical areas including identifying barriers to entry for historically disadvantaged individuals, assessing skills distribution, and fostering inclusive curriculum development in the education sector. Moreover, it addresses systemic issues such as discriminatory behavior within the property development and management value chain, the effectiveness of compliance mechanisms, and the rural-urban dynamic in property sector growth and transformation. Additionally, the Centre is tasked with annually promoting consumer awareness and education on property ownership rights, empowerment programs, consumer protection, and avenues for lodging claims, thus fostering informed and empowered participation in the property sector.

3) Licensing Regime

Licensing is the backbone of the PPRA and the standard and approach to licensing is critical, requiring a migration from registrations to a licensing regime. The Authority is a self-funding entity and, as such, is reliant on license fees as a major source of funding. As required by the Act, a framework for the licensing of property practitioners must be developed.

A market analysis will assist in obtaining a full list of all the potential and current licensees that fall within the jurisdiction of the PPRA. The framework needs to progress the Authority towards achieving an optimal collections rate.

4) Professionalisation and Continuous Professional Development

Qualification standards need to be established to regulate the property profession. The educational material will ensure the professionalisation of all sectors, especially those sectors that are being brought into the fold which were previously not regulated. In terms of the Act, practical training standards need to be developed for candidate property practitioners.

3. UPDATES TO RELEVANT COURT RULING

There are no specific court rulings that have a significant impact on the PPRA's operations or service delivery obligations.

PART B: OUR STRATEGIC FOCUS

4. UPDATED SITUATIONAL ANALYSIS AND STRATEGIC ASSESSMENT

4.1. EXTERNAL ENVIRONMENT ANALYSIS

The South African Reserve Bank (SARB), in partnership with Statistics South Africa (Stats SA) and with support from the International Monetary Fund (IMF), developed a Residential Property Price Index (RPPI) based on property transaction records from the Chief Registrar of Deeds. RPPIs measure residential property price changes and have multiple uses, including as a macro-economic indicator, for monetary policy, financial stability assessments, and comparisons.

As of October 2022, the annual national residential property price inflation stood at 5.4%. Notably, Western Cape and Gauteng were the primary contributors. The RPPI for all metropolitan areas increased by 4.8% from October 2021 to October 2022, with the City of Cape Town and Ekurhuleni playing significant roles.

4.1.1. ECONOMIC REVIEW

Following a 1.1% decline in the fourth quarter of 2022, the real gross domestic product (GDP) showed modest growth in the first quarter of 2023 (January to March), with an approximate expansion of 0.4%. The main drivers of this growth were the manufacturing and finance sectors on the supply side of the economy, while exports played a significant role on the demand side. Additionally, there were smaller positive contributions from household, government, and investment spending.

The economic position has also been exacerbated by such factors as the effects of Covid-19, credit downgrades, severe drought, and high unemployment, especially, among the youth.

Manufacturing and finance were the primary growth drivers in the first quarter of the year. Eight out of ten industries experienced growth, with manufacturing expanding by 1.5%, primarily due to increased production in the food and beverage sector. Finance, real estate, and business services saw a 0.6% growth, primarily propelled by financial intermediation, insurance, pension funding, real estate, and business services.

In the first quarter, personal services grew by 0.8%, driven by increased community service activities. The transport, storage & communication industry expanded by 1.1%, with gains in rail freight, rail passenger transport, air transport, transport support services, and communications.

Mining activity rebounded in the first quarter, led by platinum group metals and gold. The trade industry also showed growth, particularly in wholesale trade, retail trade, and catering & accommodation. However, the motor trade recorded a decrease in economic activity.

On the downside, electricity, gas & water and agriculture contracted during the first quarter. Electricity, gas & water (utilities) continued their decline due to weaker electricity production and lower water consumption. Agriculture was the largest negative contributor, declining by 12.3% and subtracting 0.4 percentage points from GDP growth.

4.1.2. PESTEL

Political	Economic	Social
<ul style="list-style-type: none"> • Political leadership transitions following the election. • Taxation Policies: Changes in property taxes, capital gains taxes, and other property-related tax policies can affect property ownership and investment decisions. • Diminishing public confidence manifesting in civil unrest • Low investor confidence due to among other variables state capture investigations • Unstable coalition at local governments • Series of public protests accompanied by destruction of property. • Debilitating political contestation • Negative impact on the delivery of coalition governments in municipalities which may affect the property market. 	<ul style="list-style-type: none"> • Economic Cycles: Property markets are sensitive to economic cycles, with downturns potentially affecting property values, demand, and financing options. • Interest Rates: Fluctuations in interest rates can impact mortgage rates and the affordability of property purchases. • Inflation: High inflation rates can erode the real value of properties and affect investment returns. • Unemployment and pressure on disposable income • NT circular/ Cost containment measures • Changes in other economies such as changes in interest rates driving FDI into or out of RSA • 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 • High public debts in relation to GDP undermines developments as significant resources are spent on debt servicing. 	<ul style="list-style-type: none"> • Inadequate consumer education • Loadshedding • Water shortages • Global Conflict • Sustainability and Environmental Awareness: Growing environmental concerns drive demand for sustainable and energy-efficient properties, affecting development and construction practices. • Demographic Trends: Changing demographics, such as urbanization, migration patterns, and generational preferences, can influence the demand for various types of properties • Limited exposure and financial planning from lower income groups limits their participation in the housing market. • Inability to manage the impact of undocumented foreign nationals which may affect the low-cost property market

Technological	Environmental	Legal
<ul style="list-style-type: none"> • The rise of digital economy innovation and deployment of robust systems will impact the reach of PPRA • Adoption of innovative and new technologies will improve service delivery. • Technological advancements and innovation 	<ul style="list-style-type: none"> • Negative impact on climate change on infrastructure • Unlawful occupation of land designated for property development. • Climate Change: Increasing awareness of climate change and its effects can lead to regulatory changes impacting property construction, location, and insurance requirements. • Sustainability Regulations: Stricter regulations related to energy efficiency, green building standards, and carbon emissions impact property development practices. 	<ul style="list-style-type: none"> • Consequences of legal challenges by attorneys and property practitioners • Restructuring of public entities • Property Rights: Legal protection of property rights and ownership regulations can influence property transactions and investments. • Real Estate Regulations: Ongoing changes in real estate regulations, licensing requirements, and industry standards affect property transactions and property management practices. • Delays as a result of litigation and court judgments

4.1.3. PESTEL ANALYSIS

The PPRA employs a PESTEL Analysis, which is a strategic tool for assessing the external organizational environment. It goes into key elements encompassing Political, Economic, Social, Technological, Environmental, and Legal factors. These factors significantly impact strategy development and the formulation of the APP. How effectively the PPRA addresses the challenges and opportunities identified in the PESTEL analysis will shape the operational framework, aligning it with the new mandate and strategic goals.

Economic factors, including interest rate fluctuations, and inflation, can increase risk and volatility in the property market, affecting property values and demand. The property industry's sensitivity to these economic factors makes it vulnerable to downturns and financial crises. Evolving regulations and rental policies may create uncertainty for investors and property management. Meeting changing demographic and lifestyle preferences can lead to shifts in demand in property markets.

4.1.4. 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 operates within the 'Mature market paradigm' which views the property industry as evolutionary and developmental, towards increased maturity, characterised by the following:

- Accommodation of full range of use and investment, through development of diverse property products;
- Flexible market adjustment in short-long run, implying effective trade and ability to react to new information and opportunities;
- Sophisticated property profession with associated institutions and networks, regulated by law;
- Extensive information flows and research activity, serving requirements of flexible market;
- Market openness in spatial and functional terms, allowing markets participants to operate across such boundaries and aiding the transmission of information;
- Standardisation of property rights and market practice, for greater certainty of the property interests traded in the market;

Within this context, 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.

4.1.5. ECONOMIC REVIEW FOR THE LAST 30 YEARS

"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). 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, the 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 are still 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.

4.1.6. 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.

4.1.7. 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.

4.2. INTERNAL ENVIRONMENT ANALYSIS

4.2.1. 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 the government.

The 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 Sixth Administration of Government developed the Economic Reconstruction and Recovery Plan (ERRP), and to this end, the PPRA has the “One-Learner One- Practitioner” program, designed to upskill the youth and introduce them to 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 women, youth and people with disabilities 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, despite the challenging external environment in some areas.

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

- Governance, through the timely appointment of the PPRA Board with the requisite skills and experience as well as stability and continuity in the Company Secretariat.
- Competent Executive Management
- Legislation that enables the PPRA to carry out its mandate.

There are opportunities arising from:

- New initiatives mandated by the legislation, like the sector Transformation Fund, to drive transformation.
- To achieve 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. The Research Centre has been established in Partnership with the National Research Foundation (NRF).

4.2.2. SECTOR LANDSCAPE - SWOT ANALYSIS

Strengths	Weakness
<p>Management</p> <ul style="list-style-type: none"> • Competent and qualified management team • Effective consequence management. • Effective Business Model and Service Delivery Model. • Strong Ethical Values. <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. • Competent disciplinary and claims committee. • Integrated and professionalised property practitioners' industry. <p>Transformation</p> <ul style="list-style-type: none"> • Application of the PPA recognises key change levers such as the Employment Equity Act and Broad-Based Black Economic Empowerment and the Property Sector Charter. • HDIs have an advantage in the market because the PPA prohibits any kind of practice where a practitioner offers a customer a discount to employ a specific conveyancer or service provider. • Through the transformation fund, the PPRA will expedite the 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"> • Accountability is increased across the system when auditors are appointed by licensed practitioners. • A legitimate Fidelity Fund Certificate is a requirement for the property practitioner to function lawfully, thus accountability and transparency are increased. • Property Practitioner Fidelity Fund. 	<p>Process</p> <ul style="list-style-type: none"> • Lack of Automation: Reliance on manual tasks and paper-based processes that slow down operations and increase the risk of errors. • Inefficient Workflow: Complex, or outdated processes that result in inefficiencies, delays, or increased operational costs. • Inadequate Process Documentation: Poor or outdated documentation of processes that hinders employee understanding and compliance. • Vendor or Supplier Dependence: Over-reliance on specific suppliers or vendors without adequate contingency plans. • Lack of Implementation of strong organisational culture. • Lack of integrated systems, process, and people. • The slow pace of the approval process may result in an increased interest claims by practitioners. <p>Management</p> <ul style="list-style-type: none"> • Lack of Talent Development: Failure to invest in training and talent development, resulting in skill gaps and an unmotivated workforce. • Ineffective performance management process to measure organizational performance. • Lack of Implementation of Employment Equity indicators especially people with disabilities. <p>Financial</p> <ul style="list-style-type: none"> • Inadequate budget to deliver some of the transformation mandates. • Inadequate budget to deliver on organisational mandate. <p>Database and Knowledge Systems</p> <ul style="list-style-type: none"> • Data Inaccuracies: incomplete, or outdated data within the database, which can lead to incorrect decision-making and erode trust in information systems. • Lack of a comprehensive database of all property practitioners regulated under PPA. • Lack of effective Management system and data integrity. • Inadequate HR Management system (Software System).

Strengths	Weakness
<ul style="list-style-type: none"> • Diversification of investment portfolios presents an opportunity to grow the Fidelity Fund. <p>Governance</p> <ul style="list-style-type: none"> • The 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. <p>Financial</p> <ul style="list-style-type: none"> • Effective management of a limited budget. 	<p>IT Governance</p> <ul style="list-style-type: none"> • Lack of Clear IT Strategy: Absence of a well-defined and documented IT strategy that aligns IT initiatives with the organization's overall business objectives. • Inadequate Cybersecurity Measures: Weaknesses in cybersecurity policies and practices that leave the organization vulnerable to data breaches, cyberattacks, or data theft. • Legacy Systems: Reliance on outdated or unsupported IT systems and technologies that hinder innovation and agility. • Inadequate Disaster Recovery: Lack of comprehensive disaster recovery and business continuity plans for IT systems and data. • Inadequate ICT infrastructure and support. • Limited IT system functionality. • Outsourcing of certain ICT services. • Increase interruptions to IT operations. <p>Governance</p> <p>Limited Capacity for Managing Increasing Regulatory Compliance: In an ever-evolving regulatory environment, company secretaries often face the challenge of keeping up with a growing number of regulations and compliance requirements</p>

Opportunities	Threats
<p>Financial</p> <ul style="list-style-type: none"> Improvement in revenue streams. <p>Consumer Protection</p> <ul style="list-style-type: none"> Increasing consumer knowledge of real estate transactions to enhance consumer protection. <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. 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. <p>Legislation compliance</p> <ul style="list-style-type: none"> 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. <p>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. barriers and providing equal access to knowledge regarding the property sector.</p> <ul style="list-style-type: none"> Section 50(a)(x) of the PPA makes a valid 	<p>Financial</p> <ul style="list-style-type: none"> Misappropriation of trust funds by property practitioners. <p>Legislation Compliance</p> <ul style="list-style-type: none"> Non-compliance by property practitioners jeopardizes the regulatory power of PPRA Litigation against PPRA. Social instability and civil unrest. Changes to the Public Procurement legislation. <p>IT Governance</p> <ul style="list-style-type: none"> Cybersecurity Threats: Constantly evolving cyber threats, including malware, ransomware, phishing attacks, and data breaches, can compromise the security and integrity of an organization's IT systems and data. Data Privacy Regulations: Rapid changes in data privacy regulations and compliance requirements can pose a threat to organizations, especially if we fail to adapt to IT governance practices to meet new standards. Emerging Technologies: Rapid technological advancements, such as AI, IoT, and cloud computing, may introduce vulnerabilities if not properly integrated and managed within an organization's IT governance framework. Cloud Security: The migration to cloud computing introduces security and compliance risks, especially if not properly configured and monitored. <p>Transformation</p> <ul style="list-style-type: none"> The fund's investments may be subject to greater volatility. Lack of funds to fund transformation initiatives. Resistance by PP to embrace transformation initiatives. <p>Sales transactions</p> <ul style="list-style-type: none"> A tightening credit market may reduce the number of sales transactions, threatening the sustainability and viability of the property sector. <p>Property Practitioner Fidelity Fund</p> <ul style="list-style-type: none"> Weak control environment increases risks of

Opportunities	Threats
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 input into their state of transformation reports.	<ul style="list-style-type: none"> 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.

4.2.3. KEY MESSAGE FROM THE SWOT ANALYSIS

Overall, the PPRA enters this new strategy planning period on 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 2024-25. Overall, the PPRA's proactive approach maximizes strengths, leverages opportunities, addresses weaknesses, and mitigates threats, demonstrating its commitment to the effective fulfillment of its mandates in the upcoming strategy planning period.

4.2.4. INTERNAL ENVIRONMENTAL ANALYSIS

PPRA has a strong regulatory framework that ensures stability and confidence. The integration of technology enhances operational efficiency, while cybersecurity and keeping up with technological improvements provide continual hurdles. The industry benefits from a skilled workforce, yet recruitment and retention challenges persist amidst competition. Financial stability serves as a cornerstone for growth and innovation, although susceptibility to economic fluctuations remains. Building positive relationships with clients and stakeholders promotes industry credibility.

4.3. STAKEHOLDER ANALYSIS

4.3.1. EXTERNAL ENVIRONMENT ANALYSIS

External Stakeholders, not necessarily in the Property Sector				
Stakeholder	Characteristics / Attributes	Influence	Interest	Linkages with other stakeholders
Parliament	Executive structure of government	H	H	Approval of policy documents and plans
National, Provincial, and Local Government Institutions and public entities	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

External Stakeholders, not necessarily in the Property Sector				
Stakeholder	Characteristics / Attributes	Influence	Interest	Linkages with other stakeholders
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
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.	H	H	Generating knowledge for all sectors of society. They prepare students for employment
TVET Institutions	Key producers of new knowledge Key players in the development of new skills and capabilities within the Further Education and Training Sector	H	H	There is a need to generate knowledge specifically for the Property Sector. TVET colleges 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
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, Governance and Risk 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., First Home Finance).

4.3.2. 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 department
Estate Agencies	Compliance with PPA Transformation imperatives are driven by equity considerations especially from Black buyers entering the property market Continuation of undue influence on sellers to use certain conveyancers	H	H	Financial Sector Regulation Act, Regulators, SARS, National Finance Board, National Treasury and SSETA
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 individualized needs of every client.	H	H	Mortgage Origination Council of South Africa (MORCSA), South African Property Owners Association (SAPOA); and
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)

Intra-Sector Stakeholders				
Stakeholder	Key Considerations	Influence	Interest	Linkages with other stakeholders
Conveyancers	Compliance with PPA and legal professional body codes of good practice Transformation imperatives	H	M	The stakeholder value chain includes 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 South African Institute of Auctioneers (SAIA); and the International Business Broking Association of South Africa (IBBASA)
Services Seta	Partnership with PPRA on new programmes and funding of such Accreditation of newly developed education and training programmes for the sector.	H	H	Department of Higher Education and Training (DHET), South African Qualification Authority (SAQA), QCTO and host employers' organisations such as IEASA, NAMA, SAFMA, REBOSA, PSCC
Voluntary associations	Setting norms and standards for members, advocacy and lobbying on of the members	H	H	The Institute of Estate Agents of South Africa the South African Property Owners Association (SAPOA); and the National Association of Managing Agents (NAMA). The South African Institute of Auctioneers (SAIA) the International Business Broking Association of South Africa (IBBASA) National Property Forum (NPF) SA Institute of Black Property Practitioners (SAIBPP) Real Estate Transformation Association of SA (RETASA) Property Practice Institute (PPI)
Auctioneers	Compliance with PPA and regulations Advocacy for programmes members Transformation imperatives as it relates to entrance of Black auctioneers	H	H	The South African Property Owners Association (SAPOA) the National Association of Managing Agents (NAMA). The South African Institute of Auctioneers (SAIA). South African Professional Auctioneers Association (SAPAA)

Intra-Sector Stakeholders				
Stakeholder	Key Considerations	Influence	Interest	Linkages with other stakeholders
				The International Business Broking Association of South Africa (IBBASA)
National Research Foundation	Strategic partnerships to initiate programmes to respond to national priorities and international agendas to benefit society and ensure a better life for all. Strengthening institutional capacity, the Property Research Centre	H	H	Bilateral agreements (country to country) international Science Council, Science Granting Council Initiative (Africa) Global Knowledge Partnership and universities
Property Developers	Compliance with PPA	H	H	Fund managers, national and international financial institutions, and government
Property Managing Agents	Compliance with PPA	H	H	NAMA is a voluntary organisation. Community Schemes Ombud Services (CSOS) who oversee the rules pertaining to HOA's and Sectional Title Schemes and their management.
Property Valuers	Compliance with PPA	H	H	South African Council for Property Valuers Profession (SACPVP)

5. PART C: MEASURING OUR PERFORMANCE

5.1. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

The Annual Performance Plan 2024-2025 was drafted in accordance with the DPME Revised Framework for Strategic Plans and Annual Performance Plans, the Department of Human Settlements Medium-Term Strategic Framework ("MTSF"), and the recently promulgated Property Practitioners Act No. 22 of 2019, which went into effect on February 1, 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.

