



COUNCIL FOR THE BUILT ENVIRONMENT STRATEGIC PLAN

Financial Years
2013 - 2017

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Message from the Minister of Public Works

South Africa is still faced with a number of socio-economic challenges such as unemployment, poverty and inequality. The growing consensus is that the state ought to play a more direct role in the economy, particularly under the current global economic climate characterised by high uncertainty and low levels of economic growth. In his 2012 State of the Nation Address, His Excellency, Jacob G. Zuma emphasised government's commitment to fighting unemployment and poverty through increased investment in infrastructure. Within this context, the role of the infrastructure departments such as the Department of Public Works and its entities within the built environment and construction sector becomes fundamental.

While the built environment and construction sector in general responds to these important policy priorities, there are still major transformation challenges that need to be addressed. The built environment professions in general remain untransformed and the participation of previously disadvantaged groups within the professions remains disturbingly low. This is an area the Department of Public Works will pay attention to over the medium term. The CBE, working together with its key role players - the Professional Councils, is also expected to play a central role in determining and developing a strategy and transformation path for the built environment professions.

Linked to the issues of transformation, is the broader priority of skills development and access to the built environment professions by individuals from the previously disadvantaged backgrounds. In partnership with the Department of Basic Education and the Department of Higher Education and other entities, the CBE under the guidance of the Department of Public Works will drive the implementation of skills development initiatives with the ultimate goal of improving representation of all racial groups within the built environment professions.

Over the medium term, the Department of Public Works will also prioritise the review of the Legislative and Regulatory arrangements within the built environment with the aim of strengthening governance and institutional arrangements within the sector, and more importantly to ensure that the built environment professions continue to play a meaningful role in the developmental objectives of the State as well as priorities of the Department of Public Works in particular.

I have full confidence in the CBE Council under the leadership of Ms Portia Tau-Sekati in implementing this strategic plan, and in providing wisdom to serve the interests and aspirations of the South African public within the built environment. As the Executive Authority, I take this opportunity to endorse this strategic plan and provide assurance that I am committed to its implementation.

A handwritten signature in black ink, appearing to read 'Thembelani Nxesi'.

Honourable Thembelani Nxesi (MP)
Minister of Public Works



Message from the Chairperson of the Council

South Africa has embarked on a developmental approach which strategically positions the Built environment as a key driver of development. The CBE Council took a decision to review strategic direction in December 2012 to ensure that the CBE remains a relevant and effective leader on built environment issues, whilst improving the satisfaction of its stakeholders. The review of the strategic direction for the CBE was further informed by the need to ensure that the organisation is aligned to the strategic direction of the Department of Public Works. The CBE Strategic Plan takes into consideration the fact that government is placing infrastructure development at the forefront of its agenda, with the aim to transform the economy and stimulate economic growth and job creation in South Africa. This consideration led into the CBE revising its seven strategic goals, resulting into development of four strategic goals over the MTEF. The CBE is thus guided by the following strategic goals:

- Support government priorities in relation to built environment matters
- Facilitate and monitor continued sustainable, dynamic and competent and transformed built environment professions and professionals
- Establish and maintain a centre of excellence for an integrated built environment body of knowledge
- Strengthen public protection and educate public in relation to the built environment.

Transformation remains one of the key challenges facing the built environment professions, and it remains one of the priority areas for the Council. We realise that the effects of the sector not being transformed not only affects us, but it is an issue of concern to the nation. The Council commits to driving the transformation agenda for a better future of our country.

In ensuring execution of the CBE's mandate, the Council will ensure that requisite capacity is in place within the organisation. The current challenges and opportunities presented by the sector offer an opportunity for the CBE to effectively implement its mandate by actively supporting government through advice on issues pertaining to long term planning. It is for this reason that the CBE has realised the need to establish a Centre of Excellence through which research will be conducted to develop relevant information and knowledge for the built environment. It is expected that this will enable the CBE to widen its impact locally and globally.

In improving our efficiency, the CBE is adopting a strategy-linked delivery model. It is expected that this will enable us to have the appropriate models that enable effectiveness, efficiency, and importantly relevance of the organisation. In achieving these, the CBE will ensure that proper processes and systems are in place, moreover, capacity aligned to the organisational delivery model. At Council level, we will strive to strengthen our governance and control and thus position the CBE to operate at an optimal level, which will further position the CBE to become a gateway to the African continent in support of the African Agenda as guided by our Honourable President.

A handwritten signature in black ink, appearing to read 'Portia', written over a horizontal line.

Portia Tau-Sekati

Chairperson of the CBE

Official Sign-Off

It is hereby certified that this Strategic Plan was developed by the management of the Council for the Built Environment under the guidance of the Executive Authority. It takes account of all relevant policies, legislation and mandates for which the Council for the Built Environment is responsible.

It accurately reflects the strategic outcome oriented goals and objectives which the CBE will endeavour to achieve given the resources made available over the 5 year period between 2013 and 2017.



