



# ANNUAL PERFORMANCE PLAN 2017/18





# **COUNCIL FOR THE BUILT ENVIRONMENT**

## **ANNUAL PERFORMANCE PLAN**

**For the Financial Year**

**2017 - 2018**

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## Contents

Glossary .....	3
Tables and Figures.....	5
Message from the Minister of Public Works.....	6
Message from the Chairperson of the Council.....	7
<b>PART A: STRATEGIC OVERVIEW .....</b>	<b>9</b>
1. Strategic outcome oriented goals.....	10
2. Legislative mandates.....	13
3. Revisions to legislative and other mandates.....	13
4. Relevant court rulings .....	13
5. Updated situational analysis.....	13
5.1 External environment .....	13
5.2 Performance environment .....	19
5.3 Organisational environment .....	22
5.4 Description of the strategic planning process.....	24
5.5 Overview of the 2017 budget and MTEF estimates .....	24
<b>PART B: PROGRAMMES AND OBJECTIVES .....</b>	<b>27</b>
Programme 1: Administration .....	28
Programme 2: Skills for Infrastructure Delivery.....	29
Programme 3: Built Environment Research, Information and Advisory .....	30
Programme 4: Regulation and Oversight of six BEPCs.....	31
Programme 5: Government Policies and Priorities .....	33
<b>PART C: LINKS TO OTHER PLANS .....</b>	<b>55</b>
<b>PART D: TECHNICAL INDICATORS .....</b>	<b>57</b>
Programme 1: Administration .....	58
Programme 2: Skills for Infrastructure Delivery.....	58
Programme 3: Built Environment Research, Information and Advisory .....	60
Programme 4: Regulation and Oversight of six BEPCs.....	60
Programme 5: Government Policies and Priorities.....	62
Annexure A.....	63
Programme 1: Administration .....	63
References.....	66

## Glossary

### Acronyms and Abbreviations

<b>Act</b>	The CBE Act
<b>APP</b>	Annual Performance Plan
<b>BE</b>	Built Environment
<b>B-BBEE</b>	Broad Based Black Economic Empowerment
<b>BEP/s</b>	Built Environment Profession/als
<b>BEPC/s</b>	Built Environment Professional Council/s
<b>CBE</b>	Council for the Built Environment
<b>CC</b>	Competition Commission
<b>ccma</b>	Commission for Conciliation, Mediation and Arbitration
<b>CEO</b>	Chief Executive Officer
<b>CETA</b>	Construction Education Training Authority
<b>CHE</b>	Council on Higher Education
<b>cidb</b>	Construction Industry Development Board
<b>Council</b>	The appointed members of the CBE Council
<b>CPD</b>	Continuous Professional Development
<b>DHET</b>	Department of Higher Education and Training
<b>DPSA</b>	Department of Public Service Administration
<b>DPW</b>	Department of Public Works
<b>GIS</b>	Geographic Information Systems
<b>IDoW</b>	Identification of Work
<b>IDMS</b>	Infrastructure Delivery Management System
<b>ICT</b>	Information and Communications Technology
<b>IT</b>	Information Technology
<b>JSE</b>	Johannesburg Stock Exchange
<b>Manco</b>	Management Committee
<b>Minister</b>	Minister of Public Works
<b>MISA</b>	Municipal Infrastructure Support Agency
<b>MoA</b>	Memorandum of Agreement
<b>MoU</b>	Memorandum of Understanding
<b>MTEF</b>	Medium Term Expenditure Framework
<b>MTSF</b>	Medium Term Strategic Framework
<b>NDP</b>	National Development Plan
<b>NSC</b>	National Senior Certificate
<b>OCPO</b>	Office of the Chief Procurement Officer
<b>OSD</b>	Occupation Specific Dispensation
<b>PAJA</b>	Promotion of Administrative Justice Act
<b>PDI/s</b>	Previously Disadvantaged Individual/s
<b>PICC</b>	Presidential Infrastructure Coordinating Commission
<b>PFMA</b>	Public Finance Management Act, 1999 (Act 1 of 1999)
<b>PMTE</b>	Property Management Trading Entity
<b>PoE</b>	Portfolio of Evidence

<b>SETA</b>	Sector Education and Training Authority
<b>SOE/s</b>	State Owned Entity/ies
<b>SIPDM</b>	Standards for Infrastructure Procurement and Delivery Management
<b>SIPs</b>	Strategic Infrastructural Projects
<b>SONA</b>	State of the Nation Address
<b>SOP</b>	Standard Operating Procedure
<b>Stats SA</b>	Statistics South Africa
<b>ToR</b>	Terms of Reference
<b>UoT</b>	University of Technology
<b>WAN</b>	Wide Area Network

### Committees of Council:

<b>ARC</b>	Audit and Risk Committee
<b>BEMC</b>	Built Environment Matters Committee
<b>EXCO</b>	Executive Committee
<b>FHLC</b>	Finance, Human Resource and Legal Committee

### CBE Programmes:

<b>Programme 1</b>	Administration (formerly Government Policies and Priorities)
<b>Programme 2</b>	Skills for Infrastructure Delivery
<b>Programme 3</b>	Built Environment Research, Information and Advisory
<b>Programme 4</b>	Regulation and Oversight of six BEPCs
<b>Programme 5</b>	Government Policies and Priorities (formerly Programme 1)

### Built Environment Professional Councils (BEPCs):

<b>ECSA</b>	Engineering Council of South Africa
<b>SACAP</b>	South African Council for the Architectural Profession
<b>SACLAP</b>	South African Council for the Landscaping Architectural Profession
<b>SACPVP</b>	South African Council for the Property Valuers Profession
<b>SACPCMP</b>	South African Council for Project and Construction Management Professions
<b>SACQSP</b>	South African Council for the Quantity Surveying Profession

### Definitions:

<b>Candidate</b>	Graduate who requires workplace training to enable him/her to register as a fully-fledged BE professional.
<b>GDP (Gross Domestic Product)</b>	The gross domestic product is one of the primary indicators used to gauge the health of a country's economy. It represents the total dollar value of all goods and services produced over a specific period; therefore you can think of it as the size of the economy.
<b>IDoW (Identification of Work)</b>	Work that is ring fenced, only to be undertaken by suitably qualified and registered professionals within the South African BE categories.
<b>Intern</b>	Undergraduate from a University of Technology, who requires workplace training to complete his/her academic qualifications.

## Tables and Figures

### Tables

Table	Caption	Page
1	Strategic outcome oriented goal 1	10
2	Strategic outcome oriented goal 2	10
3	Strategic outcome oriented goal 3	11
4	Strategic outcome oriented goal 4	11
5	Strategic outcome oriented goal 5	12
6	Economic outlook in heavy construction companies, 2015	14
7	Key challenges in the performance, development and growth in the construction industry	16
8	Imminent risks for performance, growth and development in the construction industry	16
9	CBE's staff establishment, in line with the 2016/17 approved organogram	22
10	Expenditure per CBE Programme	25
11	Sources of income and disbursement	26

### Figures

Figure	Caption	Page
1	Actual construction expenditure compared to forecasted expenditure	14
2	CBE staff organogram	23

## Message from the Minister of Public Works

The Department's key responsibility to the Council for the Built Environment (CBE) is to finalise the built environment policy review process. A reviewed built environment legislative landscape should strengthen and clarify the CBE's oversight role over the Built Environment Professional Councils (BEPCs).

The important message in the Medium Term Strategic Framework (MTSF) for the Department and its entities is to ensure a contribution to Government's radical economic Transformation Agenda. This is about placing the economy on a qualitatively different path that ensures a more rapid and sustainable growth, higher investment, increased employment, reduced inequality and a deracialised economy. The CBE and the BEPCs should focus their contributions to the national priorities of Government, as outlined in the State of the Nation Address (SONA) commitments, MTSF and other newly identified priorities. Strategies to enhance income generation and cost savings, within the parameters of the Public Finance Management Act (PFMA) and Treasury Regulations and directives, are supported and encouraged. I will be monitoring the implementation of the cost containment plan of the CBE, to ensure that we get value for money for all of projects outlined in this Annual Performance Plan (APP).

The CBE and the BEPCs are vital in capacitating both the public and the private sector to address the demand for scarce skills in the built environment (BE). This would be addressing Outcome 5, which demands a skilled and capable workforce to support an inclusive growth path. The CBE is entrusted with ensuring that graduates of the post-school system have adequate skills and knowledge to meet the current and future needs of the economy and society. Improvement of the turn-around time for professional registration of candidates is similarly important to address the skills gap.

In addressing the socio-economic challenges facing our nation, I am in support of the CBE Maths and Science programme that assists African learners to improve their grades, in preparation of possible careers in the built environment. A learner who partook in the CBE's Maths and Science Programme obtained seven distinctions, and is enrolled with the University of Cape Town to study Mechanical Engineering.

The CBE, with the support of the DPW, will also continue to implement programmes in pursuance of its Skills Pipeline Strategy, and working through the Transformation Steering Committee, will continue to drive Transformation within the BE.

The implementation of the cost containment plan will be carefully monitored to ensure that operational costs are curtailed, non-essential expenditure is eliminated and the best value for money is attained for all projects outlined in this APP. In this regard, it will be ensured that all relevant stakeholders take cognisance of the current economic realities and increase efforts to create efficiency in expenditure.

I urge the entities to address the involvement of professionals in collusive practices, as revealed by an investigation of the Competition Commission.

As the Executive Authority, I take this opportunity to endorse this Annual Performance Plan and provide my assurance that I am committed to oversee its implementation.



**Honourable T.W. Nxesi (MP)**

Minister of Public Works

## Message from the Chairperson of the CBE Council

The CBE in, the new financial year, will continue to drive initiatives that are contributing towards Outcomes 5 and 6 of the government priorities. These are aimed at delivering on an efficient, competitive and responsive economic infrastructure network in support of the implementation of the National Development Plan (NDP).

Transformation of the built environment remains one of the key challenges and one of the priority areas for the CBE. Therefore, one of the key milestones for the CBE for the 2017/18 financial year is the Transformation Indaba, that is being led by the Transformation Steering Committee. This Indaba will bring together built environment stakeholders to jointly commit to the transformation initiatives that will move the nation forward and set a common agenda which seeks to integrate the transformation efforts of all stakeholders in the built environment. The CBE Council is fully committed to providing leadership and direction to the organisation to ensure the realisation of the Transformation agenda of the built environment.