5.2. **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

5.3. **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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5.4. 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.

5.4.1 Outcome, Output, Performance Indicator and Targets

Outcome	Output	Output Indicator	Annual Target							
			Audited/Actual Performance		Estimated Performance	MTEF Period				
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
MTSF Priority 1: A capable, ethical, and developmental state										
Outcome 1 Functional, efficient, and integrated government	1.1 Unqualified audit opinion with no material findings	1.1.1. Unqualified audit opinion with no material findings	Unqualified audit opinion with significant findings	Qualified audit opinion with material findings	Qualified audit opinion with material findings (5 qualifications)	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings
	1.2. Internal Audit Report	1.2.1. Percentage implementation of the approved internal audit plan	New Indicator	New Indicator	100% implementation of the approved internal audit annual plan	100% implementation of the approved internal audit annual plan	100% implementation of the approved internal audit annual plan	100% implementation of the approved internal audit annual plan	100% implementation of the approved internal audit annual plan	100% implementation of the approved internal audit annual plan

Outcome	Output	Output Indicator	Annual Target							
			Audited/Actual Performance			Estimated Performance	MTEF Period			
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
1.3. Risk Management Report	1.3.1. Percentage implementation of the approved risk management plan	68% implementation of the approved risk management plan	New Indicator	75% implementation of the approved risk management plan	100% implementation of the approved risk management plan	100% implementation of the approved risk management plan	100% implementation of the approved risk management plan	100% implementation of the approved risk management plan	100% implementation of the approved risk management plan	100% implementation of the approved risk management plan
1.4. Anti-Fraud and Corruption Report	1.4.1. Percentage implementation of fraud prevention plan	100% implementation of fraud prevention plan	New Indicator	75% implementation of fraud prevention plan	100% implementation of fraud prevention plan	100% implementation of fraud prevention plan	100% implementation of fraud prevention plan	100% implementation of fraud prevention plan	100% implementation of fraud prevention plan	100% implementation of fraud prevention plan
1.5. Annual procurement spend, targeted at businesses owned by designated groups.	1.5.1. Percentage of annual procurement spend, targeted at businesses owned by women	No target	Target rephrased	Target rephrased	Target rephrased	40% of annual PPRA procurement spend, targeted at businesses owned by women	40% of annual PPRA procurement spend, targeted at businesses owned by women	40% of annual PPRA procurement spend, targeted at businesses owned by women	40% of annual PPRA procurement spend, targeted at businesses owned by women	40% of annual PPRA procurement spend, targeted at businesses owned by women

		Annual Target							
Outcome	Output	Output Indicator	Audited/Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
		1.5.2. Percentage of annual procurement spend, targeted at businesses owned by youth and persons with disabilities	No target	Target rephrased	Target rephrased	Target rephrased	26% of annual PPRA procurement spend, targeted at businesses owned by youth and persons with disabilities	26% of annual PPRA procurement spend, targeted at businesses owned by youth and persons with disabilities	26% of annual PPRA procurement spend, targeted at businesses owned by youth and persons with disabilities
	1.6. Reduced and speedy resolution of consumer queries	1.6.1. Percentage of consumer queries resolved within 90 days	89% of consumer queries were resolved within 90 days	New Indicator	78.25% of consumer queries were resolved within 90 days	85% of consumer queries resolved within 90 days	90% of consumer queries resolved within 90 days	95% of consumer queries resolved within 90 days	100% of consumer queries resolved within 90 days

		Annual Target							
Outcome	Output	Output Indicator	Audited/Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23		2024/25	2025/26	2026/27
1.7	Percentage of valid invoices paid within 30 days	1.7.1 Percentage of valid invoices paid within 30 days	New Indicator	New Indicator	New Indicator	New Indicator	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days

5.4.2 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
1.1.1. Unqualified audit opinion with no material findings	Unqualified audit opinion with no material findings	No Target	Unqualified audit opinion with no material findings	No Target	No Target
1.2.1. 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
1.3.1. Percentage implementation of the approved risk management plan	100% implementation of fraud prevention plan	25% implementation of fraud prevention plan	50% implementation of fraud prevention plan	75% implementation of fraud prevention plan	100% implementation of fraud prevention plan
1.4.1. Percentage implementation of fraud prevention plan	100% implementation of the approved risk management plan	25% implementation of the approved risk management plan	50% implementation of the approved risk management plan	75% implementation of the approved risk management plan	100% implementation of the approved risk management plan
1.5.1. Percentage of annual procurement spend, targeted at businesses owned by women	40% of annual PPRA procurement spend, targeted at businesses owned by women	40% of PPRA procurement spend, targeted at businesses owned by women	40% of PPRA procurement spend, targeted at businesses owned by women	40% of PPRA procurement spend, targeted at businesses owned by women	40% of PPRA procurement spend, targeted at businesses owned by women
1.5.2. Percentage of annual procurement spend, targeted at	26% of annual PPRA procurement spend, targeted at businesses	26% of annual PPRA procurement spend, targeted at businesses	26% of annual PPRA procurement spend, targeted at businesses	26% of annual PPRA procurement spend, targeted at businesses	26% of annual PPRA procurement spend, targeted at businesses

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
businesses owned by youth and persons with disabilities	owned by youth and persons with disabilities	owned by youth and persons with disabilities	owned by youth and persons with disabilities	owned by youth and persons with disabilities	owned by youth and persons with disabilities
1.6.1. Percentage of consumer queries resolved within 90 days	90% of consumer queries resolved within 90 days	90% of consumer queries resolved within 90 days	90% of consumer queries resolved within 90 days	90% of consumer queries resolved within 90 days	90% of consumer queries resolved within 90 days
1.7.1 Percentage of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days	100% of valid invoices paid within 30 days

5.5. PROGRAMME 2: LICENSING

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.

5.5.1 Outcome, Output, Performance Indicator and Targets

Outcome	Output	Output Indicator	Annual Target			
			Audited/Actual Performance		Estimated Performance	MTEF Period
			2020/21	2021/22	2022/23	2023/24
MTSF Priority 5: Spatial Integration, Human Settlements and Local Government						

Outcome	Output	Output Indicator	Annual Target						
			Audited/Actual Performance		Estimated Performance	MTEF Period			
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
2. Inclusive, integrated and transformed property sector	2.1. Agile and Responsive	2.1.1. Percentage of all compliant new registrations processed within 30 working days	89.34% of all compliant new registrations processed within 21 working days	98.87% of all compliant new registrations processed within 21 working days	99.6% of all compliant new registrations processed within 30 working days	100% of all compliant new registrations processed within 30 working days	98% of all compliant new registrations are processed within 30 working days	100% of all compliant new registrations are processed within 30 working days	100% of all compliant new registrations are processed within 30 working days
			64.38% of compliant renewals processed within 5 days	78% compliant renewals processed against those received within 5 days	New Target	85% of compliant renewals processed within 30 working days of payment reconciliation	90% of compliant renewals are processed within 30 working days of payment reconciliation	95% of compliant renewals are processed within 30 working days of payment reconciliation	100% of compliant renewals are processed within 30 working days of payment reconciliation
		2.1.2. Percentage of compliant renewals processed within 30 working days of payment reconciliation							

5.5.2 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target			
	Q1	Q2	Q3	Q4
2.1.1. Percentage of all compliant new registrations processed within 30 working days	98% of all compliant new registrations processed within 30 working days	98% of all compliant new registrations processed within 30 working days	98% of all compliant new registrations processed within 30 working days	98% of all compliant new registrations processed within 30 working days

2.1.2. Percentage of complaints renewals processed within 30 working days of payment reconciliation	90% of compliant renewals processed within 30 working days of payment reconciliation	90% of compliant renewals processed within 30 working days of payment reconciliation	90% of compliant renewals processed within 30 working days of payment reconciliation	90% of compliant renewals processed within 30 working days of payment reconciliation	90% of compliant renewals processed within 30 working days of payment reconciliation
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5.6. 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.

5.6.1 Outcome, Output, Performance Indicator and Targets

Outcome	Output	Output Indicator	Annual Target							
			Audited/Actual Performance			Estimated Performance	MTEF Period			
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
MTSF Priority 1: A capable, ethical, and developmental state										
Sub-programme: Enforcement Mechanisms										
Outcome 3. Improve Compliance with the PPA	3.1. Compliant Practitioners	3.1.1. Number of PPA Inspections Conducted per annum	New Indicator	New Indicator	New Indicator	New Indicator	210 PPA Inspections conducted per annum	300 PPA Inspections conducted per annum	400 PPA Inspections conducted per annum	500 PPA Inspections conducted per annum
	3.2. Effective Enforcement	3.2.1. Percentage of complaints received and resolved within 6 months.	New Indicator	New Indicator	New Indicator	Revised Target	75% of complaints received and resolved within 6 months	80% of complaints received and resolved within 6 months	85% of complaints received and resolved within 6 months	

5.6.2 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
3.1.1. Number of PPA Inspections Conducted per annum	300 PPA Inspections conducted per annum	75 PPA Inspections Conducted	150 PPA Inspections Conducted	225 PPA Inspections Conducted	300 PPA Inspections Conducted
3.2.1. Percentage of complaints received and resolved within 6 months.	75% of complaints received and resolved within 6 months.	75% of complaints received and resolved within 6 months	75% of complaints received and resolved within 6 months	75% of complaints received and resolved within 6 months	75% of complaints received and resolved within 6 months

5.7. PROGRAMME 4: EDUCATION, PROFESSIONALISATION, CPD

Purpose

To build capacity for the property sector through training and continuous professional development of property practitioners.

Strategic objectives related to the Programme.

- Build capacity of registered property practitioners
- Ensure continuing development of property practitioners.

5.7.1 Outcome, Output, Performance Indicator and Targets

Outcome	Output	Output Indicator	Annual Target						
			Audited/Actual Performance		Estimated Performance	MTEF Period			
			2020/21	2021/22	2022/2023	2023/24	2024/25	2025/26	2026/27
MTSF Priority 1: A capable, ethical, and developmental state									
Sub-programme: Education, Professionalisation, CPD									
Outcome 4 Improved professionalism and ethical practices of Property Practitioners	4.1. Facilitate sustained increase in number of qualified practitioners	4.1.1. Number of Property Practitioners (estate agents) awarded professional designations	Revised Indicator	Revised Indicator	Revised Indicator	1500 property practitioners (estate agents) awarded professional designations	1750 property practitioners (estate agents) awarded professional designations	2000 property practitioners (estate agents) awarded professional designations	2250 property practitioners (estate agents) awarded professional designations
Outcome 5. Continuous Professional Development of property practitioners	5.1. Facilitate continuous professional development	5.1.1. Number of property practitioners fully meeting CPD requirements	Revised Indicator	Revised Indicator	Revised Indicator	12 000 property practitioners fully meeting CPD requirements	15 000 property practitioners fully meeting CPD requirements	20 000 property practitioners fully meeting CPD requirements in the year	22 000 property practitioners fully meeting CPD requirements in the year

5.7.2 Outcome, Output, Performance Indicator and Targets

Outcome	Output	Output Indicator	Annual Target						
			Audited/Actual Performance		Estimated Performance	MTEF Period			
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
MTSF Priority 5: Spatial Integration, Human Settlements, and Local Government									
Outcome 6 Inclusive, integrated, and transformed property sector	6.1 Well-informed homeowners and tenants about property transactions	6.1.1. Percentage Implementation of the Consumer Awareness Programme	New Target	New Target	New Target	New Target	100% Implementation of the Consumer Awareness Programme	100% Implementation of the Consumer Awareness Programme	100% Implementation of the Consumer Awareness Programme

5.7.3 Outcome, Output, Performance Indicator and Targets

Indicators, Annual and Quarterly Targets – 2024/2025

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
4.1.1. Number of Property Practitioners (estate agents) awarded professional designations	1750 Property Practitioners (estate agents) awarded professional designations	437 Property Practitioners (estate agents) awarded professional designations	874 Property Practitioners (estate agents) awarded professional designations	1311 Property Practitioners (estate agents) awarded professional designations	1750 Property Practitioners (estate agents) awarded professional designations

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
5.1.1. Number of property practitioners fully meeting CPD requirements	15 000 property practitioners fully meeting CPD requirements	No quarterly target	No quarterly target	No quarterly target	15 000 property practitioners fully meeting CPD requirements
6.1.1. Percentage Implementation of the Consumer Awareness Programme	100% Implementation of the Consumer Awareness Programme	25% Implementation of the Consumer Awareness Programme	50% Implementation of the Consumer Awareness Programme	75% Implementation of the Consumer Awareness Programme	100% Implementation of the Consumer Awareness Programme

PROGRAMME 5: RESEARCH CENTRE

OBJECTIVE

The research centre is aimed at contributing to the transformation agenda through scientific research and innovation in the property sector.

PURPOSE

The research centre seeks to prioritize the meaningful participation by historically disadvantaged individuals in the property sector, the demographic distribution of skills, a transformative curriculum development, systematic patterns of discriminatory behaviour and the efficacy of the compliance, monitoring, and enforcement mechanisms.

Outcome, Output, Performance Indicator and Targets

Outcome		Output		Output Indicator		Annual Target	
				Audited/Actual Performance		Estimated Performance	
				2020/21		2021/22	
				2022/23		2023/24	
				2024/25		2025/26	
				2026/27		MTEF Period	
MTSF Priority 5: Spatial Integration, Human Settlements, and Local Government							

Outcome	Output	Output Indicator	Annual Target						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Outcome 6 Inclusive, integrated and transformed property sector	6.2. Develop and establish research knowledge management in sector	6.2.1. Number of approved transformation agenda items researched	New Indicator	New Indicator	New Indicator	60% of approved transformation agenda items researched	2 approved transformation agenda items researched	3 approved transformation agenda items researched	4 approved transformation agenda items researched

Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target			
	Q1	Q2	Q3	Q4
6.2.1. Number of approved transformation agenda items researched	No quarterly target	1 approved transformation agenda item researched	No quarterly target	1 approved transformation agenda item researched

PROGRAMME 6: PROPERTY SECTOR TRANSFORMATION

Strategic Objectives to the Programme:

- Implementing and assessing measures to progressively promote 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 technical assistance as may be prescribed; and
- Introducing measures to be implemented, which may include growth and capacity-building programmes to redress the imbalances of the past.
- Cross-functional interface with other sections to ensure that transformational agenda is pursued, i.e., reviewing models and initiatives.

Purpose

- To promote meaningful participation of historical disadvantage individuals and small, micro, and medium enterprises in the property market.
- To provide for the transformation of the property market and the establishment of the Property Sector Transformation Fund.
- To provide for the transformation of the property market that facilitates property ownership to more South Africans through structural interventions and the creation of property consumer ownership programmes in the affordable and secondary market.

5.7.4 Outcome, Output, Performance Indicator and Targets

Outcome	Output	Output Indicator	Annual Target				
			Audited/Actual Performance		Estimated Performance	MTEF Period	
			2020/21	2021/22	2022/23	2023/24	2024/25
MTSF Priority 1: A capable, ethical, and developmental state							
Sub-programme: Education, Professionalisation, CPD							
Outcome 6 Inclusive, integrated and transformed property sector.	6.3. Increase in the number of black principals through the implementation of the Principals Programme	6.3.1. Number of Full status Black Women supported through the implementation of the Principals Programme	New Indicator		New Target		
			515 Full status Black Women supported through the implementation of the Principals Programme	400 black women principals established through the Principals Programme	440 Full status Black Women supported through the implementation of the Principals Programme	484 Full status Black Women supported through the implementation of the Principals Programme	532 Full status Black Women supported through the implementation of the Principals Programme

		6.3.2. Number of Black Principals established through the Implementation of the Principals Programme	260 Black Principals established through the Implementation of the Principals Programme	129 Black Principals established through the Implementation of the Principals Programme	1094 Black Principals established through the Implementation of the Principals Programme	1000 Black Principals established through the Implementation of the Principals Programme	1100 Black Principals established through the Implementation of the Principals Programme	1210 Black Principals established through the Implementation of the Principals Programme	1331 Black Principals established through the Implementation of the Principals Programme
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Outcome	Output	Output Indicator	Annual Target								
			Audited/Actual Performance			Estimated Performance			MTEF Period		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27		

MTSF Priority 1: A capable, ethical, and developmental state

Sub-programme: Education, Professionalisation, CPD

Outcome 6 Inclusive, integrated and transformed property sector.	6.4. Participation by historically disadvantaged groups in the property sector	6.4.1. Number of candidate practitioners placed with property industry host employers through the "One Learner - One Property Practitioner" Programme	1470 youth interns on the one-learner one-estate agent programme	131 youth interns on the one-learner one-estate agent programme	0 youth have been placed. Progressed made to place 249 by June 2022	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	800 candidate practitioners placed with property industry host employers through the "One Learner - One Property Practitioner" Programme	800 candidate practitioners placed with property industry host employers through the "One Learner - One Property Practitioner" Programme
			1470 youth interns on the one-learner one-estate agent programme	131 youth interns on the one-learner one-estate agent programme	0 youth have been placed. Progressed made to place 249 by June 2022	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	800 candidate practitioners placed with property industry host employers through the "One Learner - One Property Practitioner" Programme	800 candidate practitioners placed with property industry host employers through the "One Learner - One Property Practitioner" Programme

5.7.5 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
6.3.1. Number of Full status Black Women supported through the implementation of the Principalisation Programme	440 Full status Black Women supported through the implementation of the Principalisation Programme	No quarterly target	No quarterly target	No quarterly target	440 Full status Black Women supported through the implementation of the Principalisation Programme
6.3.2. Number of principals established through the Principalisation Programme	1100 principals established through the implementation of the Principalisation Programme	No quarterly target	No quarterly target	No quarterly target	1100 principals established through the Principalisation Programme
6.4.1. Number of 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	No quarterly target	No quarterly target	No quarterly target	500 candidate practitioners placed with property industry host employers through the "One Learner - One Property Practitioner" Programme

PROGRAMME 7: Transformation Fund

Purpose

The programme seeks to give effect to Chapter 21 of the PPA, by establishing a Transformation Fund.