Nana Mhlongo (Ms)
Acting Manager: CEO's Office



Maphefo Sedite (Ms)
Chief Financial Officer



Gugu Mazibuko
Chief Executive Officer



Portia Tau-Sekati (Ms)
Chairperson: CBE Council

Approved by:



Honourable Thembelani Nxesi (MP)
Minister of Public Works

Acronyms and Definitions

AG	Auditor-General
BBBEE	Broad Based Black Economic Empowerment
BE	Built Environment
BEE	Black Economic Empowerment
BEPCs	Built Environment Professional Councils
CBE	Council for the Built Environment
CBP	Community Based Programme
CHE	Council for Higher Education
CI	Construction Industry
CIIP	Centre of Innovation and Integrated Planning
CIIs	Construction Industry indicators used to measure performance, growth and improvements
CIP	Capital Improvement Programme
COP	Communities of Practice
Council	The appointed members of the Council of the CBE
DHET	Department of Higher Education and Training
DoE	Department of Education
DPW	Department of Public Works
EEA	Employment Equity Act
EPWP	Expanded Public Works Programme
HEIMS	Higher Education Information Management System
IDoW	Identification of Work
The Minister	Minister of Public Works
MoU	Memorandum of Understanding
MoA	Memorandum of Agreement
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NEMA	National Environmental Management Act, 1998

N&G	Norms and Guidelines in the Built Environment
NCDP	National Contractor Development Programme
NQF	National Qualification Framework
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PDI	Previously Disadvantaged Individuals
PIA	Protection of Information Act
PIP	Property Incubator Programme
PFMA	Public Finance Management Act, 1999 (Act 1 of 1999)
PPP	Public Private Partnerships
PPPFA	Preferential Procurement Policy Framework Act
SAQA	South African Qualifications Authority
SLA	Service Level Agreement

Message from the CEO

The year 2013 represents a third year of execution of the new strategic direction of the CBE. In 2011 the organisation had to re-adjust, restructure and re-engineer its internal processes, systems and delivery mechanisms to enable it to deliver on the strategic objectives of the CBE. The benefits of some of the activities mentioned above will only be realised at the beginning of 2013 financial year but the management remains optimistic about its capacity to execute the strategy as defined by the CBE Council.

The 2013 MTEF period also presents challenges as well as opportunities in a number of strategic areas. The recent global economic crisis has put the spotlight back on the role of regulatory bodies in averting the impact of market failures. One of the key pillars of the CBE's redefined strategic thrust is to ensure that the CBE is capacitated and geared to be relevant and responsive to the government's development priorities within the built environment.

The 2009 Medium Term strategic framework document of government stresses the need to prioritise African advancement. Pursuant to the objective of contributing to regional economic integration and promoting the creation of a better Africa, the CBE has begun creating partnerships with various equivalent bodies across the continent. The focus of these partnerships is among others, on mutual recognition of professional standards as well as training and education to facilitate mobility of professionals across the continent, to allow ease of doing business, and more importantly sharing of skills and knowledge. The CBE has a wider vision on international relations within legislative limitations on the CBE, to strengthen and expand the existing relations even to other developing countries, with BRICSA countries being the priority region over the 2013 MTEF period.

Transformation within the built environment professions continues to be a challenge and a enormous task for the CBE. Transformation requires a concerted effort of the whole built environment community. The CBE facilitate collective efforts towards developing and getting consensus on the transformation agenda and progress, which all the stakeholders will report on. The CBE is certain that through the support from the Department of Public Works, the organisation will continue to work with various stakeholders to ensure that the built environment is demographically representative, the government's professional capacity is enhanced and the public has access to information on the built environment.

The CBE will also intensify its work on research and knowledge management in order to influence and support development planning and policymaking in the built environment and will continue to engage with various key stakeholders in order to ensure effective regulation and development of the built environment professional space.

The CBE as a regulatory body also has a huge to play particularly in ensuring that the regulatory instruments designed to protect and advance the interests of the public in the built environment are sound and they are applied consistently across the sector. To this end, over the MTEF, the CBE will have high on the list of priorities of deliverables, the implementation of the Identification of Work (scope of work that can only be undertaken by appropriately qualified and registered professionals). The organisation will also focus on strengthening internal capacity particularly around legal services and regulations to ensure that there is adequate resources and infrastructure to deal with anticipated rise in regulatory work.

The CBE recognises the need to grow capacity to host the multi-stakeholder dialogues and consensus building mechanisms needed to balance the interests of the three primary stakeholder groups - the citizens of South Africa's who are the recipients of development, the state who has given the CBE its mandate and the professionals – who serve the public.



Gugu Mazibuko (Ms)
Chief Executive Officer

PART A: STRATEGIC OVERVIEW

1. Purpose and Values of the CBE

Vision

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

Mission

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

Values

The following values are the principles that bind and guide CBE in its continuous effort towards service delivery improvement:

- **Integrity**
We will carry out our responsibility in a manner that will preserve and enhance the integrity of the organisation.
- **Transparency**
We recognise the CBE as a public entity and commit to providing reliable information to all our stakeholders.
- **Excellence**
We will endeavour to achieve the best possible standards in all we do.
- **Innovation**
We will continuously seek and employ better and more affordable solutions to meet the needs of our stakeholders

Revisions to Legislative and other Mandates

1.1. Legislative Revisions

No legislative revisions have been made to date, however the Ministry of Public Works has begun the process of re-introducing the South African Council for the Built Environment Bill.

