

The background of the cover is a photograph of a modern, curved glass skyscraper at night. The building's interior lights are on, creating a warm glow that contrasts with the dark exterior. A large, thick, brown diagonal swoosh graphic cuts across the upper right portion of the image. In the top right corner, there is a brown rectangular box containing the CBE logo and its full name.

C | B | E

C O U N C I L  
F O R T H E B U I L T  
E N V I R O N M E N T

# ANNUAL REPORT

2024 – 2025



# **COUNCIL FOR THE BUILT ENVIRONMENT**

## **ANNUAL REPORT 2024/25**

## CONTENTS

### **PART A: GENERAL INFORMATION** **2**

<b>1. GENERAL INFORMATION</b>	<b>2</b>
<b>2. ABBREVIATIONS AND ACRONYMS</b>	<b>3</b>
<b>3. FOREWORD BY THE MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE</b>	<b>7</b>
<b>4. FOREWORD BY THE COUNCIL CHAIRPERSON</b>	<b>9</b>
<b>5. CHIEF EXECUTIVE OFFICER'S OVERVIEW</b>	<b>11</b>
<b>6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT</b>	<b>15</b>
<b>7. STRATEGIC OVERVIEW</b>	<b>16</b>
7.1. Vision	16
7.2. Mission	16
7.3. Values	17
<b>8. LEGISLATIVE AND OTHER MANDATES</b>	<b>17</b>
8.1. Functions, Powers and Duties of the Council	18
8.2. Legislative and Policy Mandates	19
8.3. Accountability Structures	22
<b>9. ORGANISATIONAL STRUCTURE</b>	<b>24</b>

### **PART B: PERFORMANCE INFORMATION** **25**

<b>1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES</b>	<b>26</b>
<b>2. OVERVIEW OF PERFORMANCE</b>	<b>26</b>
2.1. Service Delivery Environment	26
2.2. Organisational Environment	26
2.3. Key Policy Developments and Legislative Changes	27
2.4. Progress Towards Achievement of Institutional Impacts and Outcomes	27



<b>3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION</b>	<b>31</b>
3.1. Programme 1: Administration	34
3.2. Programme 2: Empowerment and Economic Development	42
3.3. Programme 3: Professional Skills and Capacity Development	52
3.4. Programme 4: Research and Knowledge Management	65
3.5. Programme 5: Public Protection, Policy and Legislation	74
<b>4. REVENUE COLLECTION</b>	<b>86</b>
<b>5. CAPITAL INVESTMENT</b>	<b>89</b>
<b>PART C: GOVERNANCE</b>	<b>91</b>
<b>1. INTRODUCTION</b>	<b>92</b>
<b>2. PORTFOLIO COMMITTEE</b>	<b>92</b>
<b>3. EXECUTIVE AUTHORITY</b>	<b>92</b>
<b>4. THE ACCOUNTING AUTHORITY</b>	<b>93</b>
<b>5. RISK MANAGEMENT</b>	<b>128</b>
<b>6. INTERNAL CONTROL UNIT</b>	<b>128</b>
<b>7. INTERNAL AUDIT</b>	<b>129</b>
<b>8. COMPLIANCE WITH LEGISLATION AND REGULATIONS</b>	<b>130</b>
<b>9. FRAUD AND CORRUPTION</b>	<b>130</b>
<b>10. MINIMISING CONFLICT OF INTEREST</b>	<b>131</b>
<b>11. CODE OF CONDUCT</b>	<b>131</b>
<b>12. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES</b>	<b>131</b>
<b>13. COMPANY SECRETARY</b>	<b>131</b>
<b>14. SOCIAL RESPONSIBILITY</b>	<b>132</b>
<b>15. AUDIT COMMITTEE REPORT</b>	<b>133</b>
<b>16. B-BBEE COMPLIANCE PERFORMANCE INFORMATION</b>	<b>134</b>



## **PART D: HUMAN RESOURCE MANAGEMENT** **135**

- 1. INTRODUCTION** **136**
- 2. OVERVIEW OF HUMAN RESOURCES** **136**
- 3. HUMAN CAPITAL OVERSIGHT STATISTICS** **137**

## **PART E: PFMA COMPLIANCE** **143**

- 1. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES** **144**
  - 1.1. Irregular Expenditure 144
  - 1.2. Fruitless and Wasteful Expenditure 147
  - 1.3. Additional Disclosure Relating to Material Losses in Terms of PFMA Section 55(2)(b)(i) &(iii)) 148
- 2. LATE AND/OR NON-PAYMENT OF SUPPLIERS** **149**
- 3. SUPPLY CHAIN MANAGEMENT** **150**
  - 3.1. Procurement by Other Means 150
  - 3.2. Contract Variations and Expansions 153

## **PART F: FINANCIAL INFORMATION** **155**

- 1. REPORT OF THE EXTERNAL AUDITOR** **157**
- 2. ANNUAL FINANCIAL STATEMENTS** **161**

## **PART G: COUNCILS FOR THE BUILT ENVIRONMENT PROFESSIONS** **143**

- 1. INTRODUCTION** **4**
  - 1.1. Legislative and Regulatory Framework of the Built Environment Professions 7
- 2. HUMAN RESOURCE DEVELOPMENT** **8**
  - 2.1. Registration 8
- 3. REGISTERED PERSONS** **9**
  - 3.1. CBEP Registration Analysis 18

<b>4. ACCREDITATION</b>	<b>19</b>
<b>5. RECOGNITION OF PRIOR LEARNING</b>	<b>25</b>
<b>6. CONTINUOUS PROFESSIONAL DEVELOPMENT</b>	<b>26</b>
<b>7. AGREEMENTS AND PARTNERSHIPS</b>	<b>28</b>
<b>8. PROTECTING PUBLIC INTEREST</b>	<b>29</b>
8.1. Improper Practice and Disciplinary Cases	29
<b>9. BUILT ENVIRONMENT HEALTH AND SAFETY</b>	<b>33</b>
<b>10. SUSTAINABLE AND INTEGRATED DEVELOPMENT</b>	<b>34</b>
10.1. Identification of Work	34
10.2. Professional Fees	36
10.3. Voluntary Associations	37

## TABLES

Table 1: Key Legislation and Best Practices	20
Table 2: Alignment with DPWI, NDP Priorities and NDPIP Outcomes	32
Table 3: Social Media Performance	36
Table 4: Programme 1: Objectives/Purpose, Planned Targets and Actual Achievements	38
Table 5: Programme 1: Outcome, Outputs, Output Indicators, Targets and Actual Achievements	39
Table 6: Programme 1: Linking Performance with Budget	41
Table 7: BEWN Initiatives	43
Table 8: Youth Development Initiatives	45
Table 9: Programme 2: Objectives/Purpose, Planned Targets and Actual Achievements	47
Table 10: Programme 2: Outcome, Outputs, Output Indicators, Targets and Actual Achievements	48
Table 11: Programme 2: Linking Performance with Budget	51
Table 12: Career Development Initiatives	53
Table 13: Structured Candidacy Support	58
Table 14: Programme 3: Objective/Purpose, Planned Targets and Actual Achievements	61
Table 15: Programme 3: Outcome, Outputs, Output Indicators, Targets and Actual Achievements	62
Table 16: Programme 3: Linking Performance with Budget	64
Table 17: Programme 4: Objective/Purpose, Planned Targets and Actual Achievements	69
Table 18: Programme 4: Outcome, Outputs, Output Indicators, Targets and Actual Achievements	70
Table 19: Programme 4: Linking Performance with Budget	73
Table 20: Programme 5: Objectives/Purpose, Planned Targets and Actual Achievements	82
Table 21: Programme 5: Outcome, Outputs, Output Indicators, Targets and Actual Achievements	83
Table 22: Programme 5: Linking Performance with Budget	85



Table 23: Sources of Revenue	86
Table 24: Expenditure per Programme	87
Table 25: Infrastructure Projects	89
Table 26: Reports Submitted to the Minister of Public Works and Infrastructure	93
Table 27: Sixth Term Council (2022-2026)	100
Table 28: Sixth Term Council Remuneration	126
Table 29: ARC Disclosure	130
Table 30: Personnel Cost by Programme	137
Table 31: Personnel Cost by Salary Band	138
Table 32: Performance Rewards	138
Table 33: Training Costs	139
Table 34: Thirteen Concurrent Functions	161
Table 35: CPD Compliance	181
Table 36: Status of Voluntary Associations	189

## FIGURES

Figure 1: Underlying Principles of the Mission Statement	17
Figure 2: DPWI Overview	24
Figure 3: High-Level Organisational Structure	25
Figure 4: Workforce Profile	139
Figure 5: SACAP Registered Persons	222
Figure 6: SACLAP Registered Persons	224
Figure 7: ECSA Registration Persons	225
Figure 8: SACPCMP Registered Persons	226
Figure 9: SACQSP Registered Persons	229







# PART



## GENERAL INFORMATION

C | B | E

COUNCIL  
FOR THE BUILT  
ENVIRONMENT

## 1. GENERAL INFORMATION

**REGISTERED NAME:**

COUNCIL FOR THE BUILT ENVIRONMENT

**PHYSICAL ADDRESS:**

Hillcrest Office Park  
2<sup>nd</sup> Floor, Lourie Place  
179 Lunnon Road  
Hillcrest  
Pretoria

**POSTAL ADDRESS:**

PO Box 915  
Groenkloof 0027

**TELEPHONE NUMBER/S:**

+27 (0) 12 346 3985 / +27 (0) 87 980 5009

**FAX NUMBER:**

+27 (0) 12 346 3986

**EMAIL ADDRESS:**

[registrar@cbe.org.za](mailto:registrar@cbe.org.za)

**WEBSITE ADDRESS:**

[www.cbe.org.za](http://www.cbe.org.za)

**EXTERNAL AUDITOR:**

MGI RAS INC  
Unit 9 Central Office Park  
13 Esdoring Street  
Highveld Technopark  
0169

**BANKER:**

Standard Bank

**JURISDICTION:**

The Council for the Built Environment is a Schedule 3A Public Entity under the Department of Public Works and Infrastructure

**ACCOUNTING AUTHORITY:**

Council for the Built Environment Council

## 2. ABBREVIATIONS AND ACRONYMS

AGSA	Auditor-General South Africa
APP	Annual Performance Plan
ALS	Accredited Learning Site
B-BBEE	Broad-Based Black Economic Empowerment
BE	Built Environment
BECCI	Built Environment Climate Change Indaba
BENL	Built Environment National Logbook
BEP/s	Built Environment Profession/s
BERA	Built Environment Recognition Awards
BEWN	Built Environment Women's Network
The CBE Act	Council for the Built Environment Act 43 of 2000
CBE	Council for the Built Environment
CBEP	Councils for the Built Environment Professions
CCSA	Competition Commission South Africa
CEO	Chief Executive Officer
CETA	Construction Education and Training Authority
CFO	Chief Financial Officer
CIDB	Construction Industry Development Board
Council	CBE Council (accounting authority of the organisation)
CPD	Continuous Professional Development
CSSO	Chief Shared Services Officer
CTO	Chief Transformation Officer
DM	District Municipality
DPWI	Department of Public Works and Infrastructure
GPF	Guideline Professional fees
GRAP	Generally Recognised Accounting Practice



HC	Human Capital
HDI	Historically Disadvantaged Individuals
HR	Human Resources
IA	Internal Audit
ICT	Information Communications Technology
IDoW	Identification of Work
IEBES	Integrated Electronic Built Environment System
IT	Information Technology
King IV™	King IV Report on Corporate Governance for South Africa
KPI	Key Performance Indicator
LM	Local Municipality
Minister	Minister of Public Works and Infrastructure
MISA	Municipal Infrastructure Support Agent
MoU	Memorandum of Understanding
MTEF	Medium-Term Expenditure Framework
MTR	Monthly Training Records
MTSF	Medium-Term Strategic Framework
NDP	National Development Plan
NDPIP	NDP Implementation Plan
NQF	National Qualifications Framework
NSG	National School of Government
NT	National Treasury
OHS	Occupational Health and Safety
OSD	Occupation Specific Dispensation
PDI	Previously Disadvantaged Individual
PFMA	Public Finance Management Act
POPIA	Protection of Personal Information Act
PPC	Parliamentary Portfolio Committee

PWD	Persons with Disabilities
RICS	Royal Institution of Chartered Surveyors
RP	Registered Person
RPL	Recognition of Prior Learning
SALGA	South African Local Government Association
SAPS	South African Police Service
SAQA	South African Qualifications Authority
SGB	Standards Generating Body
SCM	Supply Chain Management
SMME	Small, Medium and Micro Enterprises
UA	Universal Access
UIF	Unemployment Insurance Fund
UoT	University of Technology
WECONA	Women's Economic Assembly

### Committees/Sub-Committees of Council

ARC	Audit and Risk Committee
AC	Appeals Committee
BETC	Built Environment Transformation Committee
EXCO	Executive Committee
SSC	Shared Services Committee
VA	Voluntary Association
WIL	Work Integrated Learning

### Councils/Bodies for the Built Environment Professions (CBEP)

SACAP	South African Council for the Architectural Profession
SACLAP	South African Council for the Landscape Architectural Profession
ECSA	Engineering Council of South Africa
SACPVP	South African Council for the Property Valuers Profession

SACPCMP	South African Council for the Project and Construction Management Professions
SACQSP	South African Council for the Quantity Surveying Profession
EAPASA	Environmental Assessment Practitioners Association of South Africa
SACPLAN	The South African Council for Planners
SAGC	South African Geomatics Council

### CBE Programmes

Programme 1	Administration
Programme 2	Empowerment and Economic Development
Programme 3	Professional Skills and Capacity Development
Programme 4	Research and Knowledge Management
Programme 5	Public Protection, Policy and Legislation

### Built Environment Stakeholder Engagement Forums (BESEF) (formerly Transformation Collaborative Forums)

BEMF	Built Environment Matters Forum
BETF	Built Environment Transformation Forum

### Definitions

Candidate	A graduate who requires workplace training to enable him/her to register as a fully-fledged BE professional with the council of the profession concerned.
IDoW (Identification of Work)	Work that is ring-fenced, only to be undertaken by suitably qualified and registered professionals within the South African BE categories.
Professional	A person registered in terms of an act of a council for a profession; and has met all educational and training requirements set by the council concerned.
Registered Person	A person registered by a council for the professions in the category of professional or candidate or another specified category.
Voluntary Association (VA)	Any association that is recognised and registered with any of the six Councils for the Built Environment Professions in terms of section 25 of the professions Acts. The Certificate of Recognition issued by a CBEP to a VA is valid for a period of five years from the date of issue and must be renewed at least three months prior to the expiry of its recognition.



### 3. FOREWORD BY THE MINISTER OF PUBLIC WORKS AND INFRASTRUCTURE

The 2024/25 financial year marked the start of the Government of National Unity and with it a renewed determination to confront South Africa's toughest challenges. For the Council for the Built Environment (CBE), this period has not been about business as usual. It has been about preparing the sector to be the backbone of South Africa's economic recovery, while ensuring that professional standards, ethics, and transformation remain at the centre of everything we do.

The built environment touches every South African. It is visible in the quality of schools where our children learn, the safety of the hospitals where we receive care, the durability of the water and transport networks that sustain livelihoods, and the houses and communities we live in. The CBE's responsibility is to ensure that the professionals entrusted with designing, building, and maintaining this infrastructure are competent, ethical, and aligned with the highest standards. Without that assurance, delivery falters and trust in the state erodes.

This year, the CBE has worked to restore credibility by strengthening governance, enhancing oversight of the six professional councils, and driving reforms in areas such as research, professional registration, and workplace learning. But the work cannot end here. Communities are not asking for frameworks or policies - they are asking for jobs, opportunities, and infrastructure that works. The year ahead must therefore be defined not only by the foundations laid, but by delivery that is felt in every province.

Central to this is transformation. We cannot build a capable state if large parts of our population remain excluded from professional opportunities. The CBE must accelerate the pipeline of young, skilled professionals—particularly women and youth- through better-aligned curricula, targeted mentorship, and stronger partnerships with universities, TVET colleges, and industry. In doing so, the CBE will not only professionalise the sector but also expand access to careers in the built environment for those who need them most.

We must also confront head-on the challenges that continue to undermine delivery: corruption, poor standards, and criminal interference in projects. South Africa needs professional councils that uphold integrity without compromise. This is where the CBE's convening power becomes vital- bringing together government, academia, private sector partners, and civil society to chart a path forward that unlocks growth and restores confidence.

I want to thank the Chairperson, Ms Amelia Mtshali; the Chief Executive Officer, Dr Msizi Myeza; the Council; and the leadership of all six professional councils for their commitment during this period of renewal. Their efforts have begun to stabilise the institution and reposition the CBE as both a regulator and an enabler of growth.



Mr Dean Macpherson  
**Minister of Public Works  
and Infrastructure**

Looking ahead, our mission is clear. The foundations have been laid. The next step is to accelerate delivery, embed transformation, and strengthen professional excellence so that South Africa's built environment sector becomes a true catalyst for growth, jobs, and dignity. Together with the CBE, we will continue building South Africa—one project, one professional, one opportunity at a time.



---

Mr Dean Macpherson (MP)  
Minister of Public Works and Infrastructure

## 4. FOREWORD BY THE COUNCIL CHAIRPERSON

As we reflect on the year, I am proud to report that the Council for the Built Environment achieved 100% of its targets despite significant challenges. Our work during the year strengthened the foundation for a sustainable, intelligent, inclusive, adaptive/agile and thriving Built Environment that serves all South Africans.

### High-Level Overview of the CBE's Performance

Key highlights include:

#### 1. Expanded Reach and Impact:

- o The CBE's profile reach increased by 6 349, surpassing the annual target by 39%. This growth reflects our efforts to make the Built Environment more accessible and inclusive.
- o Thirteen career development initiatives were conducted, engaging 4 823 learners across all nine provinces, with 57% female representation. These initiatives, such as Take-a-Girl-Child-to-Work, are planting seeds for a more diverse and skilled future workforce.

#### 2. Strengthened Governance and Compliance:

- o Four critical protocols were approved, including guidelines for professional fees and emergency incident response, to standardise practices and enhance accountability.
- o Hundred percent of appeals were finalised within 60 days of lodgement and complaints within 90 days, ensuring timely justice and reinforcing trust in our regulatory role.

#### 3. Research and Advocacy:

- o Two pivotal research reports were produced on Funding for Women-Owned Enterprises and Sustainable Building Practices, providing data-driven insights to inform policy.
- o One advisory note was developed on Health and Safety Compliance, directly contributing to safer construction sites nationwide.

#### 4. Skills Development:

- o Two hundred and thirty-six (236) candidates, with a balanced gender representation (56% male, 44% female), were supported through professional registration workshops.
- o The Infrastructure Audit Training Programme was launched, deploying 100 graduates to conduct structural compliance audits—a critical step toward self-reliance and improved project delivery.



Ms Holovisa Amelia Mtshali  
Chairperson of Council

#### Strategic Relations

Collaboration lies at the heart of our success. This year, we deepened partnerships with key stakeholders, including:

- **Construction Education Training Authority (CETA)** to host the annual CBE Recognition Awards: Celebrating excellence and fostering a culture of merit in the Built Environment sector.
- **Academic Institutions** to spearhead the Academic-Government Partnership dialogue to align research with national priorities and integrate real-world challenges into curricula.

These relationships amplify our impact and ensure that the CBE remains a catalyst for innovation and growth.

#### Challenges

Despite our achievements, we confronted significant hurdles:

##### Economic Constraints:

A significant challenge over the past year has been the ongoing budgetary constraints. As the Council, we are fully aware that the organisation needs to be appropriately resourced in order to fulfil its object to *promote and protect the interest of the public in the built environment*. Budget cuts necessitated rigorous prioritisation, limiting resources for critical projects like investigations.

##### Regulatory Fragmentation:

Siloed systems within the Built Environment sector hinders cohesive governance. The George Building Collapse laid bare the consequences of this fragmentation, compelling us to act with urgency.

These challenges remind us that our work is far from complete—but they also fuel our determination to drive systemic change.

#### Strategic Focus Over the Medium Term

Looking ahead, our priorities are clear:

##### 1. Strengthen Administrative Excellence and Financial Sustainability

- o Optimise internal governance and operational efficiency to deliver on our mandate despite fiscal constraints.
- o Diversify revenue streams and enforcing compliance with professional fees to secure the CBE's long-term viability.

##### 2. Develop Skilled Built Environment Professionals

- o Fast-track professional registration pathways and articulating university curricula with sector needs.
- o Expand mentorship programmes to bridge the gap between academia and practice.



- o Scale the Infrastructure Audit Training Programme and structured internships to reduce reliance on external consultants.
- o Support built environment graduates, candidates, and professionals through the Built Environment National Logbook (BENL), prioritising women, youth, and persons with disabilities.

### **3. Enhance Research and Policy Influence**

- o Produce evidence-based research to shape national policy.
- o Formalise the Academic-Government Partnership Framework to co-create solutions for infrastructure delivery challenges.

### **4. Advance Sector Transformation and Public Interest**

- o Advocate for regulatory reforms, including a review of the Council for the Built Environment Act (the CBE Act), to curb construction incidents and dismantle silos.
- o Enforce mandatory standards to protect communities, informed by lessons from tragedies like the George Building Collapse.

Through these actions, we will cement the CBE's role as a catalyst for equity, safety, and innovation—ensuring the Built Environment serves all South Africans.

### **Acknowledgements**

My appreciation goes to the Minister of Public Works and Infrastructure, Mr Macpherson, for his stewardship in driving the priorities of the CBE and its operations. To the Parliamentary Portfolio Committee on Public Works and Infrastructure go our gratitude for its oversight and guidance in ensuring the CBE remains an accountable and transparent public institution that serves the needs of society.

None of this would be possible without the collective effort of our Council members, staff, partners, Councils for the Built Environment Professions (CBEP), and stakeholders. To the professionals who uphold our standards, the learners who inspire our outreach, and the communities who trust us thank you. Your commitment is the foundation of our progress.

### **Conclusion**

The CBE's journey is one of partnership and perseverance. As we navigate the road ahead, we do so with a shared vision of a sustainable, intelligent, inclusive, adaptive/agile and thriving Built Environment that serves all South Africans with integrity, innovation, and inclusivity. This report is a pledge to continue striving for excellence, accountability, and above all, public good.



Ms Holovisa Amelia Mtshali  
Council for the Built Environment  
Date: 31 July 2025

## **5. CHIEF EXECUTIVE OFFICER'S OVERVIEW**

This overview highlights our financial stewardship, and the resilience demonstrated by our stakeholders in driving progress.

### **General financial review of the public entity**

The past year saw the CBE operating under tightened fiscal conditions, with a 7% reduction in government funding compared to the previous cycle. Despite this, we maintained core operations by diversifying revenue streams through partnerships with private sector stakeholders and securing grants for targeted initiatives.

For the 2024/25 financial year, the CBE was allocated R55. 505 million budget to carry out its mandated functions, and it successfully collected over R9. 307 million in revenue. This resulted in an actual collection of 99% (R64. 812 million) of its total budgeted income of R65. 373 million.

The CBE budget originates from the following funding sources:

- a. Transfer Grant from the National Department of Public Works and Infrastructure – R55. 505 million
- b. Partnerships agreements – R5. 547 million
- c. Levies from the six CBEP – R3. 233 million
- d. Interest and other income – R1. 088 million



**Dr Msizi Myeza**  
**Chief Executive Officer**

### **Spending trends of the public entity**

In terms of expenditure trends, the CBE managed its spending in line with the budget.

Fiscal pressures compelled a strategic reallocation of resources as follows:

**Regulatory functions** (Public Protection) absorbed 87% of expenditure, ensuring compliance and professional standards across the built environment professions.

**Stakeholder Management and Discretionary projects**, such as public awareness campaigns, saw 86% expenditure; however, partnerships offset some of these costs.

**Investment in Technology** was at 100% against the budget, necessitated to keep pace with rapid technological advancements.

These trends underscore our pivot toward safeguarding statutory mandates while embracing innovation to deliver more with less.

### Capacity constraints and challenges facing the public entity

The 2024/25 financial year economic outlook deteriorated, with revenues falling short of expectations and borrowings coming under pressure. A comparison of the 2024/25 financial budget to the prior year indicates a reduction of 2%.

#### a) Budget constraints:

- **Reduced funding** impacted human capital, with a hiring freeze affecting 28% of vacant positions.
- **Capacity constraints**, especially in the Information Technology (IT) unit impacted the CBE negatively. The Sector Data Warehouse Architecture Plan was stalled due to insufficient funding and IT staff redeployed to urgent projects. Reliance on aging hardware (e.g. extended laptop cycles) risks cybersecurity breaches and operational deficiencies.

#### b) Governance challenges within the six CBEP

- **Fragmented compliance:** Disparities in adherence to CBEP Acts emerged, with some councils unable to submit quarterly and annual reports timeously to the CBE.
- **Leadership Turnover:** Two councils faced prolonged vacancies in Registrar roles, hampering decision-making.

### Discontinued key activities / activities to be discontinued

No activities were discontinued as operations during the 2024/25 financial year.

### New or proposed key activities

**Inaugural Public Works and Infrastructure Summit:** The CBE hosted the inaugural Public Works and Infrastructure Summit with some 600 delegates, including Premiers of Gauteng, Northwest and Northern Cape, MECs, public entities, private sector leaders, academia, and civil society in attendance. The summit addressed systemic challenges in infrastructure development, emphasizing partnerships, accountability and climate resilience. Key outcomes included the following:

- Launch of the Infrastructure Audit Training Programme
- Adoption of National Assets Optimisation strategy
- Demonstrated commitment towards professionalization of the built environment industry, ethical conduct, and for projects to be delivered on time and within budget
- Local government encouraged to increase technical staff capacity and experience levels to improve infrastructure management and ensure professional registration
- Public and private sectors to strengthen partnerships for infrastructure development and maintenance through increased participation

### Requests for roll over of funds

There were no surplus funds in the 2024/25 financial year.

#### Supply chain management

The CBE's Supply Chain Management (SCM) unit has processes and procedures in place, aligned to section 217 of the Constitution which states that *"When an organ of state in the national, provincial or local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost effective."*

The SCM function is governed by the provisions of the Public Finance Management Act (No. 1 of 1999) (PFMA), the Preferential Procurement Policy Framework Act (Act No. 5 of 2000) (the PPPFA) and its Regulations; and National Treasury (NT) Regulations. Collectively, these instruments guide the SCM unit in managing the interdependent activities of demand, acquisition, and contract administration.

The approved 2024/25 Procurement Plan was submitted to National Treasury as per SCM Instruction 2 of 2016/2017.

#### All concluded unsolicited bid proposals for the year under review

The CBE's SCM Policy discourages the consideration of unsolicited bids; none were received or considered during the year under review.

#### Whether SCM processes and systems are in place

The CBE's SCM function is governed by the provisions of the following legislations and practices:

- a. Public Finance Management Act (PFMA)
- b. Preferential Procurement Policy Framework Act (PPPFA)
- c. National Treasury (NT) Regulations and Prescripts as issued

Collectively, these instruments guide the SCM unit in managing the interdependent activities of demand, acquisition, and contract administration. The SCM function of the CBE has Standard Operating Procedures and Policies used in day-to-day operations to ensure compliance with applicable regulations and legislations.

#### Challenges experienced and how these were resolved

No challenges were experienced with supply chain management.

#### Audit report matters in the previous year and how these would be addressed

Management reviewed the implementation plan for audit issues raised in the previous financial year by the external auditor and concluded that internal controls related to assets required improvement to mitigate risk exposure. As of 31 March 2025, eight (8) previously raised audit findings were resolved, while two were not. This two (2) unresolved findings relate to the Broad-Based Black Economic Empowerment (BBBEE) audit, currently underway, and the contract management standard operating procedure, not yet approved but workshopped with staff. A digital contract management tool has also been developed and is currently in use.

### **Outlook / Plans for the future to address financial challenges**

The CBE has submitted a request to the Department of Public Works and Infrastructure (DPWI) to amend Regulation 915, which would enable the CBE to collect appropriate levies from professional councils.

### **Events after the reporting date**

The CBE hosted the inaugural Public Works and Infrastructure Summit on 01 April 2025.

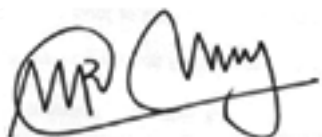
### **Economic viability**

Strategies are in place to ensure that the CBE remains a going concern.

### **Acknowledgement/s and Appreciation**

I would like to thank the Portfolio Committee on Public Works, the Honourable Minister of Public Works and Infrastructure, the Honourable Deputy Minister of Public Works and Infrastructure, the Director General of the DPWI, and strategic partners, for their leadership, guidance and support.

None of our efforts would have been possible without the unwavering dedication of our stakeholders. My gratitude extends to the CBE Council and Staff for their resilience in managing stretched resources, particularly the extraordinary budget cut. I would be remiss if I did not acknowledge our private sector partners with whom collaboration on cost-sharing initiatives exemplified the power of collective action. Our Built Environment professional councils and professionals' patience and engagement during our quarterly meetings underscore their commitment to the sector's integrity.



---

Dr Msizi Myeza  
Chief Executive Officer  
Date: 31 July 2025



## **6. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT**

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by external auditors (MGI-RAS Group).

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part F) have been prepared in accordance with the GRAP standards applicable to the public entity.

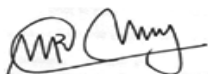
The Accounting Authority is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Authority is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of performance information, human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Council for the Built Environment for the financial year ended 31 March 2025.

Yours faithfully



Chief Executive Officer  
Dr Msizi Myeza  
Date: 31 July 2025

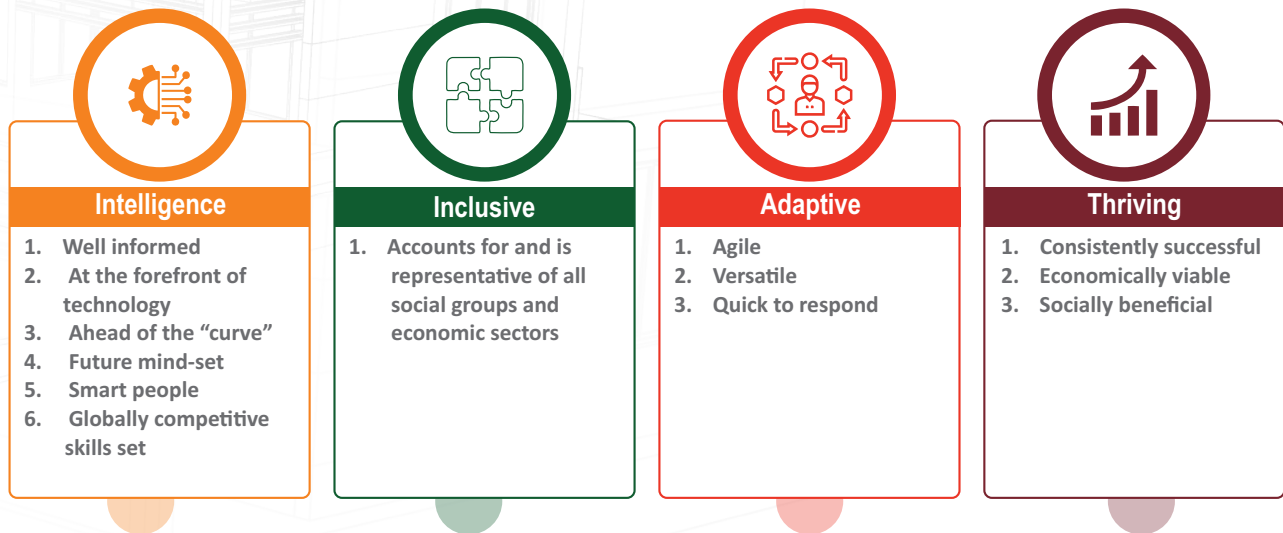


Chairperson of Council  
Ms Holovisa Amelia Mtshali  
Date: 31 July 2025

## 7. STRATEGIC OVERVIEW

### 7.1 VISION

An intelligent, inclusive, adaptive, and thriving Built Environment by 2035



### 7.2 MISSION

Lead, regulate, advise and coordinate professions and their councils to meet the National Built Environment and Transformation Future of the industry.

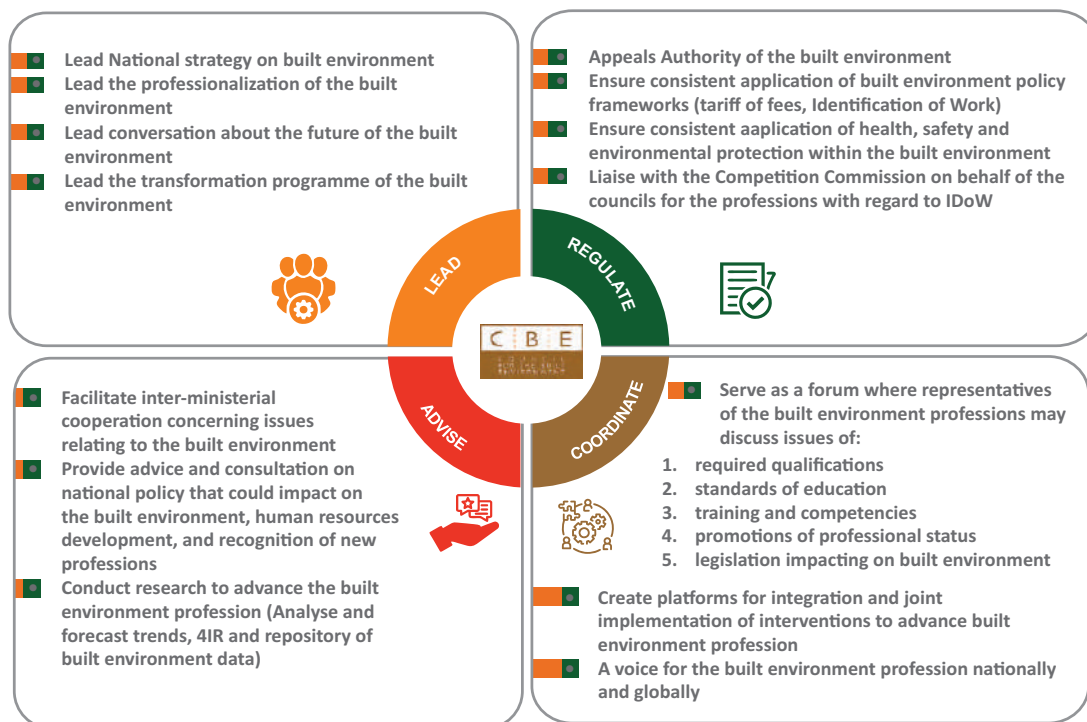


Figure 1: Underlying Principles of the Mission Statement

### 7.3 VALUES



**Quality is  
non-negotiable**



**Professionalism  
in all that we do**



**Future  
orientated**



**All-round  
inclusiveness**

## 8. LEGISLATIVE AND OTHER MANDATES

The Council for the Built Environment (CBE) is a Schedule 3A Public Entity as per the Public Finance Management Act (PFMA). The CBE is a statutory body in existence since the enactment of the Council for the Built Environment Act (No 43 of 2000) (The CBE Act) in 2000. It is an entity of the Department of Public Works and Infrastructure (DPWI). The CBE is responsible for regulating the following CBEP in South Africa - Architecture, Landscape Architecture, Engineering, Property Valuation, Project and Construction Management Professions, and Quantity Surveying.

The objectives of the CBE as per section 3 of the CBE Act are to:

- a) *promote and protect the interest of the public in the built environment;*
- b) *promote and maintain a sustainable built environment and natural environment;*
- c) *promote ongoing human resources development in the built environment;*
- d) *facilitate participation by the built environment professions in integrated development in the context of national goals;*
- e) *promote appropriate standards of health, safety and environmental protection within the built environment;*
- f) *promote sound governance of the built environment professions;*
- g) *promote liaison in the field of training in the Republic and elsewhere and to promote the standards of such training in the Republic;*
- h) *serve as a forum where the built environment professions can discuss relevant—*
  - (i) *required qualifications;*
  - (ii) *standards of education;*
  - (iii) *training and competence;*
  - (iv) *promotion of professional status; and*
  - (v) *legislation impacting on the built environment; and*
- i) *ensure uniform application of norms and guidelines set by the councils for the professions throughout the built environment.*

## 8.1 FUNCTIONS, POWERS AND DUTIES OF THE COUNCIL (SECTION 4 OF THE CBE ACT)

The Council may:

- (a) *advise Government on any matter falling within the scope of the built environment, including resource utilisation, socio-economic development, public health and safety and the environment, and for this purpose carry out such investigations as it or the relevant Minister deems necessary;*
- (b) *communicate to the Minister<sup>1</sup> information on matters of public importance acquired by the council in the course of the performance of its functions under this Act;*
- (c) *make recommendations to the Minister on the composition, functions, assets, rights, employees or financing of the council;*
- (d) *advise the Minister with regard to the amendment of this Act, if necessary, in order to support the norms and values of the built environment professions;*
- (e) *facilitate inter-ministerial co-operation concerning issues relating to the built environment;*
- (f) *provide advice and consultation on national policy that could impact on the built environment, human resource development in relation to the built environment professions, and the recognition of new professions;*
- (g) *comment, if necessary, on all proposed legislation impacting on health and safety in the built environment;*
- (h) *direct communication from the Minister or the relevant Minister to the councils for the professions;*
- (i) *advise the councils for the professions on matters of national importance where the needs of the State, as communicated to the council through the relevant Minister, require joint and co-ordinated action by the built environment professions;*
- (j) *coordinate the establishment of mechanisms for professionals to gain international recognition;*
- (k) *ensure the consistent application of policy by the councils for the professions with regard to:*
  - (i) *accreditation;*
  - (ii) *the registration of different categories of registered persons;*
  - (iii) *key elements of competence testing of registered persons;*
  - (iv) *codes of conduct to be prescribed by the councils for the professions;*
  - (v) *the principles upon which the councils for the professions must base the determination of fees which registered persons are entitled to charge in terms of any of the professions' Acts, and in accordance with any legislation relating to the promotion of competition;*
  - (vi) *standards of health, safety and environmental protection within the built environment;*
  - (vii) *the recognition of voluntary associations for the built environment professions, by approving the framework for that recognition submitted by the councils for the professions, taking due cognisance of the characteristics of each built environment profession;*
- (l) *investigate or initiate investigations into matters pertaining to its functions and policies with regard to the built environment and, if necessary, recommend legislation in this regard;*
- (m) *act as an appeal body with regard to matters referred to it in terms of the law regulating the built environment professions;*
- (n) *in consultation with councils for the professions, obtain recognition for the councils for the professions as bodies responsible for the establishment of education and training standards in terms of the South African Qualifications Authority Act, 1995 (Act No. 58 of 1995);*
- (o) *ensure the consistent application of policy throughout the built environment by encouraging coordination between the councils for the professions;*

---

1 Minister of Public Works and Infrastructure

- (p) *promote coordination between the Council on Higher Education and the councils for the professions in relation to the accreditation of education institutions;*
- (q) *liaise with the Competition Commission, established in terms of the Competition Act, 1998 (Act No. 89 of 1998), on behalf of the councils for the professions regarding the identification of work for the built environment professions;*
- (r) *review fees published by the councils for the professions to ensure the consistent application of the principles regarding such fees;*
- (s) *charge:*
  - (i) *membership fees in the prescribed manner from the councils for the professions, calculated pro rata to the number of persons registered with that council;*
  - (ii) *fees payable for appeals in terms of section 21; and*
  - (iii) *any other fee it considers necessary;*
- (t) *institute legal proceedings to recover all outstanding membership fees payable under this Act;*
- (u) *consider proposals from the councils for the professions with regard to the determination of policy contemplated in paragraph (k);*
- (v) *receive and assimilate the annual reports of the councils for the professions and submit a summary to the Minister;*
- (w) *purchase, hire or otherwise acquire or dispose of property, borrow money on the security of the assets of the council or accept and administer any trust or donation;*
- (x) *subject to this Act, approve standing orders for the regulation of its proceedings and of all other matters relating to the management, powers and duties of the council;*
- (y) *perform such functions as may be prescribed; and*
- (z) *generally, do all such things as the council deems necessary or expedient to achieve the objectives of this Act.*

## **8.2 LEGISLATIVE AND POLICY MANDATES**

The scope of the CBE and councils for the professions in the Built Environment value chain is to regulate those Built Environment Professions who conceptualise, design, build, maintain and transfer social and economic infrastructure. The CBE executes its mandate from the Council for the Built Environment Act (No 43 of 2000) (the CBE Act), while also being mindful of the following legislations, regulations, policies and best practice guidelines to exercise good governance, ethical leadership and corporate citizenship. The CBE adopted a Compliance Policy and implements a compliance action plan for identified obligations with quarterly disclosure.



**Table 1: Key Legislation and Best Practices**

Short Title	Purpose
Republic of South Africa Constitution, Act 108 of 1996	The Constitution is the supreme law of the land. No other law or government action can supersede the provisions of the Constitution.
Consumer Protection Act, 68 of 2008	To promote a fair, accessible, and sustainable marketplace for consumer products and services and for that purpose to establish national norms and standards relating to consumer protection, to provide for improved standards of consumer information, to prohibit certain unfair marketing and business practices, to promote responsible consumer behaviour, to promote a consistent legislative and enforcement framework relating to consumer transactions and agreements, to establish the National Consumer Commission and to provide for related incidental matters.
Construction Industry Development Board Act, 38 of 2000	To provide for the establishment of the Construction Industry Development Board; to implement an integrated strategy for the reconstruction, growth and development of the construction industry and to provide for matters connected therewith.
Council for the Built Environment Act, 43 of 2000	To provide for the establishment of a juristic person to be known as the Council for the Built Environment; to provide for the composition, functions, powers, assets, rights, duties and financing of such a council; and to provide for matters connected therewith.
Architectural Profession Act, 44 of 2000	To provide for the establishment of a juristic person to be known as the South African Council for the Architectural Profession; to provide for the registration of professionals, candidates and specified categories in the architectural profession; to provide for the regulation of the relationship between the South African Council for the Architectural Profession and the Council for the Built Environment; and to provide for matters connected therewith.
Landscape Architectural Professional Act, 45 of 2000	To provide for the establishment of a juristic person to be known as the South African Council for the Landscape Architectural Profession; to provide for the registration of professionals, candidates and specified categories in the landscape architectural profession; to provide for the regulation of the relationship between the South African Council for the Landscape Architectural Profession and the Council for the Built Environment; and to provide for matters connected therewith.
Engineering Profession Act of South Africa, 46 of 2000	To provide for the establishment of a juristic person to be known as the Engineering Council of South Africa; to provide for the registration of professionals, candidates and specified categories in the engineering profession; to provide for the regulation of the relationship between the Engineering Council of South Africa and the Council for the Built Environment; and to provide for matters connected therewith.
Property Valuers Profession Act, 47 of 2000	To provide for the establishment of a juristic person to be known as the South African Council for the Property Valuers Profession; to provide for the registration of professionals, candidates and specified categories in the property valuation profession; to provide for the regulation of the relationship between the South African Council for the Property Valuers Profession and the Council for the Built Environment; and to provide for matters connected therewith.

Short Title	Purpose
Project and Construction Management Professions Act, 48 of 2000	To provide for the establishment of a juristic person to be known as the South African Council for the Project and Construction Management Professions; to provide for the registration of professionals, candidates and specified categories in the project and construction management professions; to provide for the regulation of the relationship between the South African Council for the Project and Construction Management Professions and the Council for the Built Environment; and to provide for matters connected therewith.
Quantity Surveying Profession Act, 49 of 2000	To provide for the establishment of a juristic person to be known as the South African Council for the Quantity Surveying Profession; to provide for the registration of professionals, candidates and specified categories in the quantity surveying profession; to provide for the regulation of the relationship between the South African Council for the Quantity Surveying Profession and the Council for the Built Environment; and to provide for matters connected therewith.
Public Finance Management Act, 1 of 1999	To regulate financial management in the national government; to ensure that all revenue, expenditure, assets and liabilities of that government are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in that government; and to provide for matters connected therewith.
Skills Development Act, 97 of 1998	To provide an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce; to integrate those strategies within the National Qualifications Framework contemplated in the South African Qualifications Authority Act, 1995; to provide for learnerships that lead to recognised occupational qualifications; to provide for the financing of skills development by means of a levy-grant scheme and a National Skills Fund; to provide for and regulate employment services; and to provide for matters connected therewith.
Employment Equity Act, 55 of 1998	To provide for employment equity and to provide for matters incidental thereto.
Promotion of Administrative Justice Act, 3 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.
Promotion of Access to Information Act, 2 of 2000	To give effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights; and to provide for matters connected therewith.
Minimum Information Security Standards	<ol style="list-style-type: none"> <li>(1) Maximises the degree to which unclassified geographic information from various sources can be made electronically compatible and accessible; and</li> <li>(2) Promotes the development of interoperable geographic information systems technologies that shall-: <ol style="list-style-type: none"> <li>(a) allow widespread, low-cost use and sharing of geographic data by National, Provincial, local governments and state entities, and the public; and</li> <li>(b) enable the enhancement of services using geographic data.</li> </ol> </li> </ol>

Short Title	Purpose
Occupational Health and Safety Act, 85 of 1993	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, issued regularly by National Treasury, are applicable to all public entities listed on Schedules 2, 3B and 3D.
National Archives of South Africa Act, 43 of 1996	To provide for a National Archives; the proper management and care of the records of governmental bodies; and the preservation and use of a national archival heritage; and to provide for matters connected therewith.
King IV Report™ on Corporate Governance for South Africa 2016	Ethical and effective leadership is at the heart of the King IV Report on Corporate Governance for South Africa (King IV™). The 17 basic principles are universally applicable to all organisations, and all are required to substantiate a claim that good governance is practised.