5.7.6 Outcome, Output, Performance Indicator and Targets

Outcome	Output	Output Indicator	Annual Target							
			Audited/Actual Performance		Estimated Performance	MTEF Period				
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	
MTSF Priority 5: Spatial Integration, Human settlements, and Local Government										
Outcome 7 Develop and establish a Property Sector Transformation Fund	7.1. Participation by historically disadvantaged groups in the property sector	7.1.1. Number of SMMES owned by historically disadvantaged groups placed through the incubation programme	New Indicator	New Indicator	New Indicator	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	30 SMMES owned by historically disadvantaged groups placed through the incubation programme	35 SMMES owned by historically disadvantaged groups placed through the incubation programme

5.7.7 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
7.1.1. 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

5.8. PROGRAMME 8: FIDELITY FUND

Purpose of the programme

The Fidelity Fund's purpose is to provide an accumulation of financial resources to be used as a protection mechanism for property consumers that have suffered pecuniary financial loss and been defrauded by property practitioners.

Strategic objectives related to the Programme

- To ensure that the Fidelity Fund is effectively and efficiently managed
- To ensure that the Fidelity Fund is financially sustainable

5.8.1 Outcome, Output, Performance Indicator and Targets

Outcome	Output	Output Indicator	Annual Target				
			Audited/Actual Performance		Estimated Performance	MTEF Period	
			2020/21	2021/22	2022/23	2023/24	
MTSF Priority 5: Spatial Integration, Human settlements, and Local Government							
Outcome 8 Maintain a sustainable Property Practitioners Fidelity Fund	8.1. Effective and efficient income collection & payment systems	8.1 .1. Percentage of fully compliant claims paid within 90 days of lodgement	100% of fully compliant claims paid within six months	100% of fully compliant claims paid within six months	100% of fully compliant claims paid within six months	100% of fully compliant claims paid within 90 days of lodgement	100% of fully compliant claims paid within 90 days of lodgement

5.8.2 Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
8.1 .1. Percentage of fully compliant claims paid within 90 days of lodgement	100% of fully compliant claims paid within 90 days of lodgement	100% of fully compliant claims paid within 90 days of lodgement	100% of fully compliant claims paid within 90 days of lodgement	100% of fully compliant claims paid within 90 days of lodgement	100% of fully compliant claims paid within 90 days of lodgement

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

Over the medium-term period, our organization is committed to maintaining financial integrity and operational excellence through various key performance indicators. This includes striving for an unqualified audit opinion while minimizing material findings through enhanced financial management practices. We aim to execute our internal audit, fraud prevention, and risk management plans fully to bolster governance and mitigate risks effectively. Additionally, we endeavor to increase the percentage of procurement spending allocated to designated groups, ensuring economic empowerment and compliance with regulations. Our focus on consumer satisfaction involves resolving queries promptly and paying valid invoices within 30 days, fostering positive relationships with stakeholders, and ensuring smooth business operations.

We remained committed to enforcing compliance within the industry, through efficiently processing compliant registrations and renewals within 30 working days. This involves streamlining workflows, leveraging technology, and providing staff training, while maintaining compliance standards is prioritized. These efforts aim to enhance customer satisfaction, ensure regulatory adherence, and provide uninterrupted services, with ongoing monitoring for efficiency. This is also done through conducting inspections and enforcing disciplinary to those property practitioners who are found to be non-compliant with the Act.

We aim to boost the professionalism of property practitioners by awarding professional designations and ensuring compliance with Continuing Professional Development (CPD) requirements. Through targeted training, skill development initiatives, and resource accessibility, we seek to elevate industry standards, enhance customer service, and foster trust among stakeholders. Continuous monitoring will ensure practitioners remain dedicated to their professional growth, contributing to a more knowledgeable and reputable real estate sector.

Our focus is also on fostering diversity and opportunity within the property industry through strategic programs. The Principalsation Programme aims to establish a number of Black Principals by providing training, mentorship, and support to aspiring leaders from underrepresented backgrounds. Simultaneously, the "One Learner - One Property Practitioner" Programme seeks to place candidate practitioners with property industry host employers, ensuring hands-on experience and skill development for aspiring professionals. These initiatives are designed to promote inclusivity, empower individuals from diverse backgrounds, and cultivate a more representative and vibrant property sector. Ongoing monitoring and evaluation will guide our efforts to achieve these objectives efficiently.

5.10. **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 has been established and is being funded by the Fidelity Fund; government grants; fees and fines paid by PPs; Investments; and monies donated or acquired 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 the 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 ensure 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:

5.11. **PROGRAMME 1: ADMINISTRATION**

The PPRA road map to achieving the Annual Performance Plan for 2024-25 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 the 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.

5.12. 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.

5.13. 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. Thus, the PPRA, in contrast to EAAB, will have more reaching power which includes inspections without notice and more serious consequences for non-compliance.

5.14. PROGRAMME 4: RESEARCH, PROFESSIONALISATION AND TRAINING

The PPRA road map for the next financial year in the Annual Performance Plan for 2024-25 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.

5.15. PROGRAMME 5: TRANSFORMATION

The PPRA road map for the next financial year, in the Annual Performance Plan for 2024-25 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.

6. UPDATED KEY RISKS AND MITIGATION FROM THE STRATEGIC PLAN

	OUTCOME	KEY RISKS	MITIGATION PLANS
1	Functional, efficient, and integrated government	Declining revenue, rising operating costs, reduced operating margins, and failure to deliver on key strategic initiatives	<p>Develop of entity-wide Governance Control Framework that will provide detailed guidance on the performance of key governance activities at both entity and functional levels, such as strategy, planning, budgeting, implementation, monitoring, and reporting processes.</p> <p>Key considerations should be on:</p> <ul style="list-style-type: none"> a) Long-term and annual plans at the functional level; b) Implementation or project plans; c) Processes for integrating risk management into performance planning and reporting, including day-to-day operations within PPRA; d) Development of policies, framework and implementation instruments; e) Functional monitoring and reporting processes; and f) Reporting to oversight and external stakeholders. g) Develop a Fraud Risk Managing Strategy to address Fraud Risk Management key business process; h) Revise the Anti-Fraud and Corruption Prevention Policy to sufficiently detailed directives and guidelines regarding planning, implementation, monitoring, and reporting of fraud processes; and i) Develop entity-wide Fraud Implementation Plan.
2		Non-achievement of performance targets and a	<ol style="list-style-type: none"> 1. Update the Training and Development Policy to include the following:

	OUTCOME	KEY RISKS	MITIGATION PLANS
		<p>corresponding deterioration in revenue and an increase in cost levels.</p>	<p>a) The need for assessment of performance or productivity reports S17 to identify training needs for different employees; b) Training methodologies and approach or training delivery; c) Clear development route map for new and existing employees; and d) Post-training impact analysis and continuous improvements.</p> <p>2. Develop a comprehensive Stakeholder Management Framework at minimum addressing: a) Key stakeholder's needs and interests; b) Stakeholder Matrix (balancing power and impact); c) Stakeholder engagement plan (supported by Calendar); and d) Post-engagement stakeholder dashboard</p> <p>3. Develop an overarching ICT strategy that addresses the need for an integrated database and how it will tighten its cybersecurity to combat cyber attacks</p>
3		<p>Increase in business Interruptions, customer dissatisfaction, data loss, and higher litigation costs (POPI Act)</p>	<p>a) Develop ICT Strategy that will address all key business process value chain including initiatives and prioritisation of resources in line with overall business strategy imperatives. Further, the ICT Maintenance Policy requires improvement to address: i) Incorporation of risk appetite and tolerance threshold in performing the preventive, detective, and corrective ICT maintenance in key business processes; ii) Roles and responsibilities of oversight and internal monitoring structures on planning, implementation, monitoring, and reporting on ICT maintenance processes by internal and contracted parties.</p> <p>Develop an overarching ICT Policy that prescribes training and development within ICT on all the key business process value chains. The policy should be supported by an approved training plan that is developed based on the needs analysis performed including.</p>
4	<p>Functional, efficient, and integrated government</p>	<p>Inability to diversify revenue streams to grow, and sustain fidelity fund (to fully protect customers against fraudulent activities by Property Practitioners) and</p>	<p>Develop Business Development Strategy and Framework, which cascades from the approved Corporate Strategy, and comprehensively addresses: i) Research for the introduction of new revenue streams, in full compliance with the Property Practitioners Act 219 (Act No. 22 of 2019, as amended);</p>

	OUTCOME	KEY RISKS	MITIGATION PLANS
		corresponding impairment of PPRAs's reputation	<ul style="list-style-type: none"> ii) Introduction of processes to prevent revenue leakage, and for upselling and cross-selling, within the current database of Property Practitioners; iii) Commercialisation of the SME Incubation Programme; and iv) Increase of the current advertising revenue stream.
5	Functional, efficient, and integrated government	Rising litigation and deregistration result in opportunity costs, decreased new applications, and revenue loss.	<p>Update the Debt Management Policy to include directives regarding the appropriate debt collection period. To ensure increased cash flow and liquidity, the debt collection period should be shorter than the claims payable period.</p> <p>Continue to Benchmark both, the Claims SOP and The Debt Collection Policy with relevant companies in the same industry as PPRA in order to effectively carry out their claims payments and to effectively and efficiently recover the claims paid out by PPRA from Property Practitioners</p>
6		Increase in penalty interest on late payments of approved claims	<p>Update or revise the current Inspection manual to include the section on setting of appropriate ratio for reactive and pro-active inspection including the nature of contraventions underpinning each process.</p> <p>The succession Planning Policy should be developed, and the corresponding SOP for guidelines on how it should the processes should be undertaken, to avoid vacant critical positions, capacity constraints, and operational inefficiencies.</p> <p>Update the Inspection and Investigation Policies to include and outline the flow of information from the other functions, which serves as input to the other.</p>
7		Non-achievement of Return on Investment (ROI) and a corresponding devaluation of Fidelity Fund Investment	<p>Update the Investment Policy to include or map out the flow of information on other investment opportunities PPRA going to embark on which will serve as a booster to grow PPRA's Claims cover of Property Practitioners.</p>
8		Loss of credibility, deregistration, and revenue loss due to the inability to grow the database and maintain relevance	<ul style="list-style-type: none"> a) Enhance Research Framework: Integrate research reports to update educational programs and introduce innovative products for revenue growth. i) Utilize Research Centre: <ul style="list-style-type: none"> • Research Centre to revise examination scope. • Form an expert task team and establish partnerships for enhanced expertise. ii) Implement Unified Teaching Methodology: <ul style="list-style-type: none"> • Adopt a consistent teaching approach for CPD, PDE, and other programs.

	OUTCOME	KEY RISKS	MITIGATION PLANS
			<ul style="list-style-type: none"> iii) Develop a dedicated professional ethics program to equip practitioners and consumers with skills to report and guard against unethical practices. iii) Conduct continuous mandatory ethical educational programme for all registered property practitioners to enhance their professional efficacy.
9	Functional, efficient, and integrated government	Inability to grow the current database of Property Practitioners by unlocking low-income segment (i.e., affordable housing market) and corresponding revenue leakage	<ol style="list-style-type: none"> 1. Develop a Marketing Strategy and policy, and plan to address the following: <ul style="list-style-type: none"> a) Socio-economic mandate such as promotion of socio economic initiatives such as Transactional support and Transformation grant and funding among other initiatives; and b) Promotion of Skills development. 2. Revise the Property Practitioners Regulatory Authority Research Policy Framework and incorporate the following in the Transformation Strategy and Policy: <ul style="list-style-type: none"> a) The interface points between Property Sector Research Centre (PSRC) and Transformation Function. b) Requirements for Property Sector Research Centre output serving as input in planning, implementation, monitoring and reporting by the Transformation function.
10	Functional, efficient, and integrated government	Cyber-attacks (Data and Information vulnerability)	<p>Implementation of business continuity management, including testing of the disaster recovery plan.</p> <p>Monitor the implementation of the practice directive of the hybrid system and its effectiveness for the regulation program.</p> <p>Continue to provide information communication technology and training to staff on installing unknown sites.</p>
11	Inclusive, integrated, and transformed property sector	Failure to meet socio-economic targets and loss of trust from key stakeholders due to lack of transformation progress.	<ol style="list-style-type: none"> a) Develop a Transformation Strategy and annual work plan to address: <ul style="list-style-type: none"> i) PPRAs' socioeconomic pillars, Enterprise Supplier Development imperatives and initiatives; and ii) Engagement with Private Sector donors and strategic partners on grant funding and industry transformation agenda. b) Review Oversight and Internal Monitoring terms of reference to include roles and responsibilities relating to Transformation Strategy; c) Appoint Transformation Champions across the organization per programme; d) Develop SCM Strategy and Preferential Procurement Spending Framework to align with PPRAs' KPA for transformation (i.e. removing barriers to entry for targeted beneficiaries of transformation initiatives).

7. FINANCIAL BUDGET FOR 2024/25

Statement of financial Performance

PROJECTED INCOME AND EXPENDITURE BUDGET FOR THE YEAR ENDING 31 MARCH 2025						
	2022/2023 Audited Outcome	2023/2024 Approved PPRA Budget	2024/2025 PPRA Proposed Budget	2025/2026 Forecast	2026/2027 Forecast	2027/2028 Forecast
Revenue	154 463 888	194 233 700	226 000 682	236 125 513	246 633 098	257 849 938
Contributions						
<i>FFC Renewals</i>						
Principals	7 940 965	5 763 420	50 997 387	53 282 070	55 653 122	58 129 686
Full Status	5 181 058	13 886 340	10 863 588	11 350 277	11 855 365	12 382 928
Delinquent	7 771 451	12 035 360	5 093 096	-	-	-
Intern Estate Agents	189 732	248 040	751 223	5 321 267	5 558 063	5 805 397
Attorneys	-	-	-	784 877	819 804	856 286
Firms	-	25 480	-	-	-	-
Non Executive Director	1 178 885	450 380	175 862	183 740	191 917	200 457
New Property Practitioners	-	-	18 264 167	19 082 401	19 931 568	20 818 523
New Registrations						
Principals	183 853	-	-	-	-	-
Non-Principal	2 417 689	-	-	-	-	-
Status Change	939	-	-	-	-	-
Firms	-	-	-	-	-	-
Non Executive Director	111 777	-	-	-	-	-
New Property Practitioners	-	-	-	-	-	-
Examinations						
Examination Fees	4 746 289	62 503 000	63 206 398	66 038 045	68 976 738	72 046 203
Sales - Study Guides	531 520	4 268 000	7 281 200	7 607 398	7 945 927	8 299 521
Over 60's exemptions	44 517	672 000	1 750 500	1 839 370	1 921 222	2 006 717
CPD Fees - Existing Property Practitioners	32 094 999	55 989 648	34 673 870	36 227 259	37 839 372	39 523 224
CPD Fees - New Property Practitioners	1 322 640	1 498 982	15 006 260	15 678 530	16 376 225	17 104 967
Equivalency examinations	19 404	21 560	4 410 000	4 607 568	4 812 605	5 026 766
Appeals on Examination Results	-	-	20 128	21 030	21 966	22 943
Oral Examination Fees	49 500	52 800	54 450	56 889	59 421	62 065
Non- executive director exemption	-	-	-	-	-	-
Penalties - Auditors reports	-	-	-	-	-	-
Disability and Impairment exemption	-	-	-	-	-	-
Sales - NQF 5	-	-	-	-	-	-
Sundry Income	-	-	-	-	-	-
Duplicate and Amendments - FFC	-	-	-	-	-	-
Sundry Income	-	-	-	-	-	-
Grants						
Grant from DHS	-	-	-	-	-	-
Interest Income						
Interest on Investments	1 554 731	5 044 680	8 684 340	9 073 399	9 477 165	10 140 566
Interest Other	51 363	5 040 000	8 674 340	9 062 951	9 466 252	9 887 500
Other Income	1 503 368	4 680	10 000	10 448	10 913	11 399
Management fee	89 123 909	94 277 000	103 112 557	107 731 999	112 526 073	117 533 483
Fines	53 868 357	52 996 275	77 863 267	81 351 541	84 971 685	88 752 925
Penalties	6 094 305	37 785 405	1 672 200	1 747 115	1 824 861	1 906 067
Delivery charges	2 084,00	3 601	12 228 970	12 776 828	13 345 397	13 939 267
Legal document charges	4 900,00	-	-	-	-	-
Penalties - Auditors Reports	-	-	-	-	-	-
Duplicate Exam Certificate & Analysis	-	-	-	-	-	-
Discretionary funded special projects	-	-	-	-	-	-
Prior year write offs	-	-	-	-	-	-
Government grants	-	-	-	-	-	-
Sundry Income	433 017	-	-	-	-	-
Payroll & Staff Costs Recoveries	1 643 687	-	-	-	-	-
Licensing Administration Fees (Including Duplicate and Amendments)	2 599 609	3 491 719	11 348 120	11 856 516	12 384 131	12 935 225