1.2. Legislative Mandates

The scope of the CBE and Professional Councils in the built environment value chain is to regulate those built environment professions who conceptualise, design, build, maintain and transfer social and economic infrastructure. CBE executes its mandate derived from the CBE Act 43 of 2000 and informed and attentive to a variety of legislations, regulations and policies which amongst others are the following:

Short Title of The Act	Purpose of the Act
Republic of South Africa Constitution of 1996	The Constitution is the supreme law of the land. No other law or government action can supersede the provisions of the Constitution.
Architects, Engineers, Quantity Surveyors and Valuers Adjustment Act, 1995	To provide for the Minister to extend the periods of office of members of the Professional Councils for further periods.
Consumer Protection Act 2011	To promote a fair, accessible and sustainable marketplace for the consumer.
Construction Industry Development Board Act, 2000	To provide for the establishment of the Construction Industry Development Board; and matters incidental thereto.
Council for the Built Environment Act, 2000	To provide for the establishment of the Council For the Built Environment and matters incidental thereto.
Architectural Profession Act, 2000	To provide for the establishment of the Council for the Architectural Profession and matters incidental thereto.
Landscape Architectural Professional Act, 2000	To provide for the establishment of the Council for the Landscape Architectural Profession and matters incidental thereto.
Engineering Profession of South Africa, 2000	To provide for the establishment of the Council for the Engineering Profession and matters incidental thereto.
Project and Construction Management Profession Act, 2000	To provide for the establishment of the Council for the Project and Construction Management Profession and matters incidental thereto.
Quantity Surveying Profession Act, 2000	To provide for the establishment of the Council for the Quantity Surveying Profession and matters incidental thereto.
Property Valuers Profession Act of 2000	To provide for the establishment of the Council for the Property Valuation Profession and matters incidental thereto.

Public Finance Management Act of 1999	To regulate financial management and to ensure that all revenue, expenditure, assets and liabilities of Government departments or entities are managed efficiently and effectively.
Skills Development Act 97 of 1998	To govern training, education and skills development in the workplace.
Employment Equity Act	Applies to all employers and workers and protects workers and job seekers from unfair discrimination, and also provides a framework for implementing affirmative action.
Promotion of Administrative Justice Act of 2000	To give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996; and to provide for matters incidental thereto.
Minimum Information Security Act	(1) Maximises the degree to which unclassified geographic information from various sources can be made electronically compatible and accessible; and (2) Promotes the development of interoperable geographic information systems technologies that shall— (a) allow widespread, low-cost use and sharing of geographic data by National, Provincial, local governments and state entities, and the public; and (b) enable the enhancement of services using geographic data
Occupational Health and Safety Act	The Occupational Health and Safety Act aims to provide for the health and safety of persons at work and for the health and safety of persons in connection with the activities of persons at work and to establish an advisory Council for occupational health and safety.
National Treasury Regulations	These regulations are issued on a regular basis by National Treasury and are applicable to all public entities as listed on Schedules 2, 3B and 3D. These regulations are also applicable to public entities listed on Schedules 3A and 3C until 31 March 2001
National Archives of South Africa Act 1996	Provides for the proper management and care of the records of governmental bodies; and the preservation and use of a national archival heritage.
Construction Charter	Provides a framework for the construction sector to address BBBEE, enhance capacity and increase productivity in the sector to meet world best practice
Property Charter	Promote the BBBEE Act as these relate to the property sector

Table 1: Legislative Mandate

1.3. Policy mandates

The following delegations of authority are implemented within CBE and will be reviewed accordingly;

- Procurement delegations;
- Financial delegations;
- Human Resource Management delegations; and
- Communication delegations,

1.4. Planned policy initiatives

Following concerns from Professional Councils about overlaps between their founding Legislation and the CBE Act, a process of review of the current Act of CBE and Professional Councils was started in 2010. There is consensus that inconsistencies and weaknesses in the legislation hinder the effective discharge of CBE and Professional Councils mandates.

The six built environment professional councils agreed to identify weaknesses and make proposals for amendments to the Minister of Public Works through the CBE.

The process of amendment of the Act has however been overtaken by the re-introduction of the discussions on the policy document intended to inform the South African Council for Built Environment Bill under the stewardship and leadership of the Minister of Public Works.

1.5. Relevant Court rulings

No court rulings are applicable.

2. Situational Analysis

From a global view, the 2013 Medium Term Expenditure Framework (MTEF) period represents a period of economic uncertainty characterised by rising levels of public debt in the Euro zone. The current economic imbalances in the Euro zone raise fears of a second global economic crisis which could result in a decline in economic activity, rising inflation and interest rates, tight monetary policies and unemployment. It is however not known whether this crisis will affect the South African economy in the same manner as the global crisis of 2008 or not.

The potential decline in economic growth will impact on the growth prospects in key sectors such as the construction sector and residential property markets which the built environment professionals largely operate in. The South African government has adopted a developmental state approach with intentional intervention when markets fail. The recent announcement by the Minister of Finance of the State's intention to roll-out a comprehensive infrastructure development programme is one such example. It is in such circumstances where the role of regulatory bodies such as the CBE and BE professional councils (BEPCs) becomes even more significant in providing leadership and direct professional practice to the most urgent priorities of the country.

The 2013 MTEF planning process is in a period of the reintroduction of discussions to amend the regulatory arrangements within the built environment (BE) by DPW. From an optimistic and strategic point of view, this presents an opportunity for the BEPCs and the CBE to redefine and reaffirm their strategic relevance and their unique competitive advantage within the public-sector landscape. The outcomes of the discussions on the legislative review cannot be pre-empted, and there will be some level of operational uncertainty that it will present. The current legislation continues to provide a basis for execution of the CBE'S Strategic Plan.

The CBE views the period between 2013 and 2017 as a time to consolidate and position the BEPs as important contributors to the development priorities of the State. Key CBE priorities include:

- aligning the policy planning and reporting processes of BEPCs to the government's planning cycles.
- strengthening monitoring and regulatory work on delegated public functions of the BEPCs.
- establishing a structured candidacy programme to address bottlenecks in the skills pipeline
- stepping up mechanisms to drive transformation and ensuring adequate representation of women and black people within the BE.
- establishing and strengthening ties with equivalent bodies within the African continent, with specific focus on the Southern African Development Community region.
- enhancing internal systems, controls and capabilities to allow the organisation to deliver on its mandate and strategic goals.