The CBE is committed to strengthening partnerships with the DPW and other government departments, state owned entities, tertiary institutions, private sector and the Built Environment Professional Councils to ensure that it delivers on its mandate and effectively facilitates participation by the built environment professions in integrated development in the context of national goals. A number of initiatives have been embarked on with the full support of the Council of the CBE. One of the key milestones during the 2017/18 financial year will be the finalisation of the built environment policy review under the leadership of the DPW. The CBE will continue collaborating with its stakeholders in the areas of research, among other things, in order to contribute to the research output of the built environment. A number of Memoranda of Understanding have been concluded with tertiary institutions for collaboration in providing credible research output for the benefit of the built environment.

The CBE and the BEPCs will continue to promote on-going human resource development in the built environment, in partnership with the government and the industry. In this regard, the CBE will continue with initiatives, which contribute to human resource development for the built environment in general, and the Strategic Infrastructure Projects (SIPs) in particular. The Maths and Science support programme and the Structured Internship and Candidacy Programmes are some of the key initiatives the CBE will continue championing in the 2017/18 financial year. The promotion of built environment careers among the previously disadvantaged communities remains one of the initiatives to ensure human resource development and transformation of the built environment.

As an appeal body for the built environment professions, the CBE remains committed to providing leadership in the regulation of the BEPCs and professions in the interest of the public. In this regard, all appeals lodged with the CBE by the public will continue to be dealt with expeditiously to ensure effective protection of public interest. The CBE will continue to engage with the Competition Commission on the identification of work as a priority, to ensure that competent practitioners are held accountable and public interest is protected at all times.

On behalf of the CBE Council, I believe the CBE will continue fulfilling its mandate in the year ahead with the full leadership and support of the Council.



**Mr I. M. Nkosi**

Chairperson

Council for the Built Environment



## Statement of Responsibility

It is hereby certified that this Annual Performance Plan (APP) was developed by the CBE, under the guidance of the Minister of Public Works. It has been prepared in line with the current Strategic Plan of the CBE, and reflects the performance targets accurately which the CBE will endeavour to achieve, given the resources are availed in the budget for the 2017/18 financial year.



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### Mr C. Changfoot

Chief Financial Officer



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### Ms P. M. Mdlalose

Acting Chief Executive Officer



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### Mr I. M. Nkosi

Chairperson: CBE Council

Approved by:



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### Honourable T.W. Nxesi (MP)

Minister of Public Works



# PART A

## STRATEGIC OVERVIEW

## PART A: STRATEGIC OVERVIEW

### 1. Strategic outcome oriented goals

The strategic goals, together with the goal statements, justification and links to other Outcomes and the NDP, are outlined in the following tables.

**Table 1: Strategic outcome oriented goal 1**

<b>Strategic goal 1</b>	Provide support to CBE, thus contributing directly and indirectly to the delivery of all strategic outcome oriented goals of the CBE.
<b>Goal statement</b>	A capacitated organisation that is able to deliver on its mandate.
<b>Programme name</b>	Programme 1: Administration
<b>Link to national outcome(s)</b>	An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.
<b>Related strategic objectives</b>	Capacitate CBE to respond to Government priorities within the BE.

**Table 2: Strategic outcome oriented goal 2**

<b>Strategic goal 2</b>	A transformed BE with appropriate, adequate skills and competencies, responsive to the country's infrastructure delivery, operation and maintenance needs.
<b>Goal statement</b>	A well functioning BE skills pipeline that is demographically and gender representative, and supports national infrastructure delivery.
<b>Programme name</b>	Programme 2: Skills for Infrastructure Delivery
<b>Justification</b>	Strategic Infrastructure Projects (SIPs) form the core of Government's planned infrastructure delivery programme, and BE skills are at the centre of infrastructure delivery. Transformation and the lack of adequate technical skills is affecting the spending of infrastructure budgets, leading to lower economic growth and the perpetuation of poverty, inequality and unemployment. The Built Environment Professionals (BEPs) must reflect appropriate quality and quantity to meet the planned infrastructure delivery, operation and maintenance needs of the country whilst adhering to transformational targets.
<b>Link to national outcome(s)</b>	This Programme is responding to the following mandate of the CBE: <ul style="list-style-type: none"> <li>• Section 3 (c) promote ongoing human resource development in the built environment.</li> <li>• Outcome 1: Quality basic education</li> <li>• Outcome 4: Decent employment through inclusive economic growth</li> <li>• Outcome 5: Skilled and capable workforce</li> <li>• Outcome 6: An efficient, competitive and responsive economic infrastructure network</li> <li>• Outcome 14: Transforming society and uniting the country</li> </ul>
<b>Related strategic objectives</b>	Projects to support SIPs skills production and development initiatives for SIPs identified high demand skills (Engineers, Quantity Surveyors, Construction and Project Managers, Landscape Architects, Town Planners, Land and Engineering Surveyors and Geographic Information Systems [GIS] professionals).  Initiatives to implement the CBE Transformation Model as amended, to increase the representation of previously disadvantaged groups in the BEPs.  BE candidates / graduates and interns benefit from quality assured workplace training.

**Table 3: Strategic outcome oriented goal 3**

<b>Strategic goal 3</b>	An optimally functioning BE with a responsive and relevant policy and legislative framework, based on informed and researched positions.
<b>Goal statement</b>	Provision of informed and researched advice to Government and all sectors of the economy on BE priority matters identified in the MTSF, supported by a well-functioning and resourced BE research, knowledge management and information resource.
<b>Programme name</b>	Programme 3: Built Environment Research, Information and Advisory
<b>Justification</b>	Sections 4 a, d, and e of the CBE Act impel the CBE to offer advice to the Minister on BE matters, whilst the dynamic and changing BE sector requires regulatory intelligence to fine tune Government's planning and infrastructure investment.
<b>Link to national outcome(s)</b>	<ul style="list-style-type: none"> <li>• Outcome 4: Decent employment through inclusive economic growth</li> <li>• Outcome 7: Comprehensive rural development</li> <li>• Outcome 8: Sustainable human settlements and improved quality of house-hold life</li> <li>• Outcome 9: Responsive, accountable, effective and efficient local government</li> <li>• Outcome 10: Protect and enhance our environmental assets and natural resources</li> </ul>
<b>Related strategic objectives</b>	Provide informed and researched advice to Government on BE priority matters identified in the 2014-19 MTSF.

**Table 4: Strategic outcome oriented goal 4**

<b>Strategic goal 4</b>	BEPs that operate within a regulated policy and legislative framework.
<b>Goal statement</b>	BEPs that provide their services in an ethical and professional manner and are responsive to the country's national goals and needs, while complying with legislative requirements.
<b>Programme name</b>	Programme 4: Regulation and Oversight of six BEPCs
<b>Justification</b>	<p>1. The relevant sections of the CBE Act are:</p> <p>Section 3 (f) promote sound governance of the built environment professions.</p> <p>Section 4 (m) act as an appeal body with regard to matters referred to it in terms of the law regulating the BEPs.</p> <p>Section 4 (i) advise the councils for the professions on matters of national importance where the needs of State, as communicated to the council through the relevant Minister, require joint and co-ordinated action by the built environment professions.</p> <p>2. To ensure that the six BEPCs respond to DPW's concerns of:</p> <ul style="list-style-type: none"> <li>• Lack of alignment to government policy,</li> <li>• Lack of accountability to Government and Parliament through non-compliance with the Public Finance Management Act (PFMA), and</li> <li>• Strategic Plans and APPs not aligned to DPW's and CBE's, culminating in non-alignment and contribution to national priorities.</li> </ul>
<b>Link to national outcome(s)</b>	<p>1. This Programme is responding to the following mandates in Sections 20 and 21 of the CBE Act 43 of 2000.</p> <p>2. It is also contributing to the following outcomes of DPW:</p> <ul style="list-style-type: none"> <li>• Outcome 13: Social protection</li> <li>• Outcome 10: Protect and enhance our environmental assets and natural resources</li> </ul>
<b>Related strategic objectives</b>	<ul style="list-style-type: none"> <li>• To act as an appeal body on matters of law referred to it in terms of legislation regulating the BEPs, and to promote and enhance high standards of professional ethics within the BE.</li> <li>• Alignment, by the six BEPCs, with CBE's Corporate Governance Framework.</li> <li>• Adoption and implementation, by the six BEPCs, of the CBE Monitoring and Evaluation Framework.</li> </ul>

**Table 5: Strategic outcome oriented goal 5**

<b>Strategic goal 5</b>	A BE that is responsive to the developmental and economic priorities of Government.
<b>Goal statement</b>	A BE that is aligned with environmental, health and safety legislations, and contributes to service delivery, job creation, poverty alleviation and economic development.
<b>Programme name</b>	Programme 5: Government Policies and Priorities
<b>Justification</b>	<ul style="list-style-type: none"> <li>• Curricula and the education of BEPs, embodied in educational programmes, influence their knowledge in infrastructure design and its performance against the goals of health and safety, environmental sustainability and job creation through labour intensive construction. This becomes their contribution to job creation, poverty alleviation and sustainable economic development.</li> <li>• National standards set the conceptualisation and design parameters of infrastructure projects; therefore, it is imperative that they reflect adequate standards and performance criteria towards appropriate outcomes in health and safety, environmental sustainability and job creation through labour intensive construction, operation and maintenance.</li> </ul>
<b>Link to national outcome(s)</b>	<p>This Programme is responding to the following mandates of the CBE:</p> <ul style="list-style-type: none"> <li>• Section 3 (c) promote ongoing human resource development in the built environment.</li> <li>• Section 3 (d) facilitate participation by the built environment professions in integrated development in the context of national goals.</li> <li>• Section 3 (e) promote appropriate standards of health, safety and environmental protection within the built environment.</li> <li>• 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.</li> </ul> <p>It is contributing to the following outcomes of the DPW:</p> <p><b>Direct outcomes</b></p> <ul style="list-style-type: none"> <li>• Outcome 4 – decent employment through inclusive growth (Chapter 3 of the NDP)</li> <li>• Outcome 6 – an efficient, competitive and responsive economic infrastructure network (Chapter 4 of the NDP)</li> <li>• Outcome 12 – an efficient, effective and development orientated public service (Chapter 13 of the NDP)</li> </ul> <p><b>Indirect outcomes</b></p> <ul style="list-style-type: none"> <li>• Outcome 2 - A long and healthy life for all (Chapter 10 of the NDP)</li> <li>• Outcome 5 – A skilled and capable workforce to support an inclusive growth path (Chapter 9 of the NDP)</li> <li>• Outcome 8 - Sustainable human settlements and improved quality of household life (Chapter 8 of the NDP)</li> <li>• Outcome 10 - Protect and enhance our environmental assets and natural resources (Chapter 5 of the NDP)</li> </ul>
<b>Related strategic objectives</b>	BE academic curricula and Continuous Professional Development (CPD) programmes that embody issues of health and safety in construction, environmental sustainability and job creation through labour intensive construction, as well as the IDMS.