PROJECTED INCOME AND EXPENDITURE BUDGET FOR THE YEAR ENDING 31 MARCH 2025						
	169 859 659	181 710 993	212 821 111	222 355 497	232 250 317	242 585 456
Operating costs	61 822 869	52 281 617	67 100 815	70 106 932	73 226 690	76 485 278
<i>Admin expense</i>						
Venue Hire	1 357 484	168 125	200 000	208 960	218 259	227 971
COS - NQF 4 & 5	416 652	1 200 000	800 000	835 840	873 035	911 885
Invigilators' and Markers Fees	660 300	500 250	200 000	208 960	218 259	227 971
Conferences and Breakaways	225 854	260 375	430 000	449 264	469 256	490 138
Staff Training and development	197 662	1 000 000	973 576	1 062 457	1 062 457	1 109 736
Bursaries	469 898	608 365	750 000	783 600	818 470	854 892
Software License	305 138	605 250	8 405 800	8 782 380	9 173 196	9 581 403
Hardware Maintenance	178 358	200 000	250 000	261 200	272 823	284 964
Software Maintenance	907 605	201 750	260 000	261 200	272 823	284 964
Publication and Communication	800 300	1 543 575	300 000	313 440	327 388	341 957
Insurance	647 952	750 800	750 000	783 600	818 470	854 892
Assets expended	125 184	34 145	50 000	52 240	54 565	56 993
Inventory Written Off	107 973	-	-	-	-	-
Bad debts written off	-	-	-	-	-	-
Allowance for Credit Losses	12 204 779	3 804 173	6 102 390	6 375 777	6 659 499	6 955 846
Provision for doubtful debts - Non-Exchange Transactions	-	-	-	-	-	-
Impairment Loss	-	-	-	-	-	-
Interest and penalties	16 347	310 500	230 000	240 304	250 998	262 167
Postages	567 736	700 000	400 000	417 920	436 517	455 942
Stationery and Printing	2 342 594	1 609 045	1 240 000	1 295 552	1 353 204	1 413 422
Travelling expenses	460 452	350 000	360 000	376 128	392 866	410 348
Bank Charge	3 886 278	4 621 751	4 200 000	4 368 160	4 583 433	4 787 396
Auditors Remuneration	730 480	868 428	955 300	988 097	1 042 513	1 088 905
Internal Audit Fees	1 101 217	258 327	-	-	-	-
Forensic Audit	5 272 674	5 277 221	3 256 000	3 401 869	3 553 252	3 711 372
Telephone and Connection costs	-	413 450	400 000	417 920	436 517	455 942
Photo-copier charges	-	-	-	-	-	-
Entertainment	350 142	302 936	100 000	104 480	109 129	113 986
Staff welfare	439 045	231 261	183 000	191 198	199 707	208 594
Catering and Refreshments	682 796	206 725	300 000	313 440	327 388	341 957
Consumables	80 826	150 000	150 000	156 720	163 694	170 978
Garden and Plant Maintenance	81 681	329 510	304 750	318 403	332 572	347 371
Subscriptions	5 829	-	-	-	-	-
Sundry expenses	1 840 661	1 320 000	200 000	208 960	218 259	227 971
Office Cleaning	1 601 311	1 757 076	1 800 000	1 880 640	1 964 328	2 051 741
Rates and Taxes Office Building	1 421 828	750 000	750 000	783 600	818 470	854 892
Repairs and Maintenance Building	710 831	720 000	840 000	877 632	916 687	957 479
Security Costs	1 499 564	1 250 426	1 590 000	1 661 232	1 735 157	1 812 371
Water and Electricity	-	-	-	-	-	-
Licensing and Insurance	72 852	95 000	200 000	208 960	218 259	227 971
Repairs and Maintenance Vehicle	-	-	-	-	-	-
Equipment	62 613	100 000	100 000	104 480	109 129	113 986
Repairs & Maintenance Furniture & Equipment	197 238	523 305	600 000	626 880	654 776	683 914
Promotion and Marketing	-	500 000	-	-	-	-
Advertising	9 220 015	8 625 988	20 600 000	21 522 880	22 480 648	23 481 037
Consultants & Professional Fees	79 965	186 250	150 000	156 720	163 694	170 978
Corporate Gifts	4 577 677	4 308 000	2 900 000	3 028 920	3 164 751	3 305 583
Call Center	836 781	500 000	600 000	626 880	654 776	683 914
CPD Expenses	-	-	-	-	-	-
CPD Travel	346 418	549 864	600 000	626 880	654 776	683 914
Depreciation - Office furniture	64 493	64 445	70 000	73 136	76 391	79 790
Depreciation - Office Equipment	840 679	754 571	800 000	835 840	873 035	911 885
Depreciation - Computer equipment	9 965	9 993	10 000	10 448	10 913	11 399
Depreciation - Motor Vehicles	35 617	2 843 616	2 900 000	3 029 920	3 164 751	3 305 583
Depreciation - Other Equipment	2 914 520	881 662	800 000	835 840	873 035	911 885
Depreciation - Buildings	826 157	30 512	50 000	52 240	54 565	56 993
Amortisation - Software	30 428	-	-	-	-	-
Amortisation - Intellectual Property	-	-	-	-	-	-

**PROJECTED INCOME AND EXPENDITURE BUDGET
FOR THE YEAR ENDING 31 MARCH 2025**

	13 281 034	7 190 072	6 816 964	9 211 964	9 621 896	10 050 070
Other operating expense						
Research and Development costs		990 000				
PP Adjudication Costs (Disciplinary costs)	733 961	4 582 000		2 089 600	2 182 587	2 279 712
Legal Costs	10 555 614		2 000 000	5 746 400	6 002 115	6 269 209
Loss on sale of assets						
Rental - Leased Building	1 415 172	390 050	66 964	69 964	73 077	76 329
Recruitment and Selection	576 287	1 228 022	1 250 000	1 306 000	1 364 117	1 424 820
Arbitration Awards						

	88 568 096	116 970 310	130 003 333	135 827 482	141 871 805	148 185 100
Staff costs						
Salaries and Wages	65 929 578	82 934 834	97 357 554	101 719 172	106 245 675	110 973 608
13th Cheque	3 772 192	3 627 299	4 524 092	4 726 772	4 937 113	5 156 815
Overtime Expenses						
Performance Bonus	1 197 964	4 500 000	7 500 000	7 836 000	8 184 702	8 548 921
Travel Allowance	423 400	1 141 979	1 568 030	1 638 278	1 711 181	1 787 328
Cellphone Allowance	9 148 800	437 184	779 840	814 881	851 144	889 019
Pension Fund Contributions	265 733	15 097 844	10 383 176	10 848 343	11 331 094	11 835 328
U.I.F Contributions	4 635 986	202 029	230 422	251 641	273 284	289 445
Medical Aid Contributions	706 843	5 968 372	5 488 804	5 734 703	5 989 897	6 256 448
Skills Development Levies	(693 902)	605 725	712 792	744 725	777 865	812 480
Leave Pay	13 802	2 157 044	1 078 522	1 126 840	1 176 984	1 229 360
S & T Reimbursements						
Long service awards	360 000	300 000	360 000	376 128	392 866	410 348
EAA&B Internship Programme						
Policy						
grading & salary scales						
Conversion costs						
Service cost on valuation						
Dividends Received						
Valuation Service and Interest Cost	2 808 000					
Interest cost on valuation of pension fund						
Actuarial (gain)/loss						

	6 187 661	5 269 000	6 900 000	7 209 120	7 529 926	7 865 008
Board Members Remuneration						
Board Members Remuneration	6 152 019	5 000 000	6 400 000	6 686 720	6 984 279	7 295 079
Virtual Meeting/Travelling Allowance	35 642	269 000	500 000	522 400	545 647	569 928
Skills Development Levy						

Total Operating Costs	169 859 659	181 710 993	212 821 111	222 355 497	232 250 317	242 585 456
Surplus/(Deficit) before CAPEX	(15 395 772)	12 522 706	13 179 571	13 770 016	14 382 781	15 264 483

	11 350 000	12 752 000	3 600 000	2 400 000	4 200 000
Capital Expenditure					
Office Furniture	700 000	500 000	550 000	200 000	100 000
Office Equipment	550 000		450 000	300 000	200 000
Computers	1 500 000	50 000	500 000	500 000	3 000 000
Software	2 500 000	50 000	500 000	300 000	200 000
ERP - IT System overhaul	5 500 000	12 152 000	1 000 000	500 000	300 000
Intellectual Property - Education					
Materials					
Motor Vehicles					
Library Materials					
Leasehold Improvements					
Land and Buildings	600 000		600 000	600 000	400 000

Profit on sale of Buildings						
Surplus/(Deficit) after CAPEX	(15 395 772)	1 172 706	427 571	10 170 016	11 982 781	11 064 483

PPRA Statement of Financial Performance Per Quarter

PROJECTED INCOME AND EXPENDITURE BUDGET							
FOR THE YEAR ENDING 31 MARCH 2025							
	2022/2023 Audited Outcome	2023/2024 Approved PPRA Budget	2024/2025 PPRA Proposed Budget	2024/2025 Quarter 1	2024/2025 Quarter 2	2024/2025 Quarter 3	2024/2025 Quarter 4
Revenue	154 463 888	194 233 700	226 000 682	56 500 171	56 500 171	56 500 171	56 500 171
Contributions							
FFC Renewals	22 262 090	32 409 020	50 997 387	12 749 347	12 749 347	12 749 347	12 749 347
Principals	7 940 965	5 763 420	15 849 452	3 962 363	3 962 363	3 962 363	3 962 363
Full Status	5 181 058	13 886 340	10 863 588	2 715 897	2 715 897	2 715 897	2 715 897
Intern Estate Agents	7 771 451	248 040	5 093 096	1 273 274	1 273 274	1 273 274	1 273 274
Attorneys	189 732	-	751 223	187 806	187 806	187 806	187 806
Non Executive Director	1 178 885	450 380	175 862	43 965	43 965	43 965	43 965
New Property Practitioners	-	-	18 284 167	4 566 042	4 566 042	4 566 042	4 566 042
Examinations	38 808 869	62 503 000	63 206 398	15 801 600	15 801 600	15 801 600	15 801 600
Examination Fees	4 746 289	4 268 000	7 281 200	1 820 300	1 820 300	1 820 300	1 820 300
Sales -Study Guides	531 520	672 000	1 760 500	440 125	440 125	440 125	440 125
CPD Fees - Existing Property Practitioners	32 094 999	55 989 648	34 673 870	8 668 468	8 668 468	8 668 468	8 668 468
CPD Fees - New Property Practitioners	-	-	15 006 250	3 751 563	3 751 563	3 751 563	3 751 563
Equivalency exemptions	1 322 640	1 498 992	4 410 000	1 102 500	1 102 500	1 102 500	1 102 500
Appeals on Examination Results	19 404	21 560	20 128	5 032	5 032	5 032	5 032
Non- executive director exemption	49 500	52 800	54 450	13 613	13 613	13 613	13 613
Interest Income	1 554 731	5 044 680	8 684 340	2 171 085	2 171 085	2 171 085	2 171 085
Interest on Investments	51 363	5 040 000	8 674 340	2 168 585	2 168 585	2 168 585	2 168 585
Interest Other	1 503 368	4 680	10 000	2 500	2 500	2 500	2 500
Other Income	89 123 909	94 277 000	103 112 557	25 778 139	25 778 139	25 778 139	25 778 139
Management fee	53 888 357	52 996 275	77 863 267	19 465 817	19 465 817	19 465 817	19 465 817
Fines	6 094 305	-	1 672 200	418 050	418 050	418 050	418 050
Penalties	24 457 940	37 785 405	12 228 970	3 057 243	3 057 243	3 057 243	3 057 243
Licencing Administration Fees (Including Duplicate and Amendments)	2 599 609	3 491 719	11 348 120	2 837 030	2 837 030	2 837 030	2 837 030

**THE PROPERTY PRACTITIONERS REGULATORY AUTHORITY
PROJECTED INCOME AND EXPENDITURE BUDGET
FOR THE YEAR ENDING 31 MARCH 2025**

	2022/2023 Audited Outcome	2023/2024 Approved PPRA Budget	2024/2025 PPRA Proposed Budget	2024/2025 Quarter 1	2024/2025 Quarter 2	2024/2025 Quarter 3	2024/2025 Quarter 4
Operating costs	169 859 659	181 710 993	212 821 111	53 205 278	53 205 278	53 205 278	53 205 278
Admin expense	61 822 869	52 281 611	67 100 815	16 775 204	16 775 204	16 775 204	16 775 204
Venue Hire	1 357 484	168 125	200 000	50 000	50 000	50 000	50 000
COS - NQF 4 & 5	416 652	1 200 000	800 000	200 000	200 000	200 000	200 000
Invigilators' and Markers Fees	660 300	505 250	200 000	50 000	50 000	50 000	50 000
Conferences and Breakaways	225 854	260 375	430 000	107 500	107 500	107 500	107 500
Staff Training and development	197 662	1 000 000	973 576	243 394	243 394	243 394	243 394
Bursaries	469 898	608 365	750 000	187 500	187 500	187 500	187 500
Software License	305 138	605 250	8 405 800	2 101 450	2 101 450	2 101 450	2 101 450
Hardware Maintenance	178 358	200 000	250 000	62 500	62 500	62 500	62 500
Software Maintenance	907 605	201 750	250 000	62 500	62 500	62 500	62 500
Publication and Communication	800 300	1 543 575	300 000	75 000	75 000	75 000	75 000
Insurance	647 952	750 800	750 000	187 500	187 500	187 500	187 500
Assets expensed	125 184	34 145	50 000	12 500	12 500	12 500	12 500
Allowance for Credit Losses	12 204 779	3 804 173	6 102 390	1 525 597	1 525 597	1 525 597	1 525 597
Postages	16 347	370 500	230 000	57 500	57 500	57 500	57 500
Stationery and Printing	567 736	700 000	400 000	100 000	100 000	100 000	100 000
Travelling expenses	2 342 594	1 609 045	1 240 000	310 000	310 000	310 000	310 000
Bank Charge	460 452	350 000	360 000	90 000	90 000	90 000	90 000
Auditors Remuneration	3 896 279	4 621 751	4 200 000	1 050 000	1 050 000	1 050 000	1 050 000
Internal Audit Fees	730 480	868 428	955 300	238 825	238 825	238 825	238 825
Telephone and Connection costs	5 272 674	5 277 221	3 256 000	814 000	814 000	814 000	814 000
Photo-copier charges	-	413 450	400 000	100 000	100 000	100 000	100 000
Staff welfare	350 142	302 936	100 000	25 000	25 000	25 000	25 000
Catering and Refreshments	439 045	231 261	183 000	45 750	45 750	45 750	45 750
Consumables	682 796	206 725	300 000	75 000	75 000	75 000	75 000
Garden and Plant Maintenance	80 826	150 000	150 000	37 500	37 500	37 500	37 500
Subscriptions	81 681	329 510	304 750	76 188	76 188	76 188	76 188
Office Cleaning	1 840 681	1 320 000	200 000	50 000	50 000	50 000	50 000
Rates and Taxes Office Building	1 601 311	1 757 076	1 800 000	450 000	450 000	450 000	450 000
Repairs and Maintenance Building	1 421 828	750 000	750 000	187 500	187 500	187 500	187 500
Security Costs	710 831	720 000	840 000	210 000	210 000	210 000	210 000
Water and Electricity	1 499 564	1 250 426	1 590 000	397 500	397 500	397 500	397 500
Repairs and Maintenance Vehicle	72 852	95 000	200 000	50 000	50 000	50 000	50 000
Repairs & Maintenance Furniture & Equipment	62 613	100 000	100 000	25 000	25 000	25 000	25 000
Promotion and Marketing	197 238	523 306	600 000	150 000	150 000	150 000	150 000
Consultants & Professional Fees	9 220 015	8 625 988	20 600 000	5 150 000	5 150 000	5 150 000	5 150 000
Corporate Gifts	79 965	186 250	150 000	37 500	37 500	37 500	37 500
Call Center	4 577 677	4 308 000	2 900 000	725 000	725 000	725 000	725 000
CPD Expenses	836 781	500 000	600 000	150 000	150 000	150 000	150 000
Depreciation - Office furniture	346 418	549 864	600 000	150 000	150 000	150 000	150 000
Depreciation - Office Equipment	64 493	64 445	70 000	17 500	17 500	17 500	17 500
Depreciation - Computer equipment	840 679	754 571	800 000	200 000	200 000	200 000	200 000
Depreciation - Motor Vehicles	9 965	9 993	10 000	2 500	2 500	2 500	2 500
Depreciation - Buildings	2 914 520	2 843 616	2 900 000	725 000	725 000	725 000	725 000
Amortisation - Software	826 157	881 662	800 000	200 000	200 000	200 000	200 000
Amortisation - Intellectual Property	30 428	30 512	50 000	12 500	12 500	12 500	12 500