2.1. Performance environment

As a statutory Entity established by the Council for the Built Environment Act (no.43 of 2000), the CBE has adopted the government monitoring and evaluation framework as a basis to inform its planning and monitoring processes. The organisation also adopts the National Treasury Framework for Strategic Plans and Annual Performance Plans.

With regard to performance, the organisation continues to make significant improvements in areas of policy development. As a result eleven of the thirteen policy frameworks governing the discharge of the public functions of the CBE and professional councils have been developed. The remaining policy frameworks are earmarked for completion at the end of 2013/14 financial year. Progress is also noticeable in areas of regulatory work and the organisation is currently working with the Department of Public Works to develop regulations for certain key public functions in order to ensure compliance by the BEPs.

In financial management, good progress has been made, with the organisation receiving an unqualified audit opinion in the last two financial years.

While the positives are noted, the CBE still remains concerned about the slow pace regarding the completion of the Identification of Work process. Work is currently underway to fast track progress with the professional councils that have not completed their identification of work policies. It is envisaged that the signing of the Memorandum of Agreements with the professional councils will add further impetus to the completion of the IDOW.

The CBE is also concerned about the pace of transformation within the built environment industry. Currently, the statistics of registered built environment professionals do not reflect the demographics of the country. Transformation of the built environment professions remains a high priority for the CBE over the next MTEF period; as well as the area of skills development and providing research and a body of knowledge on built environment matters.

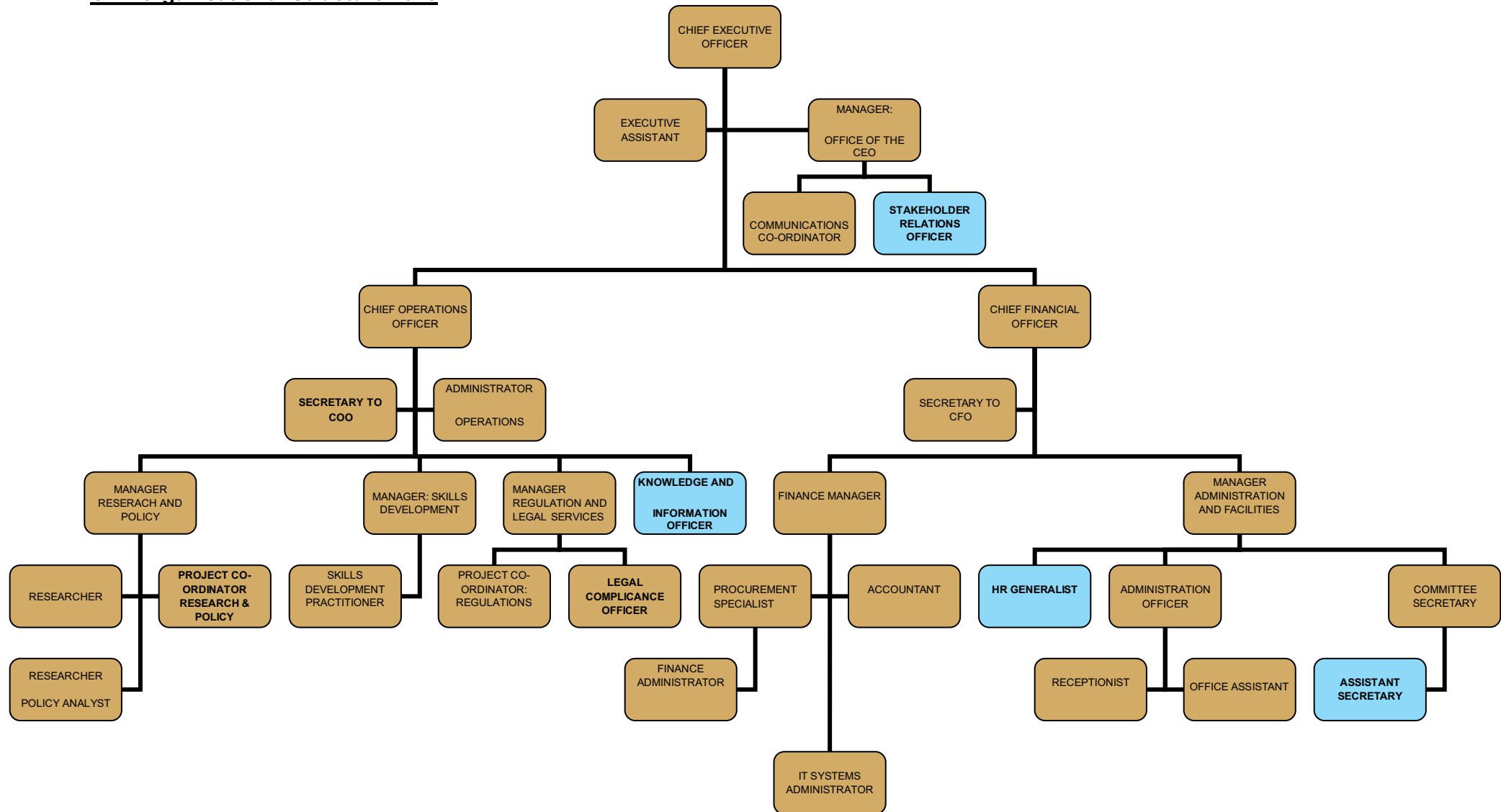
2.2. Organisational environment

The CBE's organisational structure has over the years expanded in response to prevailing organisational needs. The CBE has taken necessary organisational re-arrangements to ensure that it responds to the needs of the various stakeholders. Within the limits of the CBE, other operational issues affecting the Professional Councils have also been taken into consideration. It is for this reason that the organisation is structured into four programmes.