### 8.3 ACCOUNTABILITY STRUCTURES

The CBE has accountability structures that direct, manage and hold it accountable. These are based on the CBE Act, the Public Finance Management Amendment Act (PFMA) (Act 29 of 1999), and the National Treasury Reporting Framework. In addition, the CBE subscribes to the requirements of the King IV Report on Corporate Governance for South Africa (King IV™). Parliament, through the Parliamentary Portfolio Committee (PPC) on Public Works of the National Assembly, maintains high-level oversight of the entity, while the Executive Authority (the Minister of Public Works and Infrastructure) and the Accounting Authority (the CBE Council) are accountable for the entity.

## PUBLIC WORKS AND INFRASTRUCTURE OVERVIEW

The Council for the Built Environment (CBE) is a Schedule 3A Public Entity, a juristic body established in terms of section 2 of the Council for the Built Environment Act, 43 of 2000 (the CBE Act).

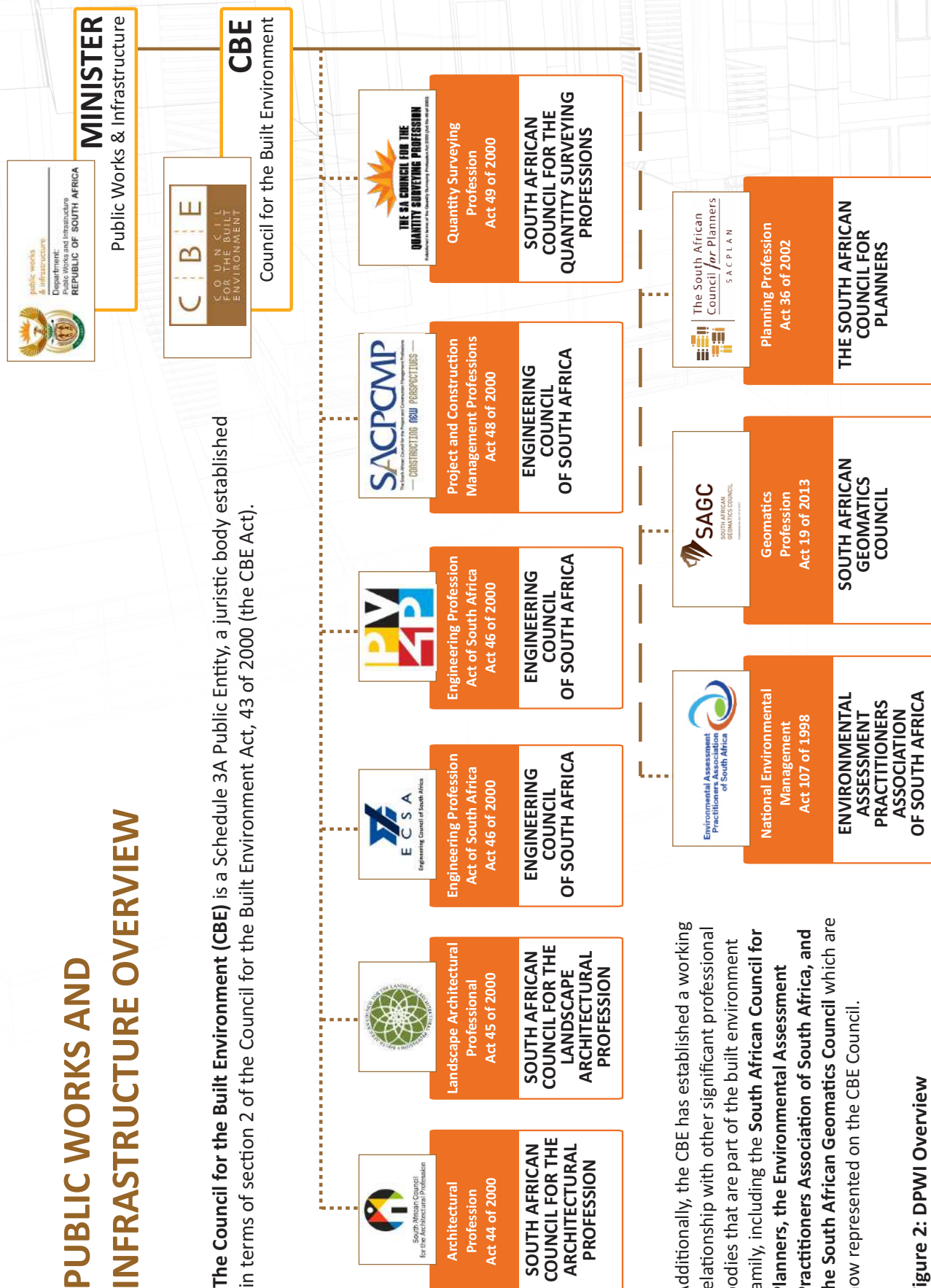


Figure 2: DPWI Overview

## 9. ORGANISATIONAL STRUCTURE

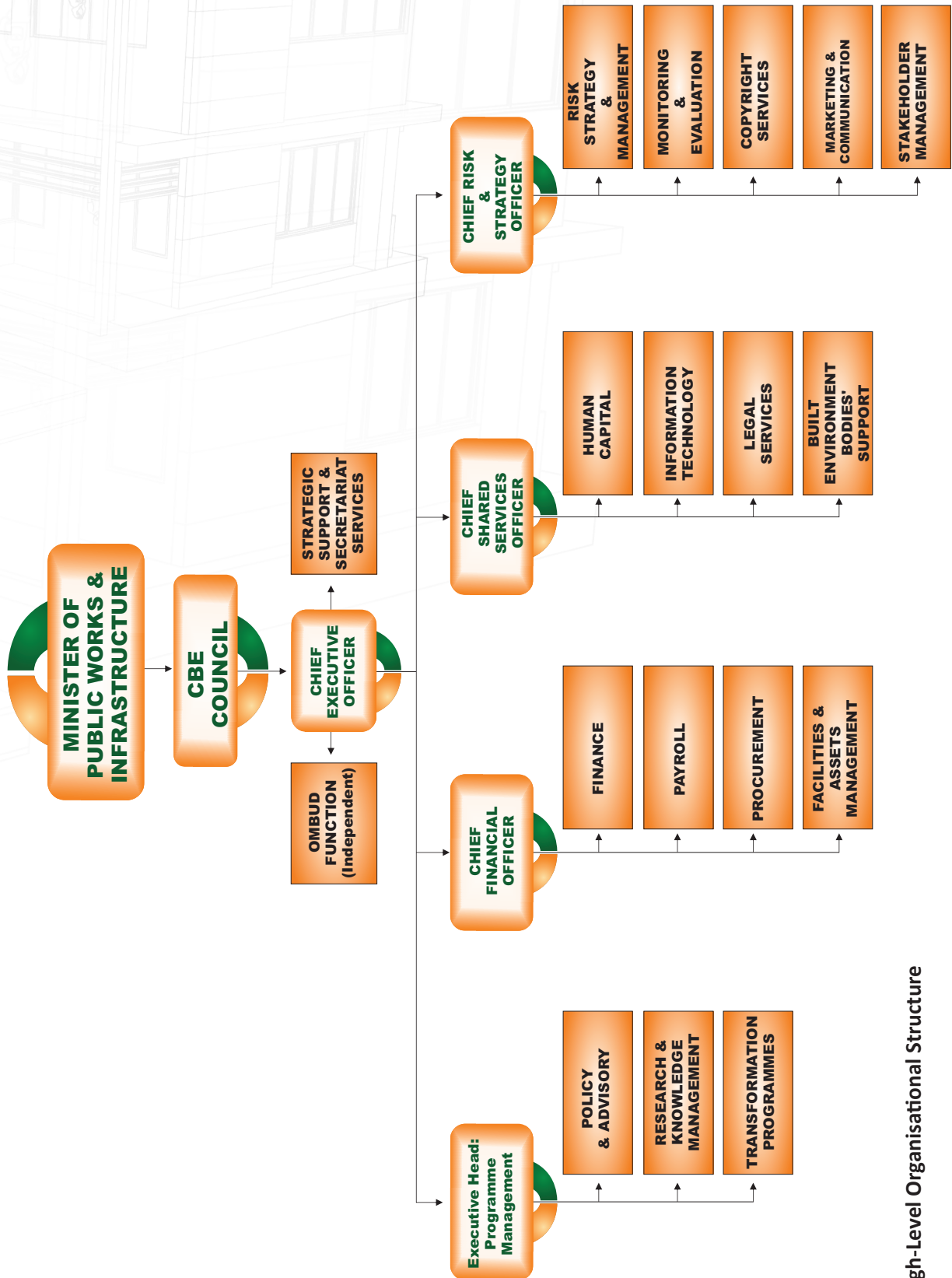


Figure 3: High-Level Organisational Structure









# PART



## PERFORMANCE INFORMATION

C | B | E

COUNCIL  
FOR THE BUILT  
ENVIRONMENT

## 1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General South Africa (AGSA), in its capacity as external auditor currently performs the necessary audit procedures on the CBE's performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in this report, with material findings reported under Predetermined Objectives in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 160 of the Auditor's Report, published in Part F: Financial Information.

## 2. OVERVIEW OF PERFORMANCE

The CBE's performance is measured against its Key Performance Indicators (KPIs). The overall performance of the CBE against its annual targets for the 2024/25 financial year was 100% (translated as 18/18 targets) achieved.

### 2.1 Service Delivery Environment

According to the policy document on the statutory regulation of the Built Environment Professions (1999), professional expertise in the country is a national asset and should be managed as a scarce resource of high value. This expertise is a renewable resource, but also subject to degradation if standards are allowed to decline and/or interest in entering the professions as a career is not promoted. The intrinsic value of professions lies in their essential role and function in socio-economic development. While socio-economic development and the improvement of the quality of life in South Africa enjoys priority attention, professional expertise needs to be nurtured, professional standards maintained and professional services within reach of all communities. To develop a profession and keep it healthy, the profession must be regulated from within, as well as by government. Government has the duty to protect the public, while self-regulation by the professions ensures quality and development within the professions. Government is of the opinion that in the Built Environment, self-regulation by the professions manifests itself in voluntary associations and institutes. Government involves itself by recognising the competence levels set by the professions and protecting the public interest by legislation.

### 2.2 Organisational Environment

The PFMA requires public entities to submit quarterly performance information reports to the relevant executive authority and National Treasury. During the period under review, the CBE submitted all quarterly information reports to the executive authority and National Treasury. There were no issues of concern raised by the executive authority on the reports.

The CBE's primary challenge in delivering its mandate is its budget, an allocation from DPWI. Due to the economic slowdown, government's squeezed fiscal space directly impacts on the CBE through proposed reductions in the medium-term budget allocations. The slow growth in the core baseline funding and increased costs of compliance is an ongoing challenge, which is not sustainable without focused efforts. The increasing governance and compliance demand continue to precipitate unfunded additional investments in human

capacity in the organisation. In addressing this challenge, the CBE developed a revenue enhancement strategy to explore alternate sources of revenue and identify ways to overcome these challenges.

Lack of capacity in Information Communications Technology (ICT) was a challenge. The unit requires permanency in staff to ensure a stable service and address the numerous audit findings. To mitigate these challenges, the CBE established an IT Steering Committee. In its two years of existence, the IT Steering Committee's interventions made significant progress in addressing most of the audit findings.

### **2.3 Key policy developments and legislative changes**

There were no changes in the policy and legislative environment affecting the CBE in the period under review. The CBE awaits the Ministry's directive on the review of the CBE Act.

### **2.4 Progress towards achievement of institutional impacts and outcomes**

The strategic goals listed were developed to guide the work of the CBE and to co-ordinate work with the CBEP:

#### **Strategic Outcome 1: Optimum Functioning**

<b>Strategic Outcome 1</b>	Optimum Functioning of the CBE
<b>Impact Statement</b>	Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions
<b>Programme Name</b>	Programme 1: Administration
<b>NDP Five-Year Priority</b>	Priority 6: A capable, ethical and developmental State
<b>NDP Five-Year Implementation Plan Outcome</b>	Ethical, efficient operations and effective accountability mechanisms

There was progress on the following items towards achieving an optimum functioning CBE:

- i. CBE obtained a clean audit for five consecutive years (2019/20, 2020/21, 2021/22, 2022/23 and 2023/24)
- ii. Revenue from the grant and levies increased by 11.17% during the 2024/25 financial year
- iii. Migration to IT Cloud service. However, capacity challenges in the IT department continue
- iv. Critical business processes were automated including contract management, and Supply Chain Management quotation register
- v. There was an increase of 59% in the CBE's profile reach through stakeholder engagements such as:
  - Built Environment Recognition Awards (BERA)
  - Built Environment Climate Change Indaba (BECCI)
  - Youth Assembly
  - Annual Built Environment Colloquium- Disability Rights Awareness Month (DRAM)
  - Built Environment Women Network (BEWN)
  - Built Environment National Logbook (BENL)
  - Career Development programme



## Strategic Outcome 2: Transformed Built Environment

<b>Strategic Outcome 2</b>	Transformed Built Environment
<b>Impact Statement</b>	Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions
<b>Programme Name</b>	Programme 2: Empowerment and Economic Development
<b>NDP Five-Year Priority</b>	Priority 1: Economic Transformation and Job Creation
<b>NDP Five-Year Implementation Plan Outcome</b>	Increased ownership and participation by historically disadvantaged individuals

Over the medium-term, the CBE focused its efforts on transforming the Built Environment, by expediting the empowerment of women, youth, and persons with disabilities (PWD). The country continues to grapple with the triple challenges of poverty, inequality, and unemployment. Significant milestones in this area were achieved through the following interventions:

- i. Broad-Based Long-Term Transformation Strategy which established and institutionalised five Transformation Collaborative Forums (TCFs), each of which focused on a specific workstream viz.
  - a. Procurement, Policy, Legislation and Socio-Economic Development (PPLSED)
  - b. Women Empowerment and Gender Equality (WEGE)
  - c. Occupation Specific Dispensation (OSD)
  - d. Health, Safety, Public Protection and Universal Access (HSPPUA)
  - e. Professional Skills and Capacity Development (PSCD)
  - f. Environmental Sustainability (ES)
- ii. Women empowerment, youth development and PWD programmes reaching 4536 beneficiaries:
  - Built Environment Women Network (BEWN): 3015
  - Youth Development initiatives: 1290
  - Empowerment of Persons with Disabilities: 231

## Strategic Outcome 3: Skilled Built Environment Professionals

<b>Strategic Outcome 3</b>	Skilled Built Environment Professionals
<b>Impact Statement</b>	Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions
<b>Programme Name</b>	Programme 3: Professional Skills and Capacity Development
<b>NDP Five-Year Priority</b>	Priority 1: Economic Transformation and Job Creation Priority 2: Education, Skills and Health
<b>NDP Five-Year Implementation Plan Outcome</b>	Improved education, training, and innovation Improved employability of youth through skills training



South Africa faces significant hurdles in fulfilling the objectives of government's transformation initiatives. Achieving genuine economic and societal transformation remains unresolved. To drive transformation, the CBE adopted a Skills Pipeline Strategy which recognises the need to implement candidacy programmes to support Built Environment (BE) candidates\*. This programme is implemented at district municipalities, government departments, entities, and private sector entities. This candidacy support accelerates the Intermediate Phase of the Skills Pipeline Strategy to ensure quality, sustainability, as well as an opportunity to propel candidates into professional registration in the shortest possible time. It also ensures that candidates acquire the requisite mentorship from seasoned BE professionals.

To contribute towards the ten percent reduction in the Built Environment Skills Gap against requirement forecasts, the CBE undertook the following interventions:

- i. Thirty-eight career development initiatives across nine provinces reaching 20 District Municipalities and five Metropolitan Municipalities
- ii. Two skills development frameworks- Structured Candidacy and Work Integrated Learning- were produced through engagements with role players and stakeholders
- iii. Five hundred-and-five candidates were supported through the implementation of the Structured Candidacy Framework in identified candidacy programmes, professionalisation workshops and District Municipality support
- iv. An analysis report was developed on the progress of registered Built Environment candidates
- v. Four protocols were developed on Nominating Bodies, Guideline Professional Fees, Emergency Incident Response and Identification of Work
- vi. The Built Environment National Logbook, an electronic platform, became functional. A total of 888 registrations were recorded - 413 students, 188 graduates, 108 candidates, 147 professionals and 32 artisans
- vii. An audit report was produced on: BE Sector technical capacity baseline/skills focusing on design thinking, contract and project management across the Public Sector

#### **Strategic Outcome 4: Informed Decision-making which Impacts the Current and Future Operational Requirements of the Industry**

<b>Strategic Outcome 4</b>	Informed decision-making that impacts the current and future operational requirements of the industry
<b>Impact Statement</b>	Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions
<b>Programme Name</b>	Programme 4: Research and Knowledge Management
<b>NDP Five-Year Priority</b>	Priority 6: A Capable, Ethical and Developmental State
<b>NDP Five-Year Implementation Plan Outcome</b>	Ethical, efficient operations and effective accountability mechanisms

*\* Candidate is a graduate who requires workplace training to enable him/her to register as a fully-fledged BE professional with the council of the profession concerned.*

The research and advisory programme continued to make an impact and contribute towards the current and future research needs within the built environment sector.

Milestones recorded during the year under review included the following:

- i. Policy recommendations to the South African Local Government Association (SALGA) on structured candidacy programmes for built environment professions in local government
- ii. Contributions to SALGA's social compact to enhance professionalisation of the built environment professions
- iii. Recommendations on digital transition in the South African built environment presented at the SACPC- MP Conference (Constructing, Built Environment Sustainability and Digitalisation)
- iv. Advisory notes and recommendations to the Minister on: *Health and Safety Compliance in the BE and Construction Safety in South Africa*
- v. Research: *Access to funding programmes for women-owned enterprises in the Built Environment and Sustainable building in the South African Built Environment*

#### **Strategic Outcome 5: Public Interest in the Built Environment Promoted and Protected**

<b>Strategic Outcome 5</b>	Promote and protect public interest in the Built Environment
<b>Impact Statement</b>	Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions
<b>Programme Name</b>	Programme 5: Public Protection, Policy and Legislation
<b>NDP Five-Year Priority</b>	Priority 6: A Capable, Ethical and Developmental State
<b>NDP Five-Year Implementation Plan Outcome</b>	Ethical, efficient operations and effective accountability mechanisms

On issues of governance and protecting the public in the built environment, the CBE finalised all lodged appeals within the statutory 60 days as well as complaints within 90 days from the date of lodgement.

The CBE plays the public protection role through its appeals function and through ensuring consistent application of policy by the professional councils:

- i. Appeals: A total of 28 appeals were lodged from 2022/21 – 2024/25 financial years, all of which were finalised within the prescribed 60-day period, translating to 100% finalisation
- ii. Complaints: To fulfil its public protection function, the CBE developed a public complaints procedure manual to give effect to its legislative mandate in sections 4(a) and (l) - 17 complaints were lodged from 2022/23 – 2024/25 financial years, all of which were finalised within 90 days from the date of lodgement, translating to hundred percent finalisation
- iii. Governance: The six CBEP were consulted with a draft governance assessment checklist to assess their level of compliance during the year under review. Three CBEP (ECSA, SACAP and SACPCMP) were at a high level of compliance, while the remaining three (SACPVP, SACLAP and SACQSP) recorded moderate compliance. Areas of non-compliance were addressed for mitigation

In its advisory role, the CBE strives to ensure 100% compliance with the Governance Framework.

### 3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

The strategic direction is implemented through five budget Programmes that enable organisation-wide coordination and consolidation of steering, monitoring and control of execution and achievements against commitments. The CBE's five Programmes are as follows:

Programme 1: Administration

Programme 2: Empowerment and Economic Development

Programme 3: Professional Skills and Capacity Development

Programme 4: Research and Knowledge Management

Programme 5: Public Protection, Policy and Legislation

#### **Alignment to DPWI Outcomes and National Development Plan (NDP) Priorities**

The Department of Planning, Monitoring and Evaluation has outlined Priorities to drive the planning and implementation of strategic plans over the 2020/21-2024/25 National Development Plan (NDP Five-Year Implementation Plan [NDPIP]) period. During this Medium-Term Strategic Framework (MTSF) period, the CBE will have contributed to and reported on the following Outcomes:

Table 2: Alignment with DPWI, NDP Priorities and NDPIP Outcomes

NDP Priorities	NDPIP Outcomes	DPWI Outcomes	CBE Outcomes	Objective of CBE Act
				
<b>Priority 6:</b> A capable, ethical and developmental State	Ethical, efficient operations and effective accountability mechanisms	A Resilient, Ethical and Capable DPWI	Optimum Functioning Council	
<b>Priority 1:</b> Economic transformation and job creation	Increased ownership and participation by historically disadvantaged individuals	Transformed Built Environment	Transformed Built Environment	3(d) facilitate participation by the built environment professions in integrated development in the context of national goals 3(f) promote sound governance of the built environment professions; (3h) serve as a forum where the built environment professions can discuss relevant issues
<b>Priority 2:</b> Education, skills and health	Improved education, training and innovation Improved employability of youth through skills training	Transformed Built Environment	Skilled Built Environment	3(c) promote ongoing human resources development in the built environment 3(g) promote liaison in the field of training in the Republic and elsewhere and to promote the standards of such training in the Republic

NDP Priorities	NDPIP Outcomes	DPWI Outcomes	CBE Outcomes	Objective of CBE Act
<b>Priority 6:</b> A capable, ethical and developmental State	Ethical, efficient operations and effective accountability mechanisms	A Resilient, Ethical and Capable DPWI	Informed decision-making which impacts the current and future operational requirements of the industry	4(a) <i>advise government on any matter falling within the scope of the built environment, including resource utilisation, socio-economic development, public health and safety and the environment, and for this purpose carry out such investigations as it or the relevant Minister deems necessary;</i>
<b>Priority 6:</b> A capable, ethical and developmental State	Ethical, efficient operations and effective accountability mechanisms	A Resilient, Ethical and Capable DPWI	Public interest in the Built Environment promoted and protected	3(a) <i>promote and protect the interest of the public in the built environment;</i> 3(b) <i>promote and maintain a sustainable built environment and natural environment</i> 3(e) <i>promote appropriate standards of health, safety and environmental protection within the built environment</i> 3(j) <i>ensure the uniform application of norms and guidelines set by the councils for the professions throughout the built environment</i>



### **3.1 Programme 1: Administration**

**Purpose:** To ensure that the CBE has the necessary capacity and capability to support Government's development priorities within the Built Environment.

Programme 1 provides the organisation with enabling governance structures, strategy and planning capacity, and shared services supported by fit-for-purpose business and Information Systems, Stakeholder Management, Marketing and Communications and Financial support and Procurement services. In addition, the Programme provides strategic, planning, analysis and systems intelligence. Programme 1 contributes towards Priority 6: A capable, ethical and developmental State.

On building a capable State, the NDP emphasises the importance of building institutional capacity in South Africa, particularly in the public sector. It devotes a chapter to building a capable and developmental State, underlining the importance of good management, a commitment to high performance, an uncompromising focus on ethics, and continuous learning. The emphasis is on an efficient, effective, and development-oriented public service and an empowered, fair, and inclusive citizenship. According to the NDP, a developmental State needs to be capable, but a capable State does not materialise by decree, nor can it be legislated or waived into existence by declarations. It must be built, brick by brick, institution by institution, and sustained and rejuvenated over time. It requires leadership, sound policies, skilled managers and workers, clear lines of accountability, appropriate systems, and consistent and fair application of rules. A capable State (chapter 13), with functioning, well-run utilities, departments, and municipalities, will help ensure efficient regulation.

The 2019-24 MTSF highlights modernising business processes in the public sector to ensure effective and efficient service provisioning to our people as a vital process. A capable State requires effectively coordinated state institutions with skilled public servants who are committed to the public good and capable of delivering consistently high-quality services, while prioritising people in the achievement of the nation's developmental objectives. This vision requires a State that has the capacity to formulate and implement policies that serve national interest and address the root causes of poverty and inequality.

The CBE will have sustained and improved its good governance practices and systems, evident by clean audits for the past three financial years, complemented by effective accountability practices. The CBE will finalise the business process mapping and re-engineering initiative to remove operational bottlenecks, streamline systems and processes and design optimised, efficient and effective delivery platforms with the view to enhance accountability, value for money and improved stewardship of resources.

For the 2024/25 APP, Programme 1 had four annual targets. All four annual targets were achieved:

#### **3.1.1 Four business processes automated by 31 March 2025. – *Achieved***

This target enables the CBE to meet its organisational strategic goals through technological platforms and solutions, while also ensuring that the CBE is aligned to Information Communications Technology (ICT) changes across the industry and around the world.

The activities identified to address this strategic goal were:

- I. Identify and prioritize business processes to be automated
- II. Automation of the identified business processes

The annual target was achieved; five business processes were automated during the 2024/25 financial year to improve efficiency with the following:

- I. Contract Management System
- II. Facility Request Form
- III. Travel Request Form
- IV. Employment Form
- V. SCM Quotation Register

### **3.1.2 20% increase on CBE's profile reach by 31 March 2025. - Achieved**

The aim of Programme 1.2 is to improve public awareness and recognition of the crucial role of Built Environment Professionals across the country, and specifically to highlight the role of the CBE as a custodian of the Built Environment sector in protecting the interests of the public in all matters related to the Built Environment. Raising awareness of the role and contribution of Built Environment Professionals through the media, social media and public events will help stimulate and inspire potential Built Environment Professionals and keep citizens informed.

In this Programme, the CBE implements its mandate through activities that highlight the following:

- I. Professionalisation of the sector
- II. Public protection on matters relating to the Built Environment
- III. Promote excellence in the sector
- IV. Skills Development
- V. Career Awareness
- VI. Transformation
- VII. Climate Change

The CBE had a total of 10 778 followers/users at the beginning of the financial year. The annual target of a 20% increase equals 2 156. At the end of the 2024/25 financial year, CBE achieved an overall increase of 6 349 followers/users across its social media platforms, reaching an overall 17 127 followers, translating to a 59% increase in the CBE's profile reach. The annual target was significantly overachieved by 39%, due to high media coverage and enhanced stakeholder engagement.

The quarterly performance of the target across CBE social media platforms is recorded as follows:

**Table 3: Social Media Performance**

No. of users/page views/ followers	LinkedIn	Twitter	FaceBook	CBE Website	Total	Quarterly Percentage Increase
Baseline (end of 2023/24 FY)	5 833	312	1 600	3 033	10 778	-
Quarter 1 (1 April – 30 June 2024)	1 579	89	54	0	1722	16%
Quarter 2 (1 July – 30 September 2024)	1 329	53	79	0	1461	14%
Quarter 3 (1 October – 31 December 2024)	1 640	56	289	0	1985	18.4%
Quarter 4 (1 January – 31 March 2025)	1 028	21	132	0	1181	11%
Total number of users/followers at 31 March 2025	11 409	531	2 154	3 033	17 127	59% (overall increase of 6 349 followers)

### 3.1.3 Four stakeholder engagements held by 31 March 2025. - **Achieved**

The annual target was achieved. During the 2024/25 financial year, the CBE held four stakeholder engagements as follows:

- I. Youth Assembly held on 21 June 2024 under the theme- Building a Better Tomorrow- shaping the Built Environment of the future with a total reach of 154 students (85 males and 69 females).
- II. Built Environment Climate Change Indaba (BECCI) held on 8 November 2024 under the theme- Co-creation of spaces and places that respond to just transition. The 2024 BECCI, second to be hosted by the CBE, centred around building a climate-resilient Built Environment for South Africa while acknowledging and incorporating the Indigenous Knowledge Systems (IKS) in the entire construction lifecycle, process and legislation of national, provincial and local government. It focused on bringing together stakeholders from various sectors to co-create sustainable, resilient, and equitable spaces that address climate change and socio-economic disparities.
- III. Built Environment Recognition Awards (BERA) held on 27 November 2024 under the theme- Road to Professional Registration. The 2024 BERA, continued in its second year as a collaboration between the CBE and the Construction Education and Training Authority (CETA). The awards aim at driving transformation and professionalisation of the built environment sector. The following categories were recognised:
  - Youngest newly registered professionals
  - Oldest registered professionals
  - Professional council with a substantial number of youngest registered professionals

- Professional council with a substantial number of registered female professionals
- Best employer candidacy programme for professional registration
- Municipality/state-owned entity/government departments that implemented infrastructure projects timeously
- Construction company with the best occupational health and safety programme

IV. Built Environment Annual Colloquium for Persons with Disabilities held on 3 December 2024 under the theme - Empowerment through Inclusion and Innovating Universal Accessibility. In its second year, the engagement was convened in partnership with the City of Tshwane to highlight the urgent need to promote environments that are universally accessible, ensuring that all people regardless of their abilities can participate fully in society. The event was attended by the Mayor of Tshwane and reached a total of 113, ten of whom were persons with disabilities.

**3.1.4 Increase the CBE's revenue by 1% of the grant and levies received by 31 March 2025. - *Achieved***

The annual target was achieved. The CBE implemented the DPWI Infrastructure Audit Capacity Building Programme and is currently investigating the scalability of the project. Additionally, CBE increased levies for the first time since 2014, resulting in an increase of 11.17% in revenue generated during the 2024/25 financial year.

**Table 4: Programme 1: Objectives/Purpose, Planned Targets and Actual Achievements**

PROGRAMME 1: ADMINISTRATION						
Objectives/Purpose	Overall Audited Actual Performance 2022/23	Overall Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Overall Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Reasons for Deviations
Ensuring that the CBE is in the best shape to achieve goals set out in the Strategic Plan	Four	Three	Four	Four	All targets were achieved	Indicator 1.1 annual target of four business processes automated was over-achieved with one business process due to the critical need to increase efficiency in the management of the SCM quotation register
Promoting awareness about the CBE and its functions to all relevant stakeholders					A total of five business processes were automated	
To provide effective and efficient financial and supply chain management services					There was an overall increase of 59% on the CBE's profile reach	Indicator 1.2 annual target of 20% increase on CBE profile reach was over-achieved by 39% due to increased media coverage and marketing of BERA, BECCI and the Inaugural Public Works and Infrastructure Summit
					The CBE increased its revenue by 11.17% of the grant and levies received	Indicator 1.4 annual target of 1% increase in revenue was overachieved by 10.17% due to an increase in levies and the implementation of the Internal Audit Capacitation Programme



Table 5: Programme 1: Outcome, Outputs, Output Indicators, Targets and Actual Achievements

PROGRAMME 1: ADMINISTRATION								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Reasons for Deviations
Optimum Functioning CBE	SUB-PROGRAMME: INFORMATION AND COMMUNICATION TECHNOLOGY							
	Four business processes automated	1.1 Number of business processes automated	N/A	N/A	Four business processes automated by 31 March 2025	Achieved Five business processes automated by 31 March 2025	There was a positive variance of one business process automated	The deviation was due to the critical need to increase efficiency in the management of the SCM quotation register
	SUB-PROGRAMME: COMMUNICATIONS, MARKETING AND STAKEHOLDER MANAGEMENT							
	20% increase on CBE's profile reach	1.2 Percentage increase on CBE's profile reach	N/A	N/A	20% increase on CBE's profile reach by 31 March 2025	<b>Achieved</b> There was an increase of 59% on CBE's profile by 31 March 2025	There is a positive variance of 39% on CBE's profile reach	The CBE increased its media coverage and marketing of BERA, BECCI and the Inaugural Public Works and Infrastructure Summit which resulted in the significant increase in the CBE's profile reach across the social media platforms

PROGRAMME 1: ADMINISTRATION							
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25
SUB-PROGRAMME: COMMUNICATIONS, MARKETING AND STAKEHOLDER MANAGEMENT							
	Four stakeholder engagements	1.3 Number of stakeholder engagements held to raise the profile of CBE	Twenty-three marketing communication activities were undertaken to raise the profile of CBE by 31 March 2023	Twenty-eight marketing communication initiatives were undertaken	Four stakeholder engagements held by 31 March 2025	<b>Achieved</b> Four stakeholder engagements held: • Youth Assembly • BECCI • BERA • DRAM	N/A
							N/A
SUB-PROGRAMME: FINANCE							
Effective Revenue/Income generation		1.4 Percentage increase of income generated	Increase the CBE's revenue by 1% of the grant and levies received by 31 March 2023	The CBE increased its revenue by 11.65% of the grant and levies received by 31 March 2024	Increase the CBE's revenue by 1% of the grant and levies received by 31 March 2025	<b>Achieved</b> There was an increase of 11.17% in the CBE's revenue generated from grants and levies received by 31 March 2025	There is a positive variance of 10.17% increase in the CBE's revenue generated
							The increase in levies and the implementation of the Internal Audit Capacity Programme contributed to the significant increase in revenue

Table 6: Programme 1: Linking Performance with Budget

Programme/Activity/Objective	2023/24			2024/25		
	Budget	Actual Expenditure	(Over) / Under Expenditure	Budget	Actual Expenditure	(Over) / Under Expenditure
Performance Indicator	R'000	R'000	R'000	R'000	R'000	R'000
1.1 Number of business processes automated	-	-	-	322	428	(106)
1.2 Percentage increase on CBE's profile reach	-	-	-	-	-	-
1.3 Number of stakeholder engagements held to raise the profile of CBE	288	-	-	1 097	989	108
1.4 Percentage increase of income generated	-	-	-	-	-	-

### **3.2 Programme 2: Empowerment and Economic Development**

Programme 2 contributes to Priority 1: Economic Transformation and Job Creation as well as Priority 2: Education, Skills, and Health. The overall objective of the CBE's Transformation unit is to become the sector-coordinating arm of the CBE.

Specifically, the transformation programmes aim to:

- a) generate focus and synergy in facilitating the development of a unified Transformation Agenda for the Built Environment sector of South Africa
- b) promote collaboration in driving the Transformation agenda of the Built Environment sector of South Africa
- c) participate actively in joint initiatives, conferences and platforms that advance transformation in the sector
- d) coordinate efforts in transforming the Built Environment through various initiatives and actions
- e) support/coordinate efforts to unblock the skills pipeline and ensure a sustainable supply of aptly skilled and quality individuals to meet future demands
- f) establish and facilitate partnerships and working relationships, local and international and across private and public sectors to drive transformation initiatives
- g) provide expert guidance, consultation and services to support internal change management initiatives and organisational development

For the 2024/25 APP, Programme 2 had three annual targets. All three annual targets were achieved:

#### **3.2.1 One programme supporting the involvement of women in the Built Environment implemented by 31 March 2025. – Achieved**

The annual target was achieved. One programme supporting the involvement of women in the Built Environment was successfully implemented through focus groups, workshops, webinars, seminars, industry networking and collaborations facilitated on the Built Environment Women Network (BEWN) platform. To date, the BEWN has a total of 683 participants, 59% of whom are youth. The following initiatives were undertaken through the BEWN during the 2024/25 FY:

**Table 7: BEWN Initiatives**

BEWN Initiatives	Targets		Quarter
	Women	Youth	
Knowledge creation and information sharing			
NHBRC* Women Empowerment Programme	301	90	1
Grow Supplier ZA – Scale-Up Capacity Development	301	90	
Focus Group – Status quo of women in the built environment	116	0	
WECONA** Property Sector Research Project – Phase 1 Desktop study launch	Not confirmed due to POPIA***		2
BEWN webinar on cultivating inclusive women leadership	60	0	
Grow Supplier ZA – Scale-Up Capacity Development - Enterprise Development masterclass Top 33	33		
WECONA webinar – Gender Transformed Supply Chains	Not confirmed due to POPIA		
CETA International Executive Development Programme	37	6	3
Standard Bank Enterprise Development Masterclass Survey	50	0	
Department of Small Business Development Construction Industry Value Chain Survey	372	164	4
Call for Nominations: cidb Board 2025-2028	542	169	
Industry networking and collaborations			
American Corner Mangaung – Taking women in construction to the world	80	0	1
Moqhaka Local Municipality – Youth and Women in construction	80	28	
Global Entrepreneurship Week	54	100	2
Free State DPWI Capacity Development Workshop (Women’s month celebrations)	100	24	3
DPWI Capacity Development Workshop for aspiring and emerging women in the BE	106	22	4
Creating a pipeline of female talent			
Lusha Initiative platform – Young Women’s Construction Expo	89	89	1
Tshwane University of Technology Women’s Month Celebration	219	219	2
Mangaung STEAM Expo – ‘Techno Girls’	475	475	3

\*NHBRC                      National Home Builders Registration Council  
 \*\*WECONA                Women Economic Assembly  
 \*\*\*POPIA                Protection of Personal Information Act, 2013



**3.2.2 One programme supporting the development and involvement of youth in the Built Environment by 31 March 2025. - *Achieved***

The annual target was achieved. One programme supporting the involvement of youth in the Built Environment was successfully implemented through Financial Literacy, Entrepreneurship Awareness and Activation of BE Student Chapters, reaching a total of 1 290 youth (516 male and 774 female).

The Built Environment Sector Student Chapter aims to enhance professional development by providing opportunities for panel discussions and symposia. It addresses challenges such as:

- I. Limited exposure to BE career awareness opportunities
- II. Academic qualifications not producing industry-ready individuals
- III. Insufficient collaborations between tertiary institutions
- IV. Limited professional categories
- V. Lack of integration between Higher Education Institutions, Professional Councils, and Government Departments

The entrepreneurship awareness programme aims to equip BE students and graduates with knowledge on entrepreneurship as a viable alternative to unemployment in the Built Environment sector. The entrepreneurship programme consists of four main components: business soft skills, small, medium and micro enterprises (SMME) development and funding opportunities, tendering and procurement, and professionalization. The following youth initiatives were undertaken during the financial year:

**Table 8: Youth Development Initiatives**

Youth Development Initiatives	Targets		Quarter
	Male	Female	
Financial Literacy			
Blackbullion financial literacy programme	60	73	Q2-Q4
Entrepreneurship Awareness Programme			
Western Cape Department of Infrastructure Entrepreneurship workshop	26	22	Q2
Global Entrepreneurship Week	45	54	Q3
BE Student Chapter Activation			
University of Johannesburg Career Day	32	26	Q1
CBE Youth Assembly launch	100	67	Q1
BEWN/TUT-FEBE* Women's month celebrations	0	218	Q2
Work readiness webinar	101	103	Q4
Central University of Technology Public Works Sector Student Chapter launch	60	88	
University of Zululand Public Works Sector Chapter launch	61	91	
Durban University of Technology Public Works Sector Student Chapter launch	31	32	
Total Reach	516	774	
	1 290		

\*TUT-FEBE Tshwane University of Technology's Faculty of Engineering and the Built Environment

### 3.2.3 One programme promoting the empowerment of persons with disabilities in the Built Environment by 31 March 2025. - **Achieved**

The purpose of this project is to facilitate transformation in the Built Environment and create more opportunities for persons with disabilities (PWD). Universal design Access (UDA) is one way to contribute to this, to create inclusive environments that are accessible to all individuals, regardless of their age, physical ability, or other characteristics. Therefore, the CBE aims to assess the implementation of UDA in the public sector as per government's White Paper on the rights of PWD.

The annual target was achieved. One programme supporting the empowerment of persons with disabilities in the Built Environment was successfully implemented through the following five initiatives:

- I. **Entrepreneurship Workshop for Persons with Disabilities** - 55 beneficiaries gained essential information on capacity building in the areas of procurement, tendering, formulating business strategies, regulations and compliance.
- II. **Universal Access and Design Audits** - CBE conducted universal access audits in the City of Tshwane Region 1, in collaboration with the City of Tshwane and DPWI. These audits evaluated compliance with accessibility standards outlined in the National Building Regulations Act and SANS 10400-S.
- III. **Universal Access and Design Webinar** - in collaboration with the Property Sector Charter Council (PSCC), the webinar amplified the impact of the audits, thus enhancing awareness and knowledge on inclusive design principles to a wider audience, including private sector entities.
- IV. **Annual Built Environment Colloquium** - Disability Right Awareness Month (DRAM) - under the theme *Empowerment through Inclusion and Innovating Universal Accessibility*, the event highlighted the urgent need to promote universally accessible environments that ensure all people, regardless of their abilities, can participate fully in society. The colloquium had a total participation of 113, ten of whom were persons with disabilities.
- V. **Career Awareness** - The CBE hosted a career expo at Christiana School for the Blind and Partially Sighted in North West, reaching a total of 63 learners. The initiative aimed to integrate learners with disabilities into the built environment sector through a structured skills pipeline.

Table 9: Programme 2: Objectives/Purpose, Planned Targets and Actual Achievements

PROGRAMME 2: TRANSFORMED BUILT ENVIRONMENT						
Objectives/Purpose	Overall Audited Actual Performance 2022/23	Overall Audited Actual Performance 2023/24	Planned Annual Targets 2024/25	Overall Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Reasons for Deviations
To facilitate transformation in the built environment and create more opportunities for women, youth and persons with disabilities	Three	Four	Three	Three	All targets were achieved	N/A



Table 10: Programme 2: Outcome, Outputs, Output Indicators, Targets and Actual Achievements

PROGRAMME: EMPOWERMENT AND ECONOMIC DEVELOPMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Reasons for Deviations
Transformed Built Environment	One programme supporting the involvement of Women in the Built Environment implemented	2.1 Number of programmes supporting the involvement of Women in the Built Environment	One programme supporting the involvement of women-owned professional practices in the delivery and maintenance of Built Environment infrastructure developed by 31 March 2023	One programme supporting the involvement of women-owned enterprises in the Built Environment implemented by 31 March 2024: i. Built Environment Women Network platform launched with a total of 167 registered participants	One programme supporting the involvement of women in the Built Environment implemented by 31 March 2025	<b>Target Achieved</b> One programme supporting the involvement of women in the Built Environment implemented through the BEWN initiatives: • Knowledge creation and information sharing • Industry networking and collaborations • Creating a pipeline of female talent	N/A	N/A

PROGRAMME: EMPOWERMENT AND ECONOMIC DEVELOPMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Reasons for Deviations
	One programme supporting the development and involvement of youth in the Built Environment	2.2 Number of Programmes supporting the development and involvement of youth in the Built Environment	One CBE programme promoting youth involvement and development in the Built Environment by 31 March 2023	One programme supporting the development and involvement of youth in the Built Environment implemented by 31 March 2024: i. Academic Support and Social adjustment for BE students at tertiary ii. Employability skills offered to BE undergraduates iii. Entrepreneurship Awareness Programme	One programme supporting the development and involvement of youth in the Built Environment implemented by 31 March 2025	<b>Target Achieved</b> One programme supporting the involvement of youth in the Built Environment implemented through: • Entrepreneurship Awareness programme • Financial Literacy programme • Activation of BE Student Chapters	N/A	N/A

PROGRAMME: EMPOWERMENT AND ECONOMIC DEVELOPMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Reasons for Deviations
	One programme promoting empowerment of people with disabilities in the Built Environment implemented	2.3 Number of Programmes promoting empowerment of persons with disabilities in the Built Environment	One CBE programme promoting empowerment of people with disabilities in the Built Environment developed by 31 March 2023	One assessment report on the implementation of universal design and access in the public sector by 31 March 2024	One programme promoting the empowerment of persons with disabilities in the Built Environment implemented by 31 March 2025	<b>Target Achieved</b> One programme supporting the empowerment of persons with disabilities in the Built Environment implemented through: <ul style="list-style-type: none"> <li>• Entrepreneurship workshop</li> <li>• Universal Access Audits</li> <li>• Annual Built Environment Colloquium – DRAM</li> </ul>	N/A	N/A

Table 11: Programme 2: Linking Performance with Budget

Programme/Activity/Objective	2023/24			2024/25		
	Budget	Actual Expenditure	(Over) / Under Expenditure	Budget	Actual Expenditure	(Over) / Under Expenditure
Performance Indicator	R'000	R'000	R'000	R'000	R'000	R'000
2.1 Number of programmes supporting the involvement of women in the Built Environment	363	24	339	206	207	(1)
2.2 Number of Programmes supporting the development and involvement of youth in the Built Environment	466	114	352	215	207	8
2.3 Number of Programmes promoting empowerment of persons with disabilities in the Built Environment	-	-	-	204	281	(77)



### **3.3 Programme 3: Professional Skills and Capacity Development**

Programme 3 responds to the following sections of the CBE Act:

- 3(c): promote ongoing human resource development in the built environment;*
- 4(n): in consultation with councils for the professions, obtain recognition for the councils for the professions as bodies responsible for the establishment of education and training standards in terms of the South African Qualifications Authority Act, 1995 (Act No. 58 of 1995);*
- 4(p): promote coordination between the Council on Higher Education and the councils for the professions in relation to the accreditation of education institutions.*

The CBE's strategic objectives are aligned to the DPWI's broad strategy for the Built Environment sector and National Government's Outcomes in the NDP five-year priorities. The 2020 budget speech by the Minister of Finance set aside billions of rands for infrastructure development, such as school infrastructure backlogs, upgrading informal settlements to enable households to access basic amenities and the improvement of non-toll roads. Registered Built Environment Professionals are well equipped to deliver such projects to support the economic infrastructure of the country. However, the skills shortage in the Built Environment remains a challenge to meet infrastructure development.

The CBE endeavours to bridge this gap through monitoring the implementation of its Structured Candidacy Framework. The implementation of the CBE Structured Candidacy programme in the last Medium-Term Expenditure Framework (MTEF) period concluded that to increase the numbers of skilled registered Built Environment Professionals within the designated groups, it is necessary to collaborate with Built Environment workplaces, and government departments, including municipalities.

The CBE aims to contribute to transformation in the Built Environment through the implementation of its Structured Candidacy Framework.

For the 2024/25 APP, Programme 3 had five annual targets. All five annual targets were achieved:

#### **3.3.1. One Built Environment career development initiative conducted for school learners in nine provinces by 31 March 2025. – Achieved**

The programme rolled out through career expos, Take-A-Girl-Child-to-Work, virtual career sessions, and direct engagements with schools in collaboration with DPWI, South African Agency for Science and Technology Advancement (SASTA), Provincial Education Departments, and municipalities.