**THE PROPERTY PRACTITIONERS REGULATORY AUTHORITY
PROJECTED INCOME AND EXPENDITURE BUDGET**

FOR THE YEAR ENDING 31 MARCH 2025

	2022/2023 Audited Outcome	2023/2024 Approved PPRA Budget	2024/2025 PPRA Proposed Budget	2024/2025 Quarter 1	2024/2025 Quarter 2	2024/2025 Quarter 3	2024/2025 Quarter 4
Other operating expense	13 281 034	7 190 072	8 816 964	2 204 241	2 204 241	2 204 241	2 204 241
PP Adjudication Costs (Disciplinary costs)	733 961	990 000	2 000 000	500 000	500 000	500 000	500 000
Legal Costs	10 555 614	4 582 000	5 500 000	1 375 000	1 375 000	1 375 000	1 375 000
Rental - Leased Building	-	390 050	66 964	16 741	16 741	16 741	16 741
Recruitment and Selection	1 415 172	1 228 022	1 250 000	312 500	312 500	312 500	312 500
Staff costs	88 568 096	116 970 310	130 003 333	32 500 833	32 500 833	32 500 833	32 500 833
Salaries and Wages	65 929 578	82 934 834	97 357 554	24 339 388	24 339 388	24 339 388	24 339 388
13th Cheque	3 772 192	3 627 299	4 524 092	1 131 023	1 131 023	1 131 023	1 131 023
Performance Bonus	7 500 000	4 500 000	7 500 000	1 875 000	1 875 000	1 875 000	1 875 000
Travel Allowance	1 197 964	1 141 979	1 568 030	392 007	392 007	392 007	392 007
Cellphone Allowance	423 400	437 184	779 940	194 985	194 985	194 985	194 985
Pension Fund Contributions	9 148 800	15 097 844	10 383 176	2 595 794	2 595 794	2 595 794	2 595 794
U.I.F Contributions	265 733	202 029	250 422	62 605	62 605	62 605	62 605
Medical Aid Contributions	4 635 986	5 966 372	5 488 804	1 372 201	1 372 201	1 372 201	1 372 201
Skills Development Levies	706 543	605 725	712 792	178 198	178 198	178 198	178 198
Leave Pay	(693 902)	2 157 044	1 078 522	269 631	269 631	269 631	269 631
Long service awards	360 000	300 000	360 000	90 000	90 000	90 000	90 000
Board Members Remuneration	6 187 661	5 269 000	6 900 000	1 725 000	1 725 000	1 725 000	1 725 000
Board Members Remuneration	6 152 019	5 000 000	6 400 000	1 600 000	1 600 000	1 600 000	1 600 000
Virtual Meeting/Travelling Allowance	35 642	269 000	500 000	125 000	125 000	125 000	125 000
Total Operating Costs	169 859 659	181 710 993	212 821 111	53 205 278	53 205 278	53 205 278	53 205 278
Surplus/(Deficit) before CAPEX	(15 395 772)	12 522 706	13 179 571	3 294 893	3 294 893	3 294 893	3 294 893
Capital Expenditure	-	11 350 000	12 752 000	3 188 000	3 188 000	3 188 000	3 188 000
Office Furniture	-	700 000	500 000	125 000	125 000	125 000	125 000
Computers	-	1 500 000	50 000	12 500	12 500	12 500	12 500
Software	-	2 500 000	50 000	12 500	12 500	12 500	12 500
ERP - IT System overhaul	-	5 500 000	12 152 000	3 038 000	3 038 000	3 038 000	3 038 000
Profit on sale of Buildings	-	-	-	-	-	-	-
Surplus/(Deficit) after CAPEX	(15 395 772)	1 172 706	427 571	106 893	106 893	106 893	106 893

1. PROPOSED SCHEDULE OF FEES USED FOR THE REVENUE BUDGET

The revenue budget was compiled after factoring estimated increase of 6,9% to the current approved fees for both regulated and non-regulated fees as outlined below:

REGULATED FEES	Applicable Fee 2022/23	Current Fees 2023/24	% INC	Projected Fees 2024/25
1. LICENSING & RENEWALS				
New Non-Principal OR Principal Practitioner	2 740	2 929	6,9	3 131
Renewal of already registered Non-Principal Practitioners	2 340	2 501	6,9	2 673
Renewal of already registered Principal Practitioners	2 340	2 501	6,9	2 673
Change of details FFC	2 340	2 501	6,9	2 673
Penalties for late renewal of FFCs	125	134	6,9	143
2. EXAMINATION AND TRAINING				
Continuing Professional Development (CPD) Fee for Principal if Property Practitioners acquiring their CPD with PPRA	1 500	1 604	6,9	1 715
Continuing Professional Development (CPD) Fee for Non-Principal if Property Practitioners acquiring their CPD with PPRA	1 500	1 604	6,9	1 715

NON REGULATED FEES				
1. Examination and Training	Applicable Fee 2022/23	Current Fees 2023/24	% INC	Projected Fees 2024/25
Fees for Professional Designation Examination 4 (PDE 4)	1 067	1 141	6,9	1 220
Fees for Professional Designation Examination 5 (PDE 5)	1 397	1 493	6,9	1 596
Review/Remarking of Examination Scripts	539	576	6,9	616
Equivalency Exemption Fee	1 837	1 964	6,9	2 100
Non-Executive director Exemption	3 300	3 528	6,9	3 772
Study Guide for the Professional Estate Agent (PDE 4)	908	971	6,9	1 038
Study Guide for the Professional Estate Agent (PDE 5)	1 265	1 352	6,9	1 445
2. LICENSING & RENEWALS				
TRADING NAME RESERVATION BPP				280
CHANGE OF DETAILS				640
NEW REGISTRATION BPP				640
RE-REGISTRATION FOR BPP				640
FFC RENEWAL ADMINISTRATIVE FEE FOR BPP				640
SECTION 23 EXEMPTIONS				640
SECTION 4 EXEMPTIONS				1 000

2. BUDGET ASSUMPTIONS FOR REVENUE

BUDGET SUMMARY

Notes	2021/2022	2022/2023	2022/2023	2023/2024	2024/2025	Medium Term Estimates		
	Audited Outcome	Actual - 1st quarter	Audited Outcome	Approved Budget	Proposed Budget	2025/2026	2026/2027	2027/2028
Revenue	173 541 376	37 261 955	154 463 888	194 233 700	226 000 682	236 125 513	246 633 098	257 849 938
FFC Renewals	24 262 167	5 909 381	22 262 090	32 409 020	50 997 387	55 282 070	55 653 122	58 129 686
New Registrations	4 388 266	0	2 714 289	-	-	-	-	-
Examinations	41 267 429	9 729 056	38 808 869	62 503 000	63 206 398	66 038 045	68 976 738	72 046 203
Interest Income	179 740	16 724	1 554 731	5 044 680	8 684 340	9 073 399	9 477 165	10 140 566
Management fees	53 423 252	13 355 813	53 888 357	52 996 275	77 862 257	81 351 541	84 971 685	88 752 925
Fines & Penalties	44 899 505	8 250 640	30 552 245	37 785 405	13 901 170	14 523 942	15 170 238	15 845 334
Other Income	5 121 018	341	4 683 307	3 495 320	11 348 120	11 856 516	12 384 131	12 935 225

1. RENEWALS REVENUE

a) Calculating revenue for 2024/25 by using Deferred Revenue figures for FFCs issued in 2022 (for calendar years Jan 2023 to Dec 2025) as per the deferred revenue schedules for Yr. 02 and Yr. 03.

b) Accounting for the revenue component (3/36) from the planned renewals invoices to be raised by Licencing Dept in 2024 for 3-year FFCs (covering Jan 2025 to Dec 2027).

c) Factoring revenue as Licencing department is planning to register 17 500 (= 70% of 25 000) new property practitioners (mainly the managing agents) with effect from Dec 2023.

2. NEW REGISTRATIONS

As per the new PP Act, all new registrations fees accrue to the Property Practitioners Fidelity Fund. Consequently, these fees were not budgeted for in the PPRA.

3. Examinations

Examinations revenue is made up mainly of CPD and Examinations as detailed below.

3.1. CPD revenue

CPD revenue is based on:

The current database of 16 817 existing property practitioners who are eligible to do CPD in 2024/25 and the 3 401 practitioners who wrote exams in 2023/24; and It is estimated that 8 750 (= 35% of 25 000) of the new category of property practitioners would be eligible to do CPD.

3.2. Examinations revenue

Examinations revenue is made up of PDE 4, PDE 5 and the sale of study guides.

- i. PDE 4 exams: After consultation with Education Dept, it is anticipated that 4500 of existing estate agents would enrol for PDE 4 exams.
- ii. It is also anticipated that 80 brokers and 80 auctioneers would enrol for PDE exams.
- iii. PDE 5 exams: After consultation with Education Dept, it is anticipated that 1000 of existing estate agents would enrol for PDE 5 exams.

3.4 Study Guides

The budget for study guides is based on the estimated 1000 PDE 4 and 500 PDE 5 study guides to be sold in 2024/25.

3.5. Equivalency Exemptions

The revenue for equivalency exemption was calculated after consultation with Education Dept. It is anticipated that 1500 existing estate agents would apply and qualify for equivalency exemption. Furthermore, it is anticipated that 6% of new categories to be on boarded would qualify for equivalency exams.

4. INTEREST RECEIVED

The interest received is based on an investment of R96 million at ABSA with an expected return of 8.9%. The increase in the investment is based on the expected collections in the 2024/25 financial year for 3-year FFC's renewals and the onboarding of new categories of property practitioners.

5. MANAGEMENT FEE

Management fees revenue has been budgeted at 12%. The increase from 9% to 12% is in line with the Management fee policy stating that the PPRA can charge management fees of 9% - 12% of the Net Asset Value (NAV) of the Fidelity Fund. The audited NAV of the Fidelity Fund on 31 March 2023 was R648 860 556. The budgeted management fee for FY 2024/25 is R77 863 267 (= 12% X R648 860 556).

6. FINES & PENALTIES

Revenue from penalties of R12 228 970 is budgeted at 50% of audited FY 2022/23 penalties revenue of R24 457 940.

7. OTHER INCOME

Other income comprises mainly of administration fees that the Licensing Department is planning to charge for amendment of details, reregistration and for granting of exemptions. The proposed admin fee is averaged at R640 for the various services rendered by the Licensing Department.

3. BUDGET ASSUMPTIONS FOR EXPENDITURE

3.1 Summary of Operating and capital expenditure budget

Notes	2021/2022	2022/2023	2022/2023	2023/2024	2024/2025	Medium Term Estimates		
	Audited Outcome	Actual - 1st quarter	Audited Outcome	Approved Budget	Proposed Budget	2025/2026	2026/2027	2027/2028
Operating costs	179 827 215	33 025 142	169 859 659	181 710 993	212 821 111	222 355 497	232 250 317	242 595 456
Admin expense	56 178 452	8 596 439	61 822 869	52 281 611	67 100 815	70 106 932	73 226 690	76 485 278
Other operating expenses	7 639 148	884 102	13 281 034	7 180 072	8 816 954	9 211 964	9 621 896	10 050 070
Staff costs	101 913 157	21 600 507	88 568 096	116 970 310	130 003 333	135 827 462	141 871 805	148 185 100
Board Remuneration	4 896 458	1 934 094	6 167 661	5 269 000	6 900 000	7 209 120	7 529 926	7 865 008
Surplus/Deficit	2 914 161	4 236 813	-15 395 772	12 522 706	13 179 571	13 770 016	14 382 781	15 264 483
Capital Expenditure	2 322 450	2 322 449	0	11 350 000	12 752 000	3 600 000	2 400 000	4 200 000
Surplus/(Deficit) after Capex	591 711	1 914 364	-15 395 772	1 172 706	427 571	10 170 016	11 982 781	11 064 483
Profit Margin	2%	11%	-10%	6%	6%	6%	6%	6%

3.2 Summary of admin expenses budget and assumptions

ADMIN EXPENSES BUDGET

	NOTES	Audited		Approved Budget		Proposed Budget		Medium Term Estimates			
		2022/23	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28			
Main Admin expenses											
Auditors Remuneration	1	3 896 279	4 621 751	4 200 000	4 388 160	4 583 433	4 787 396				
Call Centre Costs	2	4 577 677	4 308 000	2 900 000	3 029 920	3 164 751	3 305 583				
Consultants & Professional Fees	3	9 220 015	8 625 988	20 600 000	21 522 880	22 480 648	23 481 037				
Telephone and Connection costs		5 272 674	5 277 221	3 256 000	3 401 869	3 553 252	3 711 372				
Water and Electricity		1 499 564	1 250 426	1 590 000	1 661 232	1 735 157	1 812 371				
Rates and Taxes		1 601 311	1 757 016	1 800 000	1 880 640	1 964 328	2 051 741				
Depreciation & Amortisation		5 068 277	5 134 663	5 230 000	5 464 304	5 707 466	5 961 448				
Provision for credit losses	4	12 204 779	3 804 173	6 102 390	6 375 777	6 659 499	6 955 846				
Total Main Admin Expenses		43 340 575	34 779 238	45 678 390	47 724 781	49 848 534	52 066 794				
Other Admin Expenses	5	18 482 293	17 502 373	21 422 426	22 382 150	23 378 156	24 418 484				
TOTAL ADMIN EXPENSES		61 822 869	52 281 611	67 100 815	70 106 932	73 226 690	76 485 278				

The Administration expenses budget of R67 100 815 comprise mainly of the following items:

1. Audit fees

Audit fees are linked directly to the planning and scope of the audit as determined by the Auditor General.

2. Call Centre costs

Call Centre costs will still be incurred to provide customer related services to the existing and new Property Practitioners.

3. Consultants & Professional Fees

Consultants & Professional Fees have been provided for in CEO's, HR, SEC, IT and Finance depts. The bulk of these are budgeted for in the IT dept.

Consultation Fees Per Department	Amount
CRM	250 000,00
HRM	850 000,00
SEC	2 800 000,00
CEO	1 500 000,00
MIS	9 200 000,00
LEG	-
REG	-
FIN	2 500 000,00
AUC	-
INS	500 000,00
EDU	3 000 000,00
MAR	-
CLM	-
TRN	-
TOTAL	20 600 000,00

4. Provision for allowance for credit losses

The reduction in future provisions for credit losses is reliant on the improvement in collections by the newly established Debtors & Recoveries Unit. The Unit has been capacitated and will attend and address old outstanding debtors, whilst also focusing on the collection of current amounts.

5. Other Admin Expenses

The increase in "Other Admin Expenses" is due to the increased budget allocation to various departments to meet their operational requirements and targets as outlined in the 2024/25 APP.

4. BUDGET ASSUMPTIONS FOR OTHER EXPENDITURE

OTHER OPERATING COSTS BUDGET

Other Operating Costs	Notes	Audited 2022/23	Approved budget 2023/24	Proposed Budget 2024/25	Medium Term Estimates		
					2025/26	2026/27	2027/28
Disciplinary costs	1	733 961	990 000	2 000 000	2 089 600	2 182 587	2 279 712
Legal Costs	2	10 555 614	4 582 000	5 500 000	5 746 400	6 002 115	6 269 209
Rental - Leased Building		-	390 050	66 964	69 964	73 077	76 329
Recruitment, Selection and Training	3	1 415 172	1 228 022	1 250 000	1 306 000	1 364 117	1 424 820
Arbitration Awards		576 287	-				
Total		13 281 034	7 190 072	8 816 964	9 211 964	9 621 896	10 050 070

The budgeted Other Operating Expenses of R8 816 964 comprise mainly of:

1. Disciplinary costs

Disciplinary costs of R2 million are anticipated to be incurred by Legal and Compliance Dept for hearings held against property practitioners.

2. Legal costs

The budget of R5.5 million is associated with legal costs linked to the outcome of the forensic investigation report and the case of the suspended former CEO and the other PPRA staff under investigation.

3. Recruitment and Selection

The filling of vacant positions in the new structure will result in recruitment costs being incurred.

5. BUDGET ASSUMPTIONS FOR STAFF COSTS

STAFF COSTS BUDGET

Staff Costs	Notes	Audited 2022/23	Approved Budget 2023/24	Proposed Budget 2024/25	Medium Term Estimates			
					2025/26	2026/27	2027/28	
<i>Cost of living adjustment</i>								
Staff costs		88 568 096	116 970 310	130 003 333	135 827 482	141 871 805	148 185 100	
Cost of living adjustment 5%	1		3 955 518	6 190 635	6 467 975	6 755 800	7 056 433	
Medical Aid - Co contribution	2	4 635 986	5 966 372	5 488 804	5 734 703	5 989 897	6 256 448	
Performance Bonus Provision	3			7 500 000	7 836 000	8 184 702	8 548 921	
<i>Filling of new positions</i>	4			25 061 898,80				
Total		88 568 096	116 970 310	130 003 333	135 827 482	141 871 805	148 185 100	

The composition of the Staff Costs budget of R123 534 367 can be summarised as follows:

1. An annual 5% cost-of-living adjustment of R5.9 million has been provided for in the 2024/25 budget.
2. Medical Aid company contribution of R5.5 million comprises of 4% of the total cost to company.
3. An amount of R7,5 million has been budgeted for performance bonuses. This will be apportioned across all cost centres.
4. The budget for the filling of the remaining critical positions is R25 million. The critical vacancies were finalised after discussions with the departmental managers. In discussion with the ACEO the number of critical vacancies was reduced due to budget constraints/ affordability.

6. BUDGET ASSUMPTIONS FOR BOARD REMUNERATION

BUDGET SUMMARY								
Notes	2021/2022	2022/2023	2022/2023	2023/2024	2024/2025	Medium Term Estimates		
	Audited Outcome	Actual - 1st quarter	Audited Outcome	Approved Budget	Proposed Budget	2025/2026	2026/2027	2027/2028
Board Remuneration	4 886 458	1 934 094	6 187 061	5 289 000	6 900 000	7 200 120	7 523 926	7 665 008

Board remuneration budget of R6 900 000 comprises mainly of:

- Board, Board Committees and AGRC fees of R6 400 000
- Travelling Expenses of R500 000

7. BUDGET ASSUMPTIONS FOR CAPITAL EXPENDITURE

CAPITAL EXPENDITURE BUDGET						
	2022/23	2024/2025	Medium Term Estimates			
			2025/2026	2026/2027	2027/2028	
	Note	Approved Budget	Proposed Budget			
Office Furniture		700 000	500 000	550 000	200 000	100 000
Office Equipment		550 000	-	450 000	300 000	200 000
IT Infrastructure		-	-	-	-	-
Computer Equipment	1	1 500 000	50 000	500 000	500 000	3 000 000
Software	2	2 500 000	50 000	500 000	300 000	200 000
ERP - IT System overhaul (Installation and licence fee)	3	5 500 000	12 152 000	1 000 000	500 000	300 000
Intellectual Property - Education Materials		-	-	-	-	-
Land and Buildings Refurbishments		600 000	-	600 000	600 000	400 000
Total		11 350 000	12 752 000	3 600 000	2 400 000	4 200 000

The following observations should be noted with regards to the "Capital Expenditure" budget of R12 752 000:

1. Computer equipment and Software. There has been a significant reduction in the 2024/25 budget to purchase new computer equipment and related software. The reason is that several old computers were replaced during FY 2023/24 to accommodate the newly appointed staff members and to improve the reliability of computers assigned to employees.
2. SAP Project development and configurations of R12.2 million. This is necessary to ensure compliance with the PPA requirements as well as audit and other statutory requirements.