These strategic objectives are further developed into Programmes, whose components are outputs, performance indicators, projects and operational plans, as outlined in Part B.

## 2. Legislative mandates

The CBE executes its mandate derived from the CBE Act 43 of 2000, whilst being mindful of other legislations and policies regulating the industry.

## 3. Revisions to legislative and other mandates

There have been no significant revisions to the CBE's legislative and other mandates. DPW, however, began a review of the policy that informs the CBE legislation, during the 2016/17 financial year. This review will lead to a discussion document for amended built environment legislation. Given the protracted process of law making, this initiative is not envisaged to have an impact on the CBE's operations during the next financial year.

## 4. Relevant court rulings

No court rulings are applicable. The former chief executive officer (CEO) of the CBE lodged an unfair dismissal claim with the Commission for Conciliation, Mediation and Arbitration (CCMA). The matter has been enrolled for arbitration at the CCMA.

## 5. Updated situational analysis

### 5.1 External environment

#### 5.1.1 External economic and construction environment

The President has increased investment on infrastructure as a catalyst to boost the economy of the country. The Finance Minister, Pravin Gordhan in his 2016 budget speech allocated R879 billion to be invested in public infrastructure. Energy was allocated R70 billion in 2016 and R180 billion over the next three years (2017-2019). An amount of R292 billion was allocated for transport and logistics infrastructure over the next three years. Housing subsidy programmes were allocated R62 billion. R28 billion was allocated for improving health facilities and R54 billion was allocated for education infrastructure. The Presidential Infrastructure Coordinating Commission (PICC) coordinates the planning and implementation of Strategic Infrastructure Projects (SIPs) with the purpose of unlocking economic opportunities in all nine provinces. This kind of budget for infrastructure projects demands competent built environment professionals to drive this massive investment. Institutes of higher learning have to be positioned to deliver relevant skills that are aligned to the needs and priorities of Government. Practitioners need to be equipped with relevant skills such as labour intensive techniques to facilitate the implementation of public employment programmes such as Expanded Public Works Programme (EPWP). The CBE facilitates the participation of the registered professionals in these programmes by engaging the six BEPCs to introduce these programmes to institutions of higher learning and through their voluntary associations.

The construction industry is contextualised in terms of the forecast economic growth rate, market capitalisation of listed Johannesburg Stock Exchange (JSE) construction companies, both public and private sectors spending and performance indicators on construction. Growth was predicted to slow sharply in 2016 and recover only slightly in 2017 and 2018, with predicted gross domestic product (GDP) growth remaining below 2% until 2020<sup>1</sup> Statistics South Africa (Stats SA) (2016) reports a 10% decrease in turnover in the construction industry in the fourth quarter of 2015, with only a 2.8% decrease further in turnover in the construction industry in the first quarter of 2016. A dismal performance in 2015 as a result of the lack of recovery in the economy, low national infrastructure spend and low margins contribute to the bleak forecast for growth in the construction industry in 2017<sup>2</sup>.

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1 <http://www.tradingeconomics.com/south-africa/forecast>

2 Creamer Media (2016).

The construction industry is a major contributor to employment and growth in South Africa. During 2015, labour action, changes in the Broad Based Black Economic Empowerment (B-BBEE) charter in the construction industry and poor economic growth impacted negatively on the growth in the construction industry. Although government infrastructure development plans forge ahead, these have also declined since 2013, and are not predicted to significantly increase during 2016 or 2017. The economic performance of the construction industry has a direct impact on the built environment professions. The skilling of the young graduates depend on the availability of host employment for their work place training and mentorship by professionals. The growth of this economy enables the young professionals to be absorbed by the industry and encourages more to be attracted to these skills. The CBE works closely with this industry to ensure the placement of interns and candidates, to support them on their journey to professional registration.

### 5.1.2 Economic outlook in the construction industry

Compared to 2014, the revenue, profit, assets, and order books of the JSE listed heavy construction companies including Aveng, Murray & Roberts, WBHO, Raubex, Calgro M3, Group Five, Stefanutti Stocks, Basil Read and Esor decreased<sup>3</sup>. Table 6 shows more detail:

**Table 6: Economic outlook in heavy construction companies, 2015**

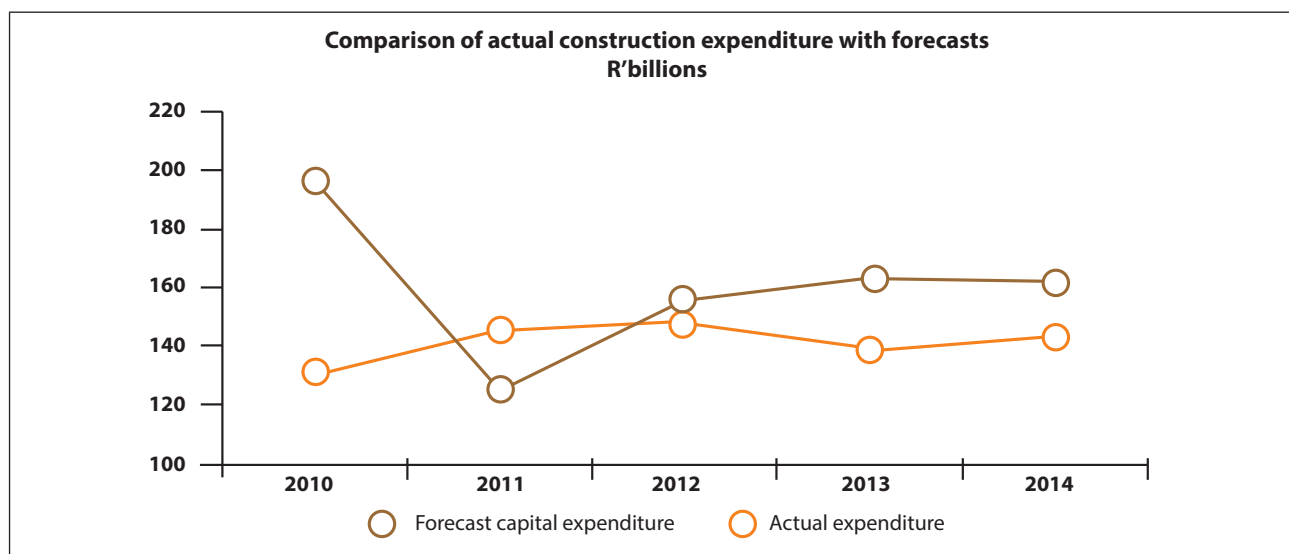
	Current year (2015) R' Billions	Prior Year (2014) Billions	Difference	% change
Total revenue	144.6	154.2	(9.6)	(6)
Net profit	1.1	2.4	(1.3)	(54)
Net operating cash flows	2.4	2.1	0.3	13
Distributions to shareholders	0.8	0.9	(0.1)	(11)
Total assets	90.6	93.1	(2.5)	(3)
Secured order book	171.2	178.2	(7)	(4)

#### 5.1.1.2 Market capitalisation

The economic outlook in the construction industry declined since 2012 with the Materials and Construction Index decreasing year on year. This is in sharp contrast to the All Share index that reached new record levels in 2015.

#### 5.1.1.3 Public sector spending

**Figure 1: Actual construction expenditure compared to forecasted expenditure**



<sup>3</sup> PwC (2015).

According to the PwC report (2015) public sector spending went up in 2014; however, the effective annual increase since 2010 is 2.3% per annum. Economic pressures have already impacted on the construction industry between 2010 and 2012 and although small increases have been highlighted, the trend is predicted to be slow or no increase, in line with the predicted economic growth for South Africa.

During 2015, capital expenditure in Eskom, Transnet and Sanral all decreased significantly, with no increase forecasted for 2017. A possible downgrade by Moody's Investor Service of several state owned entities (SOEs) such as Sanral, the IDC, Eskom, DBSA and Land Bank was highlighted in September 2016 and might lead to a further slowing of the economic growth and job creation. The SOEs form part of the CBE's partners in growing technical skills in this country. The decline in the economy will have a negative impact on the CBE skills development programme; however, these entities have the capacity to open up their training workshops in order to train graduates and artisans produced by government technical colleges.

#### **5.1.1.4 Private sector spending**

In line with the economic forecasts, private sector's spend, consisting of mining projects predominantly, has decreased significantly. However, the energy sector spend has shown promise of increase in 2016 and is forecasted to continue in that vein. Order books of the JSE listed heavy construction companies have decreased in line with the decreases in government infrastructure expenditure and broader economic growth. Commodity prices are expected to remain in a declining trend (PwC, 2015). Private sector is an important partner for bursaries for the Maths and Science learners enrolled with the CBE. A decline in this sector reduces funding to support the needy learners who are motivated to pursue built environment careers. The government is feeling the pinch of "#fees must fall" campaign, the private sector could offer support by taking care of the high performing learners who are in these technical careers which are highly needed by the country and the sector.

#### **5.1.1.5 Construction industry performance indicators**

The Construction Industry Development Board (cidb) undertakes an annual assessment of performance of the construction industry, focusing on the client, the client's agent or consultant, and contractors. In line with their mandate, this includes projects with an estimated spend of more than R200 000 in the public sector and above R10 million in the private sector.

In general, client and contractor satisfaction is good for most (82%) of projects evaluated. Profit margins increased during 2015 to more than 10% on 43% of the projects evaluated, and payment delays are still long, with 60% of contractors waiting more than 30 days for payment. In tender adjudication, quality of the tender was taken into consideration in 88% of the cases, and in only 9% of the public sector projects was the recommendations of the tender committee overruled (most often in the North West and Eastern Cape).<sup>4</sup> The CBE has established a partnership with the Office of the Chief Procurement Officer (OCPO) to support the implementation of the IDMS, which could help the public sector to improve on the payment of the service providers and the quality of the providers they use for their projects.