It is particularly due to the changing demands that the organisation reviews the systems, processes and human resource arrangements within the organisation are placed to respond not only to the mandate of the CBE, but also to strategic goals and objectives of the Council as well as the government's development priorities. Aligned to this, the CBE has identified all the risks that might have impact on the effective operation of the organisation to achieve its mandate. The organisation has also identified strategies to mitigate identified risks.

The CBE fully recognises that the changing international and domestic economic environment, including government's policy priorities that have direct implications on the organisational environment. The CBE will keep abreast of these, and will make the necessary changes to remain relevant and focused on deriving more value with current resources.

CBE organisational Structure 2013



2.3. Description of the strategic planning process

This strategic plan is informed by the joint strategic planning session, CBE Council and Executive Management held on the 04th December 2012.

To ensure that the CBE Strategic Plan is essentially performance orientated and responsive to the country's strategic priorities, the CBE's approach is aligned to its strategic and annual performance planning with emphasis on the outcomes oriented monitoring and evaluation approach. The CBE adopts an integrated consultative approach, to ensure that the plans are aligned to the Medium Term Strategic Framework (MSTF) development process and that it is performance orientated. The process is aligned to the current format and templates for strategic plans and operational plans as proposed by National Treasury.

The CBE is in the process of finalising an annual joint-planning cycle calendar and synchronisation with the six Built Environment Professional Councils. This will go a long way towards achieving alignment of work between CBE and the Professional Councils, and to coordinate inputs of the built environment sector into the government policy priorities. It was deemed appropriate to develop a predictable annual planning calendar that would allow everybody to get around the same table periodically to ensure alignment and to maximize resource efficiency and effectiveness.

This Strategic Plan took into consideration the following:

- Medium Term Strategic Framework document (government vision / national key priorities)
- Minister's priorities as defined in the Minister's Performance Agreement
- The Government Programme of Action
- State of Nation Address – February 2012
- The CBE Act

3. Strategic outcome oriented goals of the CBE

The planning session held on 04th December 2012 with the CBE Council and CBE Executive Management, interrogated the strategic thrust and priorities of the Department of Public Works (DPW), by asking a number of strategic questions, which precipitated the strategic goals required to guide the CBE through the 2013/2017 period. The need to remain relevant and to locate the work of Professional Councils and that of the CBE within the developmental agenda and national priorities of the Republic and those of the DPW, informed much of the discussion.

The outcome of these discussion and strategy sessions, effectively directed the current organisation of work in the CBE for the next MTEF cycle. The strategic goals listed below were synthesised to guide the work of the CBE and to co-ordinate work with the respective Professional Councils:

	Strategic Goal	Goal Statement
1	Support government priorities in relation to built environment matter	Support government development priorities in relation to various built environment initiatives including infrastructure delivery programme, health and safety in construction, environmental sustainability and job creation.
2	Facilitate and monitor continued sustainable, dynamic and competent and transformed built environment professions and professionals	Drive and facilitate skills and human resource development in the built environment in line with the mandate of CBE and in support of national goals and priorities as well as transformation.
3	Establish and maintain a centre of excellence for an integrated built environment body of knowledge	Capacitate CBE to deliver on its strategic mandate and provide research, knowledge and information on built environment issues as well as issues of national priority and serve as a platform where built environment professions can discuss relevant issues.
4	Strengthen public protection and educate public in relation to the built environment.	Promote and enforce high standards of professional ethics and conduct within the built environment and to provide information on built environment matters to the general public.

Strategic Goal 1: Support government priorities in relation to built environment matters

Strategic Goal 1	Support government priorities in relation to built environment matters
Goal statement	Support government development priorities in relation to various built environment initiatives including, infrastructure delivery programme, health and safety in construction, environmental sustainability and job creation.
Goal Summary	A capacitated CBE that is responsive to government priorities within the built environment including, infrastructure delivery programme, health and safety in construction, environmental sustainability and job creation, projects and programmes.

Strategic Goal 2: Competent and transformed built environment professions

Strategic Goal 2	Competent and transformed built environment professions
Goal statement	Drive development of skilled professionals through skills programmes, while ensuring a transformed built environment sector.
Summary	Implement skills development programmes to ensure production of competent, dynamic and transformed professionals in the built environment.

Strategic Goal 3: A centre of excellence for the built environment

Strategic Goal 3	A centre of excellence for the built environment
Goal statement	To provide research, knowledge and information on built environment issues as well as issues of national priority and serve as a forum where built environment professions can discuss relevant issues.
Goal summary	Establish CBE as leader in production of relevant research outputs and expert advice on built environment issues. Create local and international platforms for knowledge and information dissemination.

Strategic Goal 4: Strengthen public protection and educate the public in relation to the built environment

Strategic Goal 4	Strengthen public protection and education on issues relating to the built environment
Goal statement	Promote and enforce high standards of professional ethics and conduct within the built environment and to provide information on built environment matters to the general public.
Goal Summary	Facilitation of the implementation of the IDOW (scope of work that can only be undertaken by appropriately qualified and registered professionals) within the six BEPCs and development of best practice model for Appeals Disciplinary proceedings within the built environment, formulation of a corporate governance framework for professional councils and establishment of a platform for public interface and general public awareness on built environment issues.