Statement of Financial Position

R Thousand	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Statement of Financial Position							
ASSETS							
Current assets	113 902	130 327	140 928	138 262	117 293	181 301	189 460
Cash and cash equivalents	11 183	8 711	66 865	43 500	19 000	79 300	82 869
Trade and other receivables from exchange transactions	40 037	52 317	37 844	32 846	34 676	36 607	38 254
Other receivables from non-exchange transactions, including taxes, fines and transfers	43 890	35 431	32 245	37 785	39 486	41 263	43 120
Inventory	59	13	208	250	250	250	261
Short-term loans	18 733	33 855	3 766	23 881	23 881	23 881	24 956
Non-current assets	109 249	140 441	140 234	160 928	164 438	166 413	173 902
Property, plant and equipment	107 468	139 609	138 736	152 247	153 957	154 632	161 590
Investment property	-	-	-	-	-	-	-
Intangible assets	1 781	832	1 498	8 681	10 481	11 781	12 311
Total assets	223 150	270 768	281 162	299 190	281 731	347 714	363 361
LIABILITIES							
Current liabilities	72 707	96 246	86 834	125 381	98 970	153 983	115 059
Trade and other payables from exchange transactions	56 437	77 334	78 388	99 723	73 312	128 325	105 000
Current provisions	15 647	18 254	7 273	25 000	25 000	25 000	9 371
Other current financial liabilities	623	658	1 173	658	658	658	688
Non-current liabilities	5 530	12 149	75 403	12 149	12 149	12 149	12 149

Statement of Financial Position	Audited outcome	Audited outcome	Budget	Audited outcome	Budget estimate	Approved budget	Budget estimate	Revised budget estimate	Budget estimate	Revised budget estimate	Planning budget estimate
Defined benefit plan obligations	5 530	12 149	5 530	13 354	12 149	12 149	12 149	12 980	12 149	12 149	12 149
Deferred income	-	-	-	62 049	-	-	-	-	-	-	-
Total liabilities	78 237	108 395	81 384	162 237	137 530	137 530	111 119	110 466	166 132	116 807	127 208
NET ASSETS	144 914	162 373	152 924	118 925	161 660	161 660	170 612	216 279	181 582	230 907	236 154
Accumulated surplus / (deficit)	102 298	84 957	108 177	41 508	114 676	114 676	121 279	121 279	129 782	129 782	136 169
Reserves	42 616	77 416	44 747	77 417	46 984	46 984	49 333	95 000	51 800	101 125	99 985
Cash reserves	-	-	-	-	-	-	-	-	-	-	-
Non-cash reserves	42 616	77 416	44 747	77 417	46 984	46 984	49 333	95 000	51 800	101 125	99 985
Total net assets and liabilities	223 151	270 768	234 308	281 162	299 190	299 190	281 731	326 745	347 714	347 714	363 362

Cash Flow Statement

Cash flow data	2020/21		2021/22		2022/23		2023/24		2024/25		2025/26		2026/27
	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Approved budget	Budget estimate	Revised budget estimate	Budget estimate	Revised budget estimate	Planning budget estimate	
R Thousand													
Cash flow from operating activities	(15 984)	24 836	55 807	10 443	10 443	10 443	10 443	102	46 652	310	34 102	41 039	
Cash receipts from stakeholders	121 521	174 407	152 380	184 808	184 808	184 808	184 808	193 461	220 846	208 024	216 099	231 227	
Sales of goods and services other than capital assets	78 008	141 904	120 273	141 398	141 398	141 398	141 398	151 455	190 933	162 261	184 093	196 980	
Sales of goods and services produced by entity	78 008	141 904	120 273	141 398	141 398	141 398	141 398	151 455	190 933	162 261	184 093	196 980	
Administrative fees	41 410	63 792	53 888	52 996	52 996	52 996	52 996	55 381	77 863	57 873	83 314	89 146	
Management fees	41 410	63 792	53 888	52 996	52 996	52 996	52 996	55 381	77 863	57 873	83 314	89 146	
Sales by market establishments	36 598	78 112	66 385	88 402	88 402	88 402	88 402	96 074	113 070	104 388	100 779	107 834	
Contributions	26 273	32 764	24 976	32 409	32 409	32 409	32 409	37 313	52 556	42 708	54 379	58 186	
Examinations	4 302	39 770	41 409	53 427	53 427	53 427	53 427	56 080	60 514	58 878	46 400	49 648	
Discretionary funded projects	711	-	-	-	-	-	-	-	-	-	-	-	
Rent and other income	5 312	5 577	5 121	2 566	2 566	2 566	2 566	2 681	-	2 802	-	-	
Transfers received	24 000	-	-	-	-	-	-	-	-	-	-	-	
Other government units	24 000	-	-	-	-	-	-	-	-	-	-	-	
National government	24 000	-	-	-	-	-	-	-	-	-	-	-	
Departmental transfers	24 000	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits	19 343	32 317	30 552	37 785	37 785	37 785	37 785	39 486	21 239	41 263	22 725	24 316	
Interest and rent on land	169	186	1 555	5 625	5 625	5 625	5 625	2 520	8 674	4 500	9 281	9 931	
Interest	169	186	1 555	5 625	5 625	5 625	5 625	2 520	8 674	4 500	9 281	9 931	
Cash paid to stakeholders	137 504	149 571	96 573	174 365	174 365	174 365	174 365	193 359	174 194	207 714	181 997	190 188	
Current payments	137 504	149 571	96 573	174 365	174 365	174 365	174 365	193 359	174 194	207 714	181 997	190 188	
Compensation of employees	91 897	110 986	88 568	116 898	116 898	116 898	116 898	133 335	105 276	145 001	109 992	114 942	
Salaries and wages	91 897	110 986	88 568	116 898	116 898	116 898	116 898	133 335	105 276	145 001	109 992	114 942	

Cash flow data	2020/21		2021/22		2022/23		2023/24		2024/25		2025/26		2026/27
	Audited outcome		Audited outcome		Budget	Audited outcome	Budget estimate	Approved budget	Budget estimate	Revised budget estimate	Budget estimate	Revised budget estimate	Planning budget estimate
Goods and services	45 608	61 028	38 585	8 005	57 467	57 467	57 467	60 024	68 918	62 713	72 005	75 246	
Administrative fees	313	4 382	1 895	72	1 101	1 101	1 101	1 150	20 873	1 202	21 808	22 789	
Advertising	170	445	1 528	150	581	581	581	607	600	634	627	655	
Minor assets	2	24	30	3	34	34	34	36	50	37	52	55	
Audit costs: External	2 168	4 243	5 800	1 500	6 306	6 306	6 306	6 587	4 200	6 882	4 388	4 586	
Bursaries: Employees	468	562	602	254	608	608	608	635	1 400	664	1 463	1 529	
Catering: Internal activities	97	373	328	218	356	356	356	372	183	389	191	200	
Communication (G&S)	4 892	4 333	3 515	145	1 691	1 691	1 691	1 766	300	1 845	313	328	
Computer services	1 317	8 780	650	103	1 007	1 007	1 007	1 052	1 000	1 099	1 045	1 092	
Consultants: Business and advisory services	9 290	5 794	5 120	500	7 876	7 876	7 876	8 226	24 220	8 595	25 305	26 444	
Legal services (G&S)	2 236	3 989	3 600	500	4 704	4 704	4 704	4 913	7 000	5 133	7 314	7 643	
Contractors	1 031	2 886	2 966	550	3 246	3 246	3 246	3 390	750	3 542	784	819	
Maintenance and repairs of other fixed structures	1 031	974	1 225	550	3 246	3 246	3 246	3 390	750	3 542	784	819	
Other	-	1 912	1 741	-	-	-	-	-	-	-	-	-	
Agency and support/outourced services	3 102	3 400	4 158	200	10 852	10 852	10 852	11 335	2 900	11 843	3 030	3 166	
Inventory: Materials and supplies	310	349	400	-	600	600	600	627	-	655	-	-	
Consumables: Stationery, printing and office supplies	2 246	3 567	865	350	1 363	1 363	1 363	1 424	300	1 487	313	328	
Rental and hiring	144	1 557	351	-	2 748	2 748	2 748	2 870	650	2 999	679	710	
Property payments	4 878	13 348	2 755	2 100	4 200	4 200	4 200	4 387	1 800	4 583	1 881	1 965	
Travel and subsistence	2 200	536	340	685	1 887	1 887	1 887	1 971	1 240	2 059	1 296	1 354	
Training and development	85	956	78	-	1 000	1 000	1 000	1 045	1 052	1 091	1 099	1 149	
Operating payments	10 657	931	2 773	-	6 377	6 377	6 377	6 661	-	6 959	-	-	
Venues and facilities	1	573	829	675	930	930	930	971	400	1 015	418	437	
Cash flow from investing activities	(1 004)	(1 426)	(4 300)	(3 808)	(11 350)	(11 350)	(11 350)	(7 600)	(20 200)	(6 100)	(21 104)	(22 055)	

Cash flow data	2020/21		2021/22		2022/23		2023/24		2024/25		2025/26		2026/27
	Audited outcome		Audited outcome		Budget	Audited outcome	Budget estimate	Approved budget	Budget estimate	Revised budget estimate	Budget estimate	Revised budget estimate	Planning budget estimate
Acquisition of property, plant, equipment	(1 004)		(1 426)		(1 250)	(3 339)	(3 350)	(3 350)	(2 600)	(2 200)	(1 600)	(2 298)	(2 402)
Buildings: non-residential	-		-		(500)	-	(600)	(600)	(600)	-	(600)	-	-
Furniture and office equipment	(326)		(254)		(300)	(683)	(1 250)	(1 250)	(1 000)	(700)	(500)	(731)	(764)
Other machinery and equipment	-		(3)		-	-	-	-	-	-	-	-	-
Computer equipment	(678)		(1 169)		(450)	(2 656)	(1 500)	(1 500)	(1 000)	(1 500)	(500)	(1 567)	(1 638)
Acquisition of software and other intangible assets	-		-		(3 050)	(469)	(8 000)	(8 000)	(5 000)	(18 000)	(4 500)	(18 806)	(19 653)
Cash flow from financing activities	21 065		(3 939)		22 118	37 426	44 407	-	26 498	-	85 090	-	-
Borrowing Activities	21 065		(3 939)		22 118	37 426	44 407	-	26 498	-	85 090	-	-
Domestic	21 065		(3 939)		22 118	37 426	44 407	-	26 498	-	85 090	-	-
Long-term (>12 months)	21 065		(3 939)		22 118	37 426	44 407	-	26 498	-	85 090	-	-
Other	21 065		(3 939)		22 118	37 426	44 407	-	26 498	-	85 090	-	-
Net increase / (decrease) in cash and cash equivalents	4 077		8 711		42 655	89 425	43 500	(907)	19 000	26 452	79 300	12 998	18 984

FINANCIAL BUDGET FOR 2024/25 – PROPERTY PRACTITIONERS FIDELITY FUND

THE PROPERTY PRACTITIONERS FIDELITY FUND

INCOME AND EXPENDITURE BUDGET - FOR THE YEAR ENDING 31 MARCH 2025

	Audited Outcome 2022/2023	Forecast 2024/25	Approved Budget 2023/24	Budget 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28
Revenue	110 387 907	52 795 165	75 338 012	100 713 882	107 763 854	115 307 324	123 378 836
Contributions Board	2 316 600	1 954 728	3 207 600	7 000 000	7 490 000	8 014 300	8 575 301
Contributions	42 139 268	29 814 438	65 384 312	62 983 882	67 392 754	72 110 247	77 157 964
Interest	22 860 369	3 271 983	37 022 540	29 000 000	31 030 000	33 202 100	35 526 247
Agent interest	19 278 899	26 216 420	28 361 772	33 983 882	36 362 754	38 908 147	41 631 717
Interest on Investments		326 035	-	-	-	-	-
Interest Other							
Other Income	65 932 039	21 025 998	6 746 100	30 730 000	32 881 100	35 182 777	37 645 571
Claims Recoveries	1 294 310		6 000 000	-	-	-	-
Fair Value Adjustments	13 347 859		-	-	-	-	-
Bad debts recovered							
Fines	40 438 000	20 000 000	716 100	30 700 000	32 849 000	35 148 430	37 608 820
Other income	10 851 870	1 025 998	30 000	30 000	32 100	34 347	36 751
Operating costs	58 482 863	37 143 712	75 127 927	100 688 277	97 363 112	101 695 770	106 221 232
Bank Charges	10 584	5 049	15 846	11 060	11 555	12 070	12 607
Claims Paid	1 687 429	1 549 327	6 000 000	5 000 000	5 224 000	5 456 468	5 699 281
Management Fees	53 888 357	31 453 271	52 996 275	77 863 267	81 351 541	84 971 685	88 752 925
Provision for bad debts	1 265 473	2 961 803	2 961 803	4 000 000	4 179 200	4 365 174	4 559 425
Grant expense - PSTF	199 277	206 305	7 500 000	7 500 000	-	-	-
Stakeholder Awareness		753 046	1 000 000	1 400 000	1 462 720	1 527 811	1 595 799
Insurance			278 979	100 000	104 480	109 129	113 986
Publications - Agent Magazine			1 282 166	300 000	313 440	327 388	341 957
Consultants fees			700 000	700 000	731 360	763 906	797 899
Legal fees	173 481	1 896 378	1 500 000	2 500 000	2 612 000	2 728 234	2 849 640
Auditors Remuneration	1 257 606	1 280 337	892 858	1 313 950	1 372 815	1 433 905	1 497 714
Investigations	656						
Fair value adjustment (loss)							
Surplus	51 905 044	15 651 452	210 084	25 605	10 400 742	13 611 554	17 157 605

PFF Financial Performance Per Quarter

THE PROPERTY PRACTITIONERS FIDELITY FUND INCOME AND EXPENDITURE BUDGET - FOR THE YEAR ENDING 31 MARCH 2025

	Audited Outcome 2022/2023	Forecast 2024/25	Approved Budget 2023/24	Budget 2024/25	2024/2025 Quarter 1	2024/2025 Quarter 2	2024/2025 Quarter 3	2024/2025 Quarter 4
Revenue	110 387 907	52 795 165	75 338 012	100 713 882	25 178 471	25 178 471	25 178 471	25 178 471
Contributions Board								
Contributions	2 316 600	1 954 728	3 207 600	7 000 000	1 750 000	1 750 000	1 750 000	1 750 000
Interest	42 139 268	29 814 438	65 384 312	62 983 882	15 745 971	15 745 971	15 745 971	15 745 971
Agent interest	22 860 369	3 271 983	37 022 540	29 000 000	7 250 000	7 250 000	7 250 000	7 250 000
Interest on Investments	19 278 899	26 216 420	28 361 772	33 983 882	8 495 971	8 495 971	8 495 971	8 495 971
Other Income	65 932 039	21 025 998	6 746 100	30 730 000	7 682 500	7 682 500	7 682 500	7 682 500
Claims Recoveries	1 294 310	-	-	-	-	-	-	-
Fair Value Adjustments	13 347 859	-	-	-	-	-	-	-
Fines	40 438 000	20 000 000	716 100	30 700 000	7 675 000	7 675 000	7 675 000	7 675 000
Other income	10 851 870	1 025 998	30 000	30 000	7 500	7 500	7 500	7 500
Operating costs	58 482 863	37 143 712	75 127 927	100 688 277	25 172 069	25 172 069	25 172 069	25 172 069
Bank Charges	10 584	5 049	15 846	11 060	2 765	2 765	2 765	2 765
Claims Paid	1 687 429	1 549 327	6 000 000	5 000 000	1 250 000	1 250 000	1 250 000	1 250 000
Management Fees	53 888 357	31 453 271	52 996 275	77 863 267	19 465 817	19 465 817	19 465 817	19 465 817
Provision for bad debts	1 265 473	2 961 803	2 961 803	4 000 000	1 000 000	1 000 000	1 000 000	1 000 000
Grant expense - PSTF	199 277	206 305	7 500 000	7 500 000	1 875 000	1 875 000	1 875 000	1 875 000
Stakeholder Awareness	-	753 046	1 000 000	1 400 000	350 000	350 000	350 000	350 000
Insurance	-	-	278 979	100 000	25 000	25 000	25 000	25 000
Publications - Agent Magazine	-	-	1 282 166	300 000	75 000	75 000	75 000	75 000
Consultants fees	-	-	700 000	700 000	175 000	175 000	175 000	175 000
Legal fees	173 481	1 896 378	1 500 000	2 500 000	625 000	625 000	625 000	625 000
Auditors Remuneration	1 257 606	1 280 337	892 858	1 313 950	328 488	328 488	328 488	328 488
Surplus	51 905 044	15 651 452	210 084	25 605	6 401	6 401	6 401	6 401

Notes and Assumptions

The budget for 2024/2025 was prepared based on the following assumptions:

1. Revenue

1.1. Contributions

Contributions is for new registration of the Property Practitioners. The contribution is R400 per person. The total number of budgeted registrations for new categories is R17500, which is based on 70% of the estimated number of 25 000 new practitioners.

1.2. Agent Interest (Interest on the trust accounts)

Interest on the estate agents' trust funds is budgeted at R29 million. The estimated amount was arrived at after considering the prior year audited amount and the current year's Q2 actual interest on trust funds that accrued. Most firms' year end is February and according to the Q2 actual interest is R26 million.

Board resolution taken on the 14th of December 2023 approving the Practice Directive on Interest on the Trust account have been taken into considering addressing gaps noted in the PP Act.

Provision for doubtful debts of 8% of the estimated revenue has been budgeted for to cover the risk of non-collection. The low estimate is because it is expected that the new debtors control unit will be fully capacitated and follow-ups on the outstanding debtors will be prioritised to improve collection of outstanding monies.

1.3. Interest on Investments

Interest on investments is budgeted at R33.9 million, which is a product of the current assets balance of March 2023 and CPI of 5,9%. All investments are currently in the money market account until further guidance.

1.4. Claims Recoverable

Property Practitioners that defraud consumers abscond and some are liquidated. None of the claim's recoveries have ever been recovered in the past mainly due to the above-mentioned reasons. Claims paid before proved the liquidations of the firms and abscondment. Auditor general recommendation emphasised that claims recoveries must be recognised only when you are certain that a claim will be recovered, and history must be taken into consideration hence not budgeted for.

1.5. Fair Value Adjustment

PPFF investments are invested in STD, RMB, Investec and Absa in the money market account / fixed deposit which the interest are recorded to interest on the investment not fair value adjustment. All the investments in the equity linked noted matured and moved to money market accounts until further guidance.