The annual target was achieved, One Built Environment career development programme was implemented through a total of twenty-three career development initiatives implemented across the nine provinces reaching five Metropolitan Municipalities and nine District Municipalities and a total of 4 823 learners (2 056 male and 2 767 female), 62 of whom were learners with disabilities. To promote the empowerment of disadvantaged groups, 95% of the learners reached through the career development initiatives were African, while 57% were female and 1.2% were learners with disabilities. The career development programmes successfully introduced learners to the Built Environment careers, thus increasing interest in Science, Technology Engineering and Mathematics (STEM).

The CBE's participation in career development initiatives during the 2024/25 financial year is detailed in the next table:

Table 12: Career Development Initiatives

No	Event	Collaborators	Province	Learner/Youth Attendance	Date
QUARTER 1					
1	Edendale Career Exhibition	Thinabantu Foundation	KwaZulu-Natal, uMgungundlovu District Municipality	1145 (from 18 schools)	12 April 2024
2	Mohlakeng Career Exhibition	Gauteng Department of Education (GPEDU) Construction Industry Development Board (cidb)SACAP Musa Mabena (quantity surveyor role model)	Gauteng, City of Johannesburg Metropolitan Municipality	366 learners (219 boys and 147 boys) from 20 schools	17 April 2024
3	Carletonville Career Exhibition	GPEDU	Gauteng, West Rand District Municipality	168 (117 Girls and 51 boys) from 12 schools	18 April 2024
4	Kwa Thema Career Exhibition	South African Institute of Electrical Engineers (SAIEE) Pfluxani STEM Foundation Cigre National Science & Technology Forum Love Life	Gauteng, Ekurhuleni Metropolitan Municipality	292	20 April 2024
5	Rand Girls High School Career Exhibition	Lusha Youth Initiative Johannesburg Development Agency (JDA) The Finishing Institution Independent Girls Business Enterprise (IGBE)	Gauteng, City of Johannesburg Metropolitan Municipality	69 (from four schools)	26 April 2024
6	Duduza Career Exhibition	Ginosko Global	Gauteng, City of Johannesburg Metropolitan Municipality	236 Grade 9 learners (139 girls and 97 boys)	03 May 2024
7	Gugulethu University Application assistance	JL Zwane Women of Substance Organisation	Western Cape, City of Cape Town Metropolitan Municipality	46 (Learners and Unemployed youth)	18 May 2024

No	Event	Collaborators	Province	Learner/Youth Attendance	Date
8	Kensington Secondary School Career Exhibition	South African Institute of Electrical Engineers (SAIEE)	Gauteng, City of Johannesburg Metropolitan Municipality	108 (66 girls and 42 boys)	25 May 2024
9	Ulundi Career Exhibition (SACPCMP Roadshow)	SACPCMP Carimead Industrial Consultants, MG Group and Zululand district municipality	KwaZulu-Natal, Zululand District Municipality	41	12 June 2024
10	Take-A-Girl-Child to Work programme	South African Council for the Quantity Surveying Profession (SACQSP)	Gauteng, City of Johannesburg Metropolitan Municipality	16	21 June 2024
11	Musgrave Winter School & Career Exhibition	Care Enough TDS NPO	KwaZulu-Natal, eThekweni Metropolitan Municipality	50 (from 5 schools)	24 – 28 June 2024
<b>QUARTER 2</b>					
12	DPWI Winter School Camp Exhibition	DPWI	Gauteng, Ekurhuleni Metropolitan Municipality	54 learners (from 22 schools)	29 June – 5 July 2024
13	St. Thomas Secondary School Career Exhibition	Eastern Cape Provincial Department of Public Works	Eastern Cape, Nelson Mandela Bay Metropolitan Municipality	68	12 July 2024
14	Blouberg Mayoral Career Exhibition	SAASTA & Kosta Foundation	Limpopo, Capricorn District Municipality	295	26 July 2024
15	Mangaung STEAM Expo	US Consulate and American Corner Mangaung	Free State, Mangaung Metropolitan Municipality	786 learners (311 male and 475 female)	9 – 11 September 2024
16	Alfred Nngwedzeni Secondary School Career Exhibition	Ozone Empowerment Foundation Naledzi Environment Consultants	Limpopo, Vhembe District Municipality	93 learners (43 male and 50 female)	26 September 2024
17	Take-A-Girl-Child to Work	Maninga Engineering LEAP Maths and Science schools	Gauteng, Johannesburg Metropolitan Municipality	Three learners (African) were hosted at Maninga Engineering	26 September 2024

No	Event	Collaborators	Province	Learner/Youth Attendance	Date
QUARTER 3					
18	St. Thomas Secondary School Career Exhibition (Virtual)	Nelson Mandela Bay Metropolitan Municipality	Eastern Cape, Nelson Mandela Bay Metropolitan Municipality	60	17 October 2024
19	DPWI DG Outreach Programme Career Exhibition	DPWI	KwaZulu-Natal, eThekweni Metropolitan Municipality	61	31 October 2024
QUARTER 4					
20	DPWI DG Sizathina Career Exhibition	DPWI	KwaZulu-Natal, UThukela District Municipality	131	24 January
21	Khetswalati Secondary School Career Expo and Back-to-School Campaign	Khetsalati Secondary School	Mpumalanga, Ehlanzane District Municipality	481 learners (from 5 schools)	5&6 February 2025
22	Christiana School for the Blind Career Expo	CETA and SACAP	North West, Dr Ruth Segomotsi Mompati District Municipality	62	27 February 2025
23	Veritas Secondary School, De Aar Career Expo	DPWI	Northern Cape, Pixley Ka Seme District Municipality	192	13 March 2025

**3.3.2. One Built Environment enforcement tool issued by 31 March 2025. – Achieved**

The main purpose of the programme is to:

- I. promote and protect the interests of the public in the built environment
- II. provide CBEP with norms and guidelines to exercise their mandate
- III. provide Built Environment professionals with tools which can be documented and standardized within the CBEP

The annual target was achieved; four protocols were developed through consultations with key stakeholders. The CBE Council approved the protocols on 29 August and 27 November 2024. The four protocols were on:

- i. Nominating Bodies- developed to address compliance with section 3(1) and (2) of the Engineering Council of South Africa (ECSA) Act, 46 of 2000.  
*3(1) The council consists of the following members, appointed by the Minister, taking into account, among other things, the principles of transparency and representivity -*  
*(a) thirty registered persons, excluding candidates, of whom at least 20 must actively practice in the engineering profession -*  
*(i) who must be nominated by the voluntary associations, registered persons and prescribed nominating bodies;*  
*3(2) The nominating bodies contemplated in subsection (1) (a) (i) must be determined in consultation with the CBE and if no agreement is reached the CBE must refer the matter to the Minister for a final determination.*

The protocol is intended to define the parameters of the legally prescribed consultation between the CBE and ECSA as articulated in section 3 (2) above.

- ii. Guideline Professional Fees (GPF)- developed to address compliance with sections 4(k)(v) and 4(r) of the CBE Act, 43 of 2000:  
Section 4(k)(v)-  
*the principles upon which the councils for the professions must base the determination of fees which registered persons are entitled to charge in terms of any of the professions' Acts, and in accordance with any legislation relating to the promotion of competition;*  
Section 4(r) –  
*review fees published by the councils for the professions to ensure the consistent application of the principles regarding such fees;*

The protocol is intended to define the requirements and process flow in determining and publishing GPF.

- iii. Emergency Incident Response – developed to provide clear procedures for emergency incident response.
- iv. Identification of Work (IDoW)- developed to address compliance with section 20 of the CBE Act and sections 26/27 of the CBEP legislation provide for the intersectionality of the roles and functions of these entities in the development of the IDoW for every category of registered persons.

The protocol is aimed at providing guidance on processes to be followed by CBEP when they develop and implement the IDoW.



**3.3.3. Nine District Municipalities supported through the Structured Candidacy Framework towards Professionalisation of the State by 31 March 2025. – Achieved**

This programme aims to support candidates towards professional registration through implementing the Structured Candidacy Framework, pillared on:

- i) partnerships with district municipalities to professionalise their BE personnel
- ii) identifying candidates undertaking BE functions and assessing their readiness to register as BE professionals
- iii) supporting identified district municipalities in building its built environment professional capacity
- iv) supporting district municipalities to structure their BE capacity-building programmes to yield accelerated professional registration

The annual target was achieved. Eleven District Municipalities (DMs) were supported through stakeholder engagements, evaluation and verification of candidates, route-to-registration and professionalisation workshops. A total of 168 candidates were evaluated and 236 were reached through the professionalisation workshop attendance. The analysis highlighted the following challenges in relation to professional registration:

- inadequate preparation for professional assessments/professional practice interviews
- not attending the requisite training
- mismatch of candidates with mentors

**Table 13: Structured Candidacy Support**

No	District Municipality	Support Provided	Presenters	Date
<b>QUARTER 1</b>				
1	uMgungundlovu District Municipality • uMngeni LM* • Richmond LM	<ul style="list-style-type: none"> <li>Route to professional registration workshop</li> <li>Evaluation, Analysis &amp; Verification</li> </ul>	ECSA	8 May 2025
<b>QUARTER 3</b>				
2	Ugu District Municipality • Ray Nkonyeni LM	<ul style="list-style-type: none"> <li>Route to professional registration workshop</li> <li>Evaluation, Analysis &amp; Verification</li> </ul>	CBE SACQSP SACPCMP	8 October 2024
3	Capricorn District Municipality	<ul style="list-style-type: none"> <li>Route to professional registration workshop</li> <li>Evaluation, Analysis &amp; Verification</li> </ul>	CBE SACPMP ECSA SACLAP SACQSP	20 November 2024
4	Waterberg District Municipality • Modimolle-Mookgopong LM • Lephalale LM		CBE SACPCMP MISA** ECSA SACLAP SACQSP	21 November 2024
5	Vhembe District Municipality • Musina LM • Thulamela LM • Collins Chabane			22 November 2024
6	Pixley ka Seme District Municipality • Thembelihle LM		CBE SACPMP ECSA MISA	26 November 2024
7	Sekhukhune District Municipality • Ephraim Mogale LM • Elias Motsoaledi LM • Makhuduthamaga LM		CBE MISA ECSA SACPCMP SACQSP	29 November 2024
8	Mopani District Municipality • Greater Giyani LM • Greater Letaba LM • Greater Tzaneen LM • Ba-Phalaborwa LM		CBE MISA	5 December 2024

No	District Municipality	Support Provided	Presenters	Date
<b>QUARTER 4</b>				
9	Overberg District Municipality	<ul style="list-style-type: none"> <li>Route to professional registration workshop</li> <li>Evaluation, Analysis &amp; Verification</li> </ul>	CBE, SACPCMP, ECSA and SACQSP	13 February 2025
10	Nkangala District Municipality <ul style="list-style-type: none"> <li>Emalahleni LM</li> <li>Emakhazeni LM</li> </ul>		CBE, SACPCMP, ECSA, SACPLAN and MISA	27 February 2025
11	Bojanala Platinum District Municipality <ul style="list-style-type: none"> <li>Kgetlengrivier LM</li> <li>Rustenburg LM</li> </ul>			6 March 2025

\*LM Local Municipality

\*\*MISA Municipal Infrastructure Support Agent

#### 4.3.4. Established and Functional Built Environment National Logbook by 31 March 2025. – **Achieved**

The Built Environment National Logbook (BENL) is a digital platform, accessible to BE students, graduates, candidates and professionals nation-wide. Its structured format aligns with industry standards and includes features such as verification and validation options by industry professionals and mentors. The BENL serves as a structured way to manage the registration value chain and an integrated platform for provinces to establish their number of candidates and professionals. Graduate and candidate placements will be superimposed on capex projects upon thorough assessment of infrastructure projects in the sector.

The annual target was achieved. The BENL was established and is functional. However, the system still requires continuous adjustments to improve the user interface and ensure a seamless registration process.

### I. BENL Registration

At the end of the 2024/25 financial year, the BENL had a total of 888 registrations, consisting of 413 students, 188 graduates, 108 candidates, 147 professionals and 32 artisans. Registration drives at the following institutions contributed to the increase in registration numbers:

- Tshwane University of Technology (TUT)
- DPWI launch of Student Chapters
- Central University of Technology (CUT)
- University of Zululand (UniZulu)
- Durban University of Technology (DUT)

## **II. Capacity Development and Placement**

In collaboration with DPWI, ten unemployed BE graduates and candidates were successfully recruited through the BENL database for the Infrastructure Audit Capacity Building Programme. The capacity programme provides valuable training, work experience, and a pathway to professional registration thus bridging the skills gap in the built environment.

Additionally, the CBE responded to the cidb's request by sourcing unemployed graduates for employment, ensuring ongoing commitment to address youth unemployment and foster skills development.

## **III. Youth Development Initiatives**

To ensure continuous youth development, opportunities to attend the following initiatives were shared on the BENL platform:

- Financial Literacy Programme
- Work Readiness Workshop
- Internships for Built Environment Graduates

### **4.3.5 One BE Sector technical capacity baseline/skills audit report focusing on design thinking, contract and project management across Public Service produced by 31 March 2025. - Achieved**

In pursuance of its mandate in section 3(c) to *promote ongoing human resource development in the built environment*; the CBE conducted a technical capacity baseline/skills audit on design thinking, contract and project management for DPWI, in line with the Minister's score card.

The Built Environment Sector technical capacity skills audit focusing on design thinking, contract and project management was undertaken at seven DPWI Regional Offices viz: Port Elizabeth, Polokwane, Bloemfontein, Kimberley, Johannesburg, Pretoria and Mthatha. This audit employed the Occupation Specific Dispensation (OSD) framework and approved Job Descriptions, competency assessments and questionnaire surveys completed by 103 employees and roundtable discussions with 198 participants.

The findings revealed that while the department has a technically qualified workforce, its capacity is undermined by structural under-capacity, lack of professional registration, misalignment between training and job requirements, and overreliance on external service providers.

The findings further highlighted skills gaps and training needs in the following areas across the regional offices: Construction Project Management, Contract Management – Construction Contract Law, Building Management and Processes.

Table 14: Programme 3: Objective/Purpose, Planned Targets and Actual Achievements

PROGRAMME 3: PROFESSIONAL SKILLS AND CAPACITY DEVELOPMENT						
Objective/Purpose	Overall Audited Actual Performance 2022/23	Overall Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Overall Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Reasons for Deviations
Coordination of an enabling Built Environment Skills Pipeline from school to professional level	One	Four	Five	Five	<p><b>All targets were achieved</b></p> <p>Four Built Environment enforcement tools issued by 31 March 2025</p> <p>Eleven District Municipalities were supported through the Structured Candidacy Framework towards Professionalisation of the State</p>	<p>Indicator 3.2 annual target of one BE enforcement tool developed was over-achieved with three enforcement tools due to the urgent need to address Professional Fees, Identification of Work and Emergency Incident Response protocols within the Built Environment</p> <p>Indicator 3.3 annual target of nine DMs supported was over-achieved with additional two DMs supported as the result of a catch-up plan implemented in Q3 and the increase in municipalities interest to partake in the professionalisation programme</p>



**Table 15: Programme 3: Outcome, Outputs, Output Indicators, Targets and Actual Achievements**

Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Reasons for Deviations
Skilled built environment professionals	Built Environment career development initiatives conducted for school learners	3.1 Number of Built Environment career development initiatives conducted in nine provinces for school learners	N/A	Ten career development initiatives were undertaken in eight provinces covering ten districts, thus, reaching a total of 6 708 learners	One Built Environment development initiative conducted for school learners in nine provinces by 31 March 2025	<b>Target Achieved</b> One Built Environment Career Development programme implemented through 23 career development initiatives undertaken across the nine provinces reaching a total of 4832 learners	N/A	N/A
	One Built Environment enforcement tool issued	3.2 Number of Built Environment enforcement tools issued	N/A	N/A	One Built Environment enforcement tool issued by 31 March 2025	<b>Target Achieved</b> Four protocols were developed: <ul style="list-style-type: none"> <li>• Nominating Bodies</li> <li>• Guidelines Professional Fees</li> <li>• Emergency Incident Response</li> <li>• Identification of Work</li> </ul>	There is a positive variance of three protocols developed and issued	The over-achieved was due to the urgent need to address Professional Fees, Identification of Work and Emergency Incident Response protocols within the Built Environment

Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Reasons for Deviations
	Nine District Municipalities supported through the Structured Candidacy Framework towards Professionalisation of the State	3.3 Number of District Municipalities supported through the Structured Candidacy Framework towards Professionalisation of the State	Thirty-six district municipalities were supported through monitoring the implementation of the BE structured Candidacy Programme by 31 March 2023	N/A	Nine District Municipalities supported through the Structured Candidacy Framework towards Professionalisation of the State by 31 March 2025	<b>Target Achieved</b> Eleven District Municipalities supported through the Structured Candidacy Framework towards Professionalisation of the State	There is a positive variance of 2 district municipalities supported through the Structured Candidacy Framework towards Professionalisation of the State	The positive deviation was a result of the catch-up plan implemented in Q3 and the increase in municipalities interest to partake in the professionalisation programme
	Built Environment National Logbook	3.4 Established and Functional Built Environment National Logbook	N/A	N/A	Established and Functional Built Environment National Logbook by 31 March 2025	<b>Target Achieved</b> Established and Functional Built Environment National Logbook: • Registration – 888 (413 students, 188 graduates, 147 professionals and 32 Artisans)	N/A	N/A
	Skills Audit report produced	3.5 Number of BE Sector technical capacity baseline/skills audit reports focusing on design thinking, contract and project management across the Public Service produced	N/A	N/A	One BE Sector technical capacity baseline/skills audit report focusing on design thinking, contract and project management across Public Service produced by 31 March 2025	<b>Target Achieved</b> One BE Sector technical capacity baseline/skills audit report focusing on design thinking, contract and project management across Public Service produced by 31 March 2025	N/A	N/A

**Table 16: Programme 3: Linking Performance with Budget**

Programme/Activity/Objective	2023/24			2024/25		
	Budget	Actual Expenditure	(Over) / Under Expenditure	Budget	Actual Expenditure	(Over) / Under Expenditure
Performance Indicator	R'000	R'000	R'000	R'000	R'000	R'000
3.1 Number of Built Environment career development initiatives conducted in nine provinces for school learners	2 199	354	1 845	555	215	340
3.2 Number of Built Environment enforcement tools issued	-	-	-	-	-	-
3.3 Number of District Municipalities supported through the Structured Candidacy Framework towards Professionalisation of the State	670	-	670	180	892	(712)
3.4 Established and Functional Built Environment National Logbook	-	-	-	130	58	72
3.5 Number of BE Sector technical capacity baseline/skills audit reports focusing on design thinking, contract and project management across the Public Service produced	-	-	-	-	15	15

### 3.4 Programme 4: Research and Knowledge Management

The CBE Act mandates the CBE to advise Government on any matter that falls within the scope of the Built Environment, as well as to create platforms for such engagements. The CBE and CBEP have a role to play in proactively identifying, investigating, and explaining trends and changes that are likely to have an impact on the Built Environment Professions and Professionals. Working with the six CBEP, the CBE will secure Built Environment experts as needed to help policy and decision-makers to propose, develop, and implement appropriate policies, procedures, and processes for long-term solutions that will improve public safety, reliability, and the value of public infrastructure. This information will be communicated to the regulators on an ongoing basis to input on their own decision-making and direction setting.

The objective of Programme 4 is to coordinate research outputs, provide advice and facilitate knowledge management on Built Environment matters, including the professions. Programme 4 responds to section 3(d) of the CBE Act to facilitate participation by the built environment professions in integrated development in the context of national goals. Programme 4 contributes to the following mandates of the CBE Act:

- i. *Sections 4(a), (d), and (e) of the CBE Act impel the CBE to offer advice to the Minister of Public Works (the Minister) on BE matters, whilst the dynamic and changing BE sector requires regulatory intelligence to fine-tune Government's planning and infrastructure investment*
- ii. *Section 4(e): facilitate inter-ministerial co-operation concerning issues relating to the built environment*
- iii. *Section 4(f): provide advice and consultation on national policy that could impact on the built environment, human resource development in relation to the built environment professions, and the recognition of new professions*

For the 2024/25 APP, Programme 4 had three annual targets, all of which were achieved.

#### 3.4.1. Two research reports based on the CBE research agenda developed by 31 March 2025. – **Achieved**

The annual target was achieved, two research reports based on the CBE agenda were developed on:

#### I. Access to funding programmes for women-owned enterprises in the Built Environment

The research explored the following:

Obstacles that inhibit women-owned enterprises from accessing funds to expand their businesses

- Obstacles that inhibit women-owned enterprises from accessing funds to expand their businesses
- Access to information on funding programmes for women-owned enterprises
- Sources of business financing, structures, and systems of institutions in the areas of business financing (bank loans, microcredit companies, entities of government)
- Good practices of funding programmes for women-owned enterprises

#### Key findings

Respondents of the study highlighted the following obstacles that inhibit women-owned enterprises from accessing funds:

- Red tape/bureaucracy relating to access to the market, collateral and stringent criteria to apply for funds
- Turnaround time between applying, receiving a response and funds disbursed
- Lack of procurement opportunities for women-owned businesses

**Recommendations**

The CBE must foster collaborative partnerships with National Treasury, Infrastructure Departments, NDPWI, Department of Women, Youth and People with Disabilities and CETA to advocate for:

- stricter enforcement of gender-inclusive legislative frameworks and institutionalising prescribed procurement thresholds
- National Treasury's Central Supplier Database monitoring gender-based procurement reporting from government departments and entities
- expansion of gender-inclusive financial instruments and foster partnerships with banks and micro lenders to expand accessible funding products for women

**II. Sustainable building in the South African Built Environment**

The research explored the following:

- Barriers impeding the implementation of sustainable green building practices
- Drivers and benefits of adopting sustainable green building practices
- Good practices of sustainable green buildings in selected countries (Argentina, Australia, Israel, Nigeria and Spain)

**Key findings**

The research utilised case studies, interviews and desktop research to obtain multi-faced understanding. The research drew the following findings:

- One of the most significant barriers to the adoption of green building practices is the perception of significantly higher upfront costs associated with green construction materials and technologies
- Lack of awareness, training and commitment to green building practices and the benefits thereof
- Limited funding schemes available to support the assessment for certification of upcoming and small enterprises
- Shortage of skilled professionals, such as architects, engineers, and contractors, with expertise in green building design and construction

**Recommendations**

The CBE must foster collaborations with local government, Agrément SA, Infrastructure Departments, DPWI, and private sector to advocate for:

- mass awareness on testing, certification and accreditation of materials, structures and climate-resistant housing
- expansion of incentives (expedited building permits, grants and local green building awards) to increase the uptake of green building practices
- expansion of entrepreneur development programmes to support local manufacturers of green building materials and technology



### **3.4.2 Three advisory notes on issues affecting the Built Environment developed and submitted to relevant stakeholders by 31 March 2025. – Achieved**

This project is part of CBE's strategic priority to position itself as a thought leader in the Built Environment through coordinating research outputs, providing advice and facilitating knowledge management on Built Environment matters. The execution of this target links to the CBE's strategic outcome of informed decision-making that impacts the current and future operational requirements of the industry. The project developed three advisory notes on pertinent issues affecting the Built Environment, with the following objectives:

- i. Identify and examine priority issues from Built Environment matters
- ii. Produce advisory notes or briefs
- iii. Submit advisory notes or briefs to relevant stakeholders for consideration

The CBE's 2024/25 advisory briefs focused on the following issues impacting the Built Environment:

- I. Public engagement and social responsibility focusing on three key advisory areas - stakeholder engagement, social impact and community development
- II. Public health and safety focusing on safety standards, health impacts and disaster resilience
- III. Regulatory compliance with the key focus on building regulations, health and safety standards and environmental regulations

The annual target was achieved; three advisory notes were developed and submitted to the Minister's Office. The advisory notes focused on the following issues impacting the built environment:

- I. Health and Safety compliance in the Built Environment – the critical need for an improved safety culture within South Africa's construction industry
- II. Health and Safety compliance in the Built Environment – recommendations aimed at standardizing professional registration for all health and safety roles within the built environment
- III. Construction safety in South Africa - proposals aimed at enhancing the implementation and enforcement of health and safety measures within the built environment

### **3.4.3 Established and Functional Built Environment Research Hub by 31 March 2025. – Achieved**

This project is part of CBE's strategic priority to position itself as a thought leader in the Built Environment through coordinating research outputs, providing advice and facilitating knowledge management on Built Environment matters. The objective of the Built Environment Knowledge and Information Hub is to serve as an information and knowledge repository on issues affecting the sector.

The target was achieved. The electronic Research Hub is functional with a total of 13 approved research briefs available for use by stakeholders and the public:

- I. Baseline study on the status and degree to which the built environment curriculum incorporates the five knowledge areas
- II. An evaluation of the impact of CBE's Maths and Science support programme in South African provinces
- III. Challenges facing women-owned professional consulting firms in the built environment
- IV. Built Environment throughput advisory report on the skills pipeline (supply and demand)
- V. Benchmarking of Identification of Work in other Countries
- VI. Status of transformation in the South African built environment professions
- VII. Viability of a government infrastructure agency
- VIII. Health and Safety regulations within the Public Sector

- IX. Factors affecting the registration of candidates, graduates and non-registered practitioners in the built environment professions
- X. Digital transformation in the South African Built Environment
- XI. An investigation of the growth of TVET occupationally directed programmes and CETA support for the growth of the TVET colleges as a key provider of skills required for socio-economic development
- XII. Analysis of Maths and Science Initiatives in the Built Environment
- XIII. Research Report on the Assessment of Built Environment Candidacy Programmes in South African Public and Private Sector

Table 17: Programme 4: Objective/Purpose, Planned Targets and Actual Achievements

PROGRAMME 4: RESEARCH AND KNOWLEDGE MANAGEMENT						
Objective/Purpose	Audited Overall Actual Performance 2022/23	Audited Overall Actual Performance 2023/24	Planned Annual Targets 2024/25	Overall Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Reasons for Deviations
To coordinate research outputs, provide advice and facilitate knowledge on built environment matters, including the professions	Four	Two	Three	Three	Three targets were achieved	N/A

**Table 18: Programme 4: Outcome, Outputs, Output Indicators, Targets and Actual Achievements**

PROGRAMME: RESEARCH AND KNOWLEDGE MANAGEMENT							
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25
Informed decision making that impacts the current and future operational requirements of the industry	Two research reports based on the CBE Research Agenda developed	4.1 Number of research reports on issues impacting transformation in the Built Environment professions	One research report on the assessment of BE Candidacy Programmes within public sector institutions produced by 31 March 2023  One research Report analysing the implementation of legislation and policies impacting the Built Environment produced by 31 March 2023	Two research reports developed:  One research report on the state of the Built Environment professions produced by 31 March 2024  One research report on promotion of TVET occupation programme (CETA Support) by 31 March 2024	Two research reports based on the CBE Research Agenda developed by 31 March 2025	<b>Achieved</b> Two research reports were developed focusing on: 1. Access to funding programmes for women-owned enterprises in the Built Environment 2. Sustainable building in the South African Built Environment	N/A
							N/A

PROGRAMME: RESEARCH AND KNOWLEDGE MANAGEMENT							
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25
	Three advisory notes developed and submitted to relevant stakeholders	4.2 Number of advisory notes developed and submitted to relevant stakeholders	Two advisory briefs developed and submitted to relevant stakeholders by 31 March 2023  1. Assessment of candidacy programmes implemented within the public sector  2. Preferential frameworks to drive transformation in the Built Environment	Four advisory notes on issues affecting the Built Environment developed by 31 March 2024  1. Resuscitation of the Public Works and Infrastructure – Women Empowerment Advisory Committee (WEAC) and its impact on the Built Environment.  2. Review of Council for the Built Environment Act 43 of 2000 since the establishment of the organisation.  3. Development of the Built Environment education and training standards.  4. Governance Framework for the Councils for the Built Environment Professions (the brief looks at shortfalls emanating from governance assessment processes and provide recommendations in addressing those shortfalls)	Three advisory notes on issues affecting the Built Environment developed and submitted to relevant stakeholders by 31 March 2025	<b>Achieved</b> Three advisory notes were developed and submitted to DPWI Minister: <ul style="list-style-type: none"><li>• Health and Safety Compliance in the Built Environment</li><li>• Construction Safety in South Africa</li></ul>	N/A
							N/A



PROGRAMME: RESEARCH AND KNOWLEDGE MANAGEMENT								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Reasons for Deviations
	Establishment and management of a Built Environment Research Hub	Established and Functional Built Environment Research Hub	N/A	N/A	Established and Functional Built Environment Research Hub by 31 March 2025	Achieved Established and Functional Built Environment Research Hub by 31 March 2025: <ul style="list-style-type: none"> <li>Thirteen Research Briefs aligned to the CBE Research Agenda were developed and uploaded on the Research Hub</li> </ul>	N/A	N/A

Table 19: Programme 4: Linking Performance with Budget

Programme/Activity/Objective	2023/24			2024/25		
	Budget	Actual Expenditure	(Over) / Under Expenditure	Budget	Actual Expenditure	(Over) / Under Expenditure
Performance Indicator	R'000	R'000	R'000	R'000	R'000	R'000
4.1 Number of research reports on issues impacting transformation in the Built Environment professions	1 000	164	836	525	34	491
4.2 Number of advisory notes developed and submitted to relevant stakeholders	51	23	28	43	63	(19)
4.3 Established and Functional Built Environment Research Hub	-	-	-	-	-	-

### **3.5 Programme 5: Public Protection, Policy and Legislation**

This Programme is responding to sections 3, 4, 20 and 21 of the CBE Act.

Programme 5 contributes to Priority 6: A capable, ethical and developmental State. The CBE is empowered by the following areas of its mandate:

*Section 4(a): advise government on any matter falling within the scope of the Built Environment, including resource utilisation, socio economic development, public health and safety and the environment, and for this purpose carry out such investigations as it or the relevant Minister deems necessary;*

*Section 3(a): promote and protect the interest of the public in the built environment;*

*Section 3(b): promote and maintain a sustainable built environment and natural environment; promote appropriate standards of health, safety, and environmental protection within the built environment;*

*Section 3(i): ensure the uniform application of norms and guidelines set by the councils for the professions throughout the built environment;*

For the 2024/25 APP, Programme 5 had three annual targets. All three annual targets were achieved. The targets performed as follows:

#### **3.5.1 Hundred percent of lodged appeals finalised within the statutory 60 days from the date of lodgement by 31 March 2025. – *Achieved***

This programme addresses the CBE's mandate to act as an appeal body on matters referred to it in terms of the law regulating the Built Environment Professions. It also gives effect to the CBE's mandate *to promote and protect the interest of the public in the built environment*. Appeals lodged with the CBE must be decided within 60 days of lodgement.

The annual target was achieved. The report on appeals lodged and finalised within the statutory 60 days from the date of lodgement was developed. A total of seven appeals were lodged during the financial year and eight appeals required a decision during the financial year; all were decided within the statutory 60 days from the date of lodgement. Seven appeals were dismissed, and one was upheld.

### **I. APPELLANT VERSUS SOUTH AFRICAN COUNCIL FOR THE PROJECT AND CONSTRUCTION MANAGEMENT PROFESSIONS (SACPCMP)**

Date of lodgement: 12 February 2024

Date of 60-day lapse: 12 April 2024

Date of hearing: 5 April 2024

Date of decision: 12 April 2024

#### **APPEAL**

The appeal was lodged against SACPCMP's failure to approve the appellant's application for Professional registration as a Professional Construction Health and Safety Agent. In the main, the appellant complained about the moderator's conduct and report, and the delay in issuing the outcome of the interview.

## **OUTCOME**

The appeal was dismissed on the basis that the appellant failed to demonstrate competencies as provided in the competency standard and the registration policy of the Respondent (SACPCMP). The following was ordered by the Appeal Committee:

- Condonation for late filing of the Respondent's opposing statement was granted
- SACPCMP mentorship must be developed within the necessary frameworks that enhance the management of the said programme

## **II. APPELLANT VERSUS SOUTH AFRICAN COUNCIL FOR THE ARCHITECTURAL PROFESSION (SACAP) AND ANOTHER**

Date of lodgement: 21 May 2024

Date of 60-day lapse: 22 July 2024

Date of hearing: 17 July 2024

Date of decision: 22 July 2024

## **APPEAL**

The appeal was against SACAP's finding and sanction of its Disciplinary Tribunal on the alleged failure to consider all evidence before it and its ruling against the Second Respondent (Another) for contravention of Rule 1.1.2 of the Code of Professionals.

The appellant further requested the CBE Appeal Committee to include two additional charges relating to the negligent completion of Form 1 and incorrect certification of Form 4 for further investigation so that the severity of the sanction can be balanced with the damage caused by the Second Respondent.

## **OUTCOME**

The Appeal Committee dismissed the appeal, as it could not find any grounds or exceptional circumstances to justify overriding the Disciplinary Tribunal's decision to impose the suspended sanction.

The following was ordered by the Appeal Committee:

- The sanction imposed by the Disciplinary Tribunal of the First Respondent against the Second Respondent was confirmed and the Appeal by the Appellant against the imposition of such sanction was dismissed
- The Appellant's Appeal that SACAP failed to proffer charges against the Second Respondent was also dismissed
- SACAP was ordered to review and refuse all pending (if any) and future complaints lodged by the Appellant against the Second Respondent, which would result in impermissible duplication and splitting of allegations and/or charges against the Second Respondent

### **III. APPELLANT VERSUS ENGINEERING COUNCIL OF SOUTH AFRICA (ECSA)**

Date of lodgement:	31 July 2024
Date of 60-day lapse:	30 September 2024
Date of hearing:	18 September 2024
Date of decision:	30 September 2024

#### **APPEAL**

The appeal was against ECSA's finding and sanction of its Disciplinary Tribunal. The appellant alleged that the administrative action followed against the registered person was not conducted in a procedurally fair and reasonable manner.

As part of the relief sought, the appellant requested that the CBE Appeal Committee set aside the decision of the First Respondent (ECSA) and refer the matter back to ECSA to conduct a lawful, reasonable, and procedurally fair hearing within a reasonable timeframe.

#### **OUTCOME**

The appeal was dismissed. The following was ordered by the Appeal Committee:

- The Second Respondent's points in limine were upheld
- There was no order as to costs
- ECSA was ordered to finalise its mandate in terms of section 32 (5) of the Engineering Professions Act and publish the finding and the sanction imposed in terms of subsection (3) in the Gazette. Further, that, as with other matters, to reflect the disciplinary actions on its website

### **IV. APPELLANT VERSUS SOUTH AFRICA COUNCIL FOR THE PROJECT AND CONSTRUCTION MANAGEMENT PROFESSIONS (SACPCMP)**

Date of lodgement:	12 September 2024
Date of 60-day lapse:	11 November 2024
Date of hearing:	29 October 2024
Date of decision:	4 November 2024

#### **APPEAL**

The appeal was lodged against SACPCMP's failure to approve the Appellant's application for Professional registration as a Professional Construction Project Manager. The essence of the Appellant's case was that the nature of his employment was not considered, which would have aligned some questions with his current practice, particularly regarding the outcome of stage one and the issue of managing drawings.



## **OUTCOME**

The appeal was dismissed; the Appeal Committee concluded that the appellant failed to demonstrate how SACPCMP had failed him in any manner. After carefully considering all the evidence presented, the Appeal Committee issued the following order:

- Condonation for late filing was dismissed
- The appeal against the outcome and mainly consideration of the Project Management Body of Knowledge (PMBOK) guide understanding and application was dismissed
- The order of the third interview Panel was confirmed
- There was no order as to costs
- The appellant, if he wishes, may continue to follow the direction as issued by the SACPCMP interview Committee in the third interview

## **V. APPELLANT VERSUS SOUTH AFRICAN COUNCIL FOR THE ARCHITECTURAL PROFESSION (SACAP) AND ANOTHER**

Date of lodgement:	23 September 2024
Date of 60-day lapse:	22 November 2024
Date of hearing:	15 November 2024
Date of decision:	21 November 2024

## **APPEAL**

The appeal was lodged against the outcome of SACAP's Investigating Committee to not prefer charges against a registered person for contravening the Code of Conduct. The Appellant alleged that the investigating committee did not properly investigate the complaint against the registered person.

## **OUTCOME**

The Appeal Committee upheld the appeal, concluding that the investigating committee did not properly investigate the matter against the registered person. Hence, the Investigating Committee's decision was rescinded. The Appeal Committee issued the following orders:

- The complaint lodged by the Appellant on 28 October 2023 is referred to SACAP's Council to reconstitute an Investigating Committee for purposes of reconsidering the complaint de novo
- The said Investigating Committee is constituted of different members to those that issued the decision on 21 May 2024

## **VI. APPELLANT VERSUS SOUTH AFRICAN COUNCIL FOR THE ARCHITECTURAL PROFESSION (SACAP)**

Date of lodgement:	14 October 2024
Date of 60-day lapse:	13 December 2024
Date of hearing:	3 December 2024
Date of decision:	10 December 2024

## **APPEAL**

The appeal was lodged against SACAP's failure to approve the Appellant's application for registration as a Professional Architectural Technologist.

**OUTCOME**

The Appeal Committee dismissed the appeal, noting that the appellant was engaged in supervised freelance work. Additionally, none of the appellant's Monthly Training Records (MTRs) were signed by the assigned mentor, and no evidence was provided to demonstrate that the mentor could verify the appellant's work and competency:

- The appellant was ordered to re-register with a professional mentor in good standing with SACAP
- Cost of re-registration was waived
- SACAP refunds the appellant the cost of the appeal

**VII. APPELLANT VERSUS SOUTH AFRICAN COUNCIL FOR ARCHITECTURAL PROFESSION (SACAP) AND ANOTHER**

Date of lodgement:	18 November 2024
Date of 60-day lapse:	17 January 2025
Date of hearing:	3 January 2025
Date of decision:	17 January 2025

**APPEAL**

The appeal was lodged against SACAP's Investigating Committee's decision to not prefer charges against a registered person for contravening the Code of Conduct. The appellant asserted that as an experienced Architectural Draughtsperson, the Second Respondent had a professional duty to complete Form 1 with due care, skill, and diligence, but failed to do so. Additionally, the appellant alleged that the Second Respondent did not ensure the appointment of the competent person as required in Form 2.

**OUTCOME**

The Appeal Committee held that the decision of the First Respondent (SACAP) was correct based on the evidence presented. Consequently, the Appeal Committee issued the following orders:

- The appeal was dismissed
- The First Respondent's decision set out in the record of decision dated 3 October 2024 remains in force

**VIII. APPELLANT VERSUS ENGINEERING COUNCIL OF SOUTH AFRICA (ECSA)**

Date of lodgement:	22 November 2024
Date of 60-day lapse:	21 January 2025
Date of hearing:	14 January 2025
Date of decision:	21 January 2025

**APPEAL**

The appeal was lodged against ECSA's Disciplinary Tribunal finding and sanction, which found the registered person guilty of improper conduct. The registered person was fined R20 000 and a suspended registration for 30 days. The appellant alleged that the fine imposed on the registered person was inadequate in proportion to the severity of the transgression.

## OUTCOME

The Appeal Committee found no justification to interfere with the sanction imposed by ECSA's Disciplinary Tribunal. Accordingly, the Appeal Committee held that the appellant failed to meet the requirements for altering the sanction. It was concluded that interfering with the sanction would constitute a travesty of justice; hence the appeal was dismissed.

### *3.5.2 Hundred percent of complaints received from the public finalised within 90 days from the date of lodgement by 31 March 2025. - Achieved*

The CBE is empowered to promote and protect the interests of the public in the built environment and to investigate or initiate investigations into matters pertaining to its functions regarding the built environment and, if necessary, recommend legislation in this regard. This empowers the CBE to receive public complaints as part of its broader public protection function in the Built Environment; hence the public complaint function was introduced.

The public complaint function is designed to allow members of the public to lodge complaints with the CBE on any matter pertaining to its functions and policies which may include but is not limited to resource utilisation, socio-economic development, public health and safety and the environment for the CBE to advise government accordingly.

The annual target was achieved. The report on hundred percent of complaints received from the public finalised within 90 days from the date of lodgement was developed. A total of four complaints were due for finalisation during the 2024/25 financial year. Three, lodged during the financial year under review against SACPVP, SACAP and SACPCMP, were finalised. One was lodged during the fourth quarter of the 2023/24 financial year.

#### **i. COMPLAINANT VERSUS SOUTH AFRICAN COUNCIL FOR THE PROPERTY VALUERS PROFESSION (SACPVP)**

The complaint, related to contract matters on property leased and other governance issues, was lodged on 7 February 2024 against SACPVP.

The CBE responded to the complainant through an email outlining its role and position on the matter:

- The CBE does not have any jurisdiction to resolve complaints on contract-related matters
- Regarding the conduct of the Registrar on the suspension of the finance manager, the complainant was advised that as an employee of the council, the finance manager must explore the Labour Relations Act (LRA) processes
- On other governance issues relating to the appointment and conduct of the Registrar, the complainant was advised to bring those to the attention of the council; the CBE will intervene if the complainant is not satisfied with the council's decision

#### **ii. COMPLAINANT VERSUS SOUTH AFRICAN COUNCIL FOR THE ARCHITECTURAL PROFESSION (SACAP)**

The complaint concerned the manner in which SACAP's legal department and the investigator managed the complainant's case. The complaint was lodged on 21 August 2024 and finalised on 24 October 2024 once SACAP indicated that the matter was reported to the South African Police Service (SAPS). SACAP committed to update the complainant on the status of the two matters before SAPS.

The complainant was notified that one of the cases was withdrawn due to SAPS not finding any evidence that the individual was performing architectural work at the time of the alleged violation.

**iii. COMPLAINANT VERSUS SOUTH AFRICAN COUNCIL FOR THE PROJECT AND CONSTRUCTION MANAGEMENT PROFESSIONS (SACPCMP)**

The complaint pertained to how SACPCMP managed the complainant's grievance against a registered individual. The complaint was lodged on 15 October 2024 and finalised on 25 October 2024.

The CBE engaged SACPCMP on 25 October 2024 in the complaint evaluation process to obtain their reasons for the delay in conducting a disciplinary hearing against the registered person. The CBE subsequently wrote to SACPCMP, expressing concerns about the delay, emphasizing that it is against the legislative mandate and good practice for a complaint to take more than two years to be resolved.

**iv. COMPLAINANT VERSUS SOUTH AFRICAN COUNCIL FOR THE ARCHITECTURAL PROFESSION (SACAP)**

The complaint concerned SACAP's manner of handling the complainant's appeal for exemption from submitting the Monthly Training Records (MTR). The complaint was lodged on 15 November 2024 and finalised on 11 December 2024.

SACAP allowed the complainant to submit a portfolio of evidence in compliance with the MTR policy. Should the complainant meet all the competency requirements of the MRT, the complainant would be exempt from submitting the MRT for the stipulated period of two years.

The CBE informed the complainant of SACAP's position and requested the complainant to submit the portfolio of evidence to SACAP for evaluation. The matter was finalised on 11 December 2024, based on the agreement reached between the parties.

**3.5.3 One investigation report on the role of local government in building low-carbon and climate resilient infrastructure in communities (A case study of two metropolitan municipalities, two district municipalities and two local municipalities) by 31 March 2025. – Achieved**

The study aims to investigate the role of local government (municipalities) in building low-carbon and climate-resilient infrastructure focusing on the following objectives:

- Explore steps taken by the municipality to build low-carbon and climate-resilient infrastructure
- Determine if the municipality has the capacity to deliver low-carbon and climate-resilient infrastructure
- Explore available municipal financing options for low-carbon and climate-resilient infrastructure

An investigation report on the role of local government in building low-carbon and climate-resilient infrastructure was developed focusing on the following municipalities:

- Four Metropolitan Municipalities- City of Ekurhuleni, Nelson Mandela Bay, City of Johannesburg and City of Cape Town
- Three District Municipalities- Sedibeng, West Rand and Thabo Mufutsanyana
- Two Local Municipalities- Ephraim-Mogale and Rand West

The report highlights how various municipalities are adopting progressive climate action strategies, addressing challenges like economic and infrastructural disruptions, while striving to build low-carbon, climate-resilient infrastructure. Accordingly, the findings of the investigation indicate that most municipalities face resource and capacity constraints to finance climate-resilient infrastructure, particularly those in rural areas.