#### **5.1.1.6 Other Key challenges facing the BE sector**

One of the key challenges for the performance, development and growth of the construction industry identified by Windapo and Catell (2013)<sup>5</sup> was the increases in the cost of building materials. Several other challenges have also been identified and are highlighted in the following table:

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4 cidb (2015a).

5 Windapo and Catell (2013).



**Table 7: Key challenges in the performance, development and growth in the construction industry (Windapo & Cattell, 2013)**

No	Challenge	Sources
1	Public sector capacity	Mbande, 2010; Milford, 2010; SA Construction Industry Status Report [Stats SA], 2004
2	Mismatch between available skills and required skills	Mbande, 2010; CIDB, 2004; van Wyk, 2003
3	Globalisation/critical global issues	Lewis, 2007; Raftery et al., 1998
4	Procurement practices and the capacity for sustainable empowerment	Black Economic Empowerment [BEE] News, 2009; CIDB, 2004
5	Access to affordable mortgage/credit and interest rates	Tomlinson, 2010; van Wyk, 2003; Luus, 2003
6	Poverty	Mbande, 2010; van Wyk, 2004
7	Technology	CIDB, 2007
8	Availability of suitable land for construction	Boshoff, 2010; van der Merwe, 1997
9	Availability of infrastructure	CIDB, 2007
10	High rate of failure of enterprises	CIDB, 2004, van Wyk, 2003; 2004
11	Increases in the cost of building materials	The Bureau of Economic Research [BER], 2011; Stats SA, 2010; CIDB, 2004; van Wyk, 2003
12	Statutes and regulations	Stats SA, 2004

In the same vein, PwC (2016)<sup>6</sup> identified imminent risks for the construction industry, highlighting some of the same issues as identified by Windapo and Cattell (2013) above:

**Table 8: Imminent risks for performance, growth and development in the construction industry**

Challenge	Description
B-BEE and transformation	<p>B-BBEE codes gazetted in 2015 (May), changing calculation of B-BBEE calculation, points and levels. Resulting in:</p> <ul style="list-style-type: none"> <li>• a reduced ability to win tenders</li> <li>• an increased likelihood of client sanctions</li> <li>• an increased possibility of penalties on South African projects</li> </ul> <p>These changes may result in B-BBEE ratings for large scale listed, but also medium-sized unlisted companies to drop at least one level, at least until B-BBEE strategies can be re-assessed and addressed.</p> <p>Cidb (2016) mentions that an outcome of the Transformation summit in 2012 was that “the Construction Charter is an important instrument in furthering transformation, and its effectiveness needs to be examined.”</p>
Industrial action	<p>The potential of industrial action in South Africa has increased in the past number of years, with unrest lasting longer and occurring more often than in previous years. Labour action impacts on the ability of companies to complete projects, and puts them at risk of having to pay large penalties as a result.</p> <p>Monitoring and managing staff relations are therefore paramount.</p> <p>Khumo et al (2016) also highlight labour relations as a key aspect that undermines economic growth and job creation.</p>
Talent management and staff retention	<p>Skills shortages in the construction industry are still pronounced on all levels.</p> <p>Cidb (2016) states that “The supply and availability of skills underpins the ability of the construction industry to transform.” (p. 2), emphasising the need for a skills pipeline to be maximised from Basic Education upwards.</p>

<sup>6</sup> PwC (2016).

The challenges and risks provide an overview of the environment in which Government's priorities need to be implemented. Although these risks are on a macro scale, and do not all relate specifically to transformation, the skills shortage in the construction industry may prove to be a unique opportunity to improve transformation through the provision of specific and necessary skills that would improve employment numbers.

CBE continues to work with the public sector to ensure their competence to undertake infrastructural development projects, which calls on project management and other BE skills. This creates a platform for CBE's skills development initiatives to support municipalities' candidacy programmes for scarce skills. The CBE engages with different stakeholders to address the issues highlighted above. There are forums within the family of Public Works who meet to discuss interventions of the challenges facing the sector. The partnership with Municipal Infrastructure Support Agency (MISA) is one of those that were formalised to address sector challenges at municipal level. Through its Research and Policy Unit, the CBE is able to identify specific challenges faced by the industry and be able to advise the Minister accordingly.

### **5.1.2. Social Environment**

CBE's view of transformation is to effect change that improves the demographics of the six BEPCs and promote awareness of societal needs and pressures that are uniquely South African, in accordance with the principles enshrined in the Constitution. Currently, the BE profession does not represent the diversity of South African society. In March 2016, previously disadvantaged individuals (PDIs) still constituted only approximately 40% of the total number of registered persons in the six BEPCs, while female persons totalled only approximately 15%.

Minister of Basic Education, Angie Motshekga announced an increase in the number of learners who passed Maths and Science in 2015. The numbers in Maths increased from 120 523 in 2014 to 129 481 in 2015 (7.4%), whilst in Science it increased from 103 348 in 2014 to 113 121 in 2015 (9.5%). She indicated that out of 25 000 schools in South Africa, only 5 000 are well resourced to produce good results. There is, therefore, a call to support under resourced schools to give their learners the opportunity to achieve good Maths and Science results.

Many young higher education entrants have major gaps in Maths and Science. South African students have weak learning outcomes, which pose a major challenge for them to pass the National Senior Certificate (NSC) on the one hand, and meet the demands of higher education of international quality on the other. For instance, a significant proportion of students who pass the NSC have low scores in Maths and Science, which are key subjects for successful higher education studies in science, engineering and technology, business and management, among others. Improving the primary education quality is among the structural challenges facing South Africa's education system.

The CBE's Skills for Infrastructure Delivery programmes are geared at piloting interventions that can be rolled out nationally. Some of the interventions are already championed by other role players, so CBE's function is to coordinate these. Big on the CBE's calendar is the Transformation Indaba, which is aimed at bringing together both registered and un-registered practising built environment practitioners. Transformation is one of the key areas that could be used as a tool to bring about desired outcomes for the BE sector.

The CBE legislation places emphasis on facilitating the participation of the built environment professions in integrated development within the context of national goals. The Transformation Indaba would create a platform for the sector to be able to find each other and produce a charter that holds each other accountable for the public they serve. The CBE has managed to bring together key players who have drafted a Transformation Strategy that will inform other interventions in the built environment. The Transformation Indaba will be a mechanism to engage stakeholders on the Transformation Strategy and to source further inputs that will enrich the process.

Transformation also needs to be supported by substantial changes in design and application of policy. Policies would have to overcome the historically determined patterns of fragmentation and inequality, will have to be in line with Constitutional requirements, will have to support new ways of knowledge generation and assimilation, and they will have to address the priorities of Government as well as Constitutional obligations.

Transformation in the built environment must achieve the following outcomes:

- **A responsive built environment** – transformation within the industry is not only about progressive change in professional and regulatory practices: the ultimate goal is to ensure the responsiveness of the built environment professions industry to the broader national and public policy objectives and goals.
- **Increased participation of the previously marginalised groups in the built environment** – while the CBE’s view of transformation is based on qualitative reforms and changes, there is an aspiration to see a built environment industry that is truly representative of the demographics of the South African society. Increased participation of the previously marginalised groups in the industry, without any form of discrimination, prejudice and restrictions imposed, is one of the key objectives of the CBE. The statistics, as seen from the recent baseline study, indicate that the BEPs are transforming and becoming more representative of the demographics of the South African society. Although there are signs of improvement particularly in the candidature profile, this is not the case for all of the professions; additionally the CBE’s view is that the rate of change has been too slow.
- **Better cooperation between industry stakeholders** – in order to achieve the outcomes mentioned above, different working arrangements and relationships between all the built environment stakeholders must be established.
- **Better reporting mechanisms** – in order to adequately inform Government and to answer the question: what are we doing to transform the built environment and drive black economic empowerment?

### Skills Development and Employment Equity

The percentage of Black African professional, managerial and technical workers aged 25 to 34 has dropped by 2% over the past 20 years, leaving that generation less skilled than previous ones – and less skilled than every other race and age group, according to Stats SA. “When parents are better equipped than the children, it’s a sign of regression,” said Statistician-General Pali Lehohla during the release of ‘The Social Profile of Youth, 2009 – 2014’<sup>7</sup>, the first in a series on vulnerable groups.

The Stats SA research paints a bleak picture of failing policy interventions, particularly in education and youth employment. And this is not taking into consideration additional dynamics such as the research showing a stark decline in bachelor degree completion rates among black African and coloured students since the mid-1990s. In addition, Lehohla added, it remains twice as difficult for a Black African and Coloured graduate to secure a job than their colleagues graduating from the same university.

Jobs are linked to education levels, and little has changed since 2009. Those with not even a matric are most likely to remain unemployed – consistently at 57% in the five-year period under review – while those with matric recorded unchanged unemployment levels of 38%. This dropped to 1% among graduates in the period from 2009 to 2014, while those with other tertiary education other than university degrees dropped to 4% in 2014, slightly down from 5% in 2009.

Young people aged 15 to 34 continue to make up the bulk of the unemployed: two thirds, or 5-million, on the strict definition of being able, willing and actively seeking work, but not having a job. This rises to 75% on the expanded definition, which includes those too discouraged to try to find work, alongside those studying or doing unpaid work in the home like caring for the elderly or children.

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7 Stats SA research report (2016).

Thirty percent of South African employers cited the lack of industry-specific qualifications or certifications in terms of skilled trades as a challenge, while 26% mentioned a lack of candidate experience. Furthermore, 19% of employers identified organisational factors as an issue, while 15% cited industry-specific qualifications and certifications in terms of professionals as a challenge.

“South Africa’s continued skills deficit is being compounded by a lack of technical skills, which is having a negative impact on employment across many sectors of the country’s economy,” said Lyndy van den Barselaar, managing director of Manpower South Africa. “Furthermore, there is a high instance of poverty among South African youth, leaving millions unable to pursue secondary and tertiary education or training, which presents a challenge in terms of their skills development and employment prospects.”

The CBE Structured Candidacy Workplace training is an intervention to assist young African professionals to enter into the professional space. The BEPCs are also creating platforms to engage with the candidates to support them with their registration processes. The BEPCs have started to recognise prior learning of the technical people who have been practising, and have earned skills which would render them registrable with relevant councils.