1.6 Fines

Fines imposed on property practitioners for non-submission of audit reports in line with PPA. Firms considered are firms that do not submit the audit report and have valid FFC from the past 3 years (eligible firms).

2. EXPENDITURE

2.1 Management Fee

Management fee is budgeted at 12%, which is the proposed increase in line with the Management Fee policy of 9%-12% of the Net Asset Value of the Fidelity Fund. The audited NAV of the Fidelity Fund as 31 March 2023 was R648 860 556.

2.2 Transformation

Section 38(1)(f) makes provision for the Fidelity Fund to provide grants for various initiatives including the transformation of the property sector. In providing various grants, the Fidelity Fund net asset value must not be below R400million. As a result, 3% of the Fidelity Fund net asset value less the minimum net asset value to be maintained was budgeted for as a grant to the Property Sector Transformation Fund, resulting in a budgeted amount of R7.5million. Transfer of the money from the PPFF bank account will be transferred to PSTF on a project-based approach.

See below calculations:

Transformation Fund	
Net Asset Valu at 31 March 2023	648 860 556,00
Minimum NAV to be maintained	400 000 000,00
NAV available	248 860 556,00
Grant Provided	7 500 000,00

2.3 Stakeholder Awareness

Stakeholder awareness is budgeted at R1.4 million which covers the costs of exhibitions for creating awareness across the country and participation in housing industry stakeholder events. Stakeholder engagements will focus on reaching rural areas and townships to curb illegal trading by hosting engagements in local venues and educating consumers on their rights. The estimated cost of one stakeholder event per quarter will cost PPRA R250 000 to R500 000. Stakeholder engagements will assist PPRA in generating revenue because they will reach unregistered property practitioners to come and register and also protect the fund by reducing the claims through educating consumers about their rights.

2.4 Insurance

The PPRA indicated that the authority shall take short-term insurance. The insurance budget consists of professional indemnity insurance for the estate agents based on the history. It is difficult to estimate the amount for the new property practitioners as there is no database or statics to come up with an accurate projection.

2.5 Publications

Publications budgeted amount of R300 000 include design and printing of quarterly magazine distributed to estate agents and other stakeholders which takes into consideration the PPRA.

2.6 Legal Fees

Legal fees consist of legal costs incurred in enforcing compliance as well as curatorship of estate agents trust accounts and any legal matters in the fidelity fund.

2.7 Consultant Fees

Consultant fees has been budgeted for at R700k for the first year. Kept the same amount as per last year's budget. This is to cater for the appointment of asset managers to oversee the Fidelity Fund investments portfolio.

2.8 Auditors Remuneration

Auditors remuneration has been budgeted for at R1.3 million. This is to make provision for the Auditor General's audit of the Fidelity Fund books.

2.9 Provision for doubtful debts.

Provision for doubtful debts increased as compared to the actual in 2023 due to delay of payment on Fines. 90% of the interest on the trust are paid within the same year. Most of the amount provided for relates to fines taking into consideration new debtors unit established within PPRA to recover fines raised.

2.10 Surplus

A budgeted surplus of R25 605 is after considering the once off grant that will be given to the PSTF.

STATEMENT OF FINANCIAL POSITION

R Thousand	2019/20		2020/21		2021/22		2022/23	2023/24	2024/25	2025/26
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Approved budget	Revised budget estimate	Revised budget estimate	Planning budget estimate
ASSETS										
Current assets	298 453	477 783	728 453	154 216	37 591	37 591	39 470	629 312	679 605	668 060
Current investments	290 736	347 141	708 155	123 240	5 065	5 065	5 319	623 959	654 306	628 943
Trade and other receivables from exchange transactions	3 571	5	3 821	3	3	3	3	-	-	-
Other receivables from non-exchange transactions, including taxes, fines and transfers	-	2 194	-	7 786	8 175	8 175	8 584	2 180	12 232	23 434
Cash and cash equivalents	4 147	128 444	16 477	23 188	24 347	24 347	25 565	3 173	13 067	15 683
Non-current assets	380 960	135 695	-	463 112	486 267	486 267	510 581	-	-	-
Non-Current Investments	380 960	135 695	-	463 112	486 267	486 267	510 581	-	-	-
Total assets	679 413	613 478	728 453	617 328	523 858	523 858	550 051	629 312	679 605	668 060
LIABILITIES										
Current liabilities	55 423	44 796	40 316	23 736	23 219	23 219	24 380	54 828	57 268	59 835
Trade and other payables from exchange transactions	5 145	1 908	4 116	239	251	251	263	97	100	105
Other payable from non-exchange transactions, including taxes, fines, and transfers	-	486	-	1 622	-	-	-	-	-	-
Current provisions	2 156	2 604	2 372	3 141	3 298	3 298	3 463	1 735	1 814	1 896
Provisions for outstanding claims	2 156	2 604	2 372	3 141	3 298	3 298	3 463	1 735	1 814	1 896
Managed funds	48 122	39 798	33 828	18 733	19 670	19 670	20 653	52 996	55 354	57 834
Total liabilities	55 423	44 796	40 316	23 736	23 219	23 219	24 380	54 828	57 268	59 835
NET ASSETS	623 989	568 682	688 137	593 592	500 639	500 639	525 671	574 484	622 337	608 225
Accumulated surplus / (deficit)	623 989	568 682	688 137	593 592	500 639	500 639	525 671	574 484	622 337	608 225
Total net assets and liabilities	679 413	613 478	728 453	617 328	523 858	523 858	550 051	629 312	679 605	668 060

CASH FLOW STATEMENT		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Cash flow data	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Approved budget	Revised budget estimate
R Thousand								
Cash flow from operating activities	(19 326)	(15 342)	(18 488)	19 325	(13 750)	(13 750)	(25 288)	3 173
Cash receipts from stakeholders	119 517	62 536	85 992	91 461	77 045	77 045	61 952	75 339
Sales of goods and services other than capital assets	119 517	62 536	85 992	91 461	77 045	77 045	61 952	74 623
Sales of goods and services produced by entity	119 517	62 536	85 992	91 461	77 045	77 045	61 952	74 623
Administrative fees	-	59 381	76 460	89 013	63 832	63 832	54 982	46 231
Interest on trust funds	-	52 936	58 096	78 528	58 230	58 230	49 172	37 023
Contribution from estate agents	-	1 386	1 244	1 470	1 306	1 306	1 811	3 208
Claims recoveries	-	3 907	4 520	8 186	4 297	4 297	4 000	6 000
Discretionary funded projects	-	1 132	12 600	829	-	-	-	-
Sales by market establishments	90 806	3 175	9 532	2 448	13 213	13 213	6 970	28 392
Fair value adjustment	90 806	-	-	-	-	-	-	-
Interest on investment	-	3 076	9 331	2 406	13 213	13 213	6 970	28 362
Other income	-	99	19	42	-	-	-	30
Interest: Other	-	-	182	-	-	-	-	-
Other sales	28 711	-	-	-	-	-	-	-
User charges	28 711	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	716
Cash paid to stakeholders	138 843	77 878	104 480	72 136	90 795	90 795	87 240	72 166
Current payments	138 843	77 878	104 480	72 136	90 795	90 795	87 240	64 666
Goods and services	138 843	77 878	104 480	72 136	90 795	90 795	87 240	64 666
Administrative fees	13 905	59 276	82 747	60 675	68 223	68 223	63 792	52 996
Advertising	-	1 611	2 015	1 669	1 814	1 814	1 861	1 282
Audit costs: External	-	-	-	-	-	-	-	893
								933
								820
								766
								70 570
								67 544
								64 666
								67 544
								64 666
								55 354
								1 339
								893
								933
								70 570
								67 544
								64 666
								57 834
								1 399
								975

CASH FLOW STATEMENT		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Cash flow data	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Approved budget	Revised budget estimate
R Thousand								
Consultants: Business and advisory services	572	-	687	-	824	824	367	700
Legal services (G&S)	3 015	3 575	3 316	737	3 933	3 933	4 130	1 567
Agency and support/outsourced services	58 489	2 807	14 854	316	15 220	15 220	16 792	7 000
Operating payments	62 862	10 609	861	8 739	781	781	298	295
Transfers and subsidies	-	-	-	-	-	-	-	7 500
Other government units	-	-	-	-	-	-	-	7 500
Departmental agencies and accounts	-	-	-	-	-	-	-	7 500
Cash flow from investing activities	(21 899)	149 183	(12 709)	(103 516)	(13 980)	(13 980)	(14 679)	(52 996)
Other flows from Investing Activities	(21 899)	149 183	(12 709)	(103 516)	(13 980)	(13 980)	(14 679)	(52 996)
Domestic	(21 899)	149 183	(12 709)	(103 516)	(13 980)	(13 980)	(14 679)	(52 996)
Other	(21 899)	149 183	(12 709)	(103 516)	(13 980)	(13 980)	(14 679)	(52 996)
Cash flow from financing activities	39 444	(11 324)	33 527	(21 065)	33 527	33 527	35 203	52 996
Borrowing Activities	39 444	(11 324)	33 527	(21 065)	33 527	33 527	35 203	52 996
Domestic	39 444	(11 324)	33 527	(21 065)	33 527	33 527	35 203	52 996
Long-term (>12 months)	39 444	(11 324)	33 527	(21 065)	33 527	33 527	35 203	52 996
Other	39 444	(11 324)	33 527	(21 065)	33 527	33 527	35 203	52 996
Net increase / (decrease) in cash and cash equivalents	(1 781)	122 517	2 330	(105 256)	5 797	5 797	(4 763)	3 173
								15 683

FINANCIAL BUDGET FOR 2024/25 – PROPERTY SECTOR TRANSFORMATION FUND

Statement of Financial Performance 2024/25		2022/2023 ACTUAL (AUDITED)	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
	NOTE(S)						
TOTAL REVENUE		1 770 865,00	22 185 352,91	23 213 327,61	24 246 320,69	25 325 281,96	26 452 257,01
Grant from Property Practitioners Fidelity Fund (PPFF)	1	199 277,00	7 500 000,00	7 500 000,00	7 833 750,00	8 182 351,88	8 546 466,53
Services SETA grants	2	1 571 588,00	14 685 352,91	15 713 327,61	16 412 570,69	17 142 930,09	17 905 790,48
Principalsisation - Candidacy Programme	3	-	2 868 750,00	3 069 562,50	3 206 158,03	3 348 832,06	3 497 855,09
Work Readiness - One Learner One Property Practitioner Youth Programme		1 571 588,00	11 816 602,91	12 643 765,11	13 206 412,66	13 794 098,02	14 407 935,39
OPERATING COSTS		(266 240,00)	(2 410 000,00)	(2 090 000,00)	(2 183 005,00)	(2 280 148,72)	(2 381 615,34)
Travel and accommodation	4	(164 926,00)	(1 000 000,00)	(1 000 000,00)	(1 044 500,00)	(1 090 980,25)	(1 139 528,87)
Bank charges	5	(1 154,00)	(10 000,00)	(10 000,00)	(10 445,00)	(10 909,80)	(11 395,29)
Consulting Fees	6	(72 160,00)	-	(80 000,00)	(83 560,00)	(87 278,42)	(91 162,31)
Establishment of the Property Research Centre	7	(28 000,00)	-	-	-	-	-
Venue hire	8	-	(500 000,00)	(500 000,00)	(522 250,00)	(545 490,13)	(569 764,44)
Audit fees		-	(900 000,00)	(500 000,00)	(522 250,00)	(545 490,13)	(569 764,44)
TRANSFORMATION PROGRAMMES		(1 572 357,00)	(13 509 492,00)	(13 509 492,00)	(14 110 664,39)	(14 738 588,96)	(15 394 456,17)
Consumer awareness	9	-	(500 000,00)	(500 000,00)	(522 250,00)	(545 490,13)	(569 764,44)
Fidelity Fund Certificates (FFCs) for candidate property practitioners (CPPs)	10	-	(1 779 492,00)	(1 779 492,00)	(1 858 679,39)	(1 941 390,63)	(2 027 782,51)
Regularisation		-	-	-	-	-	-
Principalsisation - Candidacy Programme	2	-	(2 250 000,00)	(2 250 000,00)	(2 350 125,00)	(2 454 705,56)	(2 563 939,96)
Work Readiness - One Learner One Property Practitioner Youth Programme	3	(1 572 357,00)	(7 780 000,00)	(7 780 000,00)	(8 126 210,00)	(8 487 826,35)	(8 865 534,62)
Mentorship fees - Host employers - R200 per learner per month	11	-	(1 200 000,00)	(1 200 000,00)	(1 253 400,00)	(1 309 176,30)	(1 367 434,65)
SMME - Incubation Programme	12	-	(6 000 000,00)	(7 500 000,00)	(7 833 750,00)	(8 182 351,88)	(8 546 466,53)
TOTAL COSTS		(1 838 597,00)	(21 919 492,00)	(23 099 492,00)	(24 127 419,39)	(25 201 089,56)	(26 322 538,04)
SURPLUS/ (DEFICIT)		(67 732,00)	265 860,91	113 835,61	118 901,30	124 192,41	129 718,97

PSTF Statement of Financial Performance Per Quarter

PROPERTY SECTOR TRANSFORMATION FUND
Statement of Financial Performance 2024/25

	2022/2023 ACTUAL (AUDITED)	2023/2024	2024/2025	2024/2025 Quarter 1	2024/2025 Quarter 2	2024/2025 Quarter 3	2024/2025 Quarter 4
TOTAL REVENUE	1 770 865,00	22 185 352,91	23 213 327,61	5 803 331,90	5 803 331,90	5 803 331,90	5 803 331,90
Grant from Property Practitioners Fidelity Fund (PPFF)	199 277,00	7 500 000,00	7 500 000,00	1 875 000,00	1 875 000,00	1 875 000,00	1 875 000,00
Services SETA grants	1 571 588,00	14 685 352,91	15 713 327,61	3 928 331,90	3 928 331,90	3 928 331,90	3 928 331,90
<i>Principalsisation - Candidacy Programme</i>	-	2 868 750,00	3 069 562,50	767 390,63	767 390,63	767 390,63	767 390,63
<i>Work Readiness - One Learner One Property Practitioner Youth</i>	1 571 588,00	11 816 602,91	12 643 765,11	3 160 941,28	3 160 941,28	3 160 941,28	3 160 941,28
OPERATING COSTS	266 240,00	2 410 000,00	2 090 000,00	522 500,00	522 500,00	522 500,00	522 500,00
Travel and accommodation	164 926,00	1 000 000,00	1 000 000,00	250 000,00	250 000,00	250 000,00	250 000,00
Bank charges	1 154,00	10 000,00	10 000,00	2 500,00	2 500,00	2 500,00	2 500,00
Consulting Fees	72 160,00	-	80 000,00	20 000,00	20 000,00	20 000,00	20 000,00
Establishment of the Property Research Centre	28 000,00	-	-	-	-	-	-
Venue hire	-	500 000,00	500 000,00	125 000,00	125 000,00	125 000,00	125 000,00
Audit fees	-	900 000,00	500 000,00	125 000,00	125 000,00	125 000,00	125 000,00
TRANSFORMATION PROGRAMMES	1 572 357,00	13 509 492,00	13 509 492,00	3 377 373,00	3 377 373,00	3 377 373,00	3 377 373,00
Consumer awareness	-	500 000,00	500 000,00	125 000,00	125 000,00	125 000,00	125 000,00
Fidelity Fund Certificates (FFCs) for candidate property practitioners (CPPs)	-	1 779 492,00	1 779 492,00	444 873,00	444 873,00	444 873,00	444 873,00
Regularisation	-	-	-	-	-	-	-
Principalsisation - Candidacy Programme	-	2 250 000,00	2 250 000,00	562 500,00	562 500,00	562 500,00	562 500,00
Work Readiness - One Learner One Property Practitioner Youth Programme	1 572 357,00	7 780 000,00	7 780 000,00	1 945 000,00	1 945 000,00	1 945 000,00	1 945 000,00
Mentorship fees - Host employers - R200 per learner per month	-	1 200 000,00	1 200 000,00	300 000,00	300 000,00	300 000,00	300 000,00
SMME - Incubation Programme	-	6 000 000,00	7 500 000,00	1 875 000,00	1 875 000,00	1 875 000,00	1 875 000,00
TOTAL COSTS	1 838 597,00	21 919 492,00	23 099 492,00	5 774 873,00	5 774 873,00	5 774 873,00	5 774 873,00
SURPLUS/ (DEFICIT)	67 732,00	265 860,91	113 835,61	28 458,90	28 458,90	28 458,90	28 458,90

<p>1. The PPF budgeted the R7 500 000 for PSTF to be released on a project-based basis. Each of the candidates gets a stipend of R3000 per month.</p>
<p>2. PSTF is currently awaiting final approval from the Services SETA for continued funding. The current funding agreement is due to end on the 31 March 2024. It is expected that an agreement is signed before the beginning of the financial year. However, the amount of R200,00 to be paid to the lead employer per learner for per candidate principal property practitioners will be retained in the new agreement.</p>
<p>3. PSTF is currently awaiting final approval from the Services SETA for continued funding the current agreement ends on the 31 March 2024. It is expected that SETA will continue to fund the Transformation programmes.</p>
<p>4. This budget is allocated to cater for travelling needs for the transformation department to all the nine provinces to monitor the implementation the transformation programmes.</p>
<p>5. A high volume of transactions are envisaged given the planned activities within the PSTF for the 2024/25 financial year.</p>
<p>6. NOVA consulting fees for the payment of stipends.</p>
<p>7. Venue hire budget is meant to cater for venue hire for transformation-related workshops and training.</p>
<p>8. Audit fees is for the Auditor General's statutory audit undertaken annually to provide assurance on the affairs of the PSTF.</p>
<p>9. Consumer awareness related activities will be undertaken in collaboration with the Marketing and Stakeholder Department to achieve cost savings through the sharing of costs between the departments.</p>
<p>10. Fidelity Fund Certificates are essential as no person is allowed to trade as a property practitioner unless an FFC has been issued to them. The funding of these FFCs to be issued to the Candidate Property Practitioners are funded by Services SETA.</p>
<p>11. Mentorships fees are paid to the principal property practitioners that volunteered to host learners under the One Learner - One Property Practitioners Youth Programme. This is meant to incentivise the host employers to transfer skills to the learners whilst the learners acquire their real estate qualifications. The 500 learners are as per APP target and R200 per learner per month to be paid to the host employers.</p>
<p>12. SMME-Incubation programme is meant to identify business property practitioners (Property firms ran and operated by previously disadvantaged individuals (PDIs) to help them scale and become national brands.</p>

STAFF COSTS BUDGET FOR 2024/2025

STAFF COSTS BUDGET							
Staff Costs	Notes	Audited Outcomes	Approved Budget	Proposed Budget	Medium Term Estimates		
		2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Cost of living adjustment							
Staff costs		88 568 096	116 970 310	130 003 333	135 827 482	141 871 805	148 185 100
Cost of living adjustment 5%	1	-	3 955 518	6 190 635	6 467 975	6 755 800	7 056 433
Medical Aid – Co contribution	2	4 635 986	5 966 372	5 488 804	5 734 703	5 989 897	6 256 448
Performance Bonus Provision	3	-		7 500 000	7 836 000	8 184 702	8 548 921
Filling of new positions	4	-		25 061 899			
Total		88 568 096	116 970 310	130 003 333	135 827 482	141 871 805	148 185 100

BUDGET ASSUMPTIONS FOR STAFF COSTS FOR 2024/25

The composition of the Staff Costs budget of 130 003 333 can be summarised as follows:

1. An annual 5% cost-of-living adjustment of R5.9 million has been provided for in the 2024/25 budget.
2. Medical Aid company contribution of R5.5 million comprises of 4% of the total cost to company.
3. An amount of R7.5 million has been budgeted for performance bonuses. This will be apportioned across all cost centres.
4. The budget for the filling of the remaining critical positions is R25 million. The critical vacancies were finalised after discussions with the departmental managers. In discussion with the ACEO the number of critical vacancies was reduced due to budget constraints/ affordability. The most critical remaining vacancies will be filled in a phased approach during FY 2024/25. The other vacancies will be filled based on the operational needs of the entity and will ideally be matched by an increase in revenue. The filling of vacancies will also be informed by the organisation's Employment Equity targets, for purposes of ensuring EE reporting compliance.