**Table 20: Programme 5: Objectives/Purpose, Planned Targets and Actual Achievements**

PROGRAMME 5: PUBLIC PROTECTION, POLICY AND LEGISLATION						
Objectives/Purpose	Audited Overall Actual Performance 2022/23	Audited Overall Actual Performance 2023/24	Planned Annual Targets 2024/25	Overall Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Comment on Deviations
Ensuring that the CBE protects the interest of the public in the Built Environment	Three	Three	Three	Three	All the targets were achieved	N/A

Table 21: Programme 5: Outcome, Outputs, Output Indicators, Targets and Actual Achievements

PROGRAMME: PUBLIC PROTECTION, POLICY AND LEGISLATION								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Reasons for Deviations
Public interest in the built environment promoted and protected	Finalise lodged appeals within 60 days from the date of lodgement	5.1 Percentage of lodged appeals finalised within the statutory 60 days from the date of lodgement	Hundred percent of lodged appeals finalised within the statutory 60 days from the date of lodgement by 31 March 2023	<b>100% Achieved</b> Two appeals were lodged during the year under review, one was finalised during the year under review, the second is due for finalisation in quarter 1 of 2024/25 FY	Hundred percent of lodged appeals finalised within the statutory 60 days from the date of lodgement by 31 March 2025	<b>100% Achieved</b> Eight appeals were finalised within 60 days from the date of lodgement: • Seven appeals were dismissed, and one was upheld	N/A	N/A
	Finalise public complaints within 90 days of lodgement	5.2 Percentage of complaints received from the public finalised within 90 days from the date of lodgement	Hundred percent of complaints received from the public finalised by 31 March 2023	<b>100% Achieved</b> A total of eleven complaints were lodged during the year under review, eight were finalised, two were withdrawn and one is due for finalisation in quarter 1 of 2024/25 FY	Hundred percent of complaints received from the public finalised within 90 days from the date of lodgement by 31 March 2025	100% Achieved Four complaints were finalised within 90 days from the date of lodgement	N/A	N/A

PROGRAMME: PUBLIC PROTECTION, POLICY AND LEGISLATION								
Outcome	Output	Output Indicator	Audited Actual Performance 2022/23	Audited Actual Performance 2023/24	Planned Annual Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Reasons for Deviations
	Providing advice and recommendations related to Built Environment related legislation to DPWI	5.3 Number of investigation reports on relevant BE legislation and policies	N/A	N/A	One investigation report on the role of local government in building low-carbon and climate resilient infrastructure in communities: A case study of (two metropolitan municipalities, two district municipalities and two local municipalities) by 31 March 2025	<b>Achieved</b> One investigation report on the role of local government in building low carbon and climate resilient infrastructure in communities: <ul style="list-style-type: none"> <li>A case study of four metropolitan municipalities, three district municipalities and two local municipalities</li> </ul>	There is a positive reach of two additional Metropolitan Municipalities and one DM	Increased interest by municipalities contributed to the positive reach of the investigation

Table 22: Programme 5: Linking Performance with Budget

Programme/Activity/Objective	2023/24			2024/25		
	Budget	Actual Expenditure	(Over) / Under Expenditure	Budget	Actual Expenditure	(Over) / Under Expenditure
Performance Indicator	R'000	R'000	R'000	R'000	R'000	R'000
5.1 Percentage of lodged appeals finalised within the statutory 60 days from the date of lodgement	1 766	158	1 608	2 048	1 090	958
5.2 Percentage of complaints received from the public finalised within 90 days from the date of lodgement	100	34	66	110	547	(437)
5.3 Number of investigation reports on relevant BE legislation and policies	30	6 237	(6 207)	11	34	(24)

## 4. REVENUE COLLECTION

The CBE receives its funding from the National Treasury via DPWI for its operations. During the reporting period, the CBE met its administrative obligations with the allocated amount of R55.5 million. CBE's baseline budget allocation covers operational costs and core business projects – primarily these are costs related to employment, office occupation, audits, travel and consulting fees. The CBE received a levy income from CBEP which amounted to R2.7 million for the financial year.

### 4.1 Sources of Revenue

**Table 23: Sources of Revenue**

The table below indicates the CBE's sources of revenue:

Source of revenue	2023/24			2024/25		
	Estimate	Actual Amount Collected	(Over) / Under Collection	Estimate	Actual Amount Collected	(Over) / Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Government grant from DPWI	54 704	54 704	-	55 505	55 505	-
Levies	2 512	1 960	552	3 233	2 740	493
Interest	946	607	339	516	169	347
Other operating income	569	6 037	(5 468)	6 119	6 398	(279)
<b>Total</b>	<b>58 731</b>	<b>63 308</b>	<b>(4 577)</b>	<b>65 373</b>	<b>64 812</b>	<b>561</b>

### Reasons for the (Over) / Under Collection

### 4.2 Government Grant from DPWI

The grant income from DPWI was received as budgeted.

### 4.3 Levies Received

The levies received were less than budgeted for, due to fewer paid membership fees.



#### 4.4 Interest Income

The CBE is optimizing its revenue. The CBE received its grant from DPWI in four tranches instead of two, hence there was lesser surplus cash available for investing.

#### 4.5 Other Operating Income

There was other operating income from partnerships and sponsorships not initially anticipated for the year.

#### 4.6 Programme Expenditure

**Table 24: Expenditure per Programme**

Programme	2023/24			2024/25		
	Budget	Actual Expenditure	(Over)/ Under Expenditure	Budget	Actual Expenditure	(Over)/ Under Expenditure
Programme 1: Administration	54 851	59 655	(4 804)	57 219	59 869	(2 650)
Programme 2: Empowerment and Economic Development	1 638	917	721	4 172	2 629	1 543
Programme 3: Professional Skills and Capacity Development	2 022	1 314	708	865	1 337	(472)
Programme 4: Research and Knowledge Management	626	188	438	856	252	604
Programme 5: Public Protection, Policy and Legislation	6 642	6 498	144	2 261	2 397	(136)
<b>Total</b>	<b>65 779</b>	<b>68 572</b>	<b>(2 793)</b>	<b>65 373</b>	<b>66 484</b>	<b>(1 111)</b>
Assets (additions)		1 735	(1 735)	-	1 381	(1 381)
<b>Total including assets (additions)</b>	<b>65 779</b>	<b>70 307</b>	<b>(4 528)</b>	<b>65 373</b>	<b>67 865</b>	<b>(2 492)</b>

## **Reasons for (Over) / Under Expenditure**

### **4.5.1 Administration**

The overspend was attributed to:

- a. prior year committed funds, utilised for the data centre cloud migration project where actual expenditure exceeded budgeted expenditure
- b. support activities such as stakeholder engagements, and travel linked to intergovernmental coordination efforts

### **4.5.2 Empowerment and Economic Development**

The underspend was attributed to:

- a. the DPWI Infrastructure Audit Capacity Building Programme commenced later than scheduled in quarter three, hence its budget was not fully expended

The remaining R1.5 million of the budget was committed until the end of quarter four for procuring software licences and hosting the Public Infrastructure Audit Summit.

### **4.5.3 Professional Skills and Capacity Development**

There was an overspend, which was set off against savings from the following partnerships:

- a. Participation in outreach programmes hosted by partners such as the DPWI DG Schools Programme and career expos, which increased the reach of the programme
- b. The skills audit, initially planned as online engagements, required round table discussions which resulted in higher than anticipated travel costs

### **4.5.4 Research and Knowledge Management**

- a. Two research projects were completed (on Funding access for women-owned enterprises and Sustainable building practices) for which the overall project costs were lower than anticipated
- b. The advisory notes on *Health and safety compliance* and *Construction industry safety culture* were produced internally with minimal external consultancy input
- c. CBE committed R500 000 to the WSU research conference which was paid after the financial year-end

These factors contributed to lower expenditure against the allocated budget.

#### 4.5.5 Public Protection, Policy and Legislation

There was an overspend of R135 987 (6%) attributed to:

- The ad hoc nature of regulatory and public protection activities; these matters are not predictable at the beginning of the financial year, yet require legal and administrative resources
- A higher number (eight appeals and four complaints) were finalised during the financial year than originally projected
- The investigation into the George building collapse is still underway

**Table 25: Infrastructure Projects**

	2023/24			2024/25		
Infrastructure Projects	Budget	Actual Expenditure	(Over) / Under Expenditure	Budget	Actual Expenditure	(Over) / Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
None	None	None	None	None	None	None

There were no major maintenance projects undertaken or backlogs experienced during the period under review.

## 5. CAPITAL INVESTMENT

The CBE did not have any infrastructure projects during 2024/25 and prior years.







# PART



GOVERNANCE





## 1. INTRODUCTION

Corporate Governance is essentially about effective leadership, the ethics of responsibility, accountability, fairness and transparency. In the context of the CBE, it entails:

- a. creating an appropriate, ongoing and dynamic monitoring system of checks and balances
- b. implementing a system to ensure the CBE complies with its legal and regulatory obligations
- c. implementing a process to identify and manage risks that threaten the sustainability of the CBE's mandate
- d. developing practices that make and keep the CBE accountable to its stakeholders

The CBE takes its governance responsibility from applicable legislation, the principles of the King IV Report in Corporate Governance for South Africa (King IV™) and best practice.

According to King IV™, Corporate Governance is about the exercise of ethical and effective leadership. Such leadership includes the following responsibilities for the CBE Council (Council):

- a. providing strategic direction to the CBE
- b. approving policy to put strategy into effect
- c. providing informed oversight of implementation and performance
- d. disclosing (Reporting)

Ethical and effective leadership is pursued with the expectation of achieving the following beneficial outcomes for the CBE:

- a. an ethical culture
- b. sustainable performance and creating value
- c. adequate and effective control by the Council
- d. protecting and building trust in the CBE as an organisation, its reputation and legitimacy

## 2. PORTFOLIO COMMITTEE

The Public Works and Infrastructure Parliamentary Portfolio Committee (PPC) of the National Assembly exercises oversight on the CBE's work as an entity of DPWI. During the 2024/25 financial year, the CBE presented the following to the PPC:

- i. 2023/24 Annual Report
- ii. 2024/25 Annual Performance Plan

## 3. EXECUTIVE AUTHORITY

The Minister of Public Works and Infrastructure (the Minister) is the Executive Authority of the CBE. The table below lists the reports submitted to the Executive Authority during the 2024/25 financial year.

**Table 26: Reports Submitted to the Minister of Public Works and Infrastructure**

Report	Date
Fourth Quarter Report 2023/24	April 2024
First Quarter Report 2024/25	July 2024
Annual Report 2023/24	August 2024
Second Quarter Report 2024/25	October 2024
Third Quarter Report 2024/25	January 2025
Annual Performance Plan 2025/26	January 2025
Strategic Plan 2025-2029	January 2025

## 4. THE ACCOUNTING AUTHORITY

The CBE Council is the Accounting Authority of the CBE. Section 6 of the Council for the Built Environment Act (No. 43 of 2000) (the CBE Act) empowers the Minister of Public Works and Infrastructure (the Minister) to appoint the CBE Council upon approval from Cabinet. As the CBE's governing body, Council determines the CBE's strategic direction, approves policies to support its mandate and exercises oversight on the execution of its mandate and Annual Performance Plan (APP) deliverables.

The Sixth Term Council has been in office for the duration of this reporting period. Appointed from 1 December 2022 to 30 November 2026, the current Council was inaugurated on 24 January 2023. The Minister subsequently appointed seven members on 7 September 2023 to fill the existing vacancies.

### 4.1 Council Charter

The Council operates in terms of an adopted Charter, which was reviewed during the financial year to comply with the requirements of King IV™.

The Charter confirms, inter alia, the Council's duty to:

- i. provide strategic direction based on the CBE's mandate
- ii. approve business plans, annual reports and annual financial statements
- iii. ensure that the CBE maintains a programme to effectively communicate with its stakeholders, employees and the public
- iv. be responsible for the governance of risk

The Sixth Term Council began reviewing the Delegation of Authority Framework in conjunction with the CBE's revised Supply Chain Management (SCM) Policy during the year of reporting; it is expected to be complete in the coming financial year.

Sections 12 and 13 of the CBE Act make provision for the following statutory committees on Council:

- i. Executive Committee (EXCO)
- ii. Audit and Risk Committee (ARC)
- iii. Appeals Committee (AC)

In addition, the Council appointed the following committees, in terms of sections 14 and 16 of the CBE Act, to assist with its oversight function as the governing body:

- i. Shared Services Committee (SSC)
- ii. Built Environment Transformation Committee (BETC)

The Council receives quarterly reports from its statutory and established committees.

## **4.2 Role of the Council**

The role and responsibilities of the Council are to-

- (1) Act as the focal point for, and custodian of, corporate governance by managing its relationship with management, councils for the professions, DPWI, Ministry of Public Works and Infrastructure and other relevant stakeholders along sound corporate governance principles
- (2) Appreciate that strategy, risk, performance and sustainability are inseparable and to give effect to this by:
  - a. contributing to and approving the strategy
  - b. satisfying itself that the strategy and business plans do not give rise to risks that have not been thoroughly assessed by management
  - c. identifying key performance and risk areas
  - d. ensuring that the strategy will result in sustainable outcomes
  - e. considering sustainability as a business opportunity that guides strategy formulation
- (3) Provide effective leadership for an ethical foundation
- (4) Ensure that the organisation is and is seen to be a responsible corporate citizen by having regard to not only its financial aspects, but also its impact on the environment and society within which it operates
- (5) Ensure that the organisation's ethics are managed effectively
- (6) Ensure that the organisation has an effective and independent Audit and Risk Committee
- (7) Be responsible for the governance of risk
- (8) Be responsible for Information Technology (IT) governance
- (9) Ensure that the organisation complies with applicable laws and considers adherence to non-binding rules and standards
- (10) Ensure that there is an effective risk-based internal audit function
- (11) Appreciate that stakeholder perceptions affect the organisation's reputation
- (12) Ensure the integrity of the organisation's quarterly and annual reports

- (13) Act in the best interests of the organisation by ensuring that members:
  - a. adhere to legal standards of conduct
  - b. are permitted to take independent advice in connection with their duties following an agreed procedure
  - c. disclose real or perceived conflicts to the Council and deal with them accordingly
- (14) Appoint and evaluate the performance of the Chief Executive Officer (CEO) and the Company Secretary

The Council should take all reasonable steps to fulfil its role as set out above.

#### 4.3 Composition of the Council [sections 5(1) and (2) of the CBE Act]

The Act prescribes the composition of the Council. The Council comprises 20 members consisting of –

- a) *One representative from the department;*
- b) *Not more than three persons nominated by state departments within whose functional areas the professions are also practiced; taking due cognisance of provincial participation;*
- c) *Two representatives nominated by each council for the professions; and*
- d) *Not more than four persons nominated by the public through an open process of public participation.*

The Minister considered and appointed six additional members to the Sixth Term Council in terms of section 5(3) of the CBE Act from the following professional bodies:

- i. Environmental Assessment Practitioners Association of South Africa (EAPASA)
- ii. South African Council for Planners (SACPLAN)
- iii. South African Geomatics Council (SAGC)

- (3) (a) *If a profession which is involved and active in the built environment establishes a council in terms of legislation similar to the professions' Acts, that council may make a request to the Minister to be represented on the council.*
- (b) *On receipt of a request contemplated in paragraph (a), the Minister may appoint representatives to the council in accordance with this section for the remainder of the term of office of the council.*

#### 4.4 The Council's Term of Office

The CBE Act prescribes the Council's nomination and appointment process. The Minister appoints the Chairperson, Deputy-Chairperson and members of the Council for a period of four years. A Committee Secretary supports the Council and its Committees on governance matters. The CBE Executives viz. Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Shared Services Officer (CSSO), and Chief Transformation Officer (CTO) attend meetings of the relevant Council Committees. The CEO and CBE staff are responsible for operational matters.

##### Sixth Term Council

Cabinet approved the appointment of the Sixth Term Council on 30 November 2022, effective from 1 December 2022 to 30 November 2026.

The Minister determined the date of the Sixth Term Council's first meeting (as required by the CBE Act) for 24 and 25 January 2023, to include their inauguration and onboarding.

On 7 September 2023, the Minister made appointments to fill the following representations on Council:

i.	Department of Public Works and Infrastructure (DPWI)	1
ii.	South African Council for the Architectural Profession (SACAP)	1
iii.	South African Council for the Project and Construction Management Professions (SACPCMP)	2
iv.	South African Council for the Quantity Surveying Profession (SACQSP)	2
v.	Public	1

#### **4.4 Shareholder Compact between the Accounting Authority and Executive Authority**

The Accounting Authority (CBE Council) and the Minister (Executive Authority) promote good governance and engagement between themselves through an annual Shareholder Compact.

#### **4.5 Challenges**

The following challenges confronted the CBE during the financial year:

- a. Governance challenges in most CBEP, especially the Engineering Council of South Africa (ECSA); Quantity Surveying Council (SACQSP) and Property Valuers Council (SACPVP)
- b. Sustainability of the smaller CBEP viz. SACLAP
- c. Budgetary cuts to the CBE's year-on-year grant
- d. Cashflow in quarterly payment tranches
- e. Reduced levy income, which necessitated an increase in levy amounts for the first time since 2006 and the review of Regulation 915
- f. Limited budget, which deferred the Council's April 2025 external performance assessment to April 2026



## 4.6 Council Meetings

Date	Scheduled	Special	Workshop	Governance	Purpose
19 April 2024					2023/2024 Fourth Quarter Report
30 May 2024					Quarterly Meeting
22 July 2024					2024/2025 First Quarter Report
29 August 2024					Quarterly Meeting
11 October 2024					PPC visit
19 October 2024					2024/2025 Second Quarter Report
28-29 October 2024					NSG* Board Induction Programme
27 November 2024					Quarterly Meeting
23 January 2025					2025/2026 APP
23 January 2025					2024/2025 Third Quarter Report
13 March 2025					Quarterly Meeting
31 March 2025					Council Self-Assessment

\*NSG National School of Government

Matters Approved by the Council	Q1	Q2	Q3	Q4
2023/2024 Audited Annual Report and Financial Statements for statutory submissions				
2024/2025 Mid-Term Budget Review				
2024/2025 APP for statutory submission				
2024/2025 Budget Allocatio				
Appointment of Appeal Committee				
2024 Cost of Living Increase				
Reconfiguring of the Transformation Collaborative Forums to Built Environment Stakeholder Engagement Forum				
202/2024 Quarterly Expenditure Report				
2024/2025 Quarterly Expenditure Reports				

## ANNUAL REPORT for 2024/25 Financial Year

COUNCIL FOR THE BUILT ENVIRONMENT

Matters Approved by the Council	Q1	Q2	Q3	Q4
2022/2024 Procurement Report and Procurement Plan				
2024/2025 Procurement Report and Procurement Plan				
2025 Cost of Living Increase				
Report and updates on the George Building Collapse				
Protocols for Emergency Incidents; Guideline Professional Fees and Nominating Bodies				
CBE Position: cidb Register of Professional Service Providers				
Levy Increase proposal and review of Regulation 915				
Protocol: Identification of Work				
Office of the Chief State Law Advisor: Legal Opinion regarding Section 21 of the CBE Act				
DPWI Inaugural Infrastructure Audit Capacity Building Programme				
2025/2026 Budget Allocation				
CBE Organisational Structure aligned with its Strategic Plan				
Elect newly appointed Council members to serve on the Sixth Term Council Committees:				
Appeal Cost Recovery Proposal				
Research Reports: Green Building Practices / Access for Women to Funding Programmes / Research Briefs and Advisory Notes				

Matters Considered by the Council	Q1	Q2	Q3	Q4
Chairperson's Reports: EXCO, ARC, FHLC, BEMC				
CEO's Report				
Quarterly Financial and Procurement Reports				
Compliance Report				
Strategic Risk Register				
Appeal Ruling Reports				
Annual Performance Plan				
Strategic Plan				
Revised Council Charter and Council Code of Conduct				
External Audit Management Letter and Audit Report for the year ending 31 March 2024				

#### 4.7 Sixth Term Council

Table 27: Sixth Term Council (2022-2026)

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Holovisa Amelia Mtshali (Chairperson)	Section 5(2)(c) Nominated by ECSA	1 December 2022	-	National Diploma Electrical Engineering; B-Tech Electrical Engineering (Cum Laude)	Engineering Technology and design	ECSA Council member	CBE: Council Chair EXCO Chair	15
Ditaba Lucy Maraka (Deputy Chairperson)	Section 5(2)(d) Public nominee	1 December 2022	-	BA Education; BA Hon; Psychometrist; Masters Diploma in HRM; Ethics Officer	Ethics, Coaching, Mentorship, Human Resources (HR) and Organizational Development (OD)	Associate HR Auditor; Chartered HP Professional (CHRP); Ethics Officer-The Ethics Institute (TEI); University of Stellenbosch Business School (USB-ED); Business executive, specializing in HR / Training / Psychometrist / HR Audits / Career Development.	CBE: Council Deputy Chair EXCO Alternate Member SSC Member	15
Douglas Munro Affleck	Section 5(2)(c) Nominated by SACPCMP	7 September 2023	-	Registered Construction Health and Safety Manager	SHEQ Management Systems and Construction Health and Safety	SACPCMP Council member	CBE: Council Member SSC Member	8

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Christopher Kobla Gavor	Section 5(2)(c) Nominated by SACPVP	1 December 2022	-	BTech (University of Science & Graduate Studies); BSc. (Hons) Land Economy (Kumasi-Ghana); MSc Urban & Regional Planning; MBA	Property Valuation	-	CBE: Council Member BETC Member	12
Ngwako Edward Hutamo	Section 5(2)(c) Nominated by SACLAP	1 December 2022	-	BTech Horticulture; Nat Dipl Open Space and Recreation Management	-	SACLAP President	CBE: Council Member SSC Member	5
Adv Nomonde Nokhuthala January	Section 5(2)(d) Public nominee	7 September 2023	-	Attorney	Legal, Conveyance and Notary	-	CBE: Council Member SSC Member	5



Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Dr Deenadayalan Ruthensamy Letchmiah	Section 5(2)(c) Nominated by SACQSP	7 September 2023	-	Quantity Surveyor Construction Project Manager B.Sc. Honours (QS) – Univ. of Natal (1979) PhD (Construction Economics) – Wits (2013)	Project management, Valuations and Facilities management	-	CBE: Council Member BETC Member	5
Salome Velma Mabilane	Section 5(2)(d) Public nominee	1 December 2022	-	Advanced Certificate in Municipal Management & Governance; BCompt Accounting; BTech in Cost and Management Accounting; National Diploma in Cost and Management Accounting	Auditing, Risk Management, Finance Business Management, Governance, Performance Management	-	CBE: Council Member EXCO Member ARC Member	17
Thembinkosi Cedric Madikane	Section 5(2)(c) Nominated by ECSA	1 December 2022	-	Post Grad Dip (Business Management); Dip in Project Mgt; BSc (Elec Eng); National Diploma (Elec Eng)	Energy Management, Power Engineering; Project Management	ECSA Deputy President	CBE: Council Member EXCO Member BETC Chair	17

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Anele Emanuel Mahlawe	Section 5(2)(b) Nominated by DFFE	1 December 2022	-	MSc Eng (Civil); Graduate Diploma in Engineering (Civil); B Tech Eng. (Structures); N Dip (Civil Eng.)	Construction of heavy civil structures	-	CBE: Council Member BETC Member	10
Seemole Angela Mahopo	Section 5(3)(a) SACPLAN	1 December 2022	-	Professional Town Planning; (Honours) degree in Urban and Regional Planning; Master's Degree in Town and Regional Planning; Bachelor of Law (LLB)	Spatial planning and land use management	SACPLAN Council Member	CBE: Council Member BETC Member	10
Snowy Mercy Makhudu	Section 5(3)(a) SAGC	1 December 2022	-	National Higher Diploma in Meteorology; National Diploma in Meteorology; Certificate in Local Government and Development Management	Environmental impact assessment	Chairperson EAPASA	CBE: Council Member BETC Deputy Chair SSC Member	16
Thabang Mbembele	Section 5(2)(c) Nominated by SACPCMP	7 September 2023	-	Quantity Surveyor; Project Management	Quantity Surveying and Construction Management	SACPCMP Council member	CBE: Council Member SSC Member	5

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Modiehi Elisa Molebatsi	Section 5(3)(a) SAGC	1 December 2022	-	BSc. Land Surveying; Diploma in Financial Management; Diploma in Local Governance; Project Management; Bonds, Mergers and Acquisitions	Land Surveying, Land Management Business Development	SAGC Council Member	CBE: Council Member BETC Member SSC Member	14
Tshepo Albia Monakedi	Section 5(3)(a) SACPLAN	1 December 2022	-	Professional Town Planner	Town Planning	SACPLAN Council Member	CBE: Council Member SSC Chair	8
Sinenhlanhla Thuleleni Mthembu	Section 5(2)(d) Public nominee	1 December 2022	-	LLB; Corporate Governance; SCM; Labour Law	Legal practice	Director/Attorney; ARC Jozini Municipality; Chairperson KZN Liquor Authority; Member KZN Gaming and Betting Board; Chairperson Valuation Appeal Board KZN COGTA; Member Bid Appeals Tribunal KZN Prov Treasury; Commissioner Small Claims Court	CBE: Council Member SSC Deputy Chair	8

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Dr Khangwelo Desmond Musetsho	Section 5(3)(a) EAPASA	1 December 2022	-	PhD Environmental Management; Master of Business Leadership; Master of Environmental Management; Bachelor of Environmental Management; Certificate Programme in Law (NQF Level 5) Project Management	Environmental Science	EAPASA Deputy Chair	CBE: Council Member BETC Member	11
Nisindiso Charles Nduku	Section 5(2)(c) Nominated by SACAP	7 September 2023	-	Architect	-	SACAP President	CBE: Council Member BETC Member	6
Elizabeth Faith Nyaka	Section 5(2)(b) NSG	1 December 2022	-	Master of Education: Quality Assurance & Assessment; BEd: Education Management (Honours); Bachelor of Arts (Honours); Bachelor of Education	Project Planning and Monitoring, Quality Assurance		CBE: Council Member EXCO Member SSC Chair	14

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Mandisa Princess Pepeta	Section 5(2)(c) SACAP	1 December 2022	-	National Diploma: Architectural Technology; Building Design and Engineering Approaches to Airborne Infection Control Course	Architecture	SACAP Council Member	CBE: Council Member BETC Member	14
Arthur Quphe	Section 5(2)(c) SACQSP	7 September 2023	-	Quantity Surveyor Construction Management	Quantity Surveying	SACQSP Council Member	CBE: Council Member SSC	4
Mandla Sithole	Section 5(2)(a) DPWI	7 September 2023	-				CBE: Council Member ARC Member	4
Tinyiko Laurel Palesa Shipalana	Section 5(2)(b) DPME	1 December 2022	-	Masters of Commerce; LLB; Honours in Economics; Bachelor of Social Sciences	Economic research, policy formulation, analysis and review and M&E	-	CBE: Council Member SSC Member	7
Craig Victor Silva	Section 5(3)(a) SAGC	1 December 2022	-	Nat Dip Surveying; BTech Surveying	Engineering Surveying	-	CBE: Council Member BETC Member	8



Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Christiaan Johannes Steynberg	Section 5(2)(c) Nominated by SACLAP	1 December 2022	-	BL (Pret.) Urban design studies	Landscape Architecture		CBE: Council Member BETC Member	7
<b>Resignations</b>								
Molefi Kubuzie	Section 5(2)(c) Nominated by SACPVP	1 December 2022	25 November 2024	MBA B. Tech Real Estate; N. Diploma Real Estate; B.A Education and Economics; B. Ed; Certificate in Commercial Property Practice; Property Development Programme Certificate in Auctioneering, Personal computing; Diploma in Project Management; Certificate in Training and Development; Certificate in Adjudication	Property Valuation and Public Infrastructure Procurement		CBE: Council Member BETC Member	5

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Ashley Latchu	Section 5(2)(d) Public nominee	1 December 2022	22 July 2023	BSc IT Management; Honors Degree; MSc Degree; MCSE, MCSD, MCSA, MCDBA	Governance and fiduciary duties	CIO – Human Sciences Research Council HSRC; Acting Group Executive: Shared Services (B&M Oversight); e-Tutor UNISA; Board Member – The Performing Arts Centre – Free State; Board Member – The National Arts Council – Gauteng; Board Member – Tertiary Education and Research Network of South Africa (TENET) – Western Cape; Board Member - William Humphreys Art Gallery (WHAG) – Kimberley; Risk Committee Member – HSRC; Audit & Risk Committee Member – PACOFS; Audit & Risk Committee Member – Eastern Cape Department of Transport – Mayibuye Transport Corp	CBE: Council Member ARC Member	10

Name	Designation	Date Appointed	Date Resigned	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No of Meetings Attended
Vangile Nene	Section 5(2)(a) Nominated by DPWI	1 December 2022	28 February 2023	-	-	-	-	-
Dr Sitsabo Samuel Dlamini	Section 5(2)(c) Nominated by SACAP	1 December 2022	16 December 2022	PhD; MSc in International Construction Management; Architectural Technology	Construction Management and Architectural Technology	-	-	-

**Sixth Term Committees of Council – Purpose and Composition**

	<b>COUNCIL FOR THE BUILT ENVIRONMENT</b> CBE Act, 43 of 2000 Schedule 3A, Public Entity of DPWI	
	<b>STATUTORY COMMITTEES</b>	
<b>Executive Committee</b> (EXCO) (Section 12, 13, 16)	<b>Audit and Risk Committee</b> (ARC) (PFMA: Section 77 read with section 76(4)(d), Treasury Regulations)	<b>Appeal Committee</b> (Section 21)
	<b>ESTABLISHED COMMITTEES OF COUNCIL</b>	
<b>Shared Services Committee</b> (SSC) (Section 14, Section 16)	<b>Built Environment Transformation Committee</b> (BETC) (Section 14, Section 16)	
	<b>ESTABLISHED FORUMS (Implemented 25 October 2024)</b>	
<b>Presidents Forum</b> (Chairpersons, Deputy Chairpersons, Presidents, Vice Presidents) [Section 3(h)]	<b>Registrars Forum</b> (Chief Executive Officer, Registrars) [Section 3(h)]	<b>Built Environment Stakeholder Engagement Forums (BESEF)</b> [Section 3(c), 3(h), and Section 4]  <b>Built Environment Transformation Forum (BETF)</b> Mandate: Procurement; BE Women's Network; Persons with Disabilities; Youth Development
		<b>Built Environment Matters Forum (BEMF)</b> Mandate: Public Protection; Legislation; Environmental Sustainability; Professional Capacity and Skills Development

Council appointed the following committees in terms of the provisions of the CBE Act and Public Finance Management Act (PFMA):

- i. Executive Committee (sections 12, 13 and 16 of the CBE Act)
- ii. Audit and Risk Committee (section 77 read with section 76(4)(d) of the PFMA and Treasury Regulations)
- iii. Appeal Committee (section 21 of the CBE Act)
- iv. Shared Services Committee (sections 14 and 16 of the CBE Act)
- v. Built Environment Transformation Committee (sections 14 and 16 of the CBE Act)

Council operates in terms of the CBE Act, Council Charter and a Code of Conduct.

Committees of Council operate in terms of a charter (ARC), terms of reference (EXCO, SSC and BETC) and a standard operating procedure.



#### **4.8 Statutory Committee: Sixth Term Executive Committee**

Established in terms of the CBE Act, EXCO may hold meetings as and when necessary, but at least four times per year. The mandate of EXCO is to:

In terms of section 13 of the CBE Act, *the executive committee has the power to—*

- (a) *ensure that the resolutions of the council are carried out;*
- (b) *consider any matter delegated to it by the council in terms of any law, and to advise the council in connection therewith;*
- (c) *prepare estimates of revenue and expenditure of the council;*
- (d) *control the expenditure of moneys voted by the council in its approved estimates and all other moneys or funds made available by the council;*
- (e) *exercise or perform any power, duty or function delegated to it by the council under section 16; and*
- (f) *report at every ordinary meeting of the council on the activities of the committee.*
- (g) It is noted that (a) to (f) above are functions allocated to the EXCO by legislation. It must however be noted that the Council, as the Accounting Authority, is empowered to consider all relevant steps to ensure good governance and adequate financial control. The need for the Council not to involve itself in operational matters dictates that functions (c) and (d) are performed by the CBE administration, as per the Council's delegation of authority; however, these are overseen by the Council and supported by the Audit and Risk Committee (ARC).

In terms of section 16 of the CBE Act, the Council delegates the following additional powers, duties and functions to the EXCO –

- (h) Oversee Risk Governance with reference to:
  - (i) Review of performance information as per the quarterly and annual reports prepared by management
  - (ii) Review of mitigating measures proposed by management to address identified performance shortfalls and other identified risks, and monitor and assist management in its execution of mitigating measures and/or propose mitigating measures
- (i) Make recommendations to the Council on the above and inform the Council of decisions finalised in terms of the Council's delegation
- (j) Approve quarterly reports for statutory submission after circulation to Council members for consideration and input, on –
  - Quarter 1: 1 April to 30 June by 31 July
  - Quarter 2: 1 July – 30 September by 31 October
  - Quarter 3: 1 October – 31 December by 31 January
  - Quarter 4: 1 January – 31 March by 30 April
- (k) Approve the AGSA\* Audit Management Letter and Audit Report; the audited Financial Statements and the audited Annual Report for statutory submission and sign-off by the Council Chairperson by 31 July
- (l) Monitor and guide the CBE's Stakeholder Management Strategy

\*AGSA Auditor General South Africa

## Finance

- (i) Consider matters of financial strategy and policy (including procurement and supply chain), risk management and insurance as they relate to the operation of the CBE, in particular the optimum use of available and potential financial resources (including internal investment options and their rate of return)
- (ii) Consider and assess investment opportunities available to the CBE in respect of all funds it administers, and determine the manner and extent to which funds are to be invested to ensure both security and optimisation of income
- (iii) Review the CBE's annual financial statements in conjunction with the ARC, and make recommendations to the Council
- (iv) Receive and consider budget proposals from the Executive and recommend the annual operating and capital budgets to the Council
- (v) Monitor compliance with the PFMA in respect of matters relating to the CBE Act
- (vi) Review the adequacy of the working capital by comparing cash focus against the actual
- (vii) Receive reports of fraud relating to the CBE
- (viii) Report on activities of the Committee at regular meetings of the Council
- (ix) Establish an annual work plan that covers relevant matters of the Committee's roles and responsibilities
- (x) Receive recommendations from the Bid Specification, Bid Evaluation, and Bid Adjudication Committees as prescribed in the SCM policy
- (xi) Take resolutions, make recommendations, receive information and consult as required by the Delegation of Authority (DoA)

## Planning, Monitoring and Evaluation

Consider the CBE's planning, monitoring and evaluation functions and make recommendations to Council in pursuance of the Council's mandate and strategic objectives.

## Executive Committee Meetings

Date	Scheduled	Special	Purpose
29 April 2024			Quarterly deliverables; year-end statutory approvals
29 July 2024			Quarterly deliverables; Audit Management Letter and Audit Report; approve statutory submissions
30 October 2024			Quarterly deliverables; approve statutory submissions
30 January 2025			Quarterly deliverables; approve statutory submissions
25 February 2025			Appointment of internal audit service for a period of three years; recommend 2025/2026 Budget Allocation

Matters Approved by EXCO	Q1	Q2	Q3	Q4
2023/2024 Quarterly Report				
2024/2025 Quarterly Reports				
External Audit Management Letter and Audit Report for the year ending 31 March 2024				
Audited 2023/2024 Annual Report and Financial Statements				
Bid: External audit service for a period of three years				
Bid: Internal audit service for a period of three years				
Bid: Public Relations company for a period of three years				

Matters Considered by EXCO	Q1	Q2	Q3	Q4
Risk Management Reports and Registers				
Audit Matrix for External and Internal Audit Findings				
Compliance Report				
Stakeholder Management Report				
Revised Council Charter				
Revised Standard Operating Procedure				
Protocol: Emergency Incidents; Guideline Professional Fees and Nominating Bodies				
Proposal: Levy increase and review of Regulation 915				
Protocol: Identification of Work				
Proposal: Appeal Cost Recovery				

### Statutory Committee: Audit and Risk Committee

The Audit and Risk Committee (ARC) is constituted in terms of section 77 of the PFMA, read with Chapter 9 of the Treasury Regulations. The ARC consists of three external members and two Council members. The ARC Chairperson is an external member. The ARC assesses the CBE's risks, with reference to the entity's available resources, expertise, experience in financial management, supply chain management (SCM), and the internal audit function. The ARC has a charter that outlines its terms of reference.

The role of the ARC is to assist the Council with the following:

- a. Implement an effective policy framework and plan for Risk Management that will enhance the CBE's ability to achieve its strategic objectives
- b. Disclosure regarding risk is comprehensive, timely, and relevant
- c. Review the annual financial statements, and summarise integrated information
- d. Comment on the annual financial statements, accounting practices and effectiveness of internal financial controls
- e. Review the disclosure of sustainability issues in reporting to ensure that it is reliable and does not conflict with financial information
- f. Recommend to the Council to engage an external assurance provider on material sustainability issues
- g. Recommend quarterly and annual reports for the Council's approval
- h. Review the content of the summarised information for whether it provides a balanced view
- i. Engage the external auditors to provide assurance on the summarised financial information
- j. Ensure that the Risk Register is updated in line with the APP bi-annually

### ARC Meetings

Date	Scheduled	Special	Purpose
25 April 2024			Quarter Four Report
9 May 2024			External Engagement Letter and Audit Strategy
28 May 2024			Levy verification report, Annual Report Performance Information Review, Annual Financial Statement Review
31 May 2024			Continuation of levy verification report
25 July 2024			Quarter One Report and Outcome of Audit
10 September 2024			Interim Internal Audit Contract
24 October 2024			Quarter Two Report
27 January 2025			Shortlisted Bid Presentations: External Audit Service
28 January 2025			Quarter Three Report
6 February 2025			Shortlisted Bid Presentations: Internal Audit Service

Matters Recommended by ARC	Q1	Q2	Q3	Q4
2023/2024 Quarterly Report				
2024/2025 Quarterly Reports				
External Audit Management Letter and Audit Report for the year ending 31 March 2024				
Audited Annual Report and Financial Statements 2023/2024				
Relevant policies				

Matters Considered by ARC	Q1	Q2	Q3	Q4
Finance/Expenditure/Procurement/Governance/Performance Reports				
Registers of Irregular, Fruitless, and Wasteful Expenditure				
Audit Finding Matrix for External and Internal Audit				
Risk Management Report, Strategic and Operational Registers				
Fraud Incidents Reporting				
IT Governance Reports				
Compliance Report				
Contract Register				
External Audit Engagement Letter and Audit Strategy				
External Audit Management Letter and Audit Report				
Internal Audit Reports and Work Plans				

### Statutory Committee: Appeals Committee

The CBE Act and the professions' Acts make provision to lodge appeals against decisions of the Councils for the Built Environment Professions (CBEP). The CBE Act [section 21(3)] requires that an Appeal Committee is appointed for every appeal lodged, consisting of three persons, viz.

- i. legally qualified and experienced person
- ii. professional with appropriate experience
- iii. specialist in the professional field concerning the appeal

The appointed Appeal Committee must decide an appeal within 60 days of its lodgement, as prescribed by section 21(5) of the CBE Act.



**APPOINTED APPEAL COMMITTEE**

Council at its meeting of 31 May 2023, appointed a standing Appeal Committee for a period of three years to be allocated for every appeal lodged on a rotational basis. The appointed Appeal Committee consists of 37 members – 26 Chairpersons, and 11 Generalists.

**Appeal Committee Sitings**

A total of seven appeals were lodged during the financial year and eight appeals required a decision during the financial year; all were decided within the statutory 60 days from the date of lodgement. Seven appeals were dismissed, and one was upheld.

Name	Capacity (Chairperson/ BE Generalist)	Appeal Cost
<b>Appeal 1 – lodged against SACPCMP</b>		
Ms Nomveliso Ntanjana - Admitted Attorney	Chairperson	R101 960.04
Mr Ishaak Ebrahim - Professional Engineering Technologist and Professional Construction Project Manager	Generalist	
Mr Leighton Bennett - Professional Construction Health and Safety Agent	Specialist	
<b>Appeal 2 – lodged against SACAP</b>		
Adv Lulamile Lester Peter - Advocate	Chairperson	R130 800.50
Dr Ronald Basil Watermeyer - Professional Engineer, Professional Construction Manager and Professional Construction Project Manager	Generalist	
Ms Janet Barnard - Professional Architectural Draughtsperson	Specialist	
<b>Appeal 3 – lodged against ECSA</b>		
Ms Penelope Anne Beck - Admitted Attorney of the High Court	Chairperson	R93 000.00
Mr Darryl Robert Riley - Professional Valuer	Generalist	
Ms Tseleng Carol Moshe - Professional Engineering Technician	Specialist	

<b>Appeal 4 – lodged against SACPCMP</b>		
Mr Lesiba John Mogale - Attorney	Chairperson	R107 144.35
Ms Tracey Myers - Professional Valuer	Generalist	
Mr Preven Naicker - Professional Construction Project Manager	Specialist	
<b>Appeal 5 – lodged against SACAP</b>		
Adv Derick J Block - Advocate	Chairperson	R113 924.45
Ms Patricia Chalwa - Professional Construction Project Manager	Generalist	
Mr Mark Pencharz - Professional Architect	Specialist	
<b>Appeal 6 – lodged against SACAP</b>		
Adv MB Ndlazi - Advocate	Chairperson	R125 960.00
Mr Thabiso Njokwana - Professional Quantity Surveyor	Generalist	
Mr Charles Mugwagwa - Professional Architectural Technologist	Specialist	
<b>Appeal 7 – lodged against SACAP</b>		
Mr Shaun Hangone - Attorney	Chairperson	R124 000.00
Mr Clint Koopman - Professional Engineer and Professional Construction Project Manager	Generalist	
Mr Craige Merrington - Professional Architectural Draughtsperson	Specialist	
<b>Appeal 8 – lodged against ECSA and Another</b>		
Mr Phumzile Hubert Songo – Attorney	Chairperson	R108 000.00
Mr Eugène Barnard - Professional Architect	Generalist	
Mr Thapelo Dibakwane - Professional Architectural Draughtsperson	Specialist	

*\*Details of finalised appeals appear in Programme 5 in this Report.*

**Established Committee: Sixth Term Council Shared Services Committee (SSC)**

The SSC is established in terms of section 14 of the CBE Act. In terms of section 16 of the CBE Act, the Council delegated the following powers, duties and functions to the SCC –

**a. Human Capital**

- (i) Consider and make recommendations on the Human Capital Strategy to ensure that CBE is able to attract, retain and develop the best possible talent to support business performance
- (ii) Consider and make recommendations to create or review organisational culture, structure, and processes that seek to support staff development and optimisation of their potential, particularly those previously disadvantaged to address any existing inequalities in staff profiles and organisational practice
- (iii) Ensure compliance with all employment legislation such as the Employment Equity Act, Labour Relations Act and Basic Conditions of Employment Act, etc.
- (iv) Consider and make recommendations on a formal and transparent procedure to develop a policy on remuneration with particular reference to Senior Management
- (v) Determine the annual remuneration adjustments for the CBE staff
- (vi) Create and abolish Senior Management positions, appointments, transfers and promotions of Senior Managers
- (vii) Ensure compliance in the performance appraisals of Senior Management. The Council Chairperson performs the CEO's performance appraisal and implements disciplinary action against the CEO

**b. Legal**

- (i) Consider DPWI's BE Policy proposal relating to the repeal of the CBE Act
- (ii) Address Identification of Work (IDoW); Appeals; Planning, Monitoring and Evaluation; and other legal compliance matters within the CBEP
- (iii) Corporate Governance matters in the Council
- (iv) Receive information on the database of Appeals Committee members and recommend inclusions to the Council
- (v) Receive appeal findings and make recommendations to the Council on required corrective action identified by Appeal Committees

**c. Social, Ethics and Governance Matters**

- (i) Ensure the establishment of an ethical culture and adherence to ethical standards
- (ii) Promote good corporate citizenship and community development
- (iii) Ensure employee safety and health
- (iv) Ensure good governance practices

### Sixth Term Council SSC Meetings

Date	Scheduled	Special	Purpose
27 May 2024			Quarter meeting and recommendations to Council
23 July 2024			Quarter meeting and recommendations to Council
29 October 2024			Quarter meeting and recommendations to Council
20 February 2025			Quarter meeting and recommendations to Council

Matters Considered and/or Recommended by SSC	Q1	Q2	Q3	Q4
Human Capital Policy Review Process, Relevant policies				
2024 Cost of Living Increase; 2024/2025 Performance Bonus				
Appointment of the Appeals Committee				
Appeal Outcomes and Rulings Report				
Social and Ethics Report				
Compliance Report				
Human Resources Report				
Contract Register				
2025 Cost of Living Increase				
Office of the Chief State Law Advisor: Legal Opinion regarding section 21 of the CBE Act				
Proposal: Appeal Cost Recovery				
CBE Organisational Structure aligned with the Strategic Plan				

### **Established Committee: Sixth Term Council Built Environment Transformation Committee**

The BETC is established in terms of section 14 of the CBE Act. In terms of section 16 of the CBE Act, the Council delegated the following powers, duties and functions to the BETC –

- a. Consider progress reports from management on the achievement of the APP targets per Programme, propose remedial action where required to management and follow up on the implementation thereof through Project Champions\*
- b. Receive reports and information required in terms of the APP on behalf of the Council
- c. Monitor and guide the CBE's Transformation Strategy by overseeing transformation initiatives and influencing the Councils for the Built Environment Professions (CBEP)
- d. Receive and consider information reported quarterly by the six CBEP as per the CBE Act, and recommend remedial steps or intervention where required
- e. Plan, monitor and evaluate built environment functions and matters of the CBE and make recommendations to the Council in terms of the mandate and strategic objectives:

#### **Identification of Work:**

- Implementation of IDoW by CBEP
- Compliance with individual IDoW Policies and Competition Commission South Africa (CCSA) requirements

#### **Education and Research:**

- Identify education and training issues common to CBEP for address
- Monitor the database of programmes and institutions accredited by CBEP
- Provide input on issues that affect the built environment industry in the CBE's research agenda

#### **Professionalisation of the BE Sector:**

- Receive and provide inputs on the implementation plan to professionalise the sector
  - Monitor and engage on statutory requirements of Codes of Conduct for built environment professionals
  - Receive reports on professional registration statistics and recommend remedial steps or interventions where required
- f. Consider and recommend all CBE policies not considered by the CBE's Shared Services Committee to the Council
  - g. Receive and review submissions on issues relating to the built environment, and recommend to the Council to facilitate inter-ministerial co-operation on these

*\*Project Champions are members of the BETC allocated the role to promote specific APP targets*



### BETC Meetings

Date	Scheduled	Special	Purpose
14 May 2024			CBE Position: cidb Register of Professional Service Providers
21 May 2024			Quarter meeting and recommendations to Council
16 July 2024			Quarter meeting and recommendations to Council
25 October 2024			Quarter meeting and recommendations to Council
18 February 2025			Quarter meeting and recommendations to Council
24 March 2025			Research Reports: Green Building Practices; Access for Women to Funding Programmes

Matters Considered and/or Recommended by BETC	Q1	Q2	Q3	Q4
IDoW Implementation and Monitoring; Publishing of Guideline Professional Fees and MoU* with CCSA				
CBEP Quarterly Reports and Registrations				
Quarterly Performance Reports / Dashboard				
Project Reports: Policy and Research, Skills, Transformation, Data Collection Feedback Programme 2: Empowerment and Economic Development Programme 3: Professional Skills and Capacity Development Programme 4: Research and Knowledge Management Programme 5: Public Protection, Policy and Legislation				
cidb Register of Professional Service Providers				
Research Briefs				
Advisory Report: Health and Safety				
Research Reports: Green Building Practices; Access for Women to Funding Programmes				

\*MoU

Memorandum of Understanding

**Sixth Term Council – Committee Composition and Meetings**

Council Committee	Number of Scheduled Meetings	Number of Meetings (1 April 2024 -31 March 2025)	Committee Membership
<b>EXCO</b>	4	5	HA Mshali (Chairperson) TC Madikane (BETC Chair) Dr TA Monakedi (SSC Chair) SV Mabilane DL Maraka (Deputy Chair – Alternate member)
<b>ARC</b>	5	10	T Njozela (External Member)(Chairperson) VG Magan (External Member) P Mukheli (External Member) SV Mabilane (Council Member) M Sithole (Council Member)
<b>SSC</b>	4	4	Dr TA Monakedi (Chairperson) DM Affleck (Deputy Chair) EF Nyaka DL Maraka NE Hutamo SM Makhudu ST Mthembu ME Molebatsi TLP Shipalana Adv NN January A Quphe T Mbembele

Council Committee	Number of Scheduled Meetings	Number of Meetings (1 April 2024 -31 March 2025)	Committee Membership
BETC	4	6	TC Madikane (Chairperson) SM Makhudu (Deputy Chair) CK Gavor M Kubuzie (Resigned 25 November 2024) AE Mahlawe SA Mahopo ME Molebatsi Dr KD Musetsho M Pepeta CV Silva CJ Steynberg Dr DR Letchmiah NC Nduku

Council Committee	Number of Scheduled Meetings	Number of Meetings (1 April 2024 -31 March 2025)	Committee Membership
<b>COUNCIL</b>	4	4	HA Mshali (Chairperson) DL Maraka (Deputy Chair) DM Affleck CK Gavor NE Hutamo Adv NN January M Kubuzie (Resigned 25 November 2024) Dr DR Letchmiah SV Mabilane TC Madikane AE Mahlawe SA Mahopo SM Makhudu T Mbembele ME Molebatsi Dr TA Monakedi ST Mthembu Dr DK Musetsho NC Nduku EF Nyaka MP Pepeta A Quphe M Sithole TLP Shipalana CV Silva CJ Steynberg Dr SS Dlamini (Resigned 16 December 2022) V Nene (Resigned 31 January 2023) A Latchu (Resigned 22 July 2023)

#### 4.9 Remuneration of Council Members

In terms of a National Treasury prescript, the Minister approved the remuneration rate for the Council on 22 January 2013 as a Category Classification A2 (Part-time members), with an annual adjustment.