## 5.2 Performance environment

### 5.2.1 Governance of the BEPCs

As a statutory entity established by the CBE Act, 2000 (Act 43 of 2000), the CBE has adopted Government’s planning, monitoring and evaluation framework, as a basis to inform its planning and monitoring processes. This has seen and resulted in the CBE receiving unqualified audits during the past years.

With regard to performance, the organisation continues to make significant improvements in areas of governance issues experienced by the six BEPCs. Progress is also noticeable in areas of alignment of the six BEPCs Strategic Plans and APPs with CBE’s and DPW’s priorities. The organisation is currently working with DPW to develop regulations for certain key public functions, in order to ensure compliance.

While the positives are noted, the CBE remains concerned about the Competition Commission’s (CC) decision on the Identification of Work (IDoW). The CBE filed exemption applications to the CC in terms of Schedule 1, Part A, read with Part B of the Competition Act for the six BEPCs. The applications were based on the premise that the IDoW is:

(1) necessary to maintain professional standards or the orderly function of the profession. The applications cited public health and safety risks, financial risks and information asymmetry between persons offering built environment professional services and final consumers; and

(2) provided for in the legislative framework of the built environment. In particular, the CBE relies on section 20 of the CBE Act, enjoining the CBE to identify the scope of work for every category of registered persons in consultation with the BEPCs and after consultation with the CC.

In January 2016, the CC rejected all five exemption applications submitted to it. The South African Council for the Architectural Profession (SACAP) elected to withdraw its application, and to replace it at a later stage with a re-worked version.

In refusing to grant the exemptions, the CC concluded that the IDoW, in its current form for the BEPCs, is likely to harm competition in the following ways:

1. **Restriction of competition between registered and unregistered persons.** The CC found that once the IDoW is implemented, unregistered persons would not be allowed to undertake work or offer services reserved for the persons registered with their respective BEPC. This exclusionary act will exist regardless of the academic qualifications, practical experience and skills acquired by the unregistered persons.

2. **Restriction of competition between persons registered in different professional councils within the CBE.** The IDoW identifies work reserved for persons registered with each member council of the CBE. To the extent that persons registered with other professional councils wish to compete with each other, they will only do so within the parameters of the MoU to be concluded between those professional councils.
3. **Restriction of competition between persons registered with the CBE and persons registered with other professional councils outside the BE.** Upon the implementation of IDoW, persons outside the built environment, but competent to undertake work reserved for persons within the CBE, would be prohibited from undertaking such work unless they register with the respective BEPC.
4. **Restriction of competition between persons registered with the CBE, but in different registration categories.** The IDoW creates different categories of registration and then allocate work to those categories. The CC found that once the IDoW is implemented, persons registered within specified categories of registration would not be allowed to undertake work outside their category of registration, even if they are competent to undertake such work.

Taking the predicted slow rate of economic growth in the wider economy and construction industry in particular into consideration, several risks have been identified by PwC (2015). These refer to the unpredictable impact of the 2015 changes in the B-BBEE Construction Charter, insufficient supply of the correct skills in the profession, labour action as a result of slow economic growth, referrals by the CC restricting progress on registration category definitions and upcoming reviews of the CBE Act and the six BEPCs in 2017.

The CBE is continuing to engage the Competition Commission to ensure that the reversal of their decision to reject the identification of work applications made by the professional councils through the CBE. The review of the CBE Act is seen as a positive step for the CBE and the BEPCs; the anticipation is that it will be more prescriptive on the role of the CBE as an overarching body.

### 5.2.2 Collaborations and partnerships

In executing its mandate, the CBE recognises the importance of cooperating with its stakeholders. The main challenge faced by the CBE is the responsiveness of stakeholders and the six BEPCs to its recommendations. CBE will collaborate and enter into inter-sectoral and inter-governmental partnerships, and develop Memoranda of Understanding (MoUs) with other Government departments, municipalities, and the private sector. In addition, CBE will continue to work with the BEPCs to ensure that their Strategic Plans and APPs align with the strategic outcomes of Government by 2018. CBE will also work with the six BEPCs to support their implementation programmes on the translation of Ministerial approved BE policies into rules by 31 March 2018. CBE will continue to facilitate the discussions with the CC and all affected built environment professional bodies on the issues of IDoW and the publication of professional fees.

National Treasury has become a key partner to CBE, a partnership to ensure that Government departments and industry align with Government's procurement systems.

The insufficient supply of skills demands that Government imports relevant skills from other countries. The CBE and the BEPCs will have to work closely with Government to ensure the rights skills are imported, there is a plan for skills transfer and registration processes are followed. Institutions of higher learning have to be encouraged and supported to produce correct skills required by the sector. The CBE is working with the Department of Higher Education (DHET) to ensure that there is an increase in the production of skills to support SIPs. The CBE and the BEPCs have to play their facilitation role to ensure that correct skills are sourced for the industry.

### 5.2.3 Business processes

In the last two years, the audit outcomes of the CBE reflected challenges, especially in the area of pre-determined objectives. The challenges relate to the planning and reporting of performance information, specifically:

- Setting achievable targets;
- Submitting portfolios of evidence (PoEs);
- Documenting reasons for deviations; and
- Developing specific and appropriate information systems to monitor the progress made towards achieving goals, objectives and targets.

The CBE, working together with the internal auditor, will continue to refine its performance information management processes. It will also focus on improving management through administrative practices and controls, reprioritising areas of intervention based on strategic impact and review the organisational structure and delegations to ensure alignment with the core business requirements. Standard operating procedures (SOPs) are under review to address issues raised in the 2015/16 financial year report.

Further to strategic formulation, the CBE reviews the implementation and control aspect of its strategy through monthly plans and review sessions by its management committee (Manco) and Council. CBE also has an Audit and Risk Committee (ARC) to monitor the scope and the effectiveness of the internal audit function.

### 5.2.4 Technological environment

Information Technology (IT) continues to be a challenge at CBE. In the past years, CBE lacked functional IT governance structures and processes. However, during the 2016/17 financial year, a draft IT Governance Framework and strategy was developed, in compliance with the Department of Public Service Administration's (DPSA's) corporate governance of Information Communications Technology (ICT). In order to mitigate some of the effects of the budget cuts envisaged over the MTEF, the CBE is in the final stages of obtaining approval for its ICT governance and equipment allocation policy. This will be implemented from 1 April 2017.

In addition, the CBE is in the process of revising its ICT disaster recovery plan, and will continue with its system testing to ensure business continuity, should it be required. This is to achieve an effective and efficient management of the IT resources and service delivery to support CBE's objectives. ICT Governance focuses on the following:

- Alignment between IT and business strategies;
- Maintain high-quality information to support business decisions;
- Generate business value from IT-enabled investment i.e. realise business benefits through effective and innovative use of IT;
- Achieve operational excellence through the reliable and efficient application of technology; and
- Risk management: safeguarding IT assets, disaster recovery and the continuity of operations.

### 5.3 Organisational environment

CBE continues to make a concerted effort to ensure that its structure is capable of achieving its strategic objectives and those of DPW. Key organisational focus areas over the medium term are:

- **Goal 1** - Provide support to CBE, thus contributing directly and indirectly to the delivery of all strategic outcome oriented goals of the CBE.
- **Goal 2** - A transformed BE with appropriate, adequate skills and competencies, responsive to the country's infrastructure delivery, operation and maintenance needs.
- **Goal 3** - An optimally functioning BE, with a responsive and relevant policy and legislative framework, based on informed and researched positions.
- **Goal 4** – BEPs that operate within a regulated policy and legislative framework.
- **Goal 5** - A BE that is responsive to the developmental and economic priorities of Government.

#### 5.3.1 Human resource management

The attraction and retention of the correct skills is an area in which the CBE intends to remain vigilant. An attraction and retention plan should be developed to address issues of succession, career-pathing, remuneration, reward and engagement strategies. A review of the current organisational structure was deemed strategic.

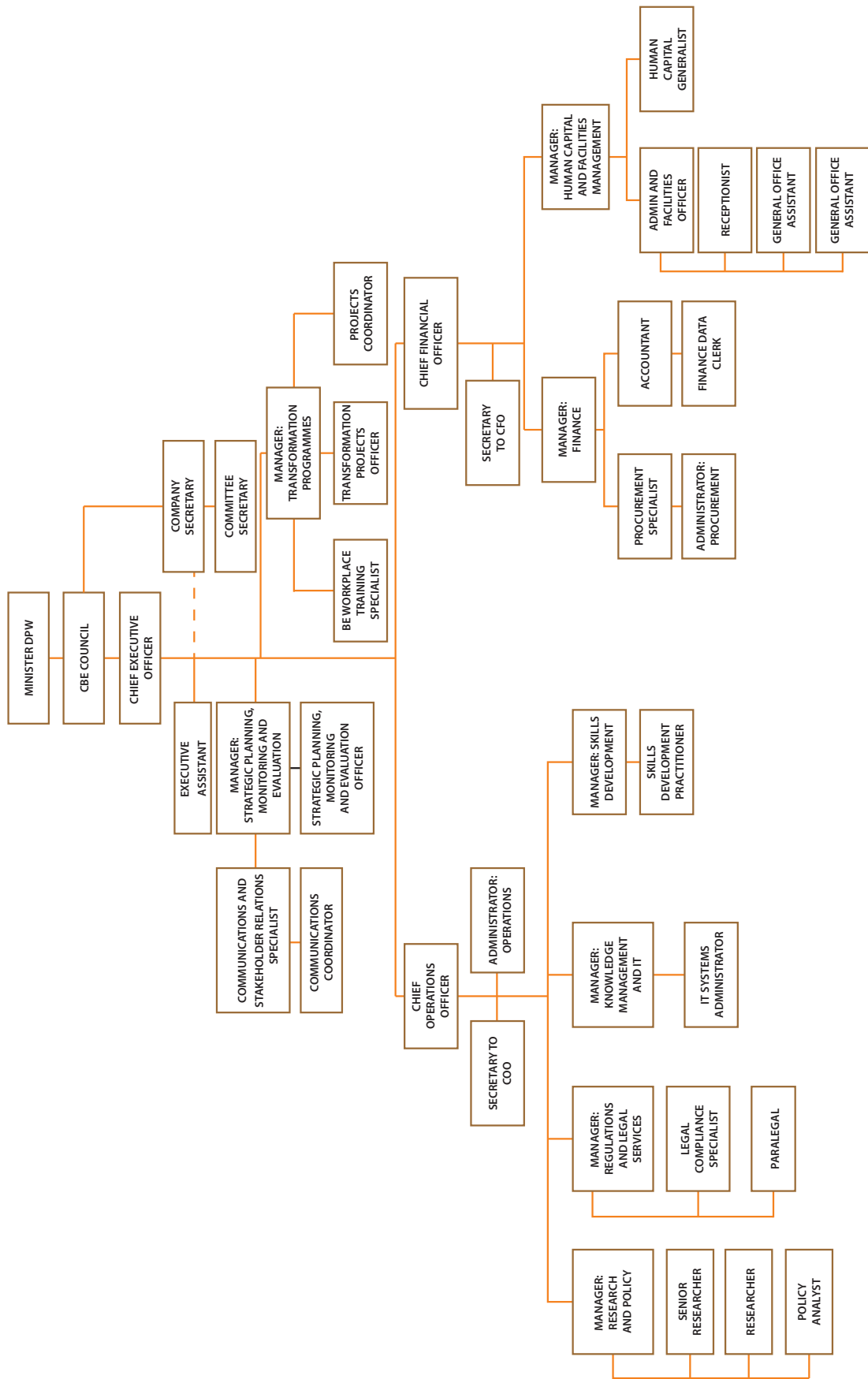
#### 5.3.2 Organisational structure

The CBE has a total staff establishment of 39; and the vacant positions will be filled in the new financial year. The suspension of the CEO remains unresolved at the time of preparing this 2017/18 APP.