PART B: STRATEGIC OBJECTIVES

4. Aligning CBE objectives to the mandate

The development of objectives and programmes for the CBE has taken into account the mandates set out in the Council for the Built Environment Act. The mandates are set out as follows:

1. Promote and protect the interest of the public in the built environment;
2. Promote and maintain a sustainable built environment and natural environment;
3. Promote ongoing human resources development in the built environment;
4. Facilitate participation by the built environment professions in integrated development in the context of national goals;
5. Promote appropriate standards of health, safety and environmental protection within the built environment;
6. Promote sound governance of the built environment professions;
7. Promote liaison in the field of training in the Republic and elsewhere and to promote the standards of such training in the Republic;
8. Serve as a forum where the built environment professions can discuss relevant issues; and
9. Ensure uniform application of norms and guidelines set by the Professional Councils throughout the built environment.

It will be seen that the CBE programmes are aligned with the above mandates in order to ensure a comprehensive approach to service delivery by the organisation. It should be noted that the programmes could deliver on more than one objective and mandate. Programmes were then outlined and success indicators developed. The objectives and their accompanying strategies are set out below

5. PROGRAMMES

The CBE is moving from an organisation where staff was focussed on the role and function of their department in the organisational structure, to an organisation where employees work across functions to deliver programmes and have a clear output focus.

5.1. Programme 1: Administration

Purpose: To provide a capacitated and capable CBE that is responsive to government's development priorities in the built environment.

Strategic Objective: To ensure that the CBE has necessary capacity and capability to support government's development priorities within the built environment including, infrastructure delivery programme, health and safety in construction, environmental sustainability and job creation

Strategic Objective 1	To ensure that the CBE has necessary capacity and capability support of government's development priorities within the built environment including, infrastructure delivery programme, health and safety in construction, environmental sustainability and job creation
Objective statement	To implement and supports projects programmes that are responsive to government priorities by 30 March 2017
Baseline	CBE Health and Safety and the Greenhouse Gas emissions Reports
Justification	Job creation, skills development, infrastructure development are some of the key priorities of government.
Links	This is directly linked to the mandate of the CBE of advising government on issues relating to the built environment.

5.1.1. Resource considerations

Over the MTEF the organisation intends to strengthen its internal systems and processes to be better placed at responding to the goals of the Council as set out in the strategic plan. It is envisaged that additional resources will be required to ensure that the organisation is fully geared to deliver on its mandate. The skills plan will also be prioritised to ensure that the skills gap as identified within the organisation is adequately addressed. Engagement with key stakeholders have commenced in the 2012 -13 years with the aim of supporting government developmental priorities.

5.1.2 Risk Management

Risk description	Link to other objectives	Impact		Likelihood		Inherent risk		Current controls	Perceived control effectiveness		Residual risk		Risk owner	Actions to improve management of the risk	Action owner	Time scale
Inadequate resources to achieve the mandate	None	Critical	5	Common	5	High	25	existing structure;	Weak	0.80	High	20	Council	Costing of the mandate; Detail Skills audit; Training plan to address skills shortages Partnership with key delivery agents	CEO*	31-Mar-14

5.2. Programme 2: Built Environment Skills Development Programme

Purpose: The purpose of Programme 2 is to drive and facilitate skills and human resource development in the built environment with the ultimate goal of transforming the built environment.

There is a need to ensure optimal responsiveness of education and training activities to the country's development agenda

Strategic objective 2: Drive and facilitate skills development and transformation within the built environment.

Strategic Objective 2	Facilitate increase in the number of competent professionals within the built environment and to transform the built environment professions
Objective statement	To increase number of competent built environment professionals in the skills supply value chain starting from schools to tertiary levels, candidacy phase / workplace training to registered professionals and to increase representation of previously disadvantaged groups in the six built environment professions by 30 March 2017.
Baseline	Representation of previously disadvantaged groups in the majority of the combined six built environment professions currently stands at % W (64%),A (24%),I (7%),C (3%) for registered professionals
Justification	It is important that the built environment professions accurately reflect the demographics of the South African society. Skills development and transformation are an important priority for the government.
Links	The Medium Term Strategic Framework document of 2009 puts strong emphasis on strengthening skills and human resource base. The Strategic Objective also links directly to government programme of action specifically the Delivery Agreement for Outcome 5. This objective also responds to the priorities set out in the New Growth Path under the custodian of the Minister of Economic Development. Lastly, it links directly to mandate 3 of the Council for the Built Environment.

5.2.1 Resource considerations

This programme, which focuses mainly on issues of skills development within the built environment, is likely to see a substantial increase in spending as a result of the rollout of the built environment career awareness programme, Maths and Science support programme in schools and Structured Candidacy Programme as well as work place training to accelerate professional registration. The Programme is also tasked with increasing the representation of women and black people within the built environment professions.

5.2.2 Risk Management

Risk description	Link to other objectives	Impact		Likelihood		Inherent risk		Current controls	Perceived control effectiveness		Residual risk		Risk owner	Actions to improve management of the risk	Action owner	Time scale
Misconceptualisation/misunderstanding of transformation		Moderate	3	Likely	4	Medium	12	Engagement/consultation with stakeholders; Existence of the transformation committee	Unsatisfactory	0.90	Medium	11	Council	Ensure that transformation meeting committee meetings are held; Defining targets for transformation; Definition of transformation agenda; Engagement with the Minister	Chair person – Council	31-Mar-14

5.3. Programme 3: Built Environment Research and Information Centre

Purpose: The purpose of the programme 3 is to provide research, knowledge and information on the built environment issues.

Strategic Objective 3: To provide research, knowledge and information on built environment issues pertinent to professionals, DPW, built environment issues impacting on service delivery and those impacting on the economy.