PART D : TECHINICAL INDICATORS

PROGRAMME 1: ADMINISTRATION

Indicator Title	1.1.1 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	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	1.2.1. Percentage implementation of approved internal audit plan
Definition	Management of the PPRA resources, testing the adequacy and effectiveness of internal controls; delivery on the Internal Audit mandate and compliance with professional standards and applicable legislations."
Source of data	Approved Internal audit plan, Internal audit reports, and internal audit progress reports
Method of Calculation / Assessment	Total number of audits completed for the quarter or annually / total number of planned audits for the quarter or annually

Means of verification	Approved annual plan Status report to Audit, Governance and Risk Committee (AGRC)
Assumptions	Unrestricted access to records Availability of personnel Cooperation and support from business units and stakeholders Quality of information and records
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	100% audit completed as per approved annual internal audit plan which will result in reasonable assurance to management and governance (oversight) structures on the adequacy and effectiveness of the system internal controls, risk management, and governance processes.”.
Indicator Responsibility	Chief Executive Officer and Chief Risk Officer

Risk Management

Indicator Title	1.3.1 Percentage implementation of approved risk management plan
Definition	The risk management implementation plan is aligned with the risk management strategy and unpacks specific risk management activities that will be implemented for the particular year including responsible persons, resources required, and target dates
Source of data	The risk management methodology embedded in the risk identification template will be used as the source to facilitate the completion of the strategic risk register. Risk monitoring tool to be used for monitoring actions identified in the strategic risk register. Data will be collected from provincial offices and updated in the risk register. The approved strategic risk register will be used as a source for the approved strategic risks including key risks
Method of Calculation / Assessment	Total number of activities implemented / total number of planned activities for the quarter / annually
Means of verification	Approved risk management plan Progress report Risk registers
Assumptions	Complete, accurate, timeous risk information and co-operation from internal stakeholders (Risk Champions and Risk Owners)
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A

Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	100% of the approved risk management plan implemented
Indicator Responsibility	Chief Risk Officer

Anti-Corruption and Integrity Management

Indicator Title	1.4.1 Percentage Implementation of Fraud Prevention Plan
Definition	Implementation of approved anti-fraud and corruption plan. Activities in the plan include fraud investigations, facilitating fraud prevention projects, awareness, and assisting in forensic assignments as required
Source of data	Approved anti-fraud and corruption plan\Progress reports
Method of Calculation / Assessment	Verification of the existence of quarterly progress reports on the risk, anti-corruption, and integrity management implementation plan
Means of verification	Progress reports on anti-fraud and corruption
Assumptions	Unrestricted access to records Availability of personnel Cooperation and support from stakeholders (e.g., business units and provinces)
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Not Applicable
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Implement all activities in the approved anti-fraud and corruption implementation plan
Indicator Responsibility	Chief Risk Officer

Empowerment

Indicator Title	1.5.1 Percentage of annual procurement spend, targeted at businesses owned by women
Definition	This indicator measures the percentage of the PPRA 's annual procurement spend on businesses owned by women. The amount of money spent on goods and services procured by the PPRA in the implementation of its mandate from the women is expressed in percentage form relative to its entire procurement spend for the financial year

Source of data	<ul style="list-style-type: none"> Consolidated and validated quarterly procurement records using data from the supply chain management system, reflecting cumulative (year-to-date) information. Quarterly Supply Chain Management Report tabled at EXCO
Method of Calculation / Assessment	<p>Percentage: Total procurement spend committed and/or awarded to businesses owned by women /total procurement spend of the PPRA x 100</p> $\frac{\text{Sum of the Rand value of Purchase Orders (PO) issued on businesses owned by Women}}{\text{Total Rand value of Purchase Orders (PO) issued on all service providers (regardless of designated group status) over the same cumulative (year-to-date) period}} \times 100$
Means of verification	<ul style="list-style-type: none"> Purchase Orders (PO). Documentation pertaining to the companies that procurement budget is awarded/committed to e.g., CSD reports indicating women-owned status of the companies and/or BEE Certificate/ sworn affidavit
Assumptions	<ul style="list-style-type: none"> Businesses owned by Women registered on the National CSD database. Availability of businesses owned by Women for the services and products procured by PPRA
Disaggregation of Beneficiaries (where applicable)	Target Women: 40%
Spatial Transformation (where applicable)	Not applicable
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
Desired performance	40% of annual PPRA procurement spend, targeted at businesses owned by Women
Indicator Responsibility	CFO

Indicator Title	1.5.2. Percentage of annual procurement spend, targeted at businesses owned by youth and persons with disabilities
Definition	This indicator measures the percentage of the PPRA's annual procurement spend on businesses owned by youth, persons with disabilities, and military veterans. The amount of money spent on goods and services procured by the PPRA in the implementation of its mandate from youth and persons with disabilities is expressed in percentage form relative to its entire procurement spend for the financial year
Source of data	<ul style="list-style-type: none"> Consolidated and validated quarterly procurement records using data from the supply chain management system, reflecting cumulative (year-to-date) information

	<ul style="list-style-type: none"> Quarterly Supply Chain Management Report tabled at EXCO
Method of Calculation / Assessment	<p>Percentage: Total procurement spend committed and/or awarded to businesses owned by either youth or persons with disability / total procurement spend of the service x 100</p> $\frac{\text{Sum of the Rand value of Purchase Orders (PO) issued on businesses owned by Youth or Persons with disability}}{\text{Total Rand value of Purchase Orders (PO) issued on all service providers (regardless of designated group status) over the same cumulative (year-to-date) period}} \times 100$ <p>A person can be counted more than once in line with different designated groups. For example person with disability and youth</p>
Means of verification	<ul style="list-style-type: none"> Purchase Orders (PO). Documentation pertaining to the companies that the procurement budget is awarded/committed to e.g., CSD reports indicating youth, persons with disability status of the companies and/or BEE Certificate/ sworn affidavit
Assumptions	<ul style="list-style-type: none"> Businesses owned by youth, persons with disability, and military veterans registered on the National CSD database Availability of businesses owned by youth, and persons with disabilities for the services and products procured by the entity.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> Target for youth: 21% Target for persons with disabilities: 5%
Spatial Transformation (where applicable)	Not applicable
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
Desired performance	26% of annual PPRA procurement spend, targeted at businesses owned by youth and persons with disabilities
Indicator Responsibility	CFO

Consumer Management

Indicator Title	1.6.1 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	Number of consumer queries (received by the PPRA, investigated) resolved within 90 days / Number of consumer queries received by the PPRA*100"
Means of verification	Quarterly progress reports on the Complaints Register Sap log queries

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	Chief Corporate Support Officer

Indicator Title	1.7.1 Percentage of valid invoices paid within 30 days
Definition	Measures the efficiency and timeliness of an organization's accounts payable process. This KPI quantifies the proportion of valid invoices that are processed and paid within 30 days from the date of receipt or approval.
Source of data	Data collected from the ERP system
Method of Calculation / Assessment	Number of valid invoices paid within 30 days/ Total number of valid invoices received *100
Means of verification	Quarterly accounts payable reports Invoice 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	100% of valid invoices paid within 30 days
Indicator Responsibility	Chief Corporate Support Officer

Programme 2: Licensing and Compliance

Compliant New Registration

Indicator Title	2.1.1 Percentage of all compliant new registrations processed within 30 working 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 report from SAP
Method of Calculation / Assessment	$(\text{Number of compliant registrations processed within 30 days}) / (\text{Total Number of compliant registrations received}) * 100$
Means of verification	Quarterly progress reports
Assumptions	Compliant registrations processed within 30 days
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative
Reporting cycle	Quarterly and annually
Desired performance	98% of all compliant registrations are processed within 30 working days
Indicator Responsibility	Executive Manager: Licensing and Compliance

Compliant Renewal

Indicator Title	2.1.2. Percentage of compliant renewals processed within 30 working days of payment reconciliation
Definition	Measures the percentage of renewals that are processed within 30 working days of payment reconciliation
Source of data	Download reports from the SAP system. Renewal applications reports from SAP
Method of Calculation / Assessment	$(\text{Number of compliant renewals processed within 30 working days of payment reconciliation}) / (\text{Total Number of compliant renewals received}) * 100$
Means of verification	Quarterly progress reports
Assumptions	Compliant renewals processed within 30 working days of payment reconciliation
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative
Reporting cycle	Quarterly and annually
Desired performance	90% of compliant renewals processed within thirty (30) working days of payment reconciliation
Indicator Responsibility	CFO and Executive Manager: Licensing and Compliance

Programme 3: Inspections and Enforcement

Indicator Title	3.1.1. Number of PPA Inspections Conducted per annum
Definition	Measure the number of PPA Inspections Conducted per annum, to ensure compliance with PPA
Source of data	Approved PPRA inspection plan and Inspection Reports
Method of Calculation / Assessment	Number of PPA Inspections Conducted per quarter
Means of verification	Approved quarterly inspections reports
Assumptions	PPA Inspections Conducted
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	300 PPA Inspections conducted per annum
Indicator Responsibility	Executive Manager: Inspections and Enforcement

Enforcement and Compliance

Indicator Title	3.2.1. Percentage of complaints received and resolved within 6 months.
Definition	Completed investigations conducted in terms of the Act for misconduct and contravention of the Act are mediated within 6 months
Source of data	Inspection and Compliance Reports ERP reports
Method of Calculation / Assessment	(Number of complaints received /number of resolved complaints within 6 months) *100
Means of verification	Approved Quarterly Reports
Assumptions	Completed investigations requiring mediation are mediated within 30 days from the date of notice of mediation
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative
Reporting cycle	Quarterly and annually
Desired performance	75% of complaints received and resolved within 6 months

Indicator Responsibility	Executive Manager: Enforcement and Compliance

Programme 4: Education, Professionalisation, CPD

Indicator Title	4.1.1. Number of Estate Agents awarded professional designations
Definition	Measures the increase in the number of property practitioners awarded professional designations in the year
Source of data	Education and Training SAP Report
Method of Calculation / Assessment	Number of registered property practitioners holding the professional designation in the current period less the number of registered property practitioners holding a professional designation in the previous period
Means of verification	Quarterly Reports and Trend Analysis ERP reports
Assumptions	Improved professionalism and ethical practices of Property Practitioners
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	1750 property practitioners awarded professional designations in the year
Indicator Responsibility	Executive Manager: Education & Training

Indicator Title	5.1.1. Number of property practitioners fully meeting CPD requirements
Definition	Measures the number of property practitioners who are registered for CPD and have met CPD requirements in full.
Source of data	Education and Training SAP Report on CPD
Method of Calculation / Assessment	Number of registered property practitioners holding the professional designation in the current period less the number of registered property practitioners holding a professional designation in the previous period
Means of verification	Quarterly Reports and Trend Analysis ERP Reports on CPD
Assumptions	Facilitate continuous professional development

Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	15 000 property practitioners fully meeting CPD requirements in the year
Indicator Responsibility	Executive Manager: Education & Training

Contribution To Medium Term Strategic Framework

Indicator Title	6.1.1. Percentage Implementation of the Consumer Awareness Programme
Definition	MTSF targets are set every 5 years to track and ensure that educational efforts related to property transactions, homeownership, and renting are effectively delivered to the target audience, which could include potential borrowers, prospective homeowners, or tenants. This educational initiative often aims to provide information and resources to help individuals make informed decisions related to housing, loans, and rental agreements
Source of data	Stakeholder Reports
Method of Calculation / Assessment	$(\text{Number of consumer awareness performed} / \text{Total number of consumer awareness as per the approved plan}) * 100$
Means of verification	Quarterly reports, and attendance registers
Assumptions	100% Implementation of the Consumer Awareness Programme
Disaggregation of Beneficiaries (where applicable)	Nil
Spatial Transformation (where applicable)	Nil
Calculation type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	100% Implementation of the Consumer Awareness programme in partnership with DHS entities and other stakeholders
Indicator Responsibility	Chief Corporate Service Officer / Chief Executive Officer
Indicator Responsibility	Chief Corporate Service Officer / Chief Executive Officer

Central Repository

Indicator Title	6.2.1. Number of approved transformation agenda items researched
Definition	Measuring the listed agenda which must be approved and researched in terms of Section 4 of the Act. There are 7 listed research agenda items that must be prioritized. The research centre will therefore research 2 of the key agendas set out by Section 22 (4)
Source of data	The website. https://theppra.org.za/ e-repository hub
Method of Calculation / Assessment	Number of transformation research reports done
Means of verification	Verification of the 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	2 approved transformation agenda items researched <ul style="list-style-type: none"> Assessing professionalism in the property sector of South Africa Sector skills development and resilience in South African property market
Indicator Responsibility	Property Sector Research Manager

Property Sector Transformation

Indicator Title	6.3.1. Number of Full Status Black Women that have been supported through the Principialisation Programme
Definition	Measures the Number of Full Status Black Women that have been supported through the Principialisation Programme. (The Principialisation Programme is aimed at increasing ownership and management control of estate agencies by Black women. This indicator focuses on the participation of Black Women in this Programme)
Source of data	Black Women Property practitioners on the SAP database
Method of Calculation / Assessment	Number of Black Women in participation during current period
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	Non- Cumulative
Reporting cycle	Annually
Desired performance	440 Full Status Black Women that have been supported through the Principalisation Programme
Indicator Responsibility	Property Sector Fund Manager

Indicator Title	6.3.2. 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 property practitioner
Source of data	Black property practitioners on the SAP Database
Method of Calculation / Assessment	Calculate the Number of black principals on the SAP Database
Means of verification	Status reports to Exco and Board
Assumptions	1 100 black property practitioners
Disaggregation of Beneficiaries (where applicable)	N/A
Calculation type	Non- Cumulative
Reporting cycle	Annually
Spatial Transformation (where applicable)	1100 principals established through the Implementation of the Principalisation Programme
Desired performance	1100 principals established through the implementation of the Principalisation Programme
Indicator Responsibility	Property Sector Fund Manager

Indicator Title	6.4.1. Number of candidate practitioners placed with property industry host employers through the "One Learner - One Property Practitioner" Programme
Definition	The programme aims to measures the number of candidate property practitioners that has been placed with property industry host employers through "One learner-One Property Practitioner Programme"

Source of data	Industry Placement Reports
Method of Calculation / Assessment	Number of contracts signed by learners
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
Reporting cycle	Non- Cumulative
Desired performance	500 candidate practitioners placed with property industry host employers through the "One Learner - One Property Practitioner" Programme
Indicator Responsibility	Property Sector Fund Manager

Transformation Fund

Indicator Title	7.1.1. Number of SMMEs owned by historically disadvantaged groups placed through the Incubation Programme
Definition	The programme is aimed at promoting and enhancing the participation of historically disadvantaged property practitioners, through the implementation of SMMEs placed through the Incubation Programme.
Source of data	Incubation Placement and Progress Reports Property Practitioners' database and Procurement reports
Method of Calculation / Assessment	Number of SMMEs participating in the incubation programme and who has signed contracts
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	Property Sector Fund Manager

Fidelity Fund

Indicator Title	8.1.1. Percentage of fully compliant claims paid within 90 days of lodgement
Definition	Increased property consumer satisfaction due to timely processing of compliant claims.
Source of data	Claims SAP Reports
Method of Calculation / Assessment	$(\text{Number of fully compliant claims paid within 90 days of lodgement}) / (\text{Number of fully compliant claims approved}) * 100$
Means of verification	SAP Download
Assumptions	100% of fully compliant claims paid within 90 days of lodgement
Disaggregation of Beneficiaries (where applicable)	Nil
Spatial Transformation (where applicable)	Nil
Calculation type	Non-Cumulative
Reporting cycle	Quarterly and annually
Desired performance	100% of fully compliant claims paid within 90 days of lodgement
Indicator Responsibility	Chief Executive Officer
Indicator Responsibility	Manager: Claims Manager

ANNEXURE A: DISTRICT DEVELOPMENT MODEL

Not Applicable

For more information, please contact:

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