The following members were/are not remunerated due to their employment in the public sector:

- i. HA Mtshali
- ii. NE Hutamo
- iii. M Kubuzie (Resigned 25 November 2024)
- iv. A Mahlawe
- v. Dr TA Monakedi
- vi. EF Nyaka
- vii. A Quphe
- viii. TLP Shipalana
- ix. M Sithole

The day tariff includes time for preparatory work and travel costs.

**Table 28: Sixth Term Council Remuneration**

Designation	Preparatory Time		Day Tariff	
	Number of Hours	Tariff per Hour	Meetings/Activities	Day Rate Only
Chairperson	Council: 3 hours + day rate EXCO: 2 hours + day rate	<b>R598</b>	Special Council Special EXCO Inauguration Induction CBE Workshops Selection Panel Strategic Sessions	<b>R4 785</b>
Deputy Chairperson and Chairpersons of Committees	Council: 3 hours + day rate EXCO: 2 hours + day rate SSC: 2 hours + day rate BETC: 2 hours + day rate	<b>R508</b>	Special Council Special EXCO Special SSC Special BETC	<b>R4 061</b>
Members of Council/ Committees	Council :3 hours + day rate EXCO: 2 hours + day rate SSC: 2 hours + day rate BETC: 2 hours + day rate	<b>R472</b>	Inauguration Induction CBE Workshops Selection Panel Strategic Sessions	<b>R3 779</b>



Name	Remuneration R'000	Other Allowance R'000	Other Re-imbursements R'000	Total R'000
HA Mtshali (Chairperson)	0.00	0.00	2 380.95	2 380.95
DL Maraka (Deputy-Chairperson)	40 089.00		4 674.72	44 763.72
DM Affleck (Appointed: 7 September 2023)	45 965.00	0.00	1 312.00	47 277.00
CK Gavor	29 754.00	0.00	1 088.00	30 842.00
NE Hutamo	0.00	0.00	0.00	0.00
Adv NN January (Appointed: 7 September 2023)	26 919.00	0.00	832.00	27 751.00
M Kubuzie (Resigned: 25 November 2024)	0.00	0.00	0.00	0.00
A Latchu (Resigned: 22 July 2023)	0.00	0.00	0.00	0.00
Dr DR Letchmiah (Appointed: 7 September 2023)	33 533.00	0.00	1 708.00	35 241.30
SV Mabilane	40 734.75	0.00	12 240.12	52 974.87
TC Madikane	82 248.00	0.00	3 476.50	85 724.50
AE Mahlawe	0.00	0.00	0.00	0.00
SA Mahopo	19 127.25	0.00	800.00	19 927.25
SM Makhudu	58 564.00	0.00	2 403.78	60 967.78
T Mbembele (Appointed: 7 September 2023)	32 942.25	0.00	1 344.00	34 286.25
ME Molebatsi	39 672.00	0.00	928.00	40 600.00
Dr TA Monakedi	0.00	0.00	28 064.60	28 064.00
ST Mthembu	18 419.25	0.00	672.00	19 091.25
Dr KD Musetsho	36 837.00	0.00	960.00	37 797.00
NC Nduku (Appointed: 7 September 2023)	27 627.75	0.00	800.00	28 427.75
EF Nyaka	0.00	0.00	0.00	0.00
M Pepeta	40 616.00	0.00	1 152.00	41 768.00
A Quphe (Appointed: 7 September 2023)	0.00	0.00	0.00	0.00
M Sithole (Appointed: 7 September 2023)	0.00	0.00	0.00	0.00
TLP Shipalana	0.00	0.00	0.00	0.00
CV Silva	0.00	0.00	0.00	0.00

Name	Remuneration R'000	Other Allowance R'000	Other Re-imbursements R'000	Total R'000
CJ Steynberg	27 627.75	0.00	2 064.96	29 692.71
T Njozela (Audit Committee External Member) (Chairperson)*	118 437.00	0.00	1 024.00	119 461.00
V Magan (Audit Committee External Member)*	60 819.00	0.00	992.00	61 811.00
N Mkondweni	9 646.00	0.00	128.00	9 774.00
P Kgole	14 215.00	0.00	3 021.87	17 236.87
ZZ Nzo	15 455.00	0.00	96.00	15 551.00
P Mukheli (Audit Committee External Member)*	80 025.00	0.00	1 088.00	81 113.00
J Ngbeni	10 154.00	0.00	177.22	10 330.22

\*ARC External Members are remunerated on a fixed rate based on the South African Institute of Chartered Accountants (SAICA) determined rates, as approved by the Minister of Public Works and Infrastructure

## 5. RISK MANAGEMENT

Risk management forms a central part of the CBE's strategic management with the task of identifying, assessing, managing and monitoring risks across the organisation. In line with good governance, risk management and planning are emphasized elements for which the Accounting Authority is directly responsible. Risk Management is also a compliance requirement, as per the PFMA. The CBE risk management framework provides a common 'risk language', describes the roles and responsibilities of key players in managing enterprise risk, and measures the risk appetite of management.

The CBE conducts regular risk assessments to determine the effectiveness of its risk management strategy. New and emerging risks are identified and monitored through this process. The CBE Council has delegated risk management oversight to the Audit and Risk Committee. The ARC reports on the overall system of risk management and monitors the mitigation of unacceptable levels of risk.

## 6. INTERNAL CONTROL UNIT

The CBE is committed to uphold effective, efficient and transparent systems of financial and risk management, and internal control. Further, it takes effective and appropriate disciplinary steps against any employee who commits any act which undermines the CBE's financial management and internal control systems. All employees must ensure that the system of financial management and internal control established for the CBE is executed within their areas of responsibility.

Management provides oversight on the development and performance of internal controls. Oversight is executed through structures, reporting lines and appropriate authority as per the delegations to ensure that strategic and business objectives are achieved. Ongoing evaluations are performed to ensure that the system of internal controls is designed and functions as intended. Internal and external auditors conduct independent reviews of the internal control systems and findings or deficiencies are reported to senior management and the Accounting Officer.

## **7. INTERNAL AUDIT**

The role of the internal audit function is to improve the CBE's operations. It helps the CBE to accomplish its objectives by embedding a systematic, disciplined approach to evaluate and improve risk management, control, and governance processes. The internal audit function reports to ARC meetings and, if necessary, meets with the ARC Chairperson prior to, and immediately after, each ARC meeting.

The CBE's internal auditor, Rakoma's contract ends on 30 June 2025. The internal auditor regularly submitted audit reports to ARC meetings, based on the approved audit plan that covered:

- i. significant findings and management action plan
- ii. follow-up on previously reported audit findings
- iii. fraud and non-compliance with legislation
- iv. annual review of the Audit and Risk Committee and Internal Audit Charters
- v. developing a three-year rolling plan and one-year internal audit plan
- vi. internal audit fieldwork

Based on the approved internal audit plan, the following audits were performed during the period under review:

- i. Annual Performance
- ii. Levy Verification
- iii. Quarterly Progress against the Internal Audit Plan
- iv. Human Resources
- v. Interim Financial Statement
- vi. Information Technology General Controls
- vii. Supply Chain
- viii. Legal Compliance
- ix. 2024/2025 Annual Performance Plan
- x. Research
- xi. Risk Management, Fraud Risk Management and Ethics
- xii. Financial Management
- xiii. Quarter 1-4 performance information against objectives
- xiv. Findings raised by AGSA and internal audit for Quarter 1-4
- xv. Asset Management
- xvi. Review of 2023/24 Annual Financial Statements

**Table 29: ARC Disclosure**

Name	Qualifications	Internal/ External	Date Appointed	End of Contract	No of ARC Meetings Attended	No of Other Meetings Attended
T Njozela	CIA	External	1 May 2023	30 April 2027	10	4
VG Magan	CIA	External	1 May 2023	30 April 2027	10	0
P Mukheli	BCom	External	1 May 2023	30 April 2027	10	0
SV Mabilane		Sixth Term Council Member	1 December 2022	31 October 2026	8	N/A
M Sithole		Sixth Term Council Member	7 September 2023	31 October 2026	4	N/A

## 8. COMPLIANCE WITH LEGISLATION AND REGULATIONS

The CBE has adopted and maintains a compliance policy which identifies compliance obligations and mechanisms to ensure compliance, mitigation and disclosure. Disclosure is through quarterly reports on compliance to ARC, SSC, EXCO and Council.

The Council adheres to an approved Delegation of Authority Framework, approved on 10 March 2020.

*The Council declared that it is satisfied that the Delegation of Authority Framework contributes to role clarity and the effective exercise of authority and responsibility.*

## 9. FRAUD AND CORRUPTION

The entity implements an up-to-date fraud prevention plan, a requirement set out in section 3.2.1 of Treasury Regulations.

The CBE's hotline, Vuvuzela Hotline (Pty) Ltd, is a platform for the public to report any Built Environment complaint or tip-off.

During the financial year, three Fraud Awareness workshops were held, attended by all staff. The CBE also participated in the International Fraud Awareness Week on 17-23 November 2024. One tip-off, received on the fraud hotline, relating to the CBE is currently under investigation. The CBE continues to monitor tip-offs in line with its Whistleblowing policy.

## **10. MINIMISING CONFLICT OF INTEREST**

A conflict of interest occurs when an individual or organisation is involved in multiple interests and where there is potential to possibly corrupt the motivation to act in one's or another's interests. Council members are required to declare all their financial, economic and other interests upon appointment. Council and committee members are required to, at each meeting declare, in writing, any interest in matters on the meeting agenda.

Paragraphs 5.6.2 and 5.6.3 of the CBE's Code of Conduct require employees to declare their interests annually by the end of April or upon appointment of new employees. A Declaration of Interest is signed before a Commissioner of Oaths and submitted for approval. There was 100% compliance recorded.

Each member of the procurement structure completes a Declaration of Interest prior to the evaluation process. Members are reminded to act with fidelity, honesty, integrity and in the best interest of the CBE in managing its financial affairs. This includes avoiding any conflict of interest and providing safeguards against nepotism, improper practices and opportunities for fraud, theft and corruption.

## **11. CODE OF CONDUCT**

A Code of Conduct for Council members was adopted and is due for review in the next financial year. The CBE adopted a code of ethics, values and business conduct as part of its consolidated human resources policies and procedures. Any alleged transgression of the Code of Conduct is investigated and handled in accordance with an adopted Disciplinary Policy.

## **12. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES**

The Occupational Health and Safety (OHS) Act prescribes compliance requirements for specific environments. In compliance with this Act, the CBE's Health and Safety Committee met quarterly on workplace-related health and safety issues. This committee also held scheduled and impromptu emergency evacuation drills, and the observation was that response times improved with each exercise.

During the reporting period, CBE experienced water outages which necessitated temporary remote work arrangements. Mitigating measures included active engagement with the landlord and continued rollout of the backup water system, expected to be completed by April 2025. No environmental risks or disease outbreaks were reported. Health and Safety training is planned for the next financial year.

## **13. COMPANY SECRETARY**

The Fifth Term Council abolished the Company Secretary function and resolved to outsource the function when required. This status quo continues.



## 14. SOCIAL RESPONSIBILITY

The Council resolved to establish a Social, Ethics and Governance Committee with external independent members. The Council approved the Terms of Reference for this committee.

### Declaration by the Governing Body

The CBE Council, as the governing body of the CBE, declares it is satisfied that it has fulfilled its responsibilities in accordance with its Charter for the reporting period.

## 15. AUDIT COMMITTEE REPORT

The Audit and Risk Committee (ARC) is pleased to present its report for the financial year ended 31 March 2025. The report details its responsibilities in terms of section 51(1)(a)(ii) of the Public Finance Management Act (PFMA) and Treasury Regulation 27.1.

### Audit and Risk Committee Responsibility

The ARC obtains its mandate from the Public Finance Management Act No.1 of 1999, as amended, and Treasury Regulations, as amended. The Audit Committee is established to serve as an independent governance structure whose function is to provide an oversight role on the following: financial reporting process, system of internal control, audit process, process of monitoring compliance with laws and regulations, code of conduct, and evaluating the adequacy and efficiency of risk management and governance. The Audit and Risk Committee adopted appropriate, formal Terms of Reference as its Audit and Risk Committee Charter. It regulated its affairs in compliance with this Charter and discharged its responsibilities contained therein.

The Committee assessed its performance against its mandate and is satisfied that it executed its mandate and diligently discharged its responsibilities independently and objectively within the relevant provisions of the PFMA and the Charter. The Audit and Risk Committee is accountable to the Council.

The table below records the ARC meeting attendance:

Member	Qualifications	External/ Council Member	Date Appointed	End of Contract	ARC Meeting Attendance	Additional Meeting Attendance
Ms T Njozela (Chairperson)	BCom, CIA, MBA	External Member	1 May 2023	30 April 2027	10/10	4
Mr V Magan	CIA, CA(SA), MBL		1 May 2023	30 April 2027	10/10	0
Mr P Mukheli	BCom BCom Hon		1 May 2023	30 April 2027	10/10	0

Member	Qualifications	External/ Council Member	Date Appointed	End of Contract	ARC Meeting Attendance	Additional Meeting Attendance
Ms SV Mabilane	BCompt Acc	Sixth Term Council Member	1 December 2022	31 October 2026	8/10	N/A
Mr M Sithole	BCom, MBL, MSc Real Estate		7 September 2023	31 October 2026	4/10	N/A

### Activities of the Audit and Risk Committee

#### Effectiveness of Internal Control

The Committee reviewed the reports of Management, and internal and external auditors on the design, implementation, and effectiveness of the systems of internal controls. Based on the reasonable assurance provided by Management and internal and external audit, no material breakdown was reported in the system of internal control. Continued efforts to further improve controls over information and communication technology (ICT) and institutional performance management processes are encouraged.

#### In-Year Management and Monthly/Quarterly Reports

As a public entity, the CBE reports monthly and quarterly to the Executive Authority and National Treasury, as is required by the PFMA. The Audit and Risk Committee is satisfied with the content and quality of the quarterly reports, prepared and submitted by the CBE during the year under review, to the Executive Authority. The Committee further reviewed and was satisfied that the expertise and resources within the finance function were appropriate and effective.

#### Evaluation of the Financial Statements and Annual Performance Report

The Audit Committee reviewed and discussed the audited Annual Financial Statements to be included in the Annual Report with the external auditors; reviewed the Management and Audit Reports and Management's responses thereto.

#### Risk Management and Governance

Whilst Management is ultimately responsible for maintaining an effective risk management process, the Committee assessed its adequacy as guided by the enterprise risk management framework. The Committee is concerned about the lack of capacity to ensure the implementation of a robust risk management programme for the entity, and recommends further improvement of its risk management practices. In particular, Management was advised to improve its risk governance processes, including the functioning of the Risk Management Committee.

**Internal Audit**

The CBE's internal audit function is outsourced to Rakoma & Associates Inc. The Committee has considered the independence and effectiveness of the internal audit function. It reviewed and approved the internal audit charter and the internal audit plan for 2024/25 and was satisfied, through the declarations made by the internal auditors, that the assurances provided to the Committee are aligned with the Code of Ethics of the Institute of Internal Auditors. Internal audit reports are presented to the Committee at each meeting, which reflect the internal control environment. The Committee is satisfied with the effectiveness of the internal audit function.

The following internal audit engagements were completed during the year under review:

- Annual Internal Audit Plan
- Quarterly Audit of Pre-Determined Objectives
- Human Resources Management
- Follow-up on previous internal and external audit findings
- Supply Chain Management
- Review of 2025/2026 Annual Performance Plan
- Information Technology General Controls
- Financial Management
- Legal Compliance Review
- Research Review
- Risk Management, Fraud Risk Management and Ethics Review
- Verification of levy income
- Annual Financial Statements Review
- Annual Report Review

**The following were areas of concern:**

- ICT Capacity
- Levy Income Declaration
- Contract Management Standard Operating Procedures
- Repeat findings due to control slip-ups

In addition, Management developed an audit action plan to address findings raised by both the external and internal audit. The Audit Committee monitored the implementation of the audit action plan during the year under review; Management's implementation of the Audit Committee's recommendations still requires improvement.

**External Audit**

The CBE appointed external auditors (MGI RAS) for the audit of the year ended 31 March 2025. The Committee is required, in terms of its Charter, to evaluate the independence, objectivity and effectiveness of the audit process by the external auditors. The evaluation includes the extent of other work undertaken and compliance with criteria relating to independence or conflict of interest as prescribed by the Independent Regulatory Board for Auditors (IRBA). The external auditors were represented in all the meetings of the Committee and presented the audit strategy, engagement letter and audit results for consideration by the Committee.

The Audit and Risk Committee concurs and accepts the opinion of the external auditors on the annual financial statements and conclusion on the annual performance report, and is of the opinion that these should be accepted and read together with the report of the external auditors.

### **Conclusion**

The Committee would like to congratulate the CBE on obtaining its clean audit. In particular, it would like to express its appreciation to the Executive Authority, Accounting Officer and Management team. It is through this support that the Committee will continue to work with Management to further enhance good governance practices. Lastly, the Committee would like to express its appreciation to the external and the internal audit team for their professionalism and support in its oversight role.



---

Ms Thobeka Njozela  
Chairperson: Audit and Risk Committee  
Date: 31 July 2025

## 16. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The information supplied in the following table complies with the requirement of the Broad-Based Black Economic Empowerment (BBBEE) Act of 2013, and as determined by the Department of Trade, Industry and Competition.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regard to the following:		
Criteria	Response Yes / No	Discussion (include a discussion in your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issue of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	Not Applicable: The CBE does not issue licenses, concessions or other authorisations.
Developing and implementing a preferential procurement policy?	Yes	The CBE has adopted a preferential procurement policy which promotes enterprises owned by black- persons, women, youth and persons with disabilities.
Determining qualification criteria for the sale of state-owned enterprises?	No	Not Applicable: The CBE does not sell state-owned enterprises.
Developing criteria for entering into partnerships with the private sector?	No	The CBE did not enter into any public-private partnerships.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	Yes	The CBE provides support to enterprises owned by black- , women -, youth – and persons with disabilities through programmes aimed at transforming the Built Environment sector. The CBE enters into supplier development agreements i.e. shortened payment terms with Level 1 BBBEE service providers.





# PART



## HUMAN RESOURCE MANAGEMENT

C | B | E

COUNCIL  
FOR THE BUILT  
ENVIRONMENT

## **1. INTRODUCTION**

The CBE's Human Capital (HC) unit supports the entity with the following core functions:

- i. Competent capacity for the organization to function optimally towards attaining its performance goals and realising its strategy
- ii. Advice, consultation and support for equitable compensation, fair labour practice, recruitment, transparent performance management systems, and training and development
- iii. Employment related legislation updates, and incorporating policy gaps

The unit has a staff complement of three employees out of the 65 posts approved for the organisation, viz: Human Capital Manager, Human Capital Generalist and Human Capital Officer.

## **2. OVERVIEW OF HUMAN RESOURCES**

### **Employee Performance Management**

The CBE's performance management framework is aligned with and guided by that of the Department of Public Service Administration (DPSA). In line with this:

- i. all employees signed and submitted performance agreements by 30 April 2024
- ii. the performance moderation committee, which comprises Executive Management and Employee Representatives (assisted by HC), provided constructive feedback where applicable. No disputes or appeals were recorded
- iii. performance excellence was recognised through a performance recognition and reward system. Performance bonuses and pay progressions were paid to deserving employees and performance improvement was developed

### **Employee Wellness**

The HC unit promotes work-life balance in its strategies. Some interventions in place to foster employee well-being were the following:

- i. Regular circulation of awareness articles and posters on areas of health, and general well-being
- ii. Employment Assistance Programme rendered by a service provider for those in need of intensive intervention
- iii. Wellness activities. Two major wellness events were conducted with a focus on:
  - a. Psychological well-being - "Emotional Impact" on employees in an organisation changing its strategic direction
  - b. Physical health- Health and wellness screening assessments were offered to employees

### **Policy Development**

All HC policies were reviewed and approved. HC policies are reviewed every four years unless warranted sooner by any identified gaps or any legislative changes. In addition, HC has introduced and developed a Flexible Work policy, which was approved by the CBE Council during the 2024/25 financial year.

### Highlights

- All prioritised positions were recruited
- Policies were aligned, reviewed, and approved in line with the standard of the South African legislative environment to ensure compliance with governance issues and applicable legislation
- HC functions viz. performance management, recruitment and selection were digitised
- Business partner services through capacity building programmes with DPWI
- A sound labour environment during the organisational review

### Challenges

- The negative impact of the CBE's historic high executive management turnover on the stability of the organization is still apparent. However, the organisation continues to stabilize its environment through skills-matching exercises to ensure the workforce is utilised optimally
- Budget constraints continue to hinder the implementation of identified projects towards achieving organisational goals. The training and development function specifically has been impacted by budget constraints; especially for employees who retained their original positions from pre-structuring

## 3. HUMAN CAPITAL OVERSIGHT STATISTICS

**Table 30: Personnel Cost by Programme**

Programme	Total Expenditure for the Entity (R'000)	Personnel Expenditure (R'000)	Personnel Expenditure as a % of Total Exp.	No. of Employees	Average Personnel Cost per Employee (R'000)
Programme 1: Administration	60 113 159	31 965 998	49%	41	779 658
Programme 2: Empowerment and Economic Development	2 460 642	8 449 458	13%	13	649 958
Programme 3: Professional Skills and Capacity Development	1 075 895	0	0	0	0
Programme 4: Research and Knowledge Management	217 548	2 187 973	3	3	729 324
Programme 5: Public Protection, Policy and Legislation	1 959 580	2 738 217	4	3	912 739
<b>TOTAL</b>	<b>65 826 823</b>	<b>45 341 645</b>	<b>69%</b>	<b>60</b>	

**Table 31: Personnel Cost by Salary Band**

Level	Personnel Expenditure (R'000)	Personnel Exp. as % of Total Personnel Cost (R'000)	No. of Employees	Average Personnel Cost per Employee (R'000)
Top Management	8 055 276	18%	4	2 013 819
Senior Management	20 072 022	44%	18	1 115 112
Professionally Qualified	7 812 916	17%	8	976 614
Skilled	6 692 795	15%	11	608 436
Semi-skilled	2 202 487	5%	17	129 558
Unskilled	506 149	1%	2	253 075
<b>TOTAL</b>	<b>45 341 645</b>	<b>100%</b>	<b>60</b>	

**Table 32: Performance Rewards**

Level	Performance Rewards	Personnel Expenditure (R'000)	Performance Rewards as a % of Total Personnel Cost
Top Management	Bonus	217 078	0.48%
Senior Management	Bonus	271 613	0.60%
Professionally Qualified	Bonus	65 365	0.14%
Skilled	Bonus	87 712	0.19%
Semi-skilled	Bonus	11 225	0.02%
Unskilled	Bonus	15 980	0.04%
<b>TOTAL</b>		<b>668 973</b>	<b>1.48%</b>

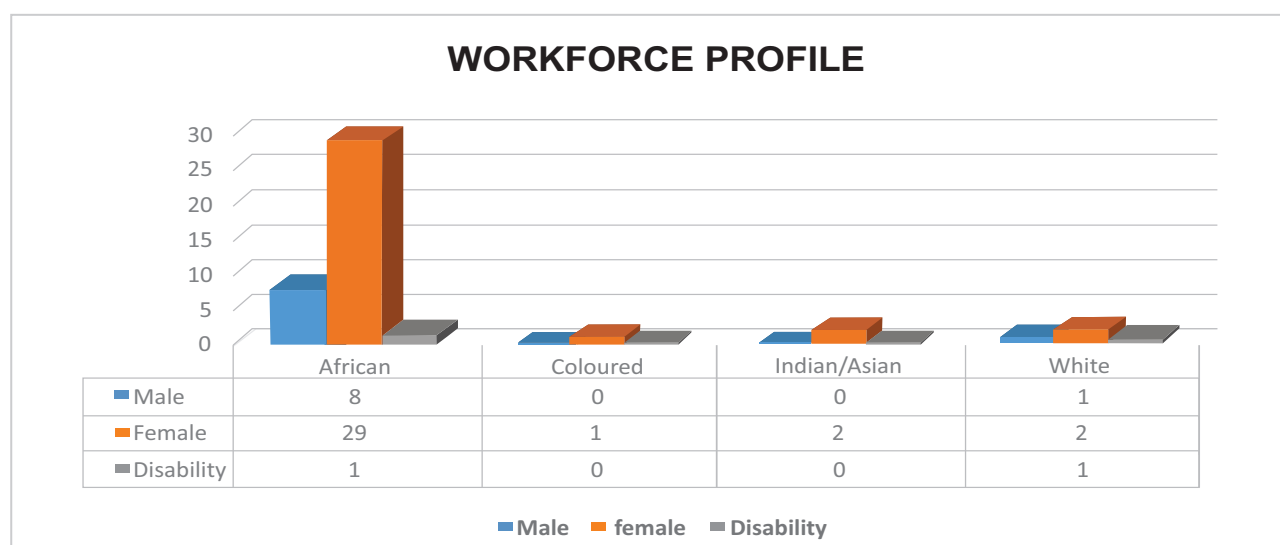
**Table 33: Training Costs**

Programme	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost	No. of Employees	Average Training Cost per Employee
Programme 1: Administration	31 965 998	264 668.29	72%	15	6 455
Programme 2: Empowerment and Economic Development	8 449 458	91 875.51	25%	3	7 067
Programme 3: Professional Skills and Capacity Development	0	0	0	0	0
Programme 4: Research and Knowledge Management	2 187 973	0	0	0	0
Programme 5: Public Protection, Policy and Legislation	2 738 217	12 880.00	3%	1	4 293
<b>TOTAL</b>	<b>31 965 998</b>	<b>264 668.29</b>	<b>72%</b>	<b>15</b>	<b>6 455</b>

The training expenditure reflected above represents educational assistance to employees in tuition fees, study material, and professional membership subscriptions.

### Workforce Profile

The CBE workforce profile is relatively balanced, even though there is still a shortage in the coloured group and Indian males.



**Figure 4: Workforce Profile**



### Employment and Vacancies per Level

The following vacant positions were prioritised and subsequently filled during the 2024/25 financial year:

- Finance and Facilities Specialist
- Procurement Administrator
- HC Generalist
- IT Manager

The table below indicates the number of approved positions, present incumbents and vacancies.

Level	Approved Posts	No. of Employees	Vacancies (Funded)	Vacancies (Unfunded)
Top Management	4	4	0	0
Senior Management	17	14	1	2
Professionally Qualified	19	8	2	9
Skilled	13	11	0	2
Semi-skilled	10	5	0	5
Unskilled	2	2	0	0
<b>TOTAL</b>	<b>65</b>	<b>44</b>	<b>3</b>	<b>18</b>

The CBE's approved organisational structure comprises 65 positions. There are twenty-one vacant positions, three of which are funded. Hence, recruitment for vacant positions is implemented in a phased approach to mitigate budget constraints. Three positions are prioritised for the 2025/26 financial year.

### Employment Changes

Changes in the employment profile during the financial year were as follows:

Salary Band	Employment at beginning of the period	Appointments	Terminations	Employment at end of the period
Top Management	4	0	0	4
Senior Management	15	0	1	14
Professionally Qualified	8	0	0	8
Skilled	11	0	0	11
Semi-skilled	5	0	0	5
Unskilled	2	0	0	2
<b>Total</b>	<b>45</b>	<b>0</b>	<b>1</b>	<b>44</b>

### Reasons for Staff Leaving

There were three resignations (4.5%) and one retirement (1.5%).

### Labour Relations: Misconduct and Disciplinary Action

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written warning	0
Dismissal	0
Other: Counselling	2
<b>Total</b>	<b>2</b>

For the 2024/25 financial year, two counselling interventions were facilitated and addressed as per the CBE's Disciplinary Policy.

### Employment Equity Status and Targets

Level	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	0	0	0	0	0	0	0
Senior Management	4	0	0	0	0	0	1	0
Professionally Qualified	1	0	0	5	0	0	0	0
Skilled	3	0	0	4	0	3	0	0
Semi-skilled	1	0	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>0</b>

Level	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	2	0	0	0	0	0	1	0
Senior Management	8	0	0	2	1	0	0	0
Professionally Qualified	6	0	0	1	1	0	1	1
Skilled	8	0	0	3	0	0	0	0
Semi-skilled	3	0	1	0	0	0	0	0
Unskilled	2	0	0		0	0	0	0
<b>TOTAL</b>	<b>29</b>	<b>0</b>	<b>1</b>	<b>6</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>1</b>

Representations were exceeded with African, white, and Indian/Asian employees. The CBE is intentional about employing targeted groups; hence it will prioritise these groups to close the gaps in its upcoming recruitment process. Currently, the Employment Equity (EE) targets are the coloured group, white females and Indian males. Recruitment advertisements will continue to encourage competent and qualifying candidates from the targeted groups.

Level	Persons with Disabilities			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	1	0
Professionally Qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	1	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>

Persons with disabilities need greater representation; to this end, the CBE continues to encourage applicants in its vacancy advertisements.



Risk

Control

Management

# PART



PFMA  
COMPLIANCE

C | B | E

COUNCIL  
FOR THE BUILT  
ENVIRONMENT

## 1. IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND MATERIAL LOSSES

### 1.1. Irregular Expenditure

#### a) Reconciliation of irregular expenditure

Description	2023/2024	2024/2025
	R'000	R'000
Opening balance	3 460	29
Adjustment to opening balance	0	0
Opening balance as restated	0	0
Add: Irregular expenditure confirmed	0	0
Less: Irregular expenditure condoned	(3 431)	0
Less: Irregular expenditure not condoned and removed	0	(29)
Less: Irregular expenditure recoverable	0	0
Less: Irregular expenditure not recoverable and written off	0	0
<b>Closing balance</b>	<b>29</b>	<b>0</b>

*On 16 March 2025, the CBE Council approved the removal of irregular expenditure not condoned by National Treasury on grounds that disciplinary proceedings could not be instituted as the employee had resigned.*

#### Reconciling notes

Description	2023/2024	2024/2025
	R'000	R'000
Irregular expenditure that was under assessment	0	0
Irregular expenditure that relates to the prior year and identified in the current year	0	0
Irregular expenditure for the current year	0	0
<b>Total</b>	<b>0</b>	<b>0</b>



**b) Details of irregular expenditure (under assessment, determination, and investigation)**

Description	2023/2024	2024/2025
	R'000	R'000
Irregular expenditure under assessment	0	0
Irregular expenditure under determination	0	0
Irregular expenditure under investigation	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**c) Details of irregular expenditure condoned**

Description	2023/2024	2024/2025
	R'000	R'000
Irregular expenditure condoned	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**d) Details of irregular expenditure removed - (not condoned)**

Description	2023/2024	2024/2025
	R'000	R'000
Irregular expenditure NOT condoned and removed	(3 431)	(29)
<b>Total</b>	<b>(3 431)</b>	<b>(29)</b>

**e) Details of irregular expenditure recoverable**

Description	2023/2024	2024/2025
	R'000	R'000
Irregular expenditure recoverable	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**f) Details of current and previous year irregular expenditure written off (irrecoverable)**

Description	2023/2024	2024/2025
	R'000	R'000
Irregular expenditure written off	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

*Additional disclosure relating to Inter-Institutional Arrangements*

**g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such institution is not responsible for the non-compliance)**

Description
N/A
<b>Total</b>

**h) Details of irregular expenditure where an institution is involved in an inter-institutional arrangement (where such institution *is* responsible for the non-compliance)**

Description	2024/2023	2023/2024
	R'000	R'000
N/A	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**i) Details of disciplinary or criminal steps taken as a result of irregular expenditure**

Disciplinary steps taken
Not Applicable

**1.2. Fruitless and Wasteful Expenditure****a) Reconciliation of fruitless and wasteful expenditure**

Description	2023/2024	2024/2025
	R'000	R'000
Opening balance	0	0
Adjustment to opening balance	0	0
Opening balance as restated	0	0
Add: Fruitless and wasteful expenditure confirmed	0	0
Less: Fruitless and wasteful expenditure recoverable	0	0
Less: Fruitless and wasteful expenditure not recoverable and written off	0	0
Closing balance	0	0

**Reconciling notes**

Description	2023/2024	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment	0	0
Fruitless and wasteful expenditure that relates to the prior year and identified in the current year	0	0
Fruitless and wasteful expenditure for the current year	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**b) Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)**

Description	2023/2024	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure under assessment	0	0
Fruitless and wasteful expenditure under determination	0	0
Fruitless and wasteful expenditure under investigation	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**c) Details of fruitless and wasteful expenditure recoverable**

Description	2023/2024	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure recoverable	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**d) Details of fruitless and wasteful expenditure not recoverable and written off**

Description	2023/2024	2024/2025
	R'000	R'000
Fruitless and wasteful expenditure written off	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**e) Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure**

Disciplinary steps taken
Not applicable

**1.3. Additional Disclosure Relating to Material Losses in terms of PFMA Section 55(2)(b) (i)&(iii)**

**a) Details of material losses through criminal conduct**

Material losses through criminal conduct	2023/2023	2022/2024
	R'000	R'000
Theft	0	0
Other material losses	0	0
Less: Recoverable	0	0
Less: Not recoverable and written off	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

b) Details of other material losses

Nature of other material losses	2023/2024	2024/2025
	R'000	R'000
(Group major categories, but list material items)	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

c) Other material losses recoverable

Nature of losses	2023/2024	2024/2025
	R'000	R'000
(Group major categories, but list material items)	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

d) Other material losses not recoverable and written off

Nature of losses	2023/2024	2024/2025
	R'000	R'000
(Group major categories, but list material items)	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

## 2. LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of invoices	Consolidated Value
		R'000
Valid invoices received	1 178	19 509
Invoices paid <b>within</b> 30 days or agreed period	1 178	19 509
Invoices paid <b>after</b> 30 days or agreed period	0	0
Invoices older than 30 days or agreed period ( <i>unpaid and without dispute</i> )	12	322
Invoices older than 30 days or agreed period ( <i>unpaid and in dispute</i> )	0	0



### 3. SUPPLY CHAIN MANAGEMENT

#### 3.1. Procurement by Other Means

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Annual Licenses for Sage 300 People (Payroll) Software for a period of five years:	Sage South Africa (Pty) Ltd	Single source procurement	N/A	942 129.88
Annual Licenses for Caseware Software for a period of five year	Adapt IT	Single source procurement	N/A	641 616.28
Internal Audit Services for levies received, and annual financial and performance report for the year ended 31 March 2024	Rakoma & Associates	Single source procurement	N/A	399 117.16
Fraud and Corruption Hotline Service for a period of three years	Vuvuzela Fraud and Ethics Hotline	Multiple source selection	N/A	274 620
Venue, catering and sign language service to host a SCM Workshop	National Council of Persons with Disabilities (NCPD)	Single source procurement	N/A	20 100.00
Catering for the Public Lecture at WSU (Butterworth Campus, Eastern Cape)	Lung & Slush Catering Services	Multiple source selection	N/A	34 000.00
Attendance of two Human Capital officials at a Convention on 17-20 November 2024	Institute Of People Management (IPM)	Sole source selection	N/A	29 555.00

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Training Induction Programme for Boards of Public Entities	National School of Government (NSG)	Single source procurement	N/A	54 390.00
Internal Audit services for a period of 12 months	Rakoma and Associates	Single source procurement	N/A	1 071 007.65
Conferencing requirements of the Senior Policy Advisor	South African Council for the Quantity Surveying Profession (SACQSP)	Single source procurement	N/A	4 600.00
Sign language interpretation services at the Built Environment Climate Change Indaba (BECCI) on 7-8 November 2024	Uhuru Language Interpreters (Pty) Ltd	Single source procurement	N/A	16 400.00
Sign language interpretation services at the Built Environment Colloquium on the International Day of Persons with Disabilities on 03 December 2024	Deaf Federation of South Africa	Multiple source selection	N/A	6 842.50
Sign language interpretation services for the Inaugural Public Works and Infrastructure Conference on 01 April 2025	Deaf Federation of South Africa	Multiple source selection	N/A	13 915.00
Venue for the Inaugural Public Works and Infrastructure Conference (IPWIC) 2025	Liberty Group (Pty) Ltd T/A Sandton Convention Centre	Multiple source selection	N/A	937 602.25

Project description	Name of supplier	Type of procurement by other means	Contract number	Value of contract R'000
Fifteen laptops for interns stationed at Department of Public Works and Infrastructure (DPWI)	Neo Technologies (Pty) Ltd	Urgent procurement	N/A	515 962.68
Promotional material for the Inaugural Public Works Infrastructure Conference	Jayche Solutions (Pty) Ltd	Urgent procurement	N/A	42 596.00
<b>Total</b>				<b>5 004 454.40</b>

\* Approval was sought to deviate from the normal procurement processes to use other means of procurement including single source, multiple source selection, urgent procurement and sole source.

### 3.2. Contract Variations and Expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
MS Office 365 License contract CC	Dynafrica Information Technology Solutions CC	Expansion Contract extended to include 10 additional licenses	N/A	616 973.85	165 349.87	62 278.25
Leadership and Coaching contract extended for additional CBE participants	Gubevu Consultancy (Pty) Ltd	Variation Contract extended to include a change in the scope of work	N/A	230 862.50	N/A	42 475.00
SAGE 300 People contract	SAGE 300	Expansion Contract extended for 25 additional licenses	N/A	942 129.88	N/A	250 159.51
Sign language service provided at the Built Environment (BE) Colloquium on 3 December 2024	DeafSA	Expansion Additional cost incurred	N/A	6 842.50	N/A	1 035.00
Travel contract	XL Nexus Travel	Expansion Contract extended by R2 million	N/A	R8 million	N/A	R2 million
B-BBEE contract	Moore BEE Pretoria	Expansion (Period Only) Contract extended by 3 months	N/A	18 952.00	N/A	N/A

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Forensic Investigation Service contract on the George Building Collapse	Nexus Forensic Services (Pty) Ltd	Expansion (Period Only) Contract extended by 3 months (till 30 June 2025)	N/A	999 000.00	N/A	N/A
Sandton Convention Centre for the IPWIC on 1 April 2025	Liberty Group (Pty) Ltd T/A Sandton Convention Centre	Variation Additional services included	N/A	937 602.25	56 650.00	37 000.00
IT support services	AIEQ Systems (Pty) Ltd	Variation Extended AIEQ IT services to DPWI Infrastructure Audit Capacity Building Programme (DPWI IACBP) candidates	N/A	7 948 397.50	N/A	612 605.00
<b>Total</b>						<b>3 005 552.76</b>





# PART



## FINANCIAL INFORMATION







## **Independent Auditor's report to Parliament on the Council for the Built Environment**

### **Report on the audit of the financial statements**

#### **Opinion**

1. We have audited the financial statements of the Council of the Built Environment (CBE) set out on pages 171 - 216, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, and statement of cash flows and the statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In our opinion, the financial statements present fairly, in all material respects, the financial position of the CBE as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act (Act no. 1 of 1999) (PFMA).

#### **Context for opinion**

3. We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.
4. We are independent of the CBE in accordance with the Code of professional conduct for auditors of the Independent Regulatory Board for Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards).
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
6. In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

## Final materiality

7. The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error, and they are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.
8. Our determination of materiality is a matter of professional judgement and is affected by our perception and understanding of the financial information needs of intended users, which is the quantitative and qualitative factors that determine the level at which relevant decisions taken by users would be affected by a misstatement. These factors helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.
9. Based on our professional judgement, we determined final materiality for the financial statements as follows:

<b>Final materiality amount</b>	R1.3 million
<b>Basis for determining materiality</b>	2% of expenditure, as disclosed on
<b>Rationale for benchmark applied</b>	31 March 2025 to the financial statements.
	Expenditure is an appropriate quantitative indicator of materiality as the CBE is a public entity that receives allocation of funds from the Department of Public Works and Infrastructure and how the funds have been spent is the area of interest for the users of the financial statements.

## Other matter

10. We draw attention to the matter below. Our opinion is not modified in respect of this matter.

## Previous period audited by predecessor auditors

11. The financial statements for the previous reporting period were audited by the predecessor auditors in terms of section 4(3) of the Public Audit Act, 2004 (Act No. 25 of 2004). An unmodified audit opinion was expressed.

## Responsibilities of accounting authority for the financial statements

12. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with Generally Recognised Accounting Practice (GRAP) and the requirements of the Public Finance Management Act (Act no. 1 of 1999) (PFMA) and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting authority is responsible for assessing the CBE's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the accounting authority either intends to liquidate the CBE or to cease operations or has no realistic alternative but to do so.

### Responsibilities of the auditor for the audit of the financial statements

14. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. A further description of our responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 165, forms part of our auditor's report.

### Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof; we must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected objectives presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
17. We selected the following objectives presented in the annual performance report for the year ended 31 March 2025 for auditing. We selected objectives that measures the CBE's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page	Purpose
Programme 3: Professional Skills and Capacity Development	54 - 66	Coordination of an enabling Built Environment Skills Pipeline from school to professional level.

18. We evaluated the reported performance information for the selected objectives against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the CBE's planning and delivery on its mandate and objectives.
19. We performed procedures to test whether:
  - the indicators used for planning and reporting on performance can be linked directly to the CBE's mandate and the achievement of its planned objectives
  - all the indicators relevant for measuring the CBE's performance against its primary mandated and prioritised functions and planned objectives are included
  - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that we can confirm the methods and processes to be used for measuring achievements
  - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
  - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents

- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over or underachievement of targets

20. We performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

21. We did not identify any material findings on the reported performance information for the selected objectives.

### Other matter

22. We draw attention to the matter below.

### Achievement of planned targets

23. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and under achievements.

### Report on compliance with legislation

24. In accordance with the PAA and the general notice issued in terms thereof, we must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the CBE's compliance with legislation.

25. We performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA findings engagement methodology. This engagement is not an assurance engagement. Accordingly, we do not express an assurance opinion or conclusion.

26. Through an established AGSA process, we selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the CBE, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

27. We did not identify any material non-compliance with the selected legislative requirements.

### Other information in the annual report

28. The accounting authority is responsible for the other information. The other information comprises the information included in the annual report, which includes the chairperson's report, chief executive's report, and the audit committee's report. The other information does not include the financial statements, the auditor's report and those selected objectives presented in the annual performance report that have been specifically reported on in this auditor's report.

29. Our opinion on the financial statements and our findings on the reported performance information and the report on compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion on it.