Strategic Objective 3	To provide research, knowledge and information on built environment issues pertinent to professionals, DPW, built environment issues impacting on service delivery and those impacting on the economy.
Objective statement	To conduct credible research and be able to provide expert advice on various built environment issues
Baseline	Research reports finalised on Greenhouse Gas Emissions, Health and Safety and Skills Audit in the built environment
Justification	To establish CBE as a thought leader on the built environment issues and that the professionals are abreast and are responsive to the developmental agenda of government.
Links	This Strategic objective links directly to mandate number 4 of the Council for the Built Environment.

5.3.1 Resource considerations

The main key drivers for expenditure in this Programme are internal resourcing with the requisite expertise in the field of Research and Knowledge Management as well as creation of platforms and infrastructure for research and dissemination of knowledge and information. It is envisaged that the internal infrastructure will require an overhaul to ensure that the organisation becomes a world class knowledge centre on built environment issues.

5.3.2 Risk Management

Risk description	Link to other objectives	Impact		Likelihood		Inherent risk		Current controls	Perceived control effectiveness		Residual risk		Risk owner	Actions to improve management of the risk	Action owner	Time scale
Lack of requisite research infrastructure, expertise and linkages may lead to CBE being unable to execute the research function		Critical	5	Likely	4	High	20	none	Unsatisfactory	0.90	High	18	Council	Provision of adequate research infrastructure and expertise	CEO	30-Sep-13

5.4. Programme 4: Public Interest

Purpose: The aim of the programme is to promote and protect the interest of the public in the built environment.

The CBE's responsibility regarding public protection is ensuring that disciplinary action is taken against professionals found guilty of negligence and failing to ensure public safety in the execution of their duties. The CBE also has a duty to ensure that high standards of professional ethics are maintained by professionals in the built environment to ensure that consumers of services of built environment professionals, firstly receive products or services of appropriate standards, and secondly, that the products or services are fairly and competitively priced.

Strategic Objective 4: To protect public interest and raise public awareness on rights and recourse in the built environment

Strategic Objective 4	Promote and ensure high standards of professional ethics and conduct within the built environment as well as provide information on built environment matters to the general public.
Objective statement	Facilitate implementation of the public functions of the CBE and professional councils and conduct public awareness campaigns on built environment issues.
Baseline	Quartely reports on 3public functions of the Professional Councils (namely Professional Registration, Appeals and Continued Professional Development),
Justification	Public protection is one of the key mandates of the CBE and stipulated in the Section 3 of the CBE Act.
Links	This Strategic objective links directly to mandate number 1 of the Council for the Built Environment as stated in the CBE Act. It is also directly informed by the government programme of action particularly the Delivery Agreement for outcome number 12. It also links to strategic priority number 10 of the Medium Term Strategic Framework document.

5.4.1.Resource considerations

The key drivers for spending over the MTEF are the regulatory work around the Identification of Work (scope of work that can only be undertaken by appropriately qualified and registered professionals), Registration of Professional and Appeals function. The organisation will also undertake extensive public awareness and education campaigns on the built environment issues.

5.4.2. Risk Management

Risk description	Link to other objectives	Impact		Likelihood	Inherent risk		Current controls	Perceived control effectiveness		Residual risk	Risk owner	Actions to improve management of the risk	Action owner	Time scale
Defective legislation	6	Critical	5	Common	Maximum	25	Amendments of the legislation currently in place;	Unsatisfactory	0.90	Maximum	Council	Engagement with the Minister; development of appeals standards.	CEO**	31-Dec-13

6. Financial Resources

The Council for the Built Environment, a statutory body listed as Schedule 3A derives its income from funds appropriated by Parliament, which are directed by the Executive Authority, the Honourable Minister of Public Works. These funds are aimed at the delivery of strategy as set out by the Council and approved by the Ministry.

Relating Expenditure Estimates to Strategic Outcome Oriented Goals

With the ground work already in place through the organisation's institutionalisation, the organisation is geared up to place itself as a thought leader within the built environment profession which will drive the area of skills and transformation. The Council is funded in the main by the grant as proclaimed by Parliament. Secondary funding is from levies charged to professionals as per approved regulation. In the upcoming MTEF period, a significant increase in the grant is projected. However, levies have increased at a rather flat rate throughout the previous financial years with the projections for the upcoming MTEF maintaining the same trend.

An overview of the expenditure depicts a declining trend during the 2009/10 and 2011/12, which resulted in expenditure decreasing from R36 million to R34 million in 2011/12 year, at a rate of negative 6%. In the upcoming MTEF period however, a more positive trend is seen with expenditures increase from R31 million in the current year to R39 million in the 2013/14 year. Over the MTEF period, the entity's expenditure is expected to increase at an inclining average rate of 13 percent to R46 million in the 2015/16. It is foreseen that the additional projects that the entity intends embarking on will not only unlock the challenges in the area of skills but also lead to a transformed professions, as per strategic objective 2.

Input into government's infrastructure delivery programme, health and safety in construction, climate change / sustainable development and job creation remain the entity's priority aimed at supporting government's development priorities, as envisaged in Strategic Objective 1. In addition to this, the spending focus over the MTEF will be the upgrading of internal infrastructure to capacitate the organisation. This will also assist the CBE to provide relevant quality research and information so as to become an efficient knowledge hub for the built environment, as envisaged in Strategic Objective 3. Regulatory work around the Identification of Work (scope of work that can only be undertaken by appropriately qualified and registered professionals), Registration of Professionals, Appeals function and public awareness and education around built environment issues will also drive expenditure, as envisaged on Strategic Objective 4.