**Table 9: CBE's staff establishment, in line with the 2016/17 approved organogram**

Salary Level	Filled posts	Vacant posts	Total establishment	Current Vacancy rate
01	1	0	1	0.00
02	-	-	-	-
03	1	-	1	0.00
04	-	-	-	-
05	0	1	1	1.00
06	2	0	2	0.00
07	2	1	3	0.33
08	0	0	0	-
09	3	1	4	0.25
10	6	1	7	0.14
11	1	2	3	0.67
12	5	0	5	0.00
13	8	1	9	0.11
14	2	0	2	0.00
15	1	0	1	0.00
16	-	-	-	-
<b>Grand Total</b>	<b>32</b>	<b>7</b>	<b>39</b>	<b>0.18</b>

Figure 2: CBE staff organogram





## 5.4 Description of the strategic planning process

CBE's 2017/18 APP, which covers the period 1 April 2017 to 31 March 2018, emanates from the CBE Strategic Plan 2015 – 2020.

This APP sets out CBE's intentions for the upcoming 2017/18 financial year and the MTEF period. It outlines performance indicators, targets, and budgets for Programmes to assist CBE in realising its goals and objectives, set out in its Strategic Plan 2015-20. It also includes a quarterly breakdown of performance targets for the period 1 April 2017 – 31 March 2018. In developing the 2017/18 APP, the CBE took cognisance of the SONA 2016 priorities, which are to resolve energy challenges, grow the ocean economy, and provide water, sanitation and transport infrastructure. This APP also considered the Minister's updated policy statement issued in June 2016, thus the CBE will continue to strengthen collaborations with Government departments and its entities tasked with delivering infrastructure, as well as with industry.

The MTSF (2014-19) states that the strategic priorities of the coming five years are to accelerate growth, create decent work and promote investment in a competitive economy. It goes on to state that the MTSF has two over-arching strategic themes: radical economic transformation and improving service delivery. In line with the outcomes based planning approach of Government, the MTSF (2014-19) has been expanded into 14 priority Outcomes, which cover the focus areas identified in the NDP and Government's electoral mandate. These are made up of the 12 Outcomes, which were the focus of the 2009-2014 administration, as well as two new Outcomes (social protection, nation-building and social cohesion).

The DPW, which is the Executive Authority of the CBE, contributes directly to MTSF Outcomes 4, 6, 7 and 12, and indirectly to Outcomes 1, 5, 8, 10 and 14, as identified by Minister Nxesi's Five Year Policy Statement and Vision for 2014-2019. The CBE contributes to Outcomes 4, 5, 6 and 12.

BEPs are important contributors to the development priorities of the State, supporting the 14 Outcomes of Government; especially to those which DPW has a direct or indirect contribution. In this regard, CBE's key priorities have been developed from the Minister's Five Year Policy statement and the strategic priorities identified by the fourth term CBE Council, at their inauguration on 5 September 2014.

The BE policy review on the proposed amendments of the BEPs Statutory Regulatory Framework, gazetted for public comment by DPW, presents an opportunity for the BEPCs and the CBE to re-establish their relevance as regulators of BEPs. The current legislation continues to provide the basis for the execution of CBE's Strategic Plan and the APP.

## 5.5 Overview of the 2017 budget and Medium Term Expenditure Framework estimates

### 5.5.1 Financial matters

CBE faces the ongoing challenge of executing its statutory mandates within an increasingly constrained fiscal environment. To this end, building an efficient CBE is therefore essential. Key elements in this drive are improvements to its organisational structure, stringent cost containment measures, effective governance systems and business processes and strategies to improve the delivery of its services, with a particular focus on meeting the CBE's core statutory obligations.

Some risks, prevalent in the delivery environment, that could affect CBE's delivery include:

- Poor coordination of various institutions and departments in the sector that could impact delivery against Government's outcomes; and
- Ineffectiveness in driving the Transformation Agenda, while growing a knowledge economy.

CBE, as a regulatory body, has a bigger role to play, particularly in ensuring that the regulatory instruments designed to protect and advance the interests of the public in the BE are functional, sound and applied consistently across the sector. In this regard, the CBE will work closely with Government and all key stakeholders to ensure that the Minister's priority of regulating and developing standards and best practice for the BE is achieved.

Good progress has been realised in the area of financial management, with the organisation receiving an unqualified audit opinion in the last four financial years. The CBE's budget for the 2017/18 financial year has been reduced, which will severely affect its operations. As a result, the CBE has implemented further cost-saving measures; however, the constrained budget and human resources impact negatively on its ability to discharge its function. In view of this challenge, it needs to prioritise and focus on specific areas that have potential for maximum impact.

**Table 10: Expenditure per CBE Programme**

Expenditure per Programme	Audited Outcome				Current year		Medium-Term Estimate		
	R in Thousands	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
<b>Programme 1:</b> Administration	15 278	15 539	16 747	30 081	24 803	38 068	40 286	42 517	45 062
<b>Programme 2:</b> Skills for Infrastructure Delivery	4 139	3 492	4 917	7 293	11 873	5 853	7 306	7 737	9 389
<b>Programme 3:</b> BE Research, Information and Advisory	7 913	6 548	8 875	2 217	4 736	2 335	2 480	2 626	2 773
<b>Programme 4:</b> Regulation and Oversight of six BEPCs	2 737	2 600	3 259	1 630	2 535	860	913	967	1 021
<b>Programme 5:</b> Government Policies and Priorities	-	-	-	-	-	-	444	470	497
<b>Total Expenditure</b>	<b>30 067</b>	<b>28 179</b>	<b>33 798</b>	<b>41 221</b>	<b>43 947</b>	<b>47 116</b>	<b>51 429</b>	<b>54 317</b>	<b>58 742</b>

**Table 11: Sources of income and disbursement**

Estimate per standard items	Audited Outcome					Current year	Medium-Term Estimate		
R in Thousands	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
<b>Revenue</b>									
Grant allocation	27 433	28 146	38 159	41 572	41 994	43 413	48 568	51 385	54 262
Interest	378	322	18	0	150	1 703	851	902	953
Levies	1 657	1 784	1 840	2 173	1 803	2 000	2010	2 030	2 144
<b>Total Revenue</b>	<b>29 468</b>	<b>30 252</b>	<b>40 017</b>	<b>43 745</b>	<b>43 947</b>	<b>47 116</b>	<b>51 429</b>	<b>54 317</b>	<b>57 359</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>30 067</b>	<b>28 179</b>	<b>33 798</b>	<b>41 221</b>	<b>43 947</b>	<b>47 116</b>	<b>51 429</b>	<b>54 317</b>	<b>58 742</b>
Compensation of employees	<b>14 140</b>	<b>13 707</b>	<b>16 228</b>	<b>16 600</b>	<b>19 330</b>	<b>25 026</b>	<b>26 878</b>	<b>28 867</b>	<b>31 003</b>
Salaries and wages	14 140	13 707	16 228	16 600	19 330	25 026	26 878	28 867	31 003
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	<b>15 927</b>	<b>14 472</b>	<b>17 570</b>	<b>24 621</b>	<b>24 617</b>	<b>22 090</b>	<b>24 551</b>	<b>25 450</b>	<b>27 739</b>
Agency and support / outsourced services	15 643	14 141	6 280	5 979	9 618	-	1 090	1 154	-
Communication	-	-	424	1 024	542	416	442	468	494
Computer services	-	-	1 026	1 774	1 010	245	813	861	909
Consultants	-	-	4 116	10 058	6 178	7 020	6 903	7 310	7 720
Lease payments	-	-	3 718	4 526	4 658	4 713	5 005	5 300	5 353
Repairs & Maintenance						19	20	21	22
Training and staff development						135	144	153	162
Travel and subsistence	-	-	1 506	1260	1580	1 999	2 123	2 248	2 374
Depreciation	284	331	500	-	-	-			
Other	-	-	-	-	-	7 543	8 011	7 935	10 705
<b>Total Expenditure</b>	<b>30 067</b>	<b>28 179</b>	<b>33 798</b>	<b>41 221</b>	<b>43 947</b>	<b>47 116</b>	<b>51 429</b>	<b>54 317</b>	<b>58 742</b>
Surplus/(deficit) for the year	<b>-599</b>	<b>2 073</b>	<b>6 219</b>	<b>2 524</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1 383)</b>

### 5.5.1 Relating expenditure estimates to strategic outcome-oriented goals

The focus of the MTEF will be on CBE's legislative mandate imperatives and the six BEPCs' responsiveness to the Government's developmental priorities. These are encapsulated in the MTSF's 14 priority Outcomes, in support of the NDP. Thus, it follows that the CBE's five strategic goals are rooted in these priority Outcomes, which have been converted into five APP Programmes, each with its relevant projects and budget.