30. In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected objectives presented in the annual performance report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

**Audit Report**

31. We had not yet received the other information prior to the date of this auditor's report. When we receive and read this information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, we may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

**Internal control deficiencies**

32. We considered internal control relevant to our audit of the financial statements, annual performance report and compliance with applicable legislation; however, our objective was not to express any form of assurance on it.
33. We did not identify any significant deficiencies in internal controls.

**Audit tenure**

34. In terms of the IRBA rule published in Government Gazette No. 39475 dated 4 December 2015, we report that MGI RAS has been the auditors of the CBE for one financial reporting period.

**Patrick Kubai CA(SA), RA**

Engagement Director

Registered Auditor

31 July 2025

9 Central Office Park

13 Esdoring Street

Highveld Technopark

Centurion



## Annexure - Auditor's responsibility for the audit

### Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout our audit of the financial statements and the procedures performed on reported performance information for selected objectives and on the CBE's compliance with selected requirements in key legislation.

### Financial statements

In addition to our responsibility for the audit of the financial statements as described in this auditor's report, we also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CBE's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the CBE to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify our opinion on the financial statements. Our conclusions are based on the information available to us at the date of this auditor's report. However, future events or conditions may cause the CBE to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

### Communication with those charged with governance

We communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the accounting authority with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to have a bearing on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

**Compliance with legislation – selected legislative requirements**

The selected legislative requirements are as follows:

<b>Legislation</b>	<b>Section, regulation or paragraph</b>
Public Finance Management Act 1 of 1999	Section 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(3)(c); 66(5)
Treasury Regulations, 2005	Regulation 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a); 16A6.2(b); 16A6.3(a); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A.7.1; 16A.7.3; 16A.7.6; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A 9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 30.1.1; 31.1.2(c); 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.2.1; 31.2.5; 31.2.7(a); 31.3.3; 32.1.1(a); 32.1.1(b); 32.1.1(c); 33.1.1; 33.1.3
Companies Act 71 of 2008	Section 45(2); 45(3)(a)(ii); 45(3)(b)(i); 45(3)(b)(ii); 45(4); 46(1)(a); 46(1)(b); 46(1)(c); 112(2)(a); 129(7)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
National Treasury Instruction No. 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
Second Amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2(b); 4.3; 4.4; 4.4(a); 4.17; 7.2; 7.6

Legislation	Section, regulation or paragraph
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulations, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulations, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; 6.6; 6.8; 7.1; 7.2; 7.3; 7.6; 7.8; 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

<b>Country of incorporation and domicile</b>	South Africa
<b>Legal form of entity</b>	Schedule 3A Public entity
<b>Nature of business and principal activities</b>	Built Environment Regulator
<b>Members</b>	Mtshali, Holovisa Amelia (Chairperson) Maraka, Ditaba Lucy (Deputy Chairperson) Adv January, Nomonde Nokhuthala Gavor, Christopher Kobla Sithole, Mandla Hutamo, Ngwako Edward Quphe, Arthur Mabilane, Salome Velma Mahopo, Seemole Angela Madikane, Thembinkosi Cedric Dr Musetsho, Khangwelo Desmond Steynberg, Christiaan Johannes Makhudu, Snowy Mercy Nyaka, Elizabeth Faith Monakedi, Tshepo Albia Pepeta, Mandisa Princess Silva, Craig Victor Molebatsi, Modiehi Elisa Mahlawe, Anele Emanuel Affleck, Douglas Munro Shipalana, Tinyiko Laurel Palesa Kubuzie, Molefi Mthembu, Sinenhlanhla Thuleleni Dr Letchmiah, Deenadayalan Ruthensamy Mbembele, Thabang Nduku, Ntsindiso Charles
<b>Postal address</b>	PO Box 915, Groenkloof, 0027
<b>Bankers</b>	Standard Bank
<b>Auditors</b>	MGI-RAS Group Chartered Accountants (S.A.) Registered Auditors
<b>Preparer</b>	The financial statements were internally compiled by the Chief Financial Officer, Ms Sarie Treeby CA(SA)

**INDEX**

**Page**

Accounting Authority's Responsibilities and Approval	170
Statement of Financial Position	172
Statement of Financial Performance	173
Statement of Changes in Net Assets	174
Cash Flow Statement	175
Statement of Comparison of Budget and Actual Amounts	176
Significant Accounting Policies	177
Notes to the Annual Financial Statements	196

***\*Acronyms and Abbreviations used in the Financial Statements appear on page 3 of this report.***

The CBE Council is required by the Public Finance Management Act (Act 1 of 1999), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the CBE Council to ensure that the annual financial statements fairly present the state of affairs of the CBE as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and were granted unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The CBE Council acknowledges that they are ultimately responsible for the system of internal financial control established by the CBE and places considerable importance on maintaining a strong control environment. To enable the CBE Council to meet these responsibilities, the Accounting Authority (CBE Council) sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the CBE and all employees are required to maintain the highest ethical standards in ensuring the CBE's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the CBE is on identifying, assessing, managing and monitoring all known forms of risk across the CBE. While operating risk cannot be fully eliminated, the CBE endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The CBE Council is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or defalcation.

The CBE Council has reviewed the CBE's cash flow forecast for the year to 31 March 2026 and, in the light of this review and the current financial position, it is satisfied that the CBE has or has access to adequate resources to continue in operational existence for the foreseeable future.

The CBE is wholly dependent on the Department of Public Works and Infrastructure (DPWI) for continued funding of its operations. The annual financial statements are prepared on the basis that the CBE is a going concern and that DPWI has neither the intention nor the need to liquidate or curtail materially the scale of the CBE's operations.

Although the accounting authority is primarily responsible for the financial affairs of the entity, they are supported by the entity's external auditors.



**Accounting Authority's Responsibilities and Approval**

The external auditors are responsible for independently reviewing and reporting on the CBE's annual financial statements. The annual financial statements have been examined by the CBE's external auditor; their report is presented on page 160- 164.

The annual financial statements set out on pages 172- 216, prepared on the going concern basis, were approved by the accounting authority on 31 May 2025 and signed on its behalf by:



Ms Amelia Mtshali  
Chairperson: Council for the Built Environment

**Statement of Financial Position as at 31 March 2025**

Figures in Rand thousand	Note	2025	2024 Restated*
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	3	2 924	7 803
Receivables from exchange transactions	4	-	530
Receivables from non-exchange transactions	5	556	516
		<b>3 480</b>	<b>8 849</b>
<b>Non-Current Assets</b>			
Other financial assets	6	55	55
Property, plant and equipment	7	5 524	5 494
Intangible assets	8	1 609	2 035
		<b>7 188</b>	<b>7 584</b>
<b>Assets</b>		<b>10 668</b>	<b>16 433</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Finance lease obligation	9	20	-
Operating lease liability	10	616	548
Payables from exchange transactions	11	5 170	5 406
Unspent conditional grants and receipts	12	919	1 357
Provisions	13	202	398
Employee benefit obligations	14	1 815	1 853
		<b>8 742</b>	<b>9 562</b>
<b>Non-Current Liabilities</b>			
Finance lease obligation	9	79	-
Operating lease liability	10	620	974
Provisions	13	791	705
		<b>1 490</b>	<b>1 679</b>
<b>Total Liabilities</b>		<b>10 232</b>	<b>11 241</b>
Accumulated surplus		436	5 192
<b>Total Net Assets</b>		<b>436</b>	<b>5 192</b>

**Statement of Financial Performance**

Figures in Rand thousand	Note	2025	2024 Restated*
<b>Revenue</b>			
<b>Revenue from exchange transactions</b>			
Sponsorship		50	-
Partnership funding revenue		5 984	5 314
Appeal fees		18	3
Insurance proceeds		221	13
Other income		932	707
Interest received - investment		169	607
<b>Total revenue from exchange transactions</b>		<b>7 374</b>	<b>6 644</b>
<b>Revenue from non-exchange transactions</b>			
<b>Transfer revenue</b>			
Government grants & subsidies		55 505	54 704
Levies		2 108	1 960
<b>Total revenue from non-exchange transactions</b>		<b>57 613</b>	<b>56 664</b>
<b>Total revenue</b>	15	<b>64 987</b>	<b>63 308</b>
<b>Expenditure</b>			
Employee related costs	16	(46 136)	(40 116)
Governance Committees remuneration	17	(1 079)	(1 070)
Depreciation and amortisation	18	(3 071)	(3 300)
Finance costs	19	(112)	(78)
Lease rentals on operating lease	20	(1 753)	(1 739)
Bad debts written off		(64)	-
Internal audit fees		(1 011)	(1 122)
Auditor's remuneration		(1 629)	(1 419)
Loss on disposal of assets and liabilities		(80)	(574)
Surplus refund to National Treasury		-	(1 709)
General expenses	21	(4 035)	(3 031)
Computer expenses		(2 411)	(968)
Consulting and professional fees		(1 660)	(3 545)
CBE events		(2 589)	(6 066)
Travel - local		(4 113)	(3 910)
<b>Total expenditure</b>		<b>(69 743)</b>	<b>(68 647)</b>
<b>Deficit for the year</b>		<b>(4 756)</b>	<b>(5 339)</b>

**Statement of Changes in Net Assets**

	Accumulated surplus	Total net assets
<b>Balance at 01 April 2023</b>	<b>10 531</b>	<b>10 531</b>
Changes in net assets		
Restated deficit for the year	(5 339)	(5 339)
Total changes	(5 339)	(5 339)
<b>Restated* Balance at 01 April 2024</b>	<b>5 192</b>	<b>5 192</b>
Changes in net assets		
Deficit for the year	(4 756)	(4 756)
Total changes	(4 756)	(4 756)
<b>Balance at 31 March 2025</b>	<b>436</b>	<b>436</b>

## Cash Flow Statement

Figures in Rand thousand	Note(s)	2025	2024 Restated*
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Cash receipts from customers		2 740	3 154
Grants		55 505	54 704
Interest income		169	664
Other cash items	22	6 591	6 797
		65 005	65 319
<b>Payments</b>			
Employees and suppliers		(67 431)	(65 675)
<b>Net cash flows utilised in operating activities</b>	23	<b>(2 426)</b>	<b>(356)</b>
<b>Cash flows from/(utilised in) investing activities</b>			
Purchase of property, plant and equipment	7	(1 053)	(1 441)
Proceeds from the sale of property, plant and equipment	7	4	66
Purchase of other intangible assets	8	(1 371)	(1 095)
Receipts from financial assets		5	4
<b>Net cash flows utilised in investing activities</b>		<b>(2 415)</b>	<b>(2 466)</b>
<b>Cash flows from financing activities</b>			
Finance lease payments		(38)	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(4 879)</b>	<b>(2 822)</b>
Cash and cash equivalents at the beginning of the year		7 803	10 625
<b>Cash and cash equivalents at the end of the year</b>	3	<b>2 924</b>	<b>7 803</b>

**Statement of Comparison of Budget and Actual Amounts**

Budget on Cash Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
--	-----------------	-------------	--------------	------------------------------------	--	-----------

Figures in Rand thousand

**Statement of Financial Performance**

**Revenue**

**Revenue from exchange transactions**

Partnership agreements	2 000	3 547	5 547	6 062	515	32.1
Other income	572	-	572	336	(236)	32.1
Interest received	516	-	516	169	(347)	32.2
<b>Total revenue from exchange transactions</b>	<b>3 088</b>	<b>3 547</b>	<b>6 635</b>	<b>6 567</b>	<b>(68)</b>	

**Revenue from non-exchange transactions**

**Transfer revenue**

Grants and subsidies	51 205	4 300	55 505	55 505	-	
Levies	3 233	-	3 233	2 740	(493)	32.3
<b>Total revenue from non-exchange transactions</b>	<b>54 438</b>	<b>4 300</b>	<b>58 738</b>	<b>58 245</b>	<b>(493)</b>	
<b>Total revenue</b>	<b>57 526</b>	<b>7 847</b>	<b>65 373</b>	<b>64 812</b>	<b>(561)</b>	

**Expenditure**

Personnel	(45 833)	(996)	(46 829)	(47 616)	(787)	32.4
General expenses	(11 693)	(6 851)	(18 544)	(19 622)	(1 078)	32.5
<b>Total expenditure</b>	<b>(57 526)</b>	<b>(7 847)</b>	<b>(65 373)</b>	<b>(67 238)</b>	<b>(1 865)</b>	
<b>Operating surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2 426)</b>	<b>(2 426)</b>	



## **1. Significant accounting policies**

The significant accounting policies applied in the preparation of these annual financial statements are set out below.

### **1.1 Basis of preparation**

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with section 91(1) of the Public Finance Management Act (Act 1 of 1999).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

These accounting policies are consistent with the previous period.

### **1.2 Presentation currency**

These annual financial statements are presented in South African Rand, which is the functional currency of the entity.

The amounts in the annual financial statements are rounded off to the nearest one thousand Rand.

### **1.3 Going concern assumption**

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

### **1.4 Materiality**

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

The entity does not retrospectively adjust the accounting of past items (or group of items) that were previously assessed as immaterial, unless an error occurred.

### **1.5 Significant judgements and sources of estimation uncertainty**

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

#### **Impairment testing**

The entity reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

#### **Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note 13- Provisions.

#### **Effective interest rate**

The entity used the prime interest rate to discount future cash flows.

#### **Allowance for doubtful debts**

On debtors, an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between debtors' carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

#### **Impairment of trade receivables**

The entity assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, management makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

#### **Intangible assets**

If computer hardware can operate without the software, then the software is recognised as an intangible asset and not property, plant and equipment.

#### **Property, plant and equipment**

Plant and equipment are considered for impairment if there is any reason to believe, after applying the internal and external impairment indicators, that impairments may be necessary. Residual values and estimated useful lives are assessed on an annual basis. The estimate is based on the industry norm. Depreciation is estimated on the pattern in which an asset's future economic benefits or service potential is expected to be consumed by the entity. The residual value of all other assets is estimated as the price the entity will receive in an open market with willing buyers and based on historical disposal data.

## **1.6 Property, plant and equipment**

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits or service potential associated with the item will flow to the entity
- the cost of the item can be measured reliably

Property, plant and equipment are initially measured at cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at the date of its acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, its deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses.

The useful lives of items of property, plant and equipment have been assessed as follows:

<b>Item</b>	<b>Depreciation Method</b>	<b>Average Useful Life</b>
Furniture and fixtures	Straight-line	12- 20 years
Office equipment	Straight-line	2- 20 years
IT equipment	Straight-line	6- 15 years
Leasehold improvements	Straight-line	5 years
Signage	Straight-line	5 years

The entity assesses at each reporting date whether there is any indication that the entity's expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the entity revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

### **1.7 Intangible assets**

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity and
- the cost or fair value of the asset can be measured reliably

The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale
- there is an intention to complete and use or sell it
- there is an ability to use or sell it
- it will generate probable future economic benefits or service potential
- technical, financial and other resources are available to complete the development and to use or sell the asset
- expenditure attributable to the asset during its development can be measured reliably

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinitely useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets, amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result, the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Amortisation is provided to write down the intangible assets to their residual values as follows:

Item	Amortisation Method	Average Useful Life
Computer Software	Straight-line	1 - 5 years

Intangible assets are derecognised:

- on disposal or
- when no future economic benefits or service potential is expected from its use or disposal

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised.

## **1.8 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity.

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Derecognition is the removal of a previously recognised financial asset or financial liability from an entity's statement of financial position.

The effective interest rate method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, an entity shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the entity shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

A financial asset is:

- cash
- a residual interest of another entity or
- a contractual right to:
  - receive cash or another financial asset from another entity
  - exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity

A financial liability is any liability that is a contractual obligation to:

- deliver cash or another financial asset to another entity or
- exchange financial assets or financial liabilities under conditions that are potentially unfavourable to the entity



### **1.8 Financial instruments (continued)**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Liquidity risk is the risk encountered by an entity in the event of difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Loans payable are financial liabilities, other than short-term, payable on normal credit terms.

A financial asset is past due when a counterparty has failed to make a payment when contractually due.

#### **Initial recognition**

The entity recognises a financial asset or a financial liability in its statement of financial position when the entity becomes a party to the contractual provisions of the instrument.

#### **Initial measurement of financial assets and financial liabilities**

The entity measures a financial asset and financial liability initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

#### **Subsequent measurement of financial assets and financial liabilities**

The entity measures all financial assets and financial liabilities after initial recognition using the following categories:

- Financial instruments at fair value
  - Financial instruments at amortised cost
  - Financial instruments at cost
- All financial assets measured at amortised cost, or cost, are subject to an impairment review.

#### **Fair value measurement considerations**

The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the entity establishes fair value by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal operating considerations. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties; and if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

#### **Impairment and uncollectibility of financial assets**

The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

#### **Financial assets measured at amortised cost:**

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced directly or through an allowance account. The amount of the loss is recognised in surplus or deficit.



## 1.8 Financial instruments (continued)

If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed directly or by adjusting an allowance account. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in surplus or deficit.

Financial assets measured at cost:

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

### Derecognition

#### Financial assets

The entity derecognises financial assets using trade date accounting.

The entity derecognises a financial asset only when:

- i. contractual rights to the cash flows from the financial asset expire, are settled or waived
- ii. the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset
- iii. the entity, despite having retained some significant risks and rewards of ownership of the financial asset, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity derecognises the asset
  - recognises separately any rights and obligations created or retained in the transfer

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in surplus or deficit.

#### Financial liabilities

The entity removes a financial liability (or a part of a financial liability) from its statement of financial position when it is extinguished — i.e. when the obligation specified in the contract is discharged, cancelled, expires or waived.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a non-exchange transaction are accounted for in accordance with the Standard of GRAP on Revenue from Non-exchange Transactions (Taxes and Transfers).

## **1.8 Financial instruments (continued)**

### **Presentation**

Interest relating to a financial instrument or a component that is a financial liability is recognised as revenue or expense in surplus or deficit.

Losses and gains relating to a financial instrument or a component that is a financial liability are recognised as revenue or expense in surplus or deficit. In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity does not offset the transferred asset and the associated liability.

### **Classification**

The entity has the following types of financial assets (class and category) as reflected on the face of the statement of financial position or in the notes thereto:

<b>Class</b>	<b>Category</b>
Cash and cash equivalents	Financial asset measured at amortised cost
Other financial assets	Financial asset measured at amortised cost
Trade and other receivables from exchange transactions	Financial asset measured at amortised cost
Trade and other receivables from non-exchange transactions	Financial asset measured at amortised cost

The entity has the following types of financial liabilities (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

<b>Class</b>	<b>Category</b>
Payables from exchange transaction	Financial asset measured at amortised cost
Finance lease obligation	Financial asset measured at amortised cost

## **1.9 Statutory receivables**

### **Identification**

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

Carrying amount is the amount at which an asset is recognised in the statement of financial position.

The cost method is used to account for statutory receivables that require such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with legislation, supporting regulations, or similar means.

## 1.9 Statutory receivables (continued)

### Recognition

The entity recognises statutory receivables as follows:

- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers)

### Initial measurement

The entity initially measures statutory receivables at their transaction amount.

### Subsequent measurement

The entity measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- i. interest or other charges that may have accrued on the receivable (where applicable)
- ii. impairment losses
- iii. amounts derecognised

### Accrued interest

Where the entity levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (Taxes and Transfers), whichever is applicable.

### Impairment losses

The entity assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the entity considers, as a minimum, the following indicators:

- i. Significant financial difficulty of the debtor, which may be evidenced by an application for debt counselling, business rescue or an equivalent
- ii. It is probable that the debtor will enter sequestration, liquidation or another financial reorganisation
- iii. A breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied)
- iv. Adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the entity measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced, either directly or through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

### **1.9 Statutory receivables (continued)**

In estimating future cash flows, an entity considers both the amount and timing of cash flows it will receive in the future. Consequently, where the effect of the time value of money is material, the entity discounts the estimated future cash flows using a rate that reflects the current risk-free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted either directly or by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

#### **Derecognition**

The entity derecognises a statutory receivable, or a part thereof, when:

- rights to the cash flows from the receivable are settled, expire or are waived
- the entity transfers to another party substantially all of the risks and rewards of ownership of the receivable or
- the entity, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
  - derecognises the receivable and
  - recognises separately any rights and obligations created or retained in the transfer

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and those amounts recognised are recognised in surplus or deficit in the period of the transfer.

### **1.10 Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and building elements, the entity assesses the classification of each element separately.

### 1.10 Leases (continued)

#### Finance leases - lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

Minimum lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of return on the remaining balance of the liability.

Any contingent rents are expensed in the period in which they are incurred.

#### Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments is recognised as an operating lease asset or liability.

Accounting treatment for tenant improvement allowance emanating from operating leases, the CBE initially records the allowance as an incentive (which is a deferred credit), and amortizes it over the lesser of either the term of the lease or the useful life of the improvements, with no residual value.

### 1.11 Impairment of cash-generating assets

Impairment is a loss in future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the entity or
- the number of production or similar units expected to be obtained from the asset by the entity

### **1.11 Impairment of cash-generating assets (continued)**

#### **Recognition and measurement (individual asset)**

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

Any impairment loss of a revalued cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the cash-generating asset to which it relates, the entity recognises a liability only to the extent that it is a requirement in the Standard of GRAP.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

#### **Reversal of impairment loss**

The entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss, recognised in prior periods for a cash-generating asset, is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit.

Any reversal of an impairment loss of a revalued cash-generating asset is treated as a revaluation increase.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

### **1.12 Employee benefits**

#### **Identification**

#### **Employee benefits**

Employee benefits are all forms of consideration given by an entity in exchange for services rendered by employees.

Vested employee benefits are employee benefits that are not conditional on future employment.



### **1.12 Employee benefits (continued)**

A constructive obligation is an obligation that derives from an entity's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

#### **Short-term employee benefits**

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

- i. wages, salaries and social contributions
- ii. short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service
- iii. bonus, incentive and performance-related payments payable within twelve months after the end of the reporting period in which the employees render the related service
- iv. non-monetary benefits (for example, medical aid, free or subsidised goods or services such as housing, cars, and cellphones) for current employees

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

- as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund
- as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The entity measures the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The average of the last three months basic salary is used to calculate the expected cost.

The entity recognises the expected cost of bonuses, incentives and performance-related payments when the entity has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

#### **Multi-employer plans**

The entity classifies a multi-employer plan as a defined contribution plan or a defined benefit plan under the terms of the plan (including any constructive obligation that goes beyond the formal terms). Where a plan is a defined contribution plan, the entity accounts for it in the same way as for any other defined contribution plan.

### **1.13 Provisions and contingencies**

Provisions are recognised when:

- i. the entity has a present obligation as a result of a past event
- ii. it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation
- iii. a reliable estimate can be made of the obligation

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in Note 26.

### **1.14 Revenue from exchange transactions**

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows increase net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

#### **Measurement**

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

#### **Interest**

Revenue arising from the use by others of entity assets yielding interest or similar distributions is recognised when:

#### **1.14 Revenue from exchange transactions (continued)**

- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity and
- the revenue generated can be measured reliably

Interest is recognised, in surplus or deficit, using the effective interest rate method.

#### **1.15 Revenue from non-exchange transactions**

Revenue comprises gross inflows of economic benefits or service potential received and receivable by an entity, which represents an increase in net assets, other than increases relating to contributions from owners.

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange or gives value to another entity without directly receiving approximately equal value in exchange.

A leviable event is one that government, legislature or other authority has determined will be subject to levies. In the case of CBE, it is in line with the CBE's Regulation 915.

Levies are economic benefits or service potential compulsorily paid or payable to entities, in accordance with laws and or regulations, established to provide revenue to government. Levies do not include fines or other penalties imposed for breaches of the law.

Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

#### **Measurement**

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because a taxable event occurs or a condition is satisfied, the amount of reduction in the liability is recognised as revenue.

Receivables that arise from statutory (non-contractual) arrangements are initially measured in accordance with this accounting policy, as well as the accounting policy on Statutory Receivables. The entity applies the accounting policy on Statutory Receivables for the subsequent measurement, derecognition, presentation and disclosure of statutory receivables.

#### **1.15 Revenue from exchange transactions (continued)**

Interest is recognised using the effective interest rate method for financial instruments and the nominal interest rate method for statutory receivables. Interest levied on transactions arising from exchange or non-exchange transactions is classified based on the nature of the underlying transaction.

#### **1.16 Borrowing costs**

Borrowing costs are interest and other expenses incurred by the entity in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the period in which they are incurred.

#### **1.17 Fruitless and wasteful expenditure**

Fruitless expenditure means expenditure made in vain, which could have been avoided had reasonable care been exercised.

All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

#### **1.18 Irregular expenditure**

Irregular expenditure, as defined in section 1 of the PFMA, is expenditure other than unauthorised expenditure, incurred in contravention of or that is not in accordance with a requirement of any applicable legislation, including-

- (a) this Act
- (b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of the Act
- (c) any provincial legislation providing for procurement procedures in that provincial government

National Treasury Practice Note No. 2 of 2019/2020, issued in terms of sections 76(2)(e) and 76(4)(a) of the PFMA, requires the following (effective from 17 May 2019):

When an Assessment of an alleged transaction, related to irregular expenditure, has been identified and is in the process of confirmation, no disclosure of the amount will be made in the irregular expenditure note.

Upon the Determination of irregular expenditure, when the alleged transaction is confirmed to be irregular expenditure, the amount of confirmed irregular expenditure is disclosed in the irregular expenditure Note. Further determination to identify facts and losses related to the transaction must be disclosed in the sub Note, Irregular expenditure under Determination, including supplementary disclosure on disciplinary steps taken.

Confirmed irregular expenditure is investigated in order to establish facts, whether the transgression is related to fraudulent, corrupt and other criminal conduct. The amount of irregular expenditure is then disclosed in the irregular expenditure Note and the progress of the investigation in the sub note, Irregular Expenditure under investigation.

If losses were incurred and the State did not achieve value for money, the amount of losses to be recovered in the current year (if practical) must be determined. The amount of losses recovered must be disclosed in the irregular expenditure Note under Amount not Condoned and Recoverable. If it can be demonstrated that

### **1.18 Irregular expenditure (continued)**

it is impractical to determine total losses incurred, the details and reasons as to why the amount cannot be quantified must be disclosed.

If losses incurred are irrecoverable, the amount must be determined and written off in terms of the CBE's Debt Write Off Policy. The amount is disclosed as losses irrecoverable under the amounts not Condoned and not Recoverable.

If losses were not incurred and value for money was achieved, and the transgression was free of fraudulent, corrupt or other criminal conduct, condonation of the irregular expenditure must be requested. If the amount of irregular expenditure is condoned by the relevant authority, the amount will be disclosed as the current year's amounts condoned. If the transgression took place in the previous year, the expenditure will be disclosed as the prior year's amounts condoned.

If irregular expenditure was not condoned by the relevant authority, the irregular expenditure will be referred to the Accounting Officer or Accounting Authority for removal and the amount will be disclosed as losses irrecoverable, in the irregular expenditure Note under Amounts not Condoned and not Recoverable.

If fraudulent, corrupt or other criminal conduct is alleged or confirmed, supplementary disclosure on criminal proceedings instructed will be disclosed.

### **1.19 Budget information**

Entities are typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which are given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by the entity shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on a cash basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2024/04/01 to 2025/03/31.

The annual financial statements are prepared on the accrual basis of accounting, while the budget is prepared on the cash basis. Therefore, a reconciliation of actual amounts on a comparable basis and actual amounts in the financial statements has been included in the notes to the financial statements.

### **1.20 Related parties**

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control or joint control.

Control is the power to govern the financial and operating policies of an entity to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement and exists only when the strategic, financial and operating decisions relating to the activity require unanimous consent of the parties sharing control (the venturers).



### **1.20 Related parties (continued)**

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but it does not have control over those policies.

Management is persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Close family members of a person are those family members who may be expected to influence, or be influenced by that person in their dealings with the entity.

The entity is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which is reasonable to expect the entity to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the entity is exempt from disclosures in accordance with the above, the entity discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

### **1.21 Events after reporting date**

Events after the reporting date are both favourable and unfavourable events that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified as those that:

- provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date)
- are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date)

The entity will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurs.

The entity will disclose the nature of the event and an estimate of its financial effect or a statement that such an estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users, based on the financial statements.

### **1.22 Commitments**

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in an outflow of cash.



#### 1.22 Commitments (continued)

Commitments for which disclosure is necessary to achieve a fair presentation must be disclosed in a note to the financial statements, after considering the following:

- Contracted commitments must be disclosed i.e. the entity and the supplier must have entered a contract at the reporting date
- Disclosure is not limited to contracts that are non-cancellable or only cancellable at a significant cost to the entity

The commitments disclosed are portion/s of the commitment not yet received and not yet recorded in the financial statements as an accrual or payable.

Contracts finalised after the reporting date, but where the process started before the reporting date, will not be disclosed as commitments at the reporting date. If there were material contracts entered into after the reporting date, but before approval of the financial statements, these contracts will be considered in accordance with events after the reporting date and disclosed accordingly.

## 2. New standards and interpretations

### 2.1 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2025 or later periods:

Standard/Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Improvements to the Standards of GRAP 2023	Effective date to be determined	Unlikely there will be a material impact
• GRAP 1 (amended): Presentation of Financial Statements (Going Concern)	Effective date to be determined	Unlikely there will be a material impact
• GRAP 104 (as revised): Financial Instruments	April 1, 2025	Expected impact is a change in the measurement of the impairment loss on other financial assets, which is not expected to be material

## 3. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	7	9
Bank balances	2 517	4 153
Short-term deposits	7	1 121
Other cash and cash equivalents	393	2 520
	<b>2 924</b>	<b>7 803</b>

A bank guarantee has been issued to the value of R344 888 in favour of the landlord for the deposit on leasehold premises in line with the lease agreement. The guarantee will expire on 31 March 2028.

### Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that is neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

#### Credit rating

F1+ (ZAF) Fitch Rating	2 924	7 803
------------------------	-------	-------

## 4. Receivables from exchange transactions

Trade debtors	-	515
Accrued interest	-	15
	<b>-</b>	<b>530</b>

Figures in Rand thousand	2025	2024
--------------------------	------	------

#### 4. Receivables from exchange transactions (continued)

None of the trade and other receivables from exchange transactions have been pledged as security for any liability or contingent liability.

#### 5. Receivables from non-exchange transactions

Levies	294	452
Other receivables from non-exchange revenue	262	64
	<b>556</b>	<b>516</b>

Statutory receivables included in receivables from non-exchange transactions above are as follows:

Fees charged in terms of legislation	294	452
Financial asset receivables included in receivables from non-exchange transactions above	<b>262</b>	<b>64</b>
Total receivables from non-exchange transactions	556	516

#### Statutory receivables general information

##### Transaction(s) arising from statute

Regulation 915 was issued in terms of the Council for the Built Environment Act (No 43 of 2000). It describes the Regulations for charging membership fees and submitting an annual declaration to the CBE for all registered Built Environment officials.

##### Determination of transaction amount

The annual levy payable to the CBE has been determined as R42 for a registered Built Environment Professional and R21 for a registered candidate. The levies are paid by the CBEP to the CBE.

##### Interest or other charges levied/charged

The CBEP are liable for interest on all outstanding levy payments due to the CBE at a rate of 2% above the prime overdraft rate.

##### Receivables from non-exchange transactions pledged as security

None of the trade and other receivables from non-exchange transactions have been pledged as security for any liability or contingent liability.

##### Receivables from non-exchange transactions past due but not impaired

At 31 March 2025, there were no receivables from exchange transactions that were past due but not impaired.

10 months past due	73	-
--------------------	----	---

Figures in Rand thousand

2025

2024

## 5. Receivables from non-exchange transactions (continued)

### Reconciliation of provision for impairment of receivables from non-exchange transactions

Opening balance	-	(5)
Provision for impairment	64	-
Amounts written off as uncollectible	-	5
	<b>64</b>	<b>-</b>

## 6. Other financial assets

### At amortised cost

DK Pitse

103

103

Due to financial difficulties, the terms of the arrangement have been renegotiated.

The receivable is payable in monthly installments of R500. Interest is payable at the prime lending rate of 10.5% at the inception of the agreement.

Terms and conditions

103

103

Impairments

(48)

(48)

**55**

**55**

### Non-current assets

At amortised cost

55

55

### Reconciliation of provision for impairment of financial assets at amortised cost

### Other financial assets

Opening balance

(48)

(48)

Figures in Rand thousand

**7. Property, plant and equipment**

	2025			2024		
	Cost	Accumulated Depreciation and Accumulated Impairment	Carrying Value	Cost	Accumulated Depreciation and Accumulated Impairment	Carrying Value
Furniture and fixtures	1 776	(828)	948	1 880	(780)	1 100
Office equipment	1 056	(347)	709	1 132	(433)	699
IT equipment	3 027	(919)	2 108	1 959	(654)	1 305
Leasehold improvements	3 145	(1 388)	1 757	3 145	(759)	2 386
Signage	39	(37)	2	39	(35)	4
<b>Total</b>	<b>9 043</b>	<b>(3 519)</b>	<b>5 524</b>	<b>8 155</b>	<b>(2 661)</b>	<b>5 494</b>

**Reconciliation of property, plant and equipment - 2025**

	Opening Balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	1 100	-	(13)	(139)	948
Office equipment	699	129	-	(119)	709
IT equipment	1 305	1 253	(65)	(385)	2 108
Leasehold improvements	2 386	-	-	(629)	1 757
Signage	4	-	-	(2)	2
	<b>5 494</b>	<b>1 382</b>	<b>(78)</b>	<b>(1 274)</b>	<b>5 524</b>

Figures in Rand thousand

**7. Property, plant and equipment (continued)**  
**Reconciliation of property, plant and equipment - 2024**

	Opening Balance	Additions	Dispos- als	Depreciation	Total
Furniture and fixtures	855	784		(163)	1 100
Office equipment	765	161	(376)	(109)	699
IT equipment	1 351	496	(118)	(410)	1 305
Leasehold improvements	2 964	-	(132)	(578)	2 386
Signage	6	-	-	(2)	4
	5 941	1 441	(626)	(1 262)	5 494

The current year's additions consist of cash purchases amounting to R1 053 000 (2024: R1 441 000)

**Pledged as security**

None of the CBE's property, plant and equipment has been pledged as security for any liability or contingent liability.

The residual values of property, plant and equipment have been assessed to be negligible; as a result, they were not considered in the calculation of the depreciable amount.

**Assets subject to finance lease (Net carrying amount)**

Office equipment

79	-
98	-

**Expenditure incurred to repair and maintain property, plant and equipment**

Leasehold improvements



Figures in Rand thousand

**8. Intangible assets**

2025			2024		
Cost	Accumulated Amortisation and Accumulated Impairment	Carrying Value	Cost	Accumulated Amortisation and Accumulated Impairment	Carrying Value
1 041	(112)	929	1 041	(49)	992
4 980	(4 300)	680	4 541	(3 498)	1 043
6 021	(4 412)	1 609	5 582	(3 547)	2 035

**Reconciliation of intangible assets - 2025**

	Opening Balance	Additions	Amortisation	Total
Computer software, internally generated	992	-	(63)	929
Computer software, other	1 043	1 371	(1 734)	680
<b>Total</b>	<b>2 035</b>	<b>1 371</b>	<b>(1 797)</b>	<b>1 609</b>

**Reconciliation of intangible assets - 2024**

	Opening Balance	Additions	Work in Progress	Amortisation	Total
Computer software, internally generated	822	314	(95)	(49)	992
Computer software, other	2 155	876	-	(1 988)	1 043
<b>Total</b>	<b>2 977</b>	<b>1 190</b>	<b>(95)</b>	<b>(2 037)</b>	<b>2 035</b>

Figures in Rand thousand	2025	2024
--------------------------	------	------

## 8. Intangible assets (continued)

### Pledged as security

None of the CBE's intangible assets have been pledged as security for any liability or contingent liability.

The residual values of intangible assets have been assessed to be negligible; as a result, they were not considered in the calculation of the depreciable amount.

### Intangible assets in the process of being constructed or developed

#### Cumulative expenditure recognised in the carrying value of Intangible assets

Computer software, internally generated	728	728
---	-----	-----

Current intangible assets consist of the development and maintenance of the Integrated Electronic Built Environment System (IEBES). Integration with the CBEP membership database delayed the commissioning and migration.

The development and maintenance of the Knowledge Management Hub was commissioned during the 2024/25 year.

## 9. Finance lease obligation

### Minimum lease payments due

- within one year
- in the second to fifth year inclusive

less: future finance charges

### Present value of minimum lease payments

### Present value of minimum lease payments due

- within one year
- in the second to fifth year inclusive

Non-current liabilities

Current liabilities

50	-
113	-
163	-
(64)	-
<b>99</b>	-
	-
20	-
79	-
<b>99</b>	-
	-
79	-
20	-
<b>99</b>	-

It is the entity's policy to lease certain office equipment under finance leases.

The average lease term was three years, including one year at no cost. The average effective borrowing rate was 33% (2024:-%).

Interest rates are fixed at the contract date. All leases have fixed repayments, and no arrangements have been entered into for contingent rent.

Figures in Rand thousand	2025	2024
--------------------------	------	------

**9. Finance lease obligation (continued)**

The entity's obligations under finance leases are secured by the lessor's charge over the leased assets. Refer to Note 7.

**10. Operating lease (asset) liability**

Non-current liabilities

620

974

Current liabilities

616

548

**1 236**

**1 522**

Operating lease payments represent rental payments by the CBE for its existing office accommodation.

The CBE occupied its current leased premises from 01 January 2023. The lease is for a five-year term, with a 5% escalation per annum. No contingent rent is payable. The landlord provided the CBE with a tenant installation allowance, amortised over five years.

The operating lease expenses are smoothed on a straight-line basis over the lease term. Any over- or under payment as a result of the smoothing is recognised in the statement of financial position as a liability or asset, until the time that payments in the future reverse the smoothing to zero by the end of the lease period.

**11. Payables from exchange transactions**

Trade payables

2 018

3 661

Accrued expense

3 152

1 745

**5 170**

**5 406**

**12. Unspent conditional grants and receipts**

**Unspent conditional grants and receipts comprises:**

**Unspent conditional grants and receipts**

CETA Built Environment Recognition Awards

62

1 357

DPWI Internal Audit Infrastructure Capacitation Programme

857

-

**919**

**1 357**

The CBE entered into an agreement with the Construction Education and Training Authority (CETA) to host the Built Environment Recognition Awards. Revenue has been recognised to the extent of expenditure incurred in the current financial year.

The CBE entered into an agreement with DPWI for the Internal Audit Infrastructure Capacitation Programme. Revenue has been recognised to the extent of expenditure incurred in the current financial year. Management fees are earned on the implementation of this programme.

Figures in Rand thousand	2025	2024
--------------------------	------	------

### 13. Provisions

#### Reconciliation of provisions - 2025

	Opening Balance	Additions	(Over)/ Under Provision	Change in Discount Factor	Total
Provision for dismantling	1 103	-	(397)	85	791
Provision for general expenses	-	202	-	-	202
	<b>1 103</b>	<b>202</b>	<b>(397)</b>	<b>85</b>	<b>993</b>

#### Reconciliation of provisions - 2024

	Opening Balance	Additions	Utilised During the Year	Change in Discount Factor	Total
Provision for dismantling	1 025	-	-	78	1 103
Provision for general expenses	259	65	(324)	-	-
	<b>1 284</b>	<b>65</b>	<b>(324)</b>	<b>78</b>	<b>1 103</b>
Non-current liabilities				791	705
Current liabilities				202	398
				<b>993</b>	<b>1 103</b>

The CBE is contractually obligated to restore its leased premises to its original condition. The restoration is yet to commence at the previously leased premises. In the current financial year, the CBE recognised a liability to restore its current leased premises to its original condition from the inception of the contract.

The CBE booked a venue for an event that was subsequently postponed; however, the venue commitment was non-cancellable. The venue was confirmed to be utilised on 13 November 2024. The future timing of the utilisation of the venue was uncertain as at the year-end.

### 14. Employee benefit obligations

Bonus provision	-	503
Leave accrual	1 533	1 071
13th Cheque accrual	283	279
	<b>1 816</b>	<b>1 853</b>

During the current year, the CBE did not raise a provision for performance bonus payment for the performance period of 1 April 2024 to 31 March 2025. A decision that no performance bonuses will be paid has been communicated to staff.

Figures in Rand thousand	2025	2024
--------------------------	------	------

## 15. Revenue

Services rendered	50	-
Partnership funding	5 984	5 314
Appeal fees	18	3
Insurance proceeds	221	13
Other income	932	707
Interest received - investment	169	607
Government grants and subsidies	55 505	54 704
Levies	2 108	1 960
	<b>64 987</b>	<b>63 308</b>

**The amount included in revenue arising from exchanges of goods or services are as follows:**

Services rendered	50	-
Partnership funding	5 984	5 314
Appeal fees	18	3
Insurance proceeds	221	13
Other income	932	707
Interest received - investment	169	607
	<b>7 374</b>	<b>6 644</b>

**The amount included in revenue arising from non-exchange transactions is as follows:**

### Taxation revenue

### Transfer revenue

Government grants and subsidies	55 505	54 704
Levies	2 108	1 960
	<b>57 613</b>	<b>56 664</b>

## 16. Employee-related costs

Basic	38 427	33 675
Medical aid - company contributions	2 527	2 513
UIF	216	183
Defined contribution plans	4 505	3 761
Leave pay accrual-change	461	(111)
Bonus-Movement	-	95
	<b>46 136</b>	<b>40 116</b>

Figures in Rand thousand

**17. Members' and prescribed officers' remuneration and other benefits paid, payable or receivable****Executive****2025**

	Annual Remuneration (R'000)	Bonus (R'000)	Contributions to UIF, Medical and Pension Fund (R'000)	Subsistence and Travel (R'000)	Acting Allowance (R'000)	Telephone and Housing Allowance (R'000)	Total (R'000)
Dr. M Myeza - Chief Executive Officer	2 442	200	2	56	-	31	2 731
Ms. T Mtati - Chief Shared Services Officer	1 458	49	220	5	55	9	1 796
Ms. T Moya - Chief Transformation Officer	1 471	49	218	21	-	9	1 768
Ms. S Treeby - Chief Financial Officer	1 308	49	381	12	-	9	1 759
	<b>6 679</b>	<b>347</b>	<b>821</b>	<b>94</b>	<b>55</b>	<b>58</b>	<b>8 054</b>

**2024**

	Annual Remuneration (R'000)	Contributions to UIF, Medical and Pension Fund (R'000)	Subsistence and Travel (R'000)	Telephone and Housing Allowance (R'000)	Bonus (R'000)	Total (R'000)
Dr. M Myeza - Chief Executive Officer	2 359	4	107	29	67	2 566
Ms. T Moya - Chief Transformation Officer	1 504	109	16	9	-	1 638
Ms. T Mtati - Chief Shared Services Officer	1 541	90	10	9	-	1 650
Ms. S Treeby - Chief Financial Officer	975	265	367	9	-	1 616
	<b>6 379</b>	<b>468</b>	<b>500</b>	<b>56</b>	<b>67</b>	<b>7 470</b>



Figures in Rand thousand	2025	2024
--------------------------	------	------

**17. Members' and prescribed officers' remuneration and other benefits paid, payable or receivable (continued)**

**Non-executive**

**2025**

	Claim for Attendance (R'000)	Other Allowances (R'000)	Total (R'000)
Mtshali, Holovisa Amelia (Chairperson)	-	7	7
Maraka, Ditaba Lucy (Deputy Chairperson)	40	5	45
Dr Musetsho, Khangwelo Desmond	37	5	42
Gavor, Christopher Kobla	40	1	41
Mahopo, Seemole Angela	25	1	26
Mabilane, Salome Velma	59	12	71
Madikane, Thembinkosi Cedric	82	4	86
Steynberg, Christiaan Jahannes	37	2	39
Makhudu, Snowy Mercy	59	2	61
Monakedi, Tshepo Albia	25	10	35
Pepeta, Mandisa Princess	41	1	42
Molebatsi, Modiehi Elisa	40	1	41
Mthembu, Sinenhlahla Thuleleni	24	1	25
Dr Letchmiah, Deenadayalan Ruthensamy	44	2	46
Mkondweni, Ncedo (Independent PPL TCC Chairperson)	10	-	10
Kgole, Majute Paul (Independent OSD TCC Chairperson)	14	-	14
Ngobeni, James (Independent PSCD TCC Chairperson)	10	-	10
Njozela, Thobeka (Independent ARC Chairperson)	118	2	120
Mukheli, Peter (Independent ARC Member)	80	2	82
Magan, Virendra Gangaram (Independent ARC Member)	61	1	62
Nzo, Zukiswa Zinhle Yoliswa	16	-	16
Mbembele, Thabang	44	1	45
Afleck, Douglas Munro	46	1	47
Adv January, Nomonde Nokhuthala	27	1	28
Nduku, Ntshindiso Charles	37	1	38
	<b>1 016</b>	<b>63</b>	<b>1 079</b>

**COUNCIL FOR THE BUILT ENVIRONMENT**  
**ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**  
**Notes to the Annual Financial Statements**

Figures in Rand thousand		2025	2024
<b>17. Members' and prescribed officers' remuneration and other benefits paid, payable or receivable (continued)</b>			
<b>2024</b>			
	Claim for Attendance (R'000)	Other Allowances (R'000)	Total (R'000)
Mtshali, Holovisa Amelia (Chairperson)	-	5	5
Maraka, Ditaba Lucy (Deputy Chairperson)	64	6	70
Gavor, Christopher Kobla	47	1	48
Sithole, Mandla	43	1	44
Mahopo, Seemole Angela			
Mabilane, Salome Velma	62	11	73
Madikane, Thembinkosi Cedric	48	4	52
Dr Musetsho, Khangwelo Desmond	42	9	51
Steynberg, Christiaan Johannes	46	4	50
Makhudu, Snowy Mercy	66	6	72
Monakedi, Tshepo Albia	-	23	23
Pepeta, Mandisa Princess	53	8	61
Molebatsi, Modiehi Elisa	61	9	70
Mthembu, Sinenhlahla Thuleleni	39	15	54
Njozela, Thobeka (Independent ARC Chairperson)	109	2	111
Mukheli, Peter (Independent ARC Member)	64	1	65
Magan, Virendra Gangaram (Independent ARC Member)	34	1	35
Nzo, Zukiswa Zinhle Yoliswa (Independent HSPPUA TCC Chairperson)	11	-	11
Hutamo, Ngwako Edward	-	17	17
Afleck, Douglas Munro	17	2	19
Adv January, Nomonde Nokhuthala	18	1	19
Nduku, Ntshindiso Charles	24	-	24
Raphela, Nchoke John (Independent Information Technology Steering Committee Chairperson)	26	-	26
Mkondweni, Ncedo (Independent PPL TCC Chairperson)	21	3	24
Kgole, Majute Paul (Independent OSD TCC Chairperson)	20	-	20
Ngobeni, James (Independent PSCD TCC Chairperson)			
	<b>941</b>	<b>129</b>	<b>1 070</b>

Figures in Rand thousand

2025

2024

## 18. Depreciation and amortisation

Property, plant and equipment

1 274

1 262

Intangible assets

1 797

2 038

**3 071**

**3 300**

## 19. Finance costs

Finance leases

26

-

Other interest paid

86

78

**112**

**78**

## 20. Lease rentals on operating lease

### Premises

Contractual amounts

1 753

1 739

The CBE entered its existing five-year operating lease agreement for office premises, which commenced on 01 January 2023.