6.1. Financial Resources

Key programmes	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	Past Periods			Current year	Medium-Term Estimates		
	Audited	Audited	Audited Outcome	Approved Budget	Revised Budget Estimate	Revised Budget Estimate	Revised Budget Estimate
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Programme 1 Administration	6 347	8 134	15 828	15 810	16 761	19 075	17 699
Programme 2 Built Environment skills Academy	3 716	7 068	4 139	1 886	8 472	8 604	10 632
Programme 3 Centre for innovation and integrated planning	2 715	1 814	7 913	8 707	10 360	10 966	13 196
Programme 4 Public interest	3 613	3 146	2 737	2 790	4 222	4 880	4 717
Other previous programmes	19 693	10 986					
	36 084	31 148	30 617	29 193	39 816	43 525	46 244

Financial Resources

Estimate per standard items	Audited outcome			Revised Estimate	Medium-term estimate		
R thousand	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Revenue							
Tax revenue	–	–	–	–	–	–	–
Non-tax revenue	2,771	1,710	2,035	1,755	1,857	1,953	1,953
Sale of goods and services other than capital assets	1,706	1,617	1,657	1,635	1,717	1,803	1,803
<i>Administration fees</i>	–	–	–	–	–	–	–
<i>Sales by market establishment</i>	1,706	1,617	1,657	1,635	1,717	1,803	1,803
<i>Other sales</i>	–	–	–	–	–	–	–
<i>Other non-tax revenue</i>	1,065	93	378	120	140	150	150
Transfers received	24,155	25,527	27,433	29,746	37,959	41,572	44,291
Total revenue	26,926	27,237	29,468	31,501	39,816	43,525	46,244
Expenses							
Current expenses	36,084	31,365	30,067	28,843	39,816	43,525	46,244
Compensation of employees	12,949	14,407	14,140	15,987	17,406	18,954	19,590
Goods and services	22,447	16,348	15,643	12,856	22,083	24,571	26,264
Depreciation	688	610	284	–	327	–	390
Interest, dividends and rent on land	–	–	–	–	–	–	–
Transfers and subsidies	–	–	–	–	–	–	–
Total expenses	36,084	31,365	30,067	28,843	39,816	43,525	46,244
Surplus / (Deficit)	(9,158)	(4,128)	(599)	2,658	–	–	–

7. Governance

Executive Authority

The CBE will continue to deliver on the plans as delegated by the Executive Authority. This will be through the organisation's scheduled reporting to the Executive Authority, with quarterly reports against the business plan on performance matters, and also to secure political direction and support for the strategic focus of the organisation.

Portfolio Committee

The CBE will deepen the institutionalisation of its relationship with both the Portfolio and Select Committees responsible for Public Works and/or with interest in the built environment, in part to strengthen the Shareholder Compact, whilst entrenching accountability for delivering on the legislated mandates of the organisation.

CBE Council

The Council comprises of private and public sector individuals appointed by the Minister of Public Works, taking into account, amongst other things, the portfolio of expertise required to guide the CBE towards facilitating transformed and sustainable built environment professions that serve public and national interests.

The nomination process, as prescribed in the Act, to nominate Council members for the third term of office, commenced in November 2009 and was completed in with the appointment of the 20 Council members by the Minister of Public Works, being effective from 27 July 2010. The CBE Council is pleased with the functioning of the following committees and believes that their continued contribution will strengthen the governance of the organisation.

Executive Committee

EXCO comprises the Chairperson of the Council, Deputy Chairperson of the Council, Chairperson of the Finance Committee and two alternate members of Council.

Human Resource Committee

The Human Resource Committee is responsible for the promotion of sound human capital within the CBE.

Audit and Risk Committee

In line with prescripts and good governance, the Audit and Risk Committee sets out the annual audit plan, ensures that there are adequate systems of internal control and ensures the implementation of the Risk Management Plan.

Finance Committee

The Finance Committee ensures that there are appropriate budgeting and budgetary control processes, reporting mechanisms, as well as cash flow management policies and procedures.

Appeals Committee

The Appeals Committee was set up in terms of the CBE Act to attend to appeals emanating from processes governed by the Professional Councils Acts

Functional Committees

Functional committees are set up as and when required, either as permanent or temporary committees. These are made up of experts in their fields who assist the organisation in achieving Council objectives.

PART C: LINKS TO OTHER PLANS

1. Risk Management Plan

In line with section 51(1)(a)(i) of the Public Finance Management Act, it requires management to take positive steps to identify and mitigate risks to which the public entity may be exposed to, to ensure effective, efficient and transparent systems of internal controls

The CBE, through its internal audit function, follows a process to identify and evaluate potential risks. The risk assessment is updated annually and approved by the Audit and Risk Committee. The resultant Internal Audit Plan, which focuses on internal audit effort on major risk areas, will be implemented.

2. Fraud Prevention Plan

The CBE will continue to focus on monitoring and reporting requirements in terms of the current Fraud Prevention Plan. The monitoring of the implementation of the Fraud Prevention Plan lies with the Internal Audit function of the CBE.

3. Materiality Framework

The CBE is dependant mainly on its grant allocation for the execution of its mandate and its administrative operations. The CBE has therefore set its materiality level at 0.5% of its grant allocation, in line with the International Auditing Standard 320 paragraph 3 and in compliance with the PFMA. Any item which, by its nature, is considered to be fruitless, wasteful, irregular or criminal conduct will be deemed to be material, irrespective of the amount. The transaction will be considered to be significant if its value or aggregate value of similar transactions exceeds R200000.00.



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