# PART B

## PROGRAMMES AND OBJECTIVES

## PART B: PROGRAMMES AND OBJECTIVES

The composition of the Programmes has changed. The Administration component from the former Programme 1 (Government Policies and Priorities) now stands alone in a 'revised' Programme 1. The Government Policies and Priorities component of the former Programme 1 now stands alone in a 'new' Programme 5. Programmes 2, 3 and 4 remain as they were. Therefore, the revised Programmes are:

Programme 1: Administration

Programme 2: Skills for Infrastructure Delivery

Programme 3: Built Environment Research, Information and Advisory

Programme 4: Regulation and Oversight of six BEPCs

Programme 5: Government Policies and Priorities

### PROGRAMME 1: Administration

#### Three APP deliverables

The administrative function as a whole provides support to the entire CBE, thus contributing directly and indirectly to the delivery of all strategic outcome oriented goals. The focus areas are the ICT and financial support services. IT will continue to develop and deliver systems that are user-friendly and meet expectations of users. CBE is planning for an unqualified opinion, with no findings (clean audit). A financially unqualified opinion with no findings, commonly known as a clean audit opinion, is unqualified financial statements with no reported audit findings, in respect of either reporting on predetermined objectives or compliance with key legislation.

To achieve the above, Administration's targets will be the following:

#### **1.1 IT Governance Framework, in line with DPSA's Corporate Governance of ICT Policy Framework, implemented by 31 March 2018.**

This target is to enable and support CBE's business through policy and procedures, ICT infrastructure and Knowledge Management systems (electronic records, document management systems and archiving) that are compliant with IT governance policy framework.

#### **1.2 ICT Plan implemented by 31 March 2018.**

The target is to deliver business enabling ICT projects.

#### **1.3 An unqualified audit report, with no material financial findings, for 31 March 2018.**

The aim of this support function is to achieve a clean audit, through the implementation of sound financial management and internal controls.

#### **Programme 1: Budget Issues**

The budget for this Programme will increase by 1% during the 2017/18 financial year.

## **PROGRAMME 2: Skills for Infrastructure Delivery**

### **Six APP deliverables**

The strategic objective of Programme 2 is to drive and facilitate skills development and transformation in the BE. Additionally, this Programme will aim to translate the knowledge generated from its pilot projects into frameworks/action plans for large scale cooperative implementation or facilitation and assistance of such.

The initiatives of this Programme are detailed below:

#### **2.1 Two categories of high demand professions' implementation plans developed in support of Landscape Architect and Property Valuer professionals for SIPs by 31 March 2018.**

The CBE was appointed by the Department of Higher Education and Training (DHET) as the convener and coordinator of occupational teams for professionals and associate professionals in the BE. CBE's role in this platform is to support the resourcing of technical skills in the planned and ongoing 18 SIPs. In 2015/16, the project focused on Land and Engineering Surveyors and GIS professionals. In 2017/18, the project will focus on skills categories for Landscape Architects and Property Valuers.

#### **2.2 150 Grade 12 learners enrolled in a Maths and Science support programme by 31 March 2018.**

CBE's Maths and Science support programme started in the 2013/14 financial year. It seeks to improve the quality of Maths and Science throughput during the basic education phase. Initially it targeted disadvantaged learners from Grade 10-12 to improve their Maths and Science performance, as these are key entry subjects into BE qualifications and careers. The beneficiaries for the 2017/18 year will be Grade 12 learners, who have expressed interest to pursue a career in the built environment. CBE will engage with stakeholders who offer similar programmes, with the view to establish partnerships with them in order to increase the pool of grade 12 learners who will enrol in Built Environment tertiary studies.

#### **2.3 50 New intake of Candidates/BE graduates in workplace training by 31 March 2018.**

A document of intent with the Construction SETA, which is CETA (Construction Education Training Authority), launched this project during the 2014/15 financial year. A grant was disbursed to oversee the training of 50 BE candidates, implementing the CBE developed quality assured structured candidacy framework. In the 2017/18 financial year, CBE will build and strengthen partnerships with both DPW and the BEPCs who already have similar programmes in operation. The focus will be on consolidating efforts into a unified programme and defining the roles and responsibilities of all parties involved. The aim of this programme is to have an efficient system in place to enlist suitable and accredited mentors to guide candidates on their journey to registration. The CBE will work towards increasing the number of candidates in line with projected numbers, while simultaneously supporting all candidates currently in the programme.

#### **2.4 100 Interns placed for work integrated learning by 31 March 2018.**

A document of intent with CETA also launched this project during the 2014/15 financial year. A grant was disbursed to oversee the training of 100 BE interns implementing the CBE developed quality assured structured candidacy framework. This project is the intern training component of the structured workplace-training model. It entails supporting interns from the Universities of Technology (UoTs) to undertake workplace training, to complete the practical training requirement of their tertiary qualifications.

In the 2017/18 financial year, the CBE will build and strengthen partnerships with both the DPW and the BEPCs who already have similar programmes in operation. The focus will be on consolidating efforts into a unified programme and defining the roles and responsibilities of all parties involved. The aim of this programme is to have an efficient system in place to enlist suitable and accredited mentors to guide interns to complete the practical component of their tertiary qualification. CBE will work towards increasing the number of interns, in line with projected numbers, while simultaneously supporting all interns currently in the programme.

## **2.5 One oversight report on the Accredited Academic Programmes by the BEPCs by 31 March 2018.**

In this project, the CBE plays its oversight role during the accreditation visits undertaken by the six BEPCs. The monitoring tool used is based on the BE accreditation oversight framework programme, informed by the Council on Higher Education's (CHE's) 19 Accreditation Criteria principles.

## **2.6 Nine Provincial Public Works Departments engaged on the implementation of the CBE Structured Candidacy Framework by 31 March 2018.**

This project forms part of the CBE's response to strengthening the technical professional capacity of the public sector for infrastructure delivery. It focuses on facilitating partnerships to support technical capacity and links with the Minister's priority of capacitating the State. CBE will provide support on the structured workplace training for candidates employed by government departments and provide advice to the Minister, based on the engagements with partners and the roll out of the targeted capacity building interventions.

### **Programme 2: Budget Issues**

The budget for this Programme will increase by 6.6% in the 2017/18 financial year. The major cost drivers will be the following:

- Maths and Science support programme for Grade 12 learners and increasing awareness at school level of built environment professions as viable career choices; and
- Refinement of the pilot project on the integrated workplace training model for candidates and interns.

## **PROGRAMME 3: Built Environment Research, Information and Advisory**

### **Three APP deliverables**

The strategic objective of Programme 3 is for CBE to provide informed and researched advice to Government and the public on BE priority matters identified in the MTSF.

To achieve the above, the BE Research, Information and Advisory focus areas will be:

## **3.1 One report on initiatives to support infrastructure skills within Government by 31 March 2018.**

This project is another component of initiatives that seek to address technical skills capacity issues within the public sector. Information gathering began in the 2015/16 financial year, with the focus on the provincial departments. It continued into the 2016/17 financial year, with the focus on reviews in two national Government departments. The specifics of this project address critical issues such as service conditions and remuneration of BE technical skills/professions under the Occupation Specific Dispensation (OSD) as an important BE skills attraction and retention instrument in the public sector.

It will engage on the current OSD regime implemented in national departments involved with infrastructure delivery, and make necessary recommendations to ensure its effectiveness and sustainability in attracting and retaining BE skills in the public sector.

### **3.2 One research report on the state of readiness of municipalities to implement the Standards for Infrastructure Procurement and Delivery Management (SIPDM) by 31 March 2018.**

This project forms part of CBE's response to strengthening the technical capacity of both the public and private sector for infrastructure delivery. DPW has a mandate to oversee the delivery of infrastructure and asset management of the country, so partnerships with the BEPCs will strengthen the implementation of this initiative. The CBE is currently working closely with DPW's provincial departments in identifying their capacity needs and their readiness to implement National Treasury's Standard for Infrastructure Procurement and Delivery Management (SIPDM). This project will continue to provide the support required, and draw on the lessons learnt by the implementing departments.

### **3.3 Research report on analysis of the impact of CBE's Maths and Science support programme focusing on the built environment by 31 March 2018.**

The project will advise the Minister of Public Works and other infrastructure departments on the issues related to skills development intervention in the built environment industry.

## **Programme 3: Budget Issues**

Programme 3 will see an increase of 6.6% in its budget in 2017/18, with key cost drivers being the following:

- Research;
- Portal for research information;
- Knowledge and information gathering;
- Publications; and
- Stakeholder forums.

## **PROGRAMME 4: Regulation and Oversight of six BEPCs**

### **Six APP deliverables**

Programme 4 focuses on three strategic objectives:

- To act as an appeal body on matters of law referred to it in terms of legislation regulating the BEPs, and to promote and enhance high standards of professional ethics within the BE;
- Assessment of the six BEPCs compliance with the CBE's Corporate Governance Framework and the PFMA, the alignment of their policies with Ministerial approved policy Frameworks; and the
- Adoption and implementation of the CBE Monitoring and Evaluation Framework by the six BEPCs.

To achieve the above, the focus areas of Regulations and Oversight of the six BEPCs will be:



#### **4.1 Process and decide received appeals within the prescribed period of 60 days from lodgement.**

The aim of this target is to give effect to the provision of the Promotion of Justice Act (PAJA). Section 4 (m) of the CBE Act (the "Act") empowers the CBE to act as an appeal body with regard to matters referred to it in terms of the law regulating the BEPs. Section 21 of the Act empowers the CBE to constitute an Appeals Committee to decide an appeal within 60 days from its date of lodgement.

#### **4.2 Develop an IDoW Action Plan approved by Council by 31 March 2018.**

This project will facilitate the engagements between the CC and professional councils on IDoW. The six Professions Acts stipulate different categories of registration for professionals, thereby specifying the scope of professional practice. The IDoW policy formalises this specification of the scope of professional practice through section 26 of the six BEPCs Acts. Whilst the IDoW can be conceived as a professional practice scope boundary management system, it has other intended objectives. Its primary objective is the protection of the public, by ensuring that only suitably qualified and registered professionals practice within the South African BE in specific categories of work.

One of the unintended consequences of IDoW, as outlined by the CC, is that it effectively guarantees and protects the commercial fortunes of BEPs. It is a restrictive commercial practice, which is prohibited by Chapter 2 Part (A) section 4(1)(a) and Part (A) section 5(1) of the Competition Act, requiring the CBE to apply for exemption on behalf of the BEPCs to the CC.