## 21. General expenses

Advertising

21

331

Appeal Committee fees

1 024

112

Assessment rates and municipal charges

195

179

Awareness and publications

169

107

Bank charges

59

79

Catering

488

678

Cleaning

82

96

Insurance

333

251

Conferences and seminars

89

-

Postage and courier

16

30

Printing and stationery

24

43

Repairs and maintenance

91

51

Staff welfare

136

70

Subscriptions and membership fees

95

99

Telephone and fax

160

154

Training

477

167

Electricity

576

584

-

-

**4 035**

**3 031**

Figures in Rand thousand

## 22. Other cash items

	2025	2024
Insurance claims	4	13
Other receipts	475	163
Partnership and Sponsorship agreements	6 112	6 621
	<b>6 591</b>	<b>6 797</b>

## 23. Cash used in operations

Deficit	(4 756)	(5 339)
<b>Adjustments for:</b>		
Depreciation and amortisation	3 071	3 300
(Loss) gain on the sale of assets and liabilities	(145)	560
Finance costs - Finance leases	27	-
Interest income	(5)	(6)
Bad debts written off	64	-
Movements in operating lease assets and accruals	(286)	(203)
Movements in provisions	(110)	(181)
<b>Changes in working capital:</b>		
Receivables from exchange transactions	530	(530)
Other receivables from non-exchange transactions	(104)	1 261
Payables from exchange transactions	(236)	1 793
Unspent conditional grants and receipts	(438)	1 357
Employee benefit obligation	(38)	(2 368)
	<b>(2 426)</b>	<b>(356)</b>

## 24. Commitments

### Authorised capital expenditure

#### Approved not yet contracted

• Intangible assets	1 911	57
---------------------	-------	----

#### Total capital commitments

Approved not yet contracted	1 911	57
-----------------------------	-------	----

### Authorised operational expenditure

#### Approved and contracted

• WSU Research Conference	500	-
• Internal Audit Infrastructure Capacitation Programme	750	-
	<b>1 250</b>	<b>-</b>

Figures in Rand thousand	2025	2024
<b>24. Commitments (continued)</b>		
<b>Total operational commitments</b>		
Approved and contracted	1 250	-
<b>Total commitments</b>		
<b>Total commitments</b>		
Authorised capital expenditure	1 911	57
Authorised operational expenditure	1 250	-
	<b>3 161</b>	<b>57</b>
<b>Operating leases - as lessee (expense)</b>		
<b>Minimum lease payments due</b>		
- within one year	2 141	2 039
- in the second to fifth year inclusive	3 997	6 138
	<b>6 138</b>	<b>8 177</b>

Operating lease payments represent rentals payable by the entity for its office premises. The CBE entered a five-year lease contract which commenced on 1 January 2023, at an annual escalation of 5%. No contingent rent is payable.

## 25. Related parties

The CBE is a national public entity controlled by National Government under the Executive Authority, the Minister of Public Works and Infrastructure. Any other entity of National Government is a related party. All transactions with such entities are at arm's length and on normal commercial terms, except where employees of national departments or national public entities participate in the CBE's processes and do not receive any remuneration.

During the period of reporting, the Executive Authority was Hon. Dean Macpherson.

The transactions with the Administrative Executive are in respect of the Grant.

The following employees from the public sector served on the CBE Council for no consideration:

M. Sithole, T.L.P. Shipalana, H. Mtshali, T.A. Monakedi, N.E. Hutamo, A. Quphe, E.F. Nyaka and M. Kubuzie.

The above-related parties did not have any transactions which were not at arm's length with the CBE during the financial year.

The Audit and Risk Committee (ARC) exercises oversight over the CBE's ICT (Information Communication Technology) Committee. This arrangement provides the ARC with significant influence over the ICT functions and policy making of the CBE, hence it is considered a related party.

Receipts from the CBEP are in respect of levies in terms of section 17(1)(a) of the CBE Act 43 of 2000.

Payments made by the CBE were for administrative support provided to CBEP.

Balances due, or payable, are in relation to levy transactions and administrative support provided.

During the financial year, there were no other related party transactions, other than those disclosed with key management or any of their immediate families or any organisation in which they had significant influence.

Figures in Rand thousand	2025	2024
--------------------------	------	------

## 25. Related parties (continued)

### Related party balances

#### Amounts included in Trade receivables/(Trade payables) regarding related parties

SACAP	(1)	63
SACLAP	10	11
ECSA	91	283
SACPVP	85	83
SACPCMP	105	-
SACQSP	5	12

#### Unspent Conditional Grants with related parties

DPWI	857	-
------	-----	---

#### Grant received

DPWI	55 505	54 704
------	--------	--------

#### Levy income

SACAP	427	422
SACLAP	10	10
ECSA	995	920
SACPVP	85	83
SACPCMP	438	369
SACQSP	153	155

#### Partnership and sponsorship revenue

DPWI	2 690	2 947
ECSA	-	50
SACQSP	478	-

### Key management information

Class	Description	Number
Non-executive Board Members (Refer to Note 17)	Council Members	22
Audit and Risk Committee (Refer to Note 17)	External Audit Committee Members	3
Executive Management (Refer to Note 17)	Senior Management	4



Figures in Rand thousand	2025	2024
--------------------------	------	------

## 26. Contingencies

The CBE entered into a lease agreement. As part of the terms and conditions of the lease, a bank guarantee to the value of R344 888 was issued in favour of the landlord. The funds are held in an investment account.

In terms of section 53(3) of the PFMA, public entities listed in Schedule 3A and 3C may not retain cash surpluses that were realised in the previous financial year without prior written approval of National Treasury. During September 2020, National Treasury Instruction Note 12 of 2020/21 provided a revised definition of a surplus. According to this instruction, a surplus is based on cash and cash equivalents, plus receivables less current liabilities at the end of the financial year.

National Treasury approved the utilisation of the surplus funds for the 2022/23 financial year at an amount of R1 673 787. A liability was raised for the remaining balance of R1 709 213. No application for retention of surplus funds will be submitted to National Treasury as the CBE has spent all its allocated funds.

The CBE will be defending two legal matters for which it has received summons. In the first matter, the CBE withdrew a decision to settle with a former employee on 16 March 2023, whereupon the former employee instituted legal action against the CBE. In the second matter, the CBE terminated the services of a service provider, who then initiated legal action against the CBE. The estimated legal cost for the two matters is R1 500 000; the matters were still ongoing at year-end.

## 27. Risk management

### Financial risk management

The entity's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk.

### Liquidity risk

The entity manages liquidity risk through proper management of working capital, capital expenditure and cash flow; and by variance reports between actual and budgeted amounts. The entity's financial liabilities consist mainly of trade and other payables from exchange transactions which are due within thirty (30) days.

At 31 March 2025	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	
• Trade and other payables from exchange	5 170	-	-	-	-
• Finance lease obligation	20	79	-	-	-
At 31 March 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	
• Trade and other payables from exchange	5 406	-	-	-	-

Figures in Rand thousand

2025

2024

## 27. Risk management (continued)

### Credit risk

The financial assets that potentially subject the entity to the risk of non-performance by counterparties and thereby subject the entity to concentrations of credit risk consist mainly of cash and cash equivalents, other financial assets and trade receivables. The credit risk is controlled through the application of approved regulations, limits and monitoring procedures.

The entity limits its counterparty exposure by dealing with well-established financial institutions with high credit ratings assigned by international credit-rating agencies. Credit risk with respect to receivables is limited, due to the nature of the entity's revenue transactions. The entity does not have any significant exposure to any individual customer or counterparty. Accordingly, the entity does not consider having any significant concentration of credit risk, which had not been adequately provided for.

Financial assets and statutory receivables are exposed to credit risk. The maximum exposure to credit risk at year-end was as follows:

	2025	2024
Receivables	556	1 046
Cash and cash equivalents	2 924	7 803
Other financial assets	55	55

## 28. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Executive Authority continues to provide grant funding, as indicated in the Medium-Term Expenditure Framework (MTEF) over the MTEF period, to fund the ongoing operations of the CBE.

## 29. Events after the reporting date

No other significant event took place after the reporting date that would have a significant effect on the financial statements.

## 30. Irregular, Fruitless and Wasteful Expenditure

### Current year irregular expenditure

There were no new instances of irregular, fruitless and wasteful expenditure identified or confirmed as at the end of March 2025.

Figures in Rand thousand	2025	2024
--------------------------	------	------

## **31. Segment information**

### **General information**

#### **Identification of segments**

The entity is organised and reports to management on the basis of three major functional areas: primary, secondary and tertiary educational services. The segments were organised around the type of service delivered and the target market. Management uses these same segments for determining strategic objectives. Segments were aggregated for reporting purposes.

Information reported about these segments is used by management as a basis for evaluating the segments' performance and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting.

## **32. Budget information**

### **Material differences between budget and actual amounts**

#### **32.1. Partnership agreements and other income.**

The CBE received the balance outstanding from CETA for the prior year's research project. Fewer sponsorships were realised than initially anticipated for the year

#### **32.2. Interest received**

Less cash surpluses were available for investment, which resulted in less interest earned.

#### **32.3. Levies**

Levies receivable from the prior year were collected in the current year. Anticipated collection of levies of the current year commenced earlier.

#### **32.4. Personnel expenditure**

The expenditure is on resources employed for the Infrastructure Audit Capacitation Programme that the CBE currently spearheads.

#### **32.5. General expenditure**

The increased expenditure is the prior year's approved surpluses for the CBE's cloud migration services. The purchase of laptops and software was budgeted for as operational expenditure.

Figures in Rand thousand

2025

2024

### 32. Budget information (continued)

#### Differences between budget and actual amounts basis of preparation and presentation

The budget and the accounting bases differ. The annual financial statements for the CBE are prepared on an accrual basis, using a classification based on the nature of expenses in the statement of financial performance. The annual financial statements are for the fiscal period from 2024/04/01 to 2025/03/31. The annual financial statements differ from the budget, which is approved on a cash basis.

The adjustment to the budget was as a result of additional projects as per mandated directive, i.e. George investigation, governance training and an increased number of appeals. The CBE also received project-specific support for the Internal Infrastructure Audit Capacitation Programme.

### 33. Reconciliation between budget and statement of financial performance

Reconciliation of budget surplus/deficit with the surplus/deficit in the statement of financial performance:

Net deficit per the statement of financial performance	(4 756)	(5 030)
<b>Adjusted for:</b>		
Disposals - PPE	4	626
Movement: Accruals and Provisions	346	1 274
Depreciation and Amortisation	3 071	3 299
Capital Assets Purchased	(2 424)	(2 536)
Other Working Capital Movements	1 333	2 011
<b>Net deficit per approved budget</b>	<b>(2 426)</b>	<b>(356)</b>

### 34. B-BBEE Performance

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

### 35. Prior period errors

The CBE identified an invoice for internal audit services that related to the prior year but was not accrued.

#### Statement of Financial Position

	Amount Previously Disclosed	Prior Period Error	Restated Amount
Payables from Exchange Transactions - Accrued Expenses	5 097	309	5 406

#### Statement of financial performance

	Amount Previously Disclosed	Prior Period Error	Restated Amount
Internal Audit Fees	813	309	1 122





P  
A  
R  
T



COUNCILS FOR THE  
BUILT ENVIRONMENT  
PROFESSIONS

C | B | E

COUNCIL  
FOR THE BUILT  
ENVIRONMENT

## **1. INTRODUCTION**

This report outlines the activities undertaken by the Councils for the Built Environment Professions (CBEP) during the 2024/25 financial year, submitted to the CBE at the end of March 2025. It analyses their performance against their legislated functions, collated through the templates developed by the CBE and submitted quarterly by the CBEP.

As the mandated built environment regulator, the CBE is empowered to ensure consistent application of policies, procedures and processes by the CBEP in the areas of their 13 concurrent functions, which align them to the CBE's mandate. The report assesses the CBEP in the areas detailed in the following table to ensure transformation, sound governance, public protection, and a sustainable built environment:



Table 34: Thirteen Concurrent Functions

Thematic Area	Governance of Professional Councils	Public Protection	Sustainable and Integrated Development	Human Resource Development
<b>CBE MANDATE</b>	<p>promote sound governance of the built environment professions;</p> <p>serve as a forum where built environment professions discuss relevant issues;</p> <p>ensure uniform application of norms and standards set by the professional councils;</p>	<p>promote and protect the interests of the public in the built environment;</p> <p>promote appropriate standards of health and safety and environmental protection in the built environment;</p>	<p>promote and maintain a sustainable built environment;</p> <p>facilitate participation of the built environment professions in integrated development;</p>	<p>promote ongoing human resource development in the built environment;</p> <p>promote liaison in the field of training in the Republic and elsewhere;</p>
<b>ENABLING POLICY</b>	<ol style="list-style-type: none"> <li>Codes of Conduct and Practice for the professions</li> <li>Recognition of voluntary associations</li> </ol>	<ol style="list-style-type: none"> <li>Appeal body and procedures</li> <li>IDO/W – in line with the Competition Act of 1998</li> </ol>	<ol style="list-style-type: none"> <li>Determination of professional fees in line with the Competition Act, 1998 (Act 89 of 1998)</li> <li>Recognition of new professions</li> </ol>	<ol style="list-style-type: none"> <li>International recognition of professions</li> <li>Accreditation of education institutions and BE education programmes</li> <li>Prescribe specified categories of registration and register persons in these categories</li> <li>Competency standards for registration</li> <li>Establish standard generating bodies in line with SAQA to align qualifications to the NQF</li> <li>Recognition of prior learning</li> <li>Continuous Professional Development</li> </ol>

Source: CBE Act No 43, 2000

### **1.1 Legislative and Regulatory Framework of the Built Environment Professions**

The respective professions' Acts empower the CBEP to perform the following functions as part of its regulatory function:

- a) *Establishment of a Standards Generating Body (SGB) and development of competency standards;*
- b) *Register persons in professional categories who have demonstrated competency against the standards determined by the council for the profession for the relevant categories and have passed any additional examination that may be determined by the council for the profession;*
- c) *Register persons who meet educational requirements in candidate categories;*
- d) *Prescribe specified categories of registration and register persons in these categories;*
- e) *Require registered persons to renew registration at intervals and under conditions that the CBEP prescribe;*
- f) *Recommend to the CBE the type of work which may be performed by persons registered in any of the categories of registration of that profession;*
- g) *Conduct accreditation visits to any educational institution which has a department, school or faculty of the relevant built environment profession and conditionally or unconditionally grant, refuse or withdraw accreditation to educational institutions and educational programmes;*
- h) *Evaluate educational qualifications that are not accredited or recognised;*
- i) *Enter into agreements with any person or body of persons, within or outside the Republic, with regard to any examination or qualification for the purposes of the relevant built environment professions Act;*
- j) *Develop and administer a code of conduct;*
- k) *Investigate complaints and probable instances of improper conduct against registered persons, charge registered persons with improper conduct and sanction registered persons found guilty accordingly;*
- l) *Annually determine guideline professional fees and publish those fees in the Government Gazette;*
- m) *Recognise Voluntary Associations (VAs);*
- n) *Advise the Minister, any other Minister or the CBE on any matter relating to its profession;*
- o) *Take the necessary steps to protect public interest, health and safety, improve standards of professional services, and create awareness of the need to protect the environment; and*
- p) *Encourage and undertake research into matters related to its profession.*

The objective of these regulatory arrangements is to protect the public by ensuring a high standard of service and professional behaviour by providing:

- i. entry to the professions by trained persons
- ii. a mechanism for establishing and enforcing standards of training and practice
- iii. an avenue for consumers to address complaints against practitioners

## 2. HUMAN RESOURCE DEVELOPMENT

### 2.1 Registration

The professional councils have core categories of registration as per the Built Environment Acts. However, the Act further empowers each professional council to identify specified categories. Each registration category has set eligibility criteria, which often include completion of accredited educational programmes, relevant work experience, and passing a standardised examination. The promotion of professional registration is thus key in ensuring that practitioners possess the necessary knowledge, skills, and ethical standards to protect public health, safety, and welfare.

This function aims to monitor the extent to which the CBEP are transforming to reflect the South African population demographics through:

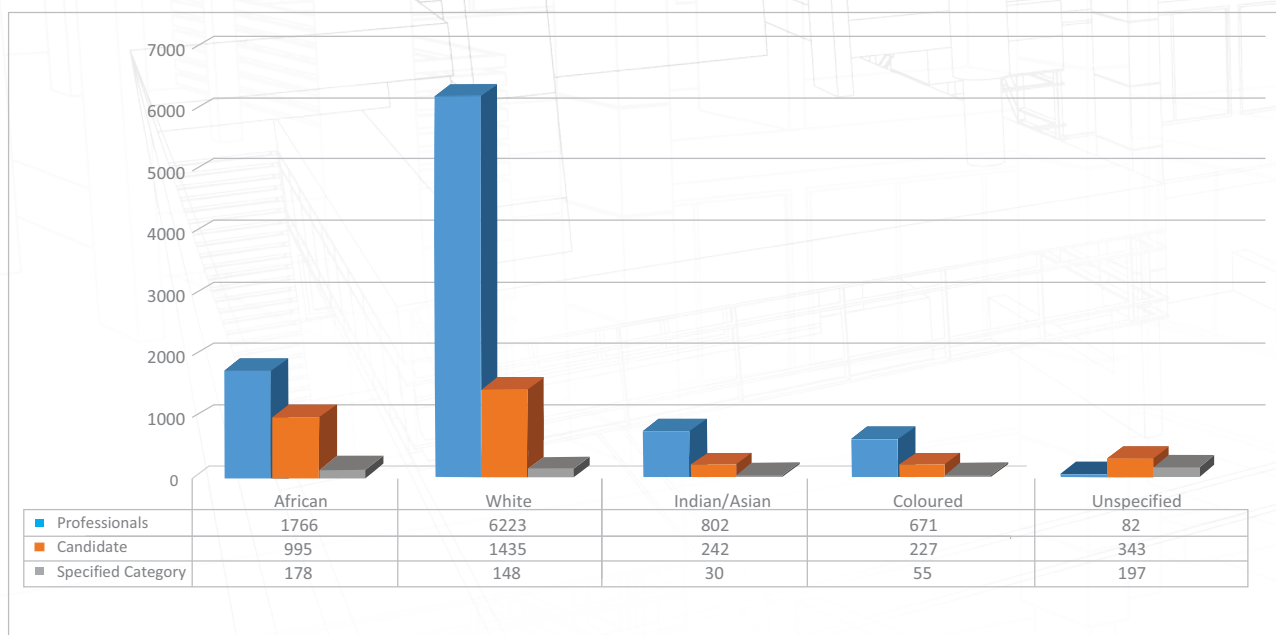
- i. analysing the demographics of individuals currently registered with the CBEP
- ii. assessing the demographics of candidates and professionals of the CBEP who will hopefully take up the profession
- iii. identifying potential bottle necks and recommending ways to improve accessibility of these professions to all who reside in the country

The key indicators in the 2020-2024 strategy in terms of the BE Professions targeted an increase of registered persons from the designated groups and their participation in the economy of the country through different Transformation strategies. Despite efforts, there has been slow progress in achieving effective transformation in the sector and BE professions, leading to representation imbalances in the BE sector. This dominance of certain groups reflects the longstanding historical and systemic barriers that have hindered diversity and representation in the BE. Previously Disadvantaged Individuals (PDIs) are significantly underrepresented across the CBEP.

The 2024/25 professional registration data continues to reflect male gender dominance across all the professional councils, with only 14% women's representation. The representation of youth and persons with disabilities is similarly disproportionate; consequently, these statistics underscore the systemic barriers and challenges faced by these groups. In addition, the lack of targeted training programmes, mentorship, and learning opportunities is a significant barrier preventing PDIs from attaining professional status within the BE. In addition, graduates face challenges in obtaining practical training, hindering their ability to gain hands-on experience through Work Integrated Learning (WIL) programmes.

### 3. REGISTERED PERSONS

The information below reflects the registration numbers of candidates and professionals within the six CBEP as reported to the CBE.



**Figure 5: SACAP Registered Persons**

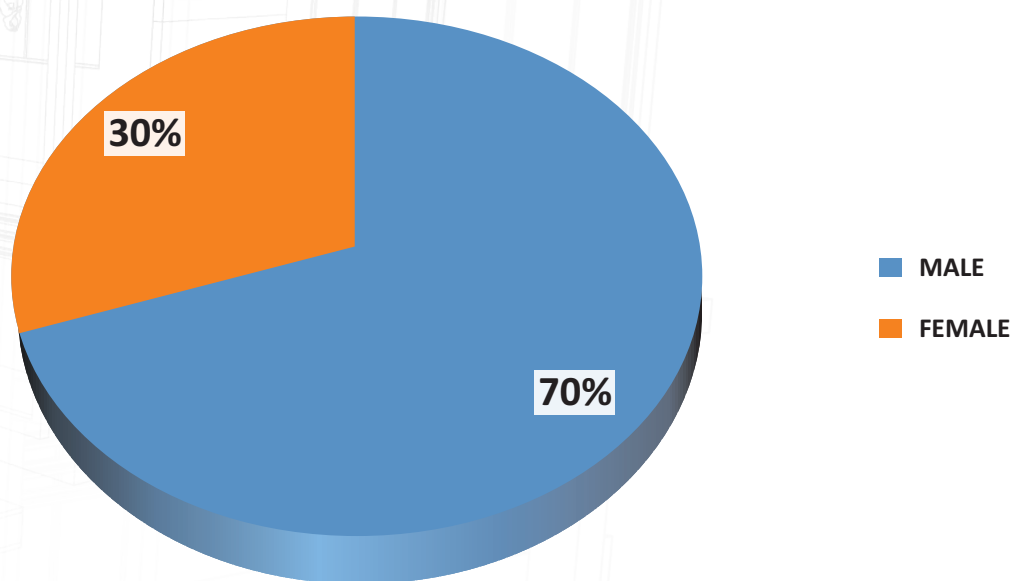
Source: SACAP Quarter 4 Report 2024/25

SACAP recorded a significant increase of 1 840 registered persons during the 2024/25 financial year, representing a 16% growth compared to the previous year. Notable increases were observed across all registration categories:

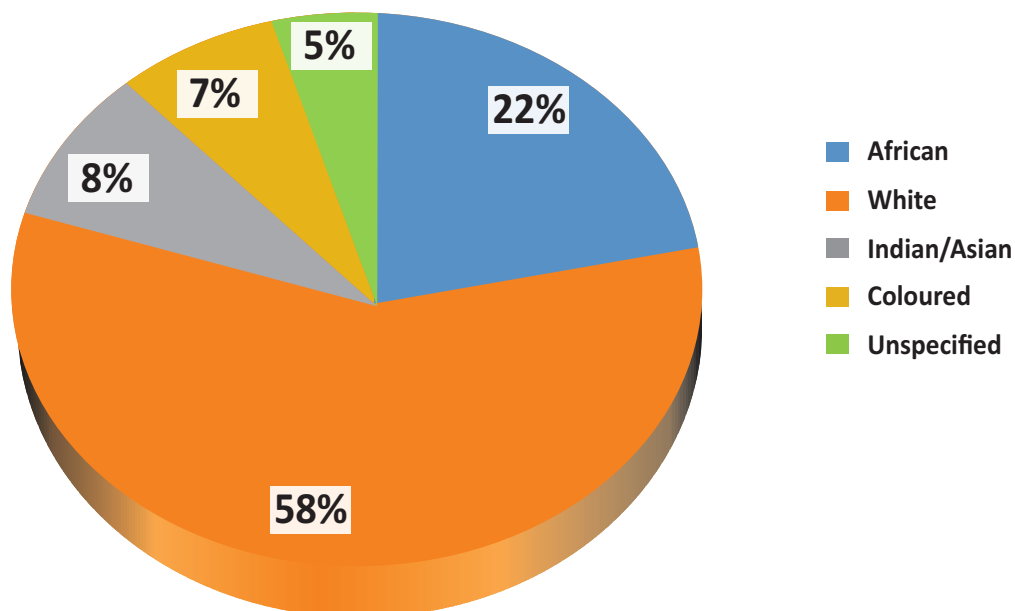
- Professional category registration numbers increased by 8%, increasing the total to 9 544
- Candidate category registration numbers increased by 26.3%, increasing the total to 3 242
- Specified category experienced a substantial surge of 297%, increasing the number of registered persons from 153 to 608. This surge is primarily attributed to SACAP's compulsory student registration initiative to foster early engagement with the profession

The registration trends, however, indicate slow progress in candidate transition to professional level, signifying that candidates take more than the stipulated period to professionalise.

Furthermore, with student registrations rising sharply (reflected in the 297% growth in the Specified Category), a subsequent increase in candidate registrations is expected in the coming years. Accordingly, targeted support for candidates such as structured mentorship and internship support is crucial to ensure that this growth translates into a proportional increase in professionals, particularly among underrepresented groups.

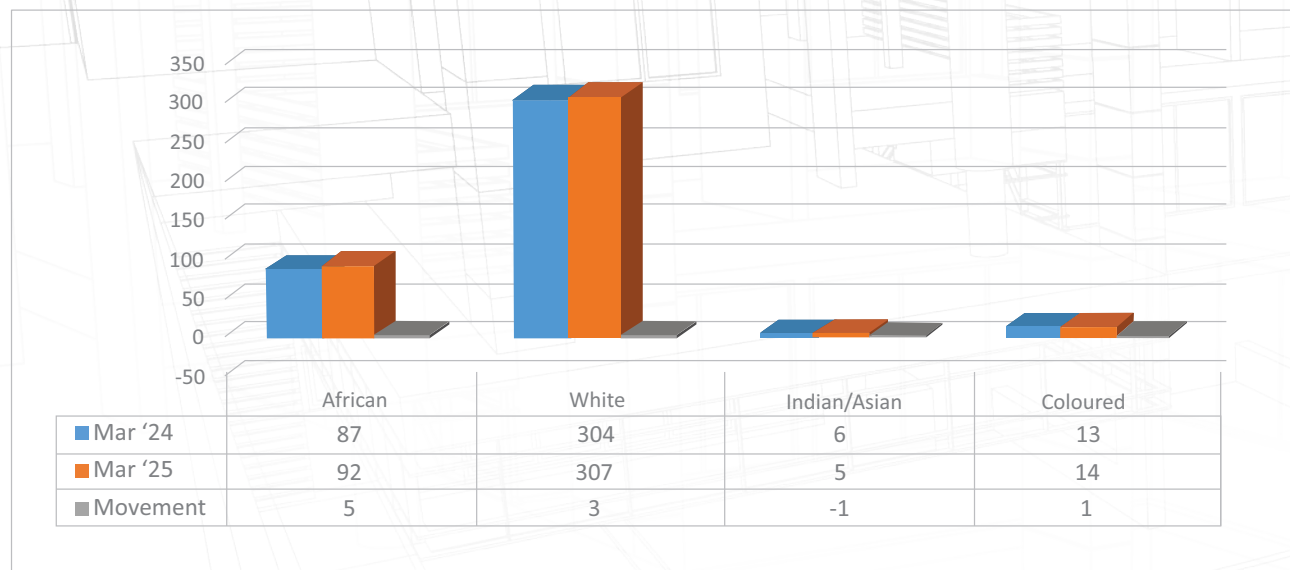


SACAP's gender profile remains predominantly male. The analysis indicates male domination across all SACAP's registration categories, with 72% male professionals, 67% male candidates and 57% male representation in the specified category.



The racial composition is similarly imbalanced, with whites accounting for 58% of registered persons. As a result, African, coloured, and Indian groups remain significantly underrepresented, particularly within the professional category. Additionally, the demographic analysis is hindered by the 5% of registrants whose racial identity is unspecified, limiting the accuracy and completeness of representation data.

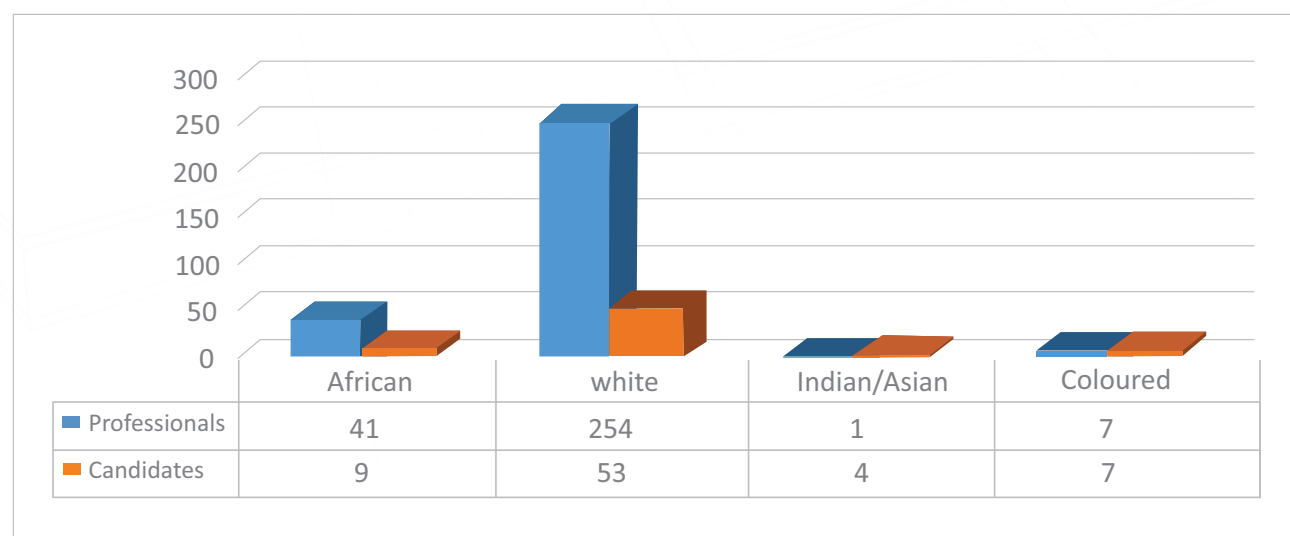
The projected increase in student registration provides an opportunity to reshape the profession's demographic future through focused transformation policies, cross-sector collaboration and active support systems.



**Figure 6: SACLAP Registered Persons**

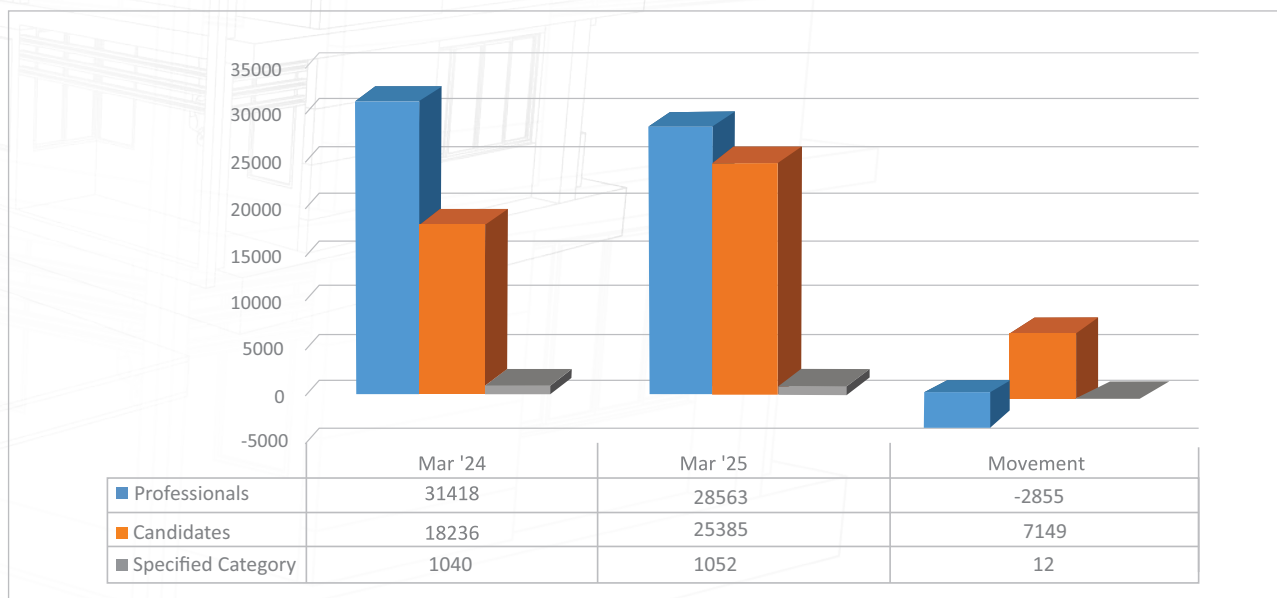
Source: SACLAP Quarter 4 Report 2024/25

SACLAP registration database increased from 410 to 418 during the 2024/25 reporting period, representing a growth of 2%. However, the analysis shows slow candidate registration, which may indicate a decline in student interest or enrolment in landscape architecture-related qualifications. This trend could have long-term implications for the pipeline of future professionals and suggests a need for targeted interventions to promote the profession among young people, especially from underrepresented communities and those entering secondary schooling.





The data indicates that 72% of SACLAP's registered persons fall within the professional category. Of these professionals, 55% are male and 45% are female, reflecting a positive shift in gender transformation within the profession. However, the racial demographic remains predominantly white, with 84% representation. The remaining 16% comprises all other racial groups combined, highlighting a lack of racial diversity.



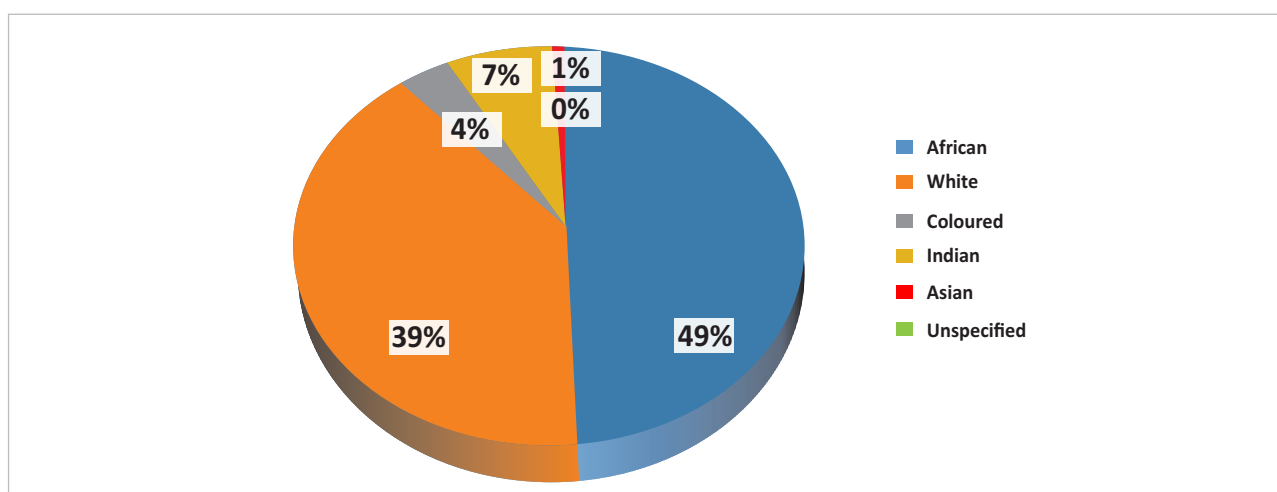
**Figure 7: ECSA Registered Persons**

Source: ECSA Quarter 4 Report 2024/25

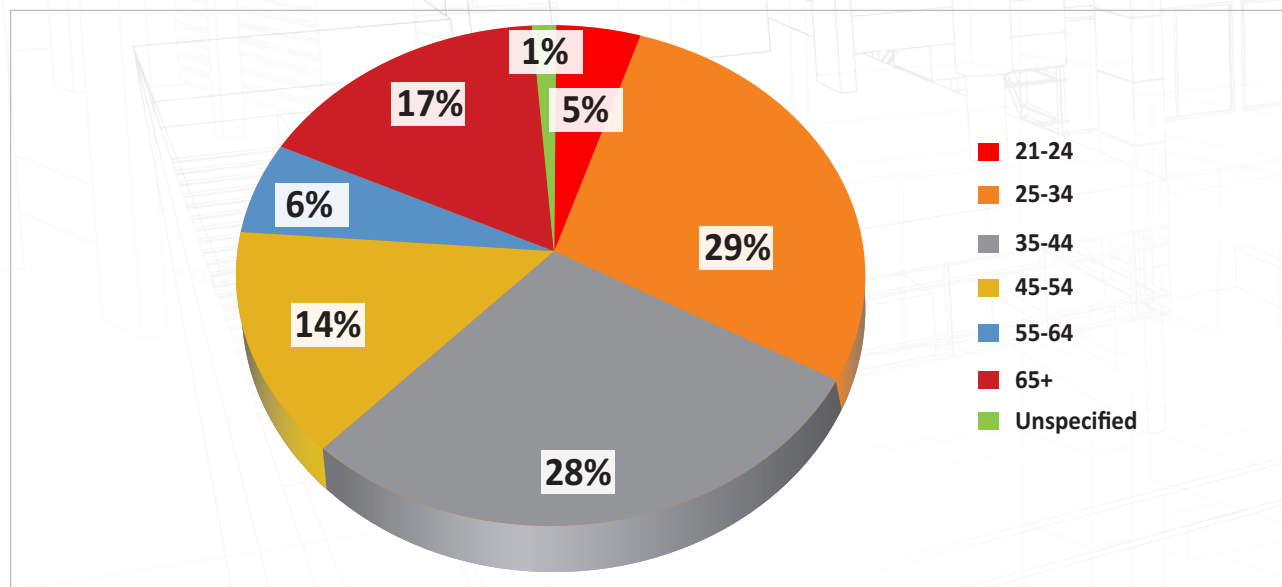
ECSA's 2024/25 financial year registration data highlights a decline in the total number of registered professionals, while the candidate and specified categories saw significant increases:

- Professional category registration numbers decreased by 9%, from 31 418 to 28 563
- Candidate category registration numbers increased by 39%, from 18236 to 25 392
- Specified category registration numbers increased by 1.15% from 1042 to 1054

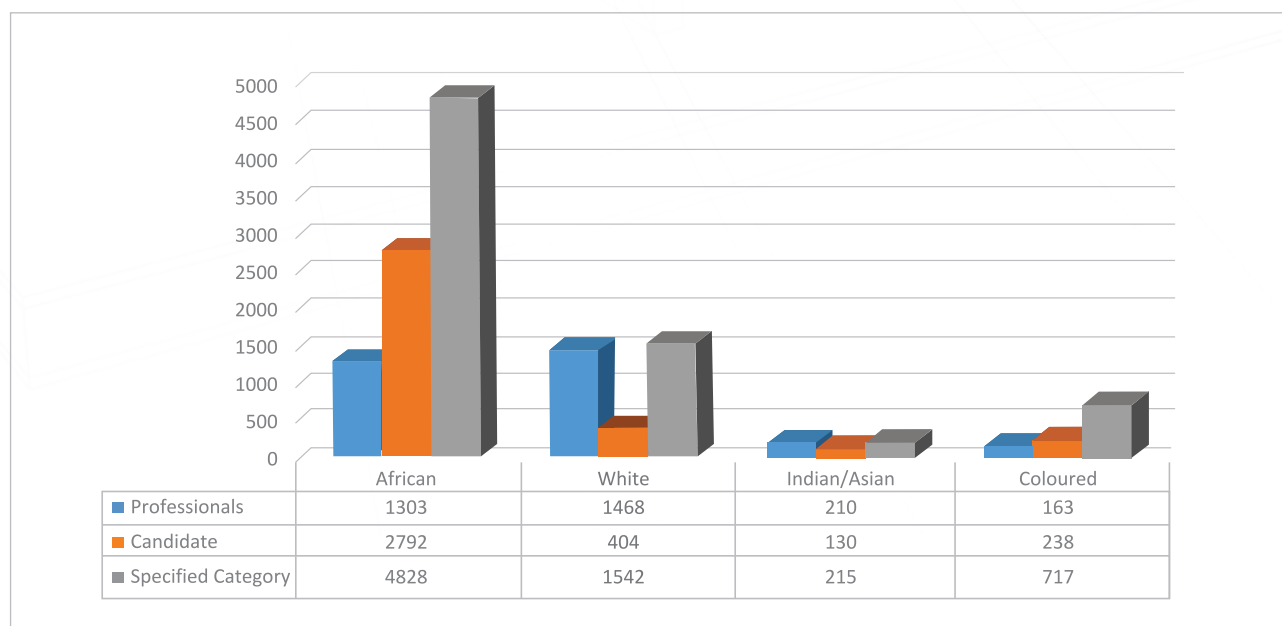
The overall registration numbers increased by 4 827, representing a 10% growth compared to the previous year. These numbers accordingly provide that ECSA maintains the highest registration database across the CBEP.



ECSA's gender profile remains largely unchanged, with women comprising only 19% of registered persons. However, the racial profile reflects a positive shift, with 49% African representation, 39% white representation, and 12% coloured, and Indian/Asian representation collectively. Despite progress in racial transformation, the consistently low representation of women in the profession highlights a critical area for intervention to promote inclusive and sustainable professional development.



ECSA's age analysis indicates positive signs of professional sustainability, with the majority of registered persons (62%) falling within the 21–44 age group. Registrations in the 55–64 age category remain relatively low at 6%, while 17% of registered professionals are aged 60 and above—suggesting that a significant portion of registered persons are either nearing or beyond the typical retirement age. Additionally, the 1% of unspecified age registrants (651) highlights a gap in ECSA's age analysis data.



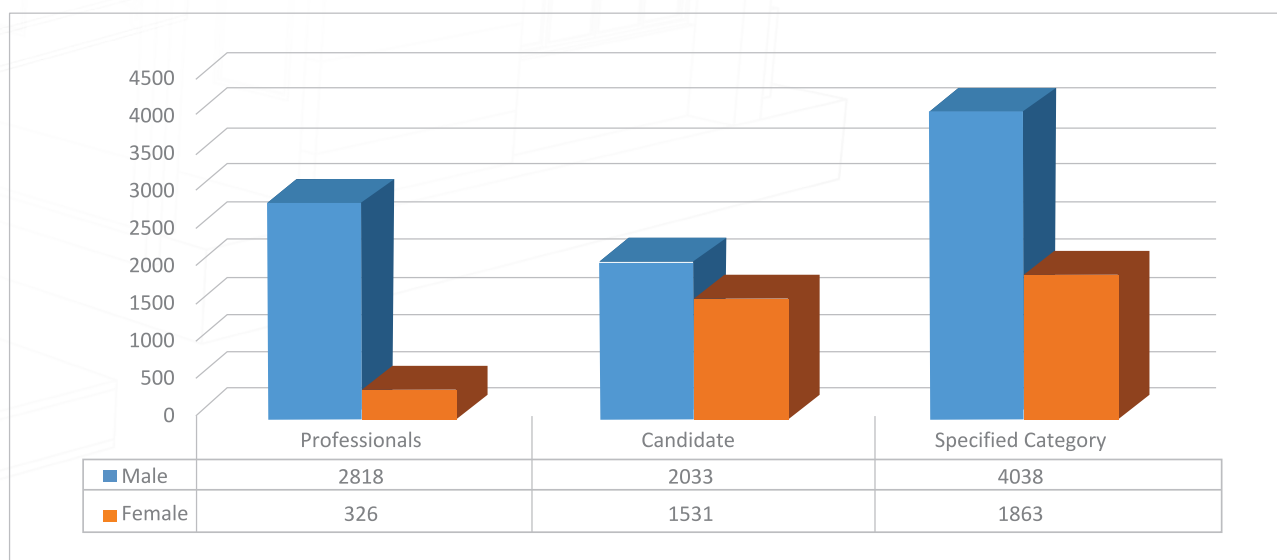
**Figure 8: SACPCMP Registered Persons**

Source: SACPCMP Quarter 4 Report 2024/25

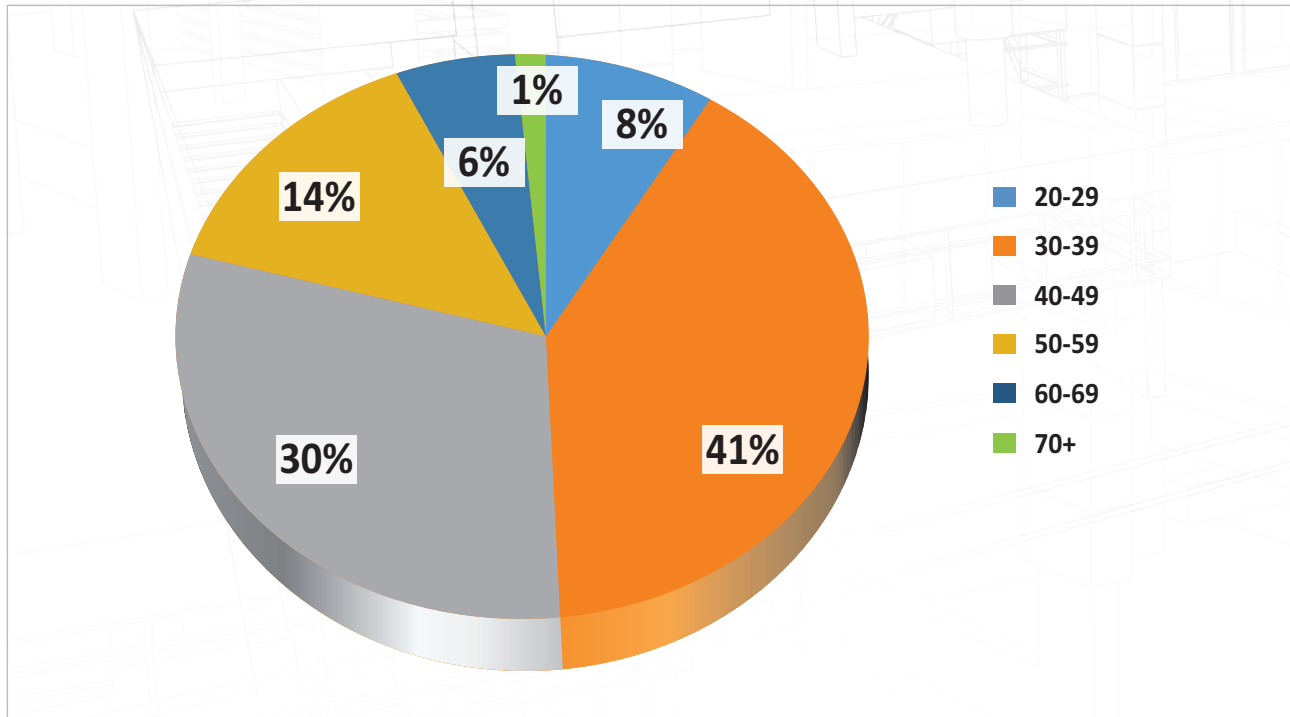
SACPCMP recorded an increase of 1 514 registered persons during the 2024/25 financial year, representing a 12.11% growth compared to the previous financial year. The SACPCMP's total registration per category is as follows:

- Specified category accounts for 52% of the overall registered persons, with a total of 7 302 and 36% female representation
- Candidates account for 25% of the overall registered persons, with a total of 3 564 and 43% female representation
- Professionals account for 22% of the overall registered persons, with a total of 3 144 and 10% female representation

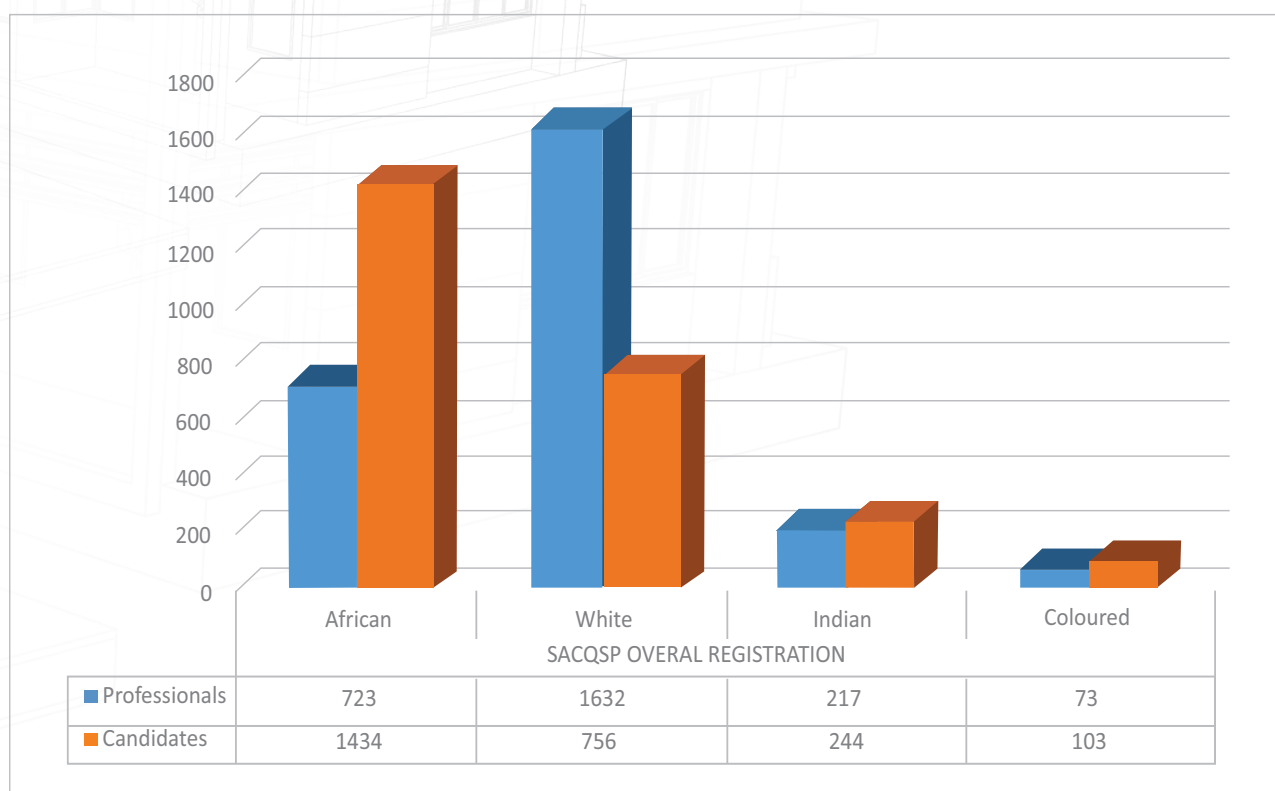
The analysis indicates a positive shift in racial transformation with 76% representation of the previously disadvantaged groups (64% African, 8% coloured and 4% Indian). Despite the advances in racial representation, the profession remains male-dominated with 70% overall male representation.



The gender analysis shows a significant imbalance, particularly in the professional category, where female representation is notably low at 10%. In contrast, the candidate category shows a higher percentage of female (43%) and African (78%) candidates. This disparity suggests potential barriers to progression or retention after candidacy, possibly due to systemic challenges or a lack of supportive structures for women advancing to the professional level.



While the SACPCMP's age analysis shows a relatively low representation of young professionals aged 20–29, the overall age distribution reflects encouraging signs for the long-term sustainability of the project and construction management profession. The majority of registered persons (41%) fall within the 30–39 age group, reflecting a strong base of early to mid-career progression. Additionally, 30% of registered persons are within the 40–49 age group, representing a substantial cohort of experienced professionals. This group is well-positioned to provide mentorship and knowledge transfer to emerging professionals, thereby supporting the continued development and retention of expertise within the sector.



**Figure 9: SACQSP Registered Persons**

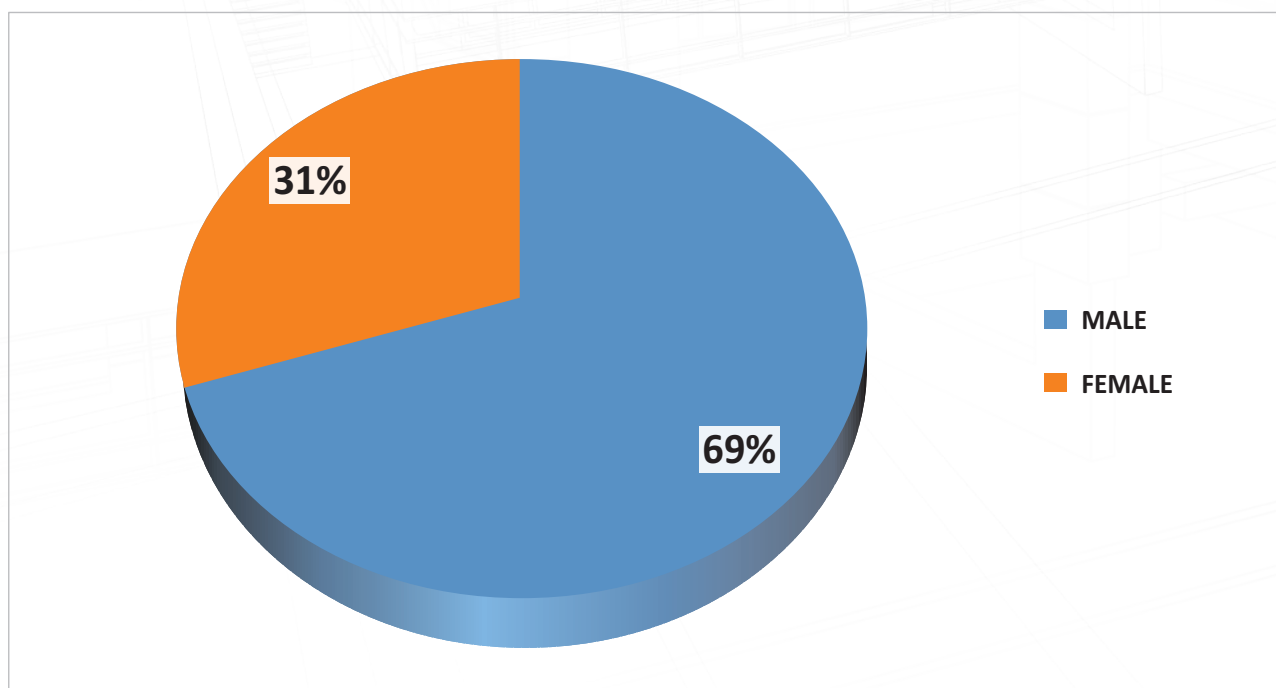
Source: SACQSP Quarter 4 Report 2024/25

SACQSP recorded an increase of 229 during the 2024/25 financial year, representing a 5% growth compared to the previous year. The registrations per category are as follows:

- Professional registration database shows an increase of 4% from 2 551 to 2 645
- Candidates registration database shows an increase of 6% from 2 402 to 2 537

The analysis indicates that while the pipeline of new candidates is strong, conversion to professional status is not occurring. The 0% progression rate from candidate to professional level indicates stagnation in professional advancement. These findings underscore the need for systemic support mechanisms to ensure equitable career progression, with specific focus on:

- mentorship and sponsorship programmes
- access to structured training and development opportunities
- support networks for women in the profession, particularly African, coloured and Indian women



SACQSP demographics reflect a persistent pattern of male dominance across both professional and candidate registration categories. Notably, there is a significant representation of white professionals, despite the encouraging levels of African representation at the candidate level. Accordingly, the data reveals a critical bottleneck in the progression from candidate to professional status for African individuals—particularly African women. The disparity between African candidate numbers and African professionals highlights an urgent need for targeted interventions. Thus, creating inclusive and supportive pathways from candidate to professional level is essential for transforming the profession and achieving demographic equity in line with South Africa's broader transformation goals.



### 3.1 CBEP Registration Analysis

The CBEP registration data indicates that professionals constitute the majority of registered persons, accounting for 54%. Candidates make up 30%, while those in the specified category represent 10% of the total registrations. This trend demonstrates that, across most professional councils, the professional category has the highest number of registered persons. However, there is a notable exception in SACPCMP registration data, where the specified category comprises the largest share of registered persons, at 52%. This deviation suggests a unique registration pattern within SACPCMP compared to other councils.

The data further reveals that the professional category across all professional councils is predominantly composed of white males within the mid-age range. This demographic trend underscores a significant underrepresentation of PWDs, women, youth, coloured and Indian groups within these professional spaces. The findings point to persistent gaps in inclusivity and diversity, highlighting the need for targeted policies and interventions to promote broader representation across all demographic groups.

The candidate category across the professional councils is also predominantly male, the majority of whom are African. An exception to this trend is observed in SACLAP, where female representation accounts for 61% of the candidate registrations.

The disparity between the demographics in the candidate and professional categories suggests that previously disadvantaged groups, particularly women and African candidates continue to face barriers to progression within the built environment sector. This reinforces the concern that the sector remains largely male- and white-dominated, despite efforts to promote transformation and inclusivity.

## 4. ACCREDITATION

Accreditation of programmes in the Built Environment Professions is an essential aspect of ensuring that quality and consistency of education are provided to future professionals. These standards often include curriculum content, faculty qualifications, facilities, and resources. Accreditation provides reassurance to both students and employers that graduates have received a rigorous and comprehensive education.

Section 13 of the professions' Acts of 2000, subject to sections 5 and 7 of the Higher Education Act, 1997 (Act 101 of 1997), empowers the CBEP to conduct accreditation visits to any educational institution which has a department, school or faculty of that profession. These visits must be conducted once during the CBEP Council's term of office. If the CBEP does not conduct an accreditation visit within its Council's current term of office, it must notify the Minister accordingly and provide reasons for its failure to do so. The CBEP may conditionally or unconditionally grant, refuse, and withdraw accreditation regarding all educational institutions and their educational programmes.

Section 4(p) of the CBE Act impels the CBE to *promote coordination between the Council on Higher Education and the CBEP in relation to the accreditation of educational institutions.*

Accreditation of education programmes is an important element for quality assurance and maintaining professional standards against national and international standards. Completion of an accredited course of study is generally a key criterion for registration with the CBEP.

### **Objectives of Accreditation**

The objectives of accreditation, as per the professions' Acts, are to:

- i. establish whether a programme meets the educational requirements toward registration in a particular category
- ii. establish whether the graduates of a programme are ready to enter employment, and are equipped to continue learning throughout their careers
- iii. establish the international comparability of programmes
- iv. assure the public of the quality of the programme
- v. evaluate and, subsequently, maintain the quality and standard of CBEP programmes offered at public South African higher education providers
- vi. encourage improvement and innovation in education, in response to national and global needs

In line with its legislative mandate of setting minimum standards in education and training, and through their strategic objectives of upholding and maintaining standards of education and training, the CBEP evaluate Built Environment teaching programmes offered at universities and universities of technology (UoTs).

As per the accreditation schedule, the CBEP conducted the following accreditations for the 2024/25 financial year:

**SACAP** undertook two accreditation visits to these private institutions to ensure that their qualifications are aligned with its requirements:

- 6-8 May 2024: Academic Institute of Excellence (AIE)
- 4-5 December 2024: School of Explorative Architecture (SEA) – Not Accredited

The following institution was recorded as non-compliant:

- African Academy: still in the process of aligning its qualification (Diploma Architectural Digital Fusion Technology – NQF 6:360 credits) with SACAP's competencies

SACAP made student registration compulsory for all students who enrol at any accredited Architectural Learning Site (ALS).

**SACLAP** did not conduct any accreditation visits during the 2024/25 financial year. To date, the following institutions remain accredited:

Education Institution	Programme/Qualification	Accreditation Year
University of Cape Town (UCT)	Bachelor of Landscape Architecture (NQF 8,9)	2022
University of Pretoria (UP)	Bachelor of Landscape Architecture (NQF 7, 8, 9)	2022
Cape Peninsula University of Technology (CPUT)	Diploma and Advanced Diploma in Landscape Architecture	2023
University of South Africa (UNISA)	Advanced Diploma and Postgraduate Diploma in Ornamental and Landscape Horticulture	2023
Tshwane University of Technology (TUT)	Diploma, Advanced and Postgraduate Diploma in Landscape Technology	2023

**ECSA** conducted 16 accreditation visits during the 2024/25 financial year as detailed in the following table:

Education Institution	Programme/Qualification	Accreditation Type	Reason
Tshwane University of Technology (TUT)	Advanced Diploma in Electrical in Engineering	Provisional	New programme
	Diploma in Computer Systems Engineering Diploma in Electrical Engineering Bachelor of Engineering Technology in Chemical Engineering Bachelor of Engineering Technology in Material Engineering in Polymer Technology Bachelor of Engineering Technology in Metallurgical Engineering	Regular	
	Bachelor of Engineering Technology in Mechanical Engineering Bachelor of Engineering Technology in Mechatronics Engineering	Final	
North West University (NWU)	Bachelor of Engineering in Mechatronic Engineering	Regular	N/A
University of Mauritius	Bachelor of Engineering Honours in Chemical Engineering	Regular	N/A
	Bachelor of Engineering Honours in Civil Engineering Bachelor of Engineering Honours in Electrical and Electronic Engineering Bachelor of Engineering Honours in Mechanical Engineering	Interim	Deficiencies and concerns identified in the programmes during the 2021 accreditation visit

Education Institution	Programme/Qualification	Accreditation Type	Reason
University of South Africa (UNISA)	Diploma in Civil Engineering Diploma in Mining Engineering Diploma in Chemical Engineering Diploma in Industrial Engineering Diploma in Electrical Engineering	Regular	N/A
	Bachelor of Engineering Technology Honours in Electronic Engineering Bachelor of Engineering Technology Honours in Power Engineering	Interim	Deficiency identified during the previous accreditation visit
University of KwaZulu-Natal (UKZN)	Bachelor of Science in Engineering in Agricultural Engineering Bachelor of Science in Engineering in Chemical Engineering Bachelor of Science in Engineering in Civil Engineering Bachelor of Science in Engineering in Computer Engineering Bachelor of Science in Engineering in Electrical Engineering Bachelor of Science in Engineering in Electronic Engineering Bachelor of Science in Engineering in Mechanical Engineering	Regular	N/A
Independent Institute of Education SA	Bachelor of Electrical and Electronic Engineering Bachelor of Mechanical Engineering		
Nelson Mandela University (NMU)	Bachelor of Engineering in Mechatronic Engineering		
Mangosuthu University of Technology (MUT)	Advanced Diploma in Mechanical Engineering	Provisional	New programme
University of Witwatersrand (Wits)	Bachelor of Science in Engineering in Civil Engineering	Interim	Deficiency identified during the 2023 accreditation
Walter Sisulu University (WSU)	Advanced Diploma in Electrical Engineering	Regular	N/A
Fort Cox Agricultural and Forestry Training Institution	Diploma in Engineering in Agricultural Engineering	Provisional	New programme
Vaal University of Technology (VUT)	Adv Diploma Electrical Engineering: Electronic Engineering Adv Dip Electrical Engineering: Process Instrumentation Engineering. Adv Dip in Electrical Engineering: Computer Systems Advanced Diploma in Mechanical Engineering Diploma in Electrical Engineering: Electronic Engineering Diploma in Electrical Engineering: Computer Systems Engineering Diploma in Electrical Engineering: Process Instrumentation Engineering Diploma in Engineering in Electrical: Power Engineering Diploma in Engineering in Mechanical Engineering	Final	

Education Institution	Programme/Qualification	Accreditation Type	Reason
Durban University of Technology (DUT)	Diploma in Engineering Technology in Civil Engineering	Interim	Deficiency identified during the previous accreditation visit
University of Zululand (UNIZULU)	Bachelor of Engineering in Electrical Engineering Bachelor of Engineering in Mechanical Engineering Bachelor of Engineering in Electrical Engineering and Computer Engineering Bachelor of Engineering in Mechatronic Engineering	Provisional and Interim	Provisional accreditation – new programmes  Interim accreditation – deficiency identified during the previous accreditation visit
Cape Peninsula University of Technology (CPUT)	Advanced Diploma in Mechanical Engineering in Renewable Energy	Interim	Deficiency identified during the previous accreditation

**SACPCMP** - programme accreditation outcomes for the following universities were finalised, with each university given full accreditation for five (5) years:

Education Institution	Programme/Qualification
University of the Witwatersrand (WITS)	Bachelor of Science: Construction Studies Bachelor of Science (Hons): Construction Management Master of Science: Project Management in Construction
University of Johannesburg (UJ)	Bachelor of Science in Construction Bachelor of Science Honours in Construction Management Bachelor of Science Honours in Construction Project Management Bachelor of Science in Construction Health and Safety
University of Pretoria (UP)	Bachelor of Science: Construction Management Bachelor of Science (Hons): Construction Management Master of Science in Project Management
University of Free State (UFS)	Bachelor of Science: Construction Management Bachelor of Science (Hons): Construction Management Masters in Land and Property Management

Education Institution	Programme/Qualification
Nelson Mandela University (NMU)	Advanced Diploma in Construction Management BSc Honours in Construction Health and Safety Management BSc (Construction Studies) Baccalaureus Scientiae in Construction Management – BSc (Hons) (Construction Management) MSc in Built Environment, Construction Management Specialisation MSc in Built Environment, Construction Health and Safety Management specialisation MSc in Built Environment, Project Management specialisation
University of Cape Town (UCT)	Bachelor of Science: Construction Studies Bachelor of Science (Hons): Construction Management
Cape Peninsula University of Technology (CPUT)	Diploma in Construction (NQF Level 6) Advanced Diploma in Construction Management (NQF Level 7) Advanced Diploma in Construction Health and Safety (NQF Level 7)
Durban University of Technology (DUT)	Bachelor of the Built Environment in Construction Studies Bachelor of the Built Environment Honours in Construction Studies
Central University of Technology (CUT)	Higher Certificate in Construction (NQF Level 5) Bachelor of Construction Management (NQF Level 7) Bachelor of Construction in Health and Safety Management (NQF Level 7) Postgraduate Diploma in Construction in Construction Management (NQF Level 8) Postgraduate Diploma in Construction in Health and Safety Management (NQF Level 8) Postgraduate Diploma in Construction in Urban Development (NQF Level 8)
Walter Sisulu University (WSU)	Diploma in Building Technology – Mainstream Extended Curriculum Programme
University of Pretoria	BSc Construction Management BSc Construction Management
University of Pretoria– Graduate School of Technology Management (GSTM)	MSc Project Management



The following accredited programmes were phased out:

Education Institution	Programme/Qualification
Tshwane University of Technology (TUT)	National Diploma: Building Bachelor of Technology: Construction Management
Nelson Mandela University (NMU)	National Diploma: Building BTech Construction Management
Cape Peninsula University of Technology (CPUT)	BTech Construction Management BTech Construction Management in Health and Safety
Durban University of Technology (DUT)	National Diploma Building BTech in Construction Management
Central University of Technology (CUT)	National Diploma Building BTech in Construction Management
Walter Sisulu University (WSU)	National Diploma: Building

**SACQSP** undertook one accreditation visit during the year under review:

Education Institution	Programme/Qualification	Accreditation Outcome
Tshwane University of Technology (TUT)	Diploma in Building Advanced Diploma in Quantity Surveying	Re-accreditation with conditions recommended

The following institutions are non-compliant:

- University of KwaZulu-Natal (UKZN)
- Mangosuthu University of Technology (MUT)

These institutions are currently working on the gaps identified, and upon invitation, SACQSP will undertake accreditation site visits to ensure alignment of their programmes with its accreditation requirements and competencies.

### Accreditation-Related Challenges

Institutions, UoTs in particular, continue to face significant challenges in meeting accreditation requirements, which impact the quality and credibility of academic programmes. The key challenges include:

- Placement of students for experiential learning
- Insufficient capacity to source and place students
- Employability reporting requirements
- Staff constraints for accreditation compliance

## 5. RECOGNITION OF PRIOR LEARNING

Recognition of Prior Learning (RPL) is a process that acknowledges and assesses an individual's existing skills, knowledge, and experience gained through formal or informal learning. In the Built Environment Professions, RPL can be a valuable mechanism to recognise and validate the competence of individuals who may not have followed the traditional educational pathway. RPL provides an opportunity for professionals with practical experience or non-traditional qualifications to gain recognition and potentially obtain registration.

RPL practices vary across Built Environment Professions. Professional councils typically outline the criteria and procedures for RPL assessment which may include a portfolio of evidence, interviews, or practical assessments towards successful completion of the RPL process. Some CBEP are currently reviewing their RPL policies.

The following data tables indicate the RPL annual statistics in the different categories per professional council:

### SACAP

Completed Applications	Assessed	Upgraded/Exempted	Not Upgraded/Not Exempted
RPL	27	14	13
Special consent	10	8	2
Special candidacy exemption	3	3	0
<b>Total</b>	<b>40</b>	<b>25</b>	<b>15</b>

### ECSA

RPL Category	Total
Persons who qualify to apply for registration through RPL – Alternative Route (Education)	0
Applications pending (Education) via alternate route	0
Applications rejected – no recognition (Education)	12
Applications pending (Education)	0
Applications rejected – no recognition (Education)	2

### SACPCMP

RPL Category	Total
Professionals registered through RPL	4 (4%)
Applicants who paid to pursue registration through RPL	18
Applications in process	56
Applications rejected	1
Applicants who passed the professional interview	4

## SACQSP

RPL Category	Total
Professionals registered (through RPL)	0 (0%)
Applications for candidate registration (through RPL)	11
Applications in process	56
Applications rejected	1

A review of rejected applications revealed several recurring issues across the professional councils that contributed to the unsuccessful outcomes:

- a. Inadequate support from the employer
- b. Lack of clarity on knowledge areas to be covered
- c. Lack of clarity on required registration competencies
- d. Incomplete reporting and supporting documentation on experience
- e. Misperception that compiling the required Portfolio of Evidence is onerous, cumbersome and very demanding
- f. Incorrect assessment tools

## 6. CONTINUOUS PROFESSIONAL DEVELOPMENT

The purpose of Continuous Professional Development (CPD) is to ensure that built environment professionals' knowledge and competencies are continuously developed, and to keep abreast with new developments in their respective fields. The Built Environment Professions mandate a certain number of CPD hours or credits to be completed within a specific timeframe to ensure professionals stay current with industry developments.

It is the responsibility of all professionals to keep up to date with changes and new developments in the professional body of knowledge through participation in formal and informal CPD endeavours. All registered professionals are required to complete a series of accredited continuing education activities each year. CPD ensures that:

- i. skills of professionals meet the highest standards
- ii. expertise of members develops and expands as markets and conditions change
- iii. the role and reputation of the professions are relevant and enhanced - both in South Africa and in the international Built Environment community
- iv. expertise of members is harnessed to inform public debate

The next table indicates CPD percentage compliance per professional council:

**Table 35: CPD Compliance**

CBEP	Compliance Percentage
SACAP	68.76%
SACLAP	40% ( <i>random sampling</i> )
ECSA	66.2%
SACPCMP	Not yet applicable
SACQSP	Not available

**SACAP** – Of the 1 319 professionals due for CPD renewal, only 907 successfully complied with the CPD requirements. Challenges contributing to this decline relate to the affordability and availability of CPD activities. These barriers limit access to essential professional development opportunities, potentially impacting the overall growth and competency of practitioners within the sector.

**SACLAP** conducted a random sampling of submissions from registered professionals to assess compliance levels. The results indicated a 40% compliance rate among the sampled individuals. However, due to the limited scope of the sample, it was not possible to accurately determine the overall compliance rate across the entire professional body.

**ECSA**- A total of 1 750 registered individuals were identified as non-compliant in terms of section 22(1) of the Engineering Profession Act. This non-compliance pertains to the CPD requirements for the 2017–2022 and 2018–2023 reporting cycles. In response, the proposed cancellation for the non-compliant in the 2017 cycle is scheduled to be submitted for consideration and recommendation during the first quarter of the 2025/26 financial year.

**SACPCMP** - CPD compliance is not yet applicable, as all current CPD cycles commenced on 1 April 2024 and would have concluded on 31 March 2025. Regarding previous CPD compliance matters, the SACPCMP Council has currently imposed a suspension for CPD non-compliance; 2 180 suspended persons were deregistered on 31 March 2025.

**SACQSP** - CPD compliance percentage is currently unavailable due to an audit backlog which has impacted the timely review and verification of CPD submissions by registered professionals.

## 7. AGREEMENTS AND PARTNERSHIPS

In an increasingly globalised world, international agreements play a crucial role in promoting collaboration and recognition of qualifications across borders. Various agreements facilitate the mobility of built environment professionals, enabling them to work and practice in different countries.

In terms of section 13(e) of the professions' Acts of 2000, the CBEP may establish mechanisms for registered persons to gain recognition for their qualifications and professional status in other countries. Section 13(h) states that *councils for the professions may enter into an agreement with any person or body of persons, within or outside the Republic, with regard to the recognition of any examination or qualification for the purpose of this Act.*

Agreements and partnerships should be consistent with the following principles:

- i. International movement of professionals is in the interests of increasing trade, investment, and knowledge flows between the council for the profession and its trading partners
- ii. The needs of the South African community are served according to the highest professional standards
- iii. Standards for assessment processes are applied consistently for both international and local applicants

The CBEP' 2024/25 reports outlined the following regarding agreements:

**SACAP** – International: Canberra Accord

**ECSA** - signatory to three accords:

- i. Washington Accord (WA)- Qualifications for Engineers. ECSA joined in 1999
- ii. Sydney Accord (SA) – Qualifications for Engineering Technologists. ECSA joined in 2001
- iii. Dublin Accord (DA) – Qualifications for Engineering Technicians. ECSA joined in 2002

ECSA is a member of three Competency Agreements:

- i. International Professional Engineers Agreement (IPEA)
- ii. International Engineering Technologists Agreement (IETA)
- iii. Agreement for International Engineering Technicians (AIET)

**SACPCMP** entered into an agreement with the Royal Institute of Chartered Surveyors (RICS) which provides for qualifications of Registered Persons to be recognised in RICS-affiliated countries, subject to country-specific competency assessments.

The SACPCMP Council has also identified the American Council for Construction Education (ACCE) as a partner towards a world-first bilateral accord for construction education.

## 8. PROTECTING PUBLIC INTEREST

A code of conduct serves as a reference for professionals and provides a mechanism for addressing complaints and grievances. Individuals who believe a Built Environment Professional has violated the code of conduct can file complaints with the relevant professional council. Professional councils have disciplinary committees responsible for investigating complaints and taking appropriate actions, which may include warnings, fines, or even revocation of a professional's registration.

Sections 3(a) and (e) of the CBE Act impel it to:

*a) promote and protect the interests of the public in the built environment*

*(e) promote appropriate standards of health, safety and environmental protection within the built environment*

### 8.1 Improper Practice and Disciplinary Cases

In terms of section 28(1) of the professions' Acts of 2000 (section 29 in the instance of SACPVP), the relevant council for the profession must refer any matter brought against a registered person to an investigating committee contemplated in section 17 if—

- a) *the council has reasonable grounds to suspect that a registered person has committed an act which may render him or her guilty of improper conduct; or*
- b) *a complaint, charge or allegation of improper conduct has been brought against a registered person by any person.*

Similarly, section 30(1) of the professions' Acts of 2000 impels the CBEP to appoint a disciplinary tribunal to hear a charge of improper conduct.

To ensure the protection of consumers of built environment professional services, the CBEP have established complaints and disciplinary systems to maintain the quality of services to consumers and address unprofessional conduct by professionals.

#### Reasons for Disciplinary Measures

The CBEP may take disciplinary action against any registered person (RP) who is alleged to be in violation of any of the professions' Acts or who is thought to pose a danger to the public. Most complaints fall into the categories of "professional misconduct" or "unprofessional conduct", unsafe practice, and illegal or unethical behaviour.

The nature of complaints/disciplinary cases related to:

- a. improper conduct
- b. failure of RPs to perform professional services within a reasonable time frame
- c. competency/design errors
- d. non-compliance with the Code of Conduct
- e. candidate working for their own account
- f. rendering service as a professional, even when not registered
- g. RPs practicing during their suspension
- h. misrepresentation

#### Duration of Disciplinary Matters

Most cases took longer than 180 days to a year to reach finality. The challenges with this turnaround time were the following:

- (a) High cost of investigations and conducting disciplinary cases
- (b) Lack of legal resources within the CBEP, who must then source this expertise externally
- (c) People passing themselves off as RPs, and law enforcement agencies are not effective in dealing with these matters
- (d) Non-disclosure/Insufficient information on the Complaint Affidavit
- (e) Lack of cooperation from third parties
- (f) No committee member available for general advice



## General Penalties

Decisions by the CBEP to take disciplinary action impact a professional's ability to practice or hold oneself out as a RP. Specific actions that constitute penalties vary among the CBEP. The matter may be closed without sanction, or disciplinary action may be taken. If the matter is not closed without sanctions, punitive measures can take several forms and may be imposed in combination. Examples include:

1. **Reprimand or censure**—reprimand and censure are similar in that they are official records indicating that a licensee has been disciplined. They may, in themselves, not compromise one's ability to practice but may be imposed along with other penalties
2. **Citation**—the CBEP of the RP imposes a fine or order of abatement in lieu of making a formal accusation
3. **Cease and desist order**—an order to stop a particular activity or else face further penalty
4. **Warning**—this can be accompanied by stipulations or specific requirements
5. Mandated continuing education
6. Fine or civil penalty
7. **Remediation**—an attempt to correct practice and promote safety; it may define terms for the license to be reinstated in good standing
8. Referral to an alternative-to-discipline programme
9. **Probation**—a period of time during which the RP may/may not be permitted to practice. If permitted to practice during the period of probation, it is with terms and conditions or restrictions
10. **Suspension**—a period of time during which a RP may not practice or hold him/herself out
11. Interventions

## Complaints Received by the CBEP

The following complaints were received by the CBEP during the 2024/25 financial year:

**SACAP** received a total of 189 complaints during the year review; all remain under investigation. All complaints against unregistered persons are referred to the South African Police Services (SAPS) and National Prosecuting Authority (NPA):

- 46 cases were referred to the SAPS for criminal investigations
- 11 cases are pending referrals and are still within 60 days
- 43 matters were scheduled for hearings before the Disciplinary Tribunal

The nature of the complaints included the following amongst others:

- (a) Performing architectural work for the public while not registered with SACAP
- (b) RPs practising during a period of imposed suspension
- (c) Failure to perform work for a client within a reasonable time frame
- (d) Misrepresentation
- (e) Failure to attend to the amendments on the drawings as requested by the local authority
- (f) Failure to submit drawings to the local authority for approval
- (g) Failure to perform as per the appointment by the client

The outcomes of the 43 matters heard before the Disciplinary Tribunal were as follows:

- 37 cases were finalised with guilty verdicts
- 1 case is pending a Tribunal ruling
- 4 cases were postponed
- 1 case was withdrawn (deceased)

The SACAP Council achieved 86.05% guilty verdicts on the 43 matters referred to the Disciplinary Tribunal.

**ECSA** received 47 complaints related to ethical and technical issues. Of these, 8 were finalised within the stipulated timeframe. This suggests that only 17% of complaints were finalised on time, raising concerns about procedure efficiency and case management.

**SACPCMP** received one complaint during quarter four of the financial year related to misconduct by a registered person, which is still in progress. In addition, five matters were due for hearing before the Disciplinary Tribunal, two of which were set down for hearing during the financial year:

- 1 case was postponed to the first quarter of the 2025/26 financial year
- 1 case was finalised with a reprimand and fine of R3000 in terms of section 32(3)(a)(i) of the Act

**SACQSP** received 13 complaints during the financial year. Of these, two were finalised within 90 days, while the remaining 10 are in progress. This translates to 20% of complaints finalised on time, raising concerns about procedure efficiency and case management. The nature of the complaints included the following amongst others:

- Breach of the code of conduct, candidates not supervised, poor quality work, fraud, and misrepresentation
- Contravention of the SACQSP Act 49 of 2000 – clause 18(1)

The nature of complaints received by the professional councils indicates a high volume in the areas of breach of code of conduct, fraud and corruption, misrepresentation, and poor-quality work. This suggests possible regulatory weaknesses, gaps in enforcement, and systemic regulatory oversight failure.

## **9. BUILT ENVIRONMENT HEALTH AND SAFETY**

Health and safety considerations are of paramount importance in the Built Environment Professions. Professionals in these fields have a responsibility to ensure the safety and well-being of workers, occupants, and the public throughout the various stages of a project's life cycle.

Health and safety regulations and standards vary by jurisdiction but generally encompass areas such as construction site safety, occupational health, fire safety, and building regulations. Built Environment Professionals must be aware of and comply with relevant legislation, codes, and standards to mitigate risks and create safe environments.

Professionals involved in design, construction, and management must demonstrate a comprehensive understanding of health and safety principles. They should integrate safety considerations into their designs, develop risk assessments, implement safety protocols, and monitor compliance during the construction and operation phases. Ongoing training and professional development in health and safety practices are crucial to ensure professionals stay updated on emerging risks and best practices.

Additionally, professionals may be required to engage with other stakeholders, such as health and safety officers, regulatory authorities, and clients, to ensure that health and safety standards are met and maintained throughout the project lifecycle.

Section 3(e) of the CBE Act impels it to *promote appropriate standards of health, safety and environmental protection within the built environment*. The CBE Act does not, however specify policy instruments to achieve appropriate standards of health and safety and environmental protection, as these lie with other government line functions such as the Department of Labour and Employment's Construction Regulations, the Departments of Environmental Affairs and Trade and Industry (SABS – South African Bureau of Standards and NRCS- National Regulatory for Compulsory Specifications). This limits the role of the CBE to a facilitative one. However, a direct role for the CBE is in influencing the knowledge base of BEPs through the curricula of the BE and CPD programmes to incorporate substantive health and safety and environmental sustainability knowledge to increase their competence in these areas.

The CBEP did not report any health and safety issues for the year under review.

## 10. SUSTAINABLE AND INTEGRATED DEVELOPMENT

### 10.1 Identification of Work

The CBEP are required to consult all voluntary associations (VAs), any person, body or industry regarding the Identification of Work (IDoW) which may be performed by persons registered in their specific professions. After the consultation process, the council must submit its recommendations to the CBE regarding the work identified in terms of subsection (1), for its consideration and identification in terms of section 20 of the CBE Act. The scoping of work is determined after consultation with the Competition Commission of South Africa (CCSA) and in consultation with the six CBEP.

In 2012, the CCSA rejected applications on behalf of the CBEP to have identification of work exempted from the provisions of the Competition Act (Act 89 of 1998). This decision by the CC obliged the CBE and CBEP to reconsider how work was initially identified in the submitted exemption applications. A workshop, conducted between the CBE, CBEP and DPWI produced an IDoW Action Plan, focusing on the CBE's statutory role and the CCSA's concerns. The CCSA's concerns were identified in its substantial reasons for rejecting one application, with an assurance that the reasons will be the same for all applications.

In 2019, following the rejection of the exemption application by the CCSA, all CBEP, through the CBE, published their identification of work documents. In the 2020/21 financial year, there were engagements between the CBE, CBEP, DPWI and the CCSA on the requirements for the development of the IDoW policy by the respective CBEP and the role of the CCSA in this regard. The CBE gazetted the IDoW, which is critical to guide the six CBEP to develop their rules to enable them to regulate their registered Built Environment Professionals.

During the 2024/25 year, the CBE developed an IDoW protocol in consultation with the professional councils- section 20 of the CBE Act and sections 26/27 of the CBEP legislation provide for the intersectionality of the roles and functions of these entities in developing the IDoW for every category of registered persons. The protocol is aimed at providing guidance on processes to be followed by CBEP when they develop and implement the IDoW to ensure compliance and consistency in the application of the relevant legislative prescripts.

The CBEP are at various stages in developing their IDoW. The status for each CBEP is as follows:

**SACAP** - has developed and finalised its IDoW published by CBE in 2019. In April 2021, SACAP published its IDoW policy that introduced the type of architectural work for each identified category. The SACAP IDoW also introduces RPL, special consent and Limited Special Dispensation (LSD). It further outlines the process for applying for special consent and the limited special dispensation. Following the publication of its IDoW, SACAP entered into a Memorandum of Understanding (MoU) with the CCSA on matters relating to, among other matters, its IDoW and the Guideline Professional Fees (GPF).

During the 2024/25 financial year, SACAP undertook to review its IDoW rules in consultation with the CBE, its registered persons, VAs, and ALSs, currently in progress. The reviewed IDoW will be published accordingly upon completion of this consultation.

**SACLAP** is still to develop its IDoW policy to give effect to the scoped work for each category of registration.

**ECSA's** gazetted its IDoEW in 2021. The Council accordingly undertook the consultation of stakeholders including VAs, CBE, BEPC, CCSA and so forth to create awareness and solicit input for regulatory refinement. The IDoEW will thus be operational and enforceable once approved by the ECSA Council. The enforcement mechanisms have been developed and communicated with the sector.

**SACPCMP** resolved to implement the CBE Policy on IDoW by engaging SACAP's best practice strategy. In this regard, the SACPCMP Council has established an IDoW task team and continues to engage the CCSA to bridge the impasse.

**SACQSP's** Council approved its reviewed IDoW policy in 2021 to engage with the CCSA on competition issues. As per section 20(1) of the CBE Act, SACQSP will undertake consultations with relevant stakeholders (BE professions, VAs, CBE etc.).

The CBEP reports on IDoW reveal a huge gap in its development and implementation. Two CBEP (SACAP and ECSA) have completed the processes necessary for implementation, while the remaining four are at different stages of the development process. The prolonged publication of the IDoW regulation has been flagged as a common challenge across the CBEP.

## 10.2 Professional Fees

Fees charged by professionals in the Built Environment vary depending on factors such as experience, scope of work, and location. Professions have standardised fee structures established by the relevant professional council. These fee structures help ensure fairness and transparency within the industry.

Section 4(k)(v) of the CBE Act empowers it to *ensure the consistent application of policy by the councils for the professions with regards to the principles upon which the councils for the professions must base the determination of fees which registered persons are entitled to charge in terms of any of the professions' Acts, and in accordance with any legislation relating to the promotion of competition.*

In terms of section 34(1) of the professions' Acts of 2000, *"The council must, in consultation with the voluntary associations, representatives of service providers and clients in the public and private sector, formulate recommendations with regard to the principles referred to in section 4(k) (v) of the Council for the Built Environment Act, 2000."*

Section 34(2) of the professions' Acts of 2000 provides that *"The council must annually after consultation with the voluntary associations, representatives of service providers and clients in the public and private sector, determine guideline professional fees and publish those fees in the Gazette."*

At the beginning of 2013, the CBEP resolved not to publish professional fees, acting on the CCSA's advice that this was deemed anti-competitive behaviour. On this basis, an exemption application was submitted to the CCSA, which was rejected. This is expected to be the basis of an appeal headed by the CBE on behalf of the CBEP.

During the 2024/25 financial year, the CBE developed the Guideline Professional Fees protocol to address the requirements and process flow so that the CBEP comply with the CBE Act, 43 of 2000:

- Section 4(k)(v) - *the principles upon which the councils for the professions must base the determination of fees which registered persons are entitled to charge in terms of any of the professions' Acts, and in accordance with any legislation relating to the promotion of competition;*
- Section 4(r) – *review fees published by the councils for the professions to ensure the consistent application of the principles regarding such fees;*

The basis for determining and calculating professional fees for each professional council is outlined in the following:

**SACAP** undertook an annual fees survey, taking into consideration project complexity, building-cost indices and inflation figures. Currently, SACAP professional fees are calculated either as a percentage of project cost or an hourly/time-based rate.

**SACLAP's** Professional Practice Committee resolved to develop a new guideline fees framework. At present, the calculation of professional fees is based primarily on the cost of the project and time-based rates.

**ECSA** has continued to apply its Professional Guideline Fees as gazetted in March 2021, following consensus reached with the CCSA. This consensus has enabled the publication of updated fees in the May 2025 Gazette. Furthermore, agreement has been reached for the annual publication of these fees going forward, in accordance with the requirements of the Engineering Profession Act.

**SACQSP's** guideline tariff of professional fees scale was published in the Government Gazette on 21 February 2025.

The professional councils must publish fee guidelines, under their respective Acts, but this practice may contravene the Competition Act, highlighting a conflict between the two laws.

### 10.3 Voluntary Associations

In South Africa, a Voluntary Association (VA) is any association that is recognised as such by a CBEP. An association is broadly defined to include an institute, institution, association, society, or federation established by Built Environment practitioners to promote their collective professional and/or business interests. Their initial and continuing recognition is dependent on their adherence to policy prescripts of the associated council for the profession on VAs.



VAs are an important constituent of the Built Environment professional milieu as a repository of profession-specific technical knowledge. They are highly involved in CPD activities and in developing qualifications. Their recognition is important and should be encouraged since they play the following critical roles such as:

- i. Provide a pool of practitioners to serve on professional councils' committees
- ii. Play the role of competency assessment (assessors) in the registration process
- iii. Provide a pool of mentors for candidate professionals
- iv. Serve as members of evaluation committees for programme accreditation at higher education institutions which offer Built Environment qualifications

**Table 36: Status of Voluntary Associations**

CBEP	VAs Recognised	VAs Not Recognised
SACAP	16	0
SACLAP	3	1
ECSA	51	0
SACPCMP	12	3
SACQSP	1	1

Source: CBEP 2024/25 Reports

#### Reasons for Non-Recognised Voluntary Associations

- i. Do not meet minimum guideline requirements
- ii. Non-renewal



# NOTES

C | B | E

COUNCIL  
FOR THE BUILT  
ENVIRONMENT

















Scan QR code to CBE website

**COUNCIL FOR  
THE BUILT ENVIRONMENT**

Lourie Place, 2nd Floor  
Hillcrest Office Park  
179 Lunnon Road  
Hillcrest  
Pretoria

Tel: +27 12 346 3985

Email: [info@cbe.org.za](mailto:info@cbe.org.za)

Website: [www.cbe.org.za](http://www.cbe.org.za)

RP: 413/2025

ISBN: 978-1-83491-407-7



YouTube