#### **4.3 Review and align the CBE Corporate Governance Framework with the King IV principles of Corporate Governance, by 31 March 2018.**

Section 3 (f) of the Act impels the CBE to promote sound governance in the BEPCs. Thus, it developed a Corporate Governance Framework to assist the BEPCs in enhancing good governance in their operations.

#### **4.4 Assessment report on the six BEPCs Policies alignment with the seven (ministerial approved) Policy Frameworks, by 31 March 2018.**

Sections 3 (i), 4 (k) and 4 (o) of the Act mandate the CBE to ensure the consistent application of policy by the BEPCs. DPW has developed policy frameworks, approved by the Minister as the Executive Authority in this regard, for adoption and implementation by the BEPCs. The BEPCs are expected to align their policies with the principles contained in the Policy frameworks. The CBE will assess this alignment.

#### **4.5 50 Percent of the PFMA workshop outcomes implemented by 31 March 2018.**

This programme supports the CBE's mandate to promote sound governance of the built environment professions (see section 3(f)). The DPW *circa* 2012 required the six BEPCs to develop roadmaps towards compliance with the PFMA as a mechanism to enhance good governance. The six BEPCs are not listed as entities to comply with the PFMA, causing a contradiction between the 2012 requirement and the provisions of the PFMA. The annual target for this financial year will be to scrutinise the 2012 requirement in conjunction with the DPW, National Treasury and BEPCs, and to develop an action plan on the utilisation of PFMA principles to enhance good governance within the means of the BEPCs.

#### **4.6 The six BEPCs Strategic Plans, APPs and Annual Reports are submitted to DPW by 31 March 2018.**

This project seeks to ensure that the six BEPCs are on their path towards compliance with the statutory prescripts of Government's budgeting and planning/reporting requirements in their Strategic Plans, APPs and Annual Reports.

## **Programme 4: Budget**

The budget for Programme 4 will increase by 6.7% in the 2017/18 financial year. The major cost drivers will remain:

- the appeals function,
- information dissemination to the public, and
- IDoW activities.

## **PROGRAMME 5: Government Policies and Priorities**

### **Two APP deliverables**

The strategic objective of Programme 5 is to ensure that BE academic curricula and CPD programmes embody health and safety in construction; environmental sustainability; job creation through labour intensive construction and the IDMS.

#### **5.1 Implementation plan to incorporate health and safety, sustainability, labour intensive construction and the IDMS into BE academic curricula by 31 March 2018.**

The aim of this project is to ensure that BE programmes contain adequate coverage and content of health and safety requirements, sustainability, labour intensive construction and the IDMS in the design, construction, maintenance and disposal of infrastructure.

#### **5.2 A bench marking study on Transformation best practice by 31 March 2018.**

The purpose of this study is three fold:

- Firstly, to conduct a historical analysis on how Transformation was defined and dealt with since 1994 to present;
- Secondly, it is to conduct an analysis of similar local regulators in the country and how transformation is dealt with; and
- Thirdly, to look at international best practice;

It is anticipated that the outcomes of the research will provide the way forward to establish the best practice principles for Transformation in the South African context.

## **Programme 5: Budget**

The main cost driver in this Programme is the bench marking study on Transformation.

## Programme 1: Administration

**Strategic goal:** Provide support to CBE, thus contributing directly and indirectly to the delivery of all strategic outcome-oriented goals of the CBE.

**Strategic objective:** To ensure that CBE has the necessary capacity and capability to support Government's development priorities within the BE.

Strategic Objective	Estimated performance					Estimated unaudited performance	Medium-term targets		
	2012/13	2013/14	2014/15	2015/16	2016/17		2017/18	2018/19	2019/20
1 To ensure that CBE has the necessary capacity and capability to support Government's development priorities within the BE.	-	-	-	-	-	Developed IT Governance Framework, in compliance with the DPSA corporate governance of ICT, and implementation of the IT Strategy by 31 March 2017.	IT Governance Framework, in line with DPSA Corporate Governance of ICT Policy Framework, implemented by 31 March 2018.	IT Governance Framework, in line with DPSA Corporate Governance of ICT Policy Framework, implemented by 31 March 2019.	Developed Continuous Improvement roadmap of the implementation of IT Governance by 31 March 2020.

## Programme 1: Performance indicators and medium term targets for 2017/18 – 2019/20

Performance indicator	Strategic Plan target	Audited/Actual performance			Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
1.1 Implemented ICT Governance processes, as per DPSA guidelines.	IT processes compliant with sound corporate governance.	-	-	-	Developed IT Governance Framework, in compliance with the DPSA corporate governance of ICT, and implementation of the IT Strategy by 31 March 2017.	IT Governance Framework, in line with DPSA Corporate Governance of ICT Policy Framework, implemented by 31 March 2018.	IT Governance Framework, in line with DPSA Corporate Governance of ICT Policy Framework, implemented by 31 March 2019.	Developed Continuous Improvement roadmap of the implementation of IT Governance by 31 March 2020.

Performance indicator	Strategic Plan target	Audited/Actual performance			Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16		2016/17	2017/18	2018/19
1.2 Approved ICT Implementation Plan.	95% network up-time.				Reconfigured network and server systems to ensure 95% up-time by 31 March 2017.	ICT Plan implemented by 31 March 2018.	ICT Plan implemented by 31 March 2019.	Developed Continuous Improvement Roadmap of the Implementation of ICT Plan by 31 March 2020.
1.3 Clean audit strategy.	Efficient management of operations, financial controls and compliance to laws and regulations to obtain a clean audit report.				Unqualified audit by 31 March 2017.	Unqualified audit report, with no material financial findings for 31 March 2018.	Unqualified audit report, with no material, financial and performance reporting findings for 31 March 2019.	Clean audit for 31 March 2020.

## Performance indicators and quarterly targets for 2017/18

Performance indicator	Reporting period	Annual target 2017/18	Quarterly targets			
			1st	2nd	3rd	4th
1.1 Implemented ICT Governance processes as per DPSA guidelines.	Quarterly	IT Governance Framework, in line with DPSA Corporate Governance of ICT Policy Framework, implemented by 31 March 2018.	Presentations of the IT Governance Policy and its Implementation Guide to CBE Management.	Implementation of the priority areas of IT Governance Framework, based on CORBIT 5 (Disaster Recovery Plan).	Implementation of the priority areas of IT Governance, based on CORBIT.	IT Governance Framework, in line with DPSA Corporate Governance of ICT Policy, implemented.
1.2 Approved ICT Implementation Plan.	Quarterly	ICT Plan implemented by 31 March 2018.	Issue and evaluate Request for Proposals for Wide Area Network (WAN) upgrade and implementation of IT Disaster Recovery Plan.	Upgraded WAN infrastructure.	Implemented IT Disaster Recovery Plan.	ICT plan implemented by 31 March 2018.
1.3 Clean audit strategy.	Quarterly	Unqualified audit report for 2016/17.	No target.	Implement action plans to address prior year's audit findings for 50% of the findings.	Implement action plans to address prior year's audit findings for 100% of the findings.	Unqualified audit report with no material financial findings.

## Programme 2: Skills for Infrastructure Delivery

**Strategic goal:** A transformed BE with appropriate, adequate skills and competencies, responsive to the country's infrastructure delivery needs.

**Strategic objective:** Drive and facilitate skills development and transformation within the BE.

Strategic Objective	Audited Actual performance				Estimated Unaudited performance	Medium Targets		
	2012/13	2013/14	2014/15	2015/16		2016/17	2017/18	2018/19
2.1 Drive and facilitate skills development within the BE.	-	DHET SIPs skills report presented to Presidential Infrastructure Coordinating Committee (PICC).	-	Development of the Implementation Project Plan to support the production of three high demand BEPs skills categories SIPs, by 31 March 2016.	Three BEPs categories Development of the Implementation Project Plan to support the production of two high demand BEPs skills categories (Land and Engineering Surveyors, and GIS professionals) for SIPs by 31 March 2017.	Two categories of high demand professions' implementation plans developed in support of Landscape Architects and Property Valuers professionals for the SIPs by 31 March 2018.	Two categories of high demand professions' implementation plans developed in support of Architects and Town Planners professionals for the SIPs by 31 March 2019.	One category of high demand profession implementation plans developed to support built environment professionals for the SIPs by 31 March 2020.

Strategic Objective	Audited Actual performance						Estimated Unaudited performance	Medium Targets		
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18		2018/19	2019/20	
2.2 Drive and facilitate skills development within the BE.	-	BE skills projects, initiatives and interventions at school level (learners for Maths and Science Support); tertiary (academic institutions accreditation), candidature (Structured Candidacy and Workplace Training) and professional levels and participation in BE skills initiatives in the public sector; implemented by 31 March 2014.	BE skills projects, initiatives and interventions at school level, tertiary, candidature and professional levels and participation in BE skills initiatives in the public sector; implemented by 31 March 2015.	BE skills projects, initiatives and interventions at school (Maths and Science Support) level, tertiary, candidature (Workplace Training) and professional levels and in BE skills initiatives in the public sector; implemented by 31 March 2016.	BE skills projects, initiatives and interventions at school level, tertiary, candidature and professional levels and in BE skills initiatives in the public sector; implemented by 31 March 2017.	BE skills projects, initiatives and interventions at school level for 150 learners for Maths and Science support, one oversight report on accreditation by the BEPCs at academic institutions, and structured candidacy program for the department of Public Works implemented by 31 March 2018.	BE skills projects, initiatives and interventions at school level for 150 learners for Maths and Science support, one oversight report on accreditation by the BEPCs at academic institutions, and structured candidacy program for the department of Public Works implemented by 31 March 2019.	BE skills projects, initiatives and interventions at school level for 150 learners for Maths and Science support, one oversight report on accreditation by the BEPCs at academic institutions, and structured candidacy program for the department of Public Works implemented by 31 March 2020.		
2.3 Drive and facilitate skills development within the BE.	-	-	-	Project on the implementation of workplace training model for 50 candidates and 100 interns placed in workplace training by 31 March 2016.	Refinement of the pilot workplace training model for 50 candidates and 100 interns by 31 March 2017.	Project on implementation of workplace training model for 50 candidates and 100 interns by 31 March 2018.	Project on implementation of workplace training model for 50 candidates and 100 interns by 31 March 2019.	Project on implementation of workplace training model for 50 candidates and 100 interns by 31 March 2020.		

## Programme 2: Performance indicators and medium term targets for 2017/18 – 2019/20

Performance indicator	Strategic Plan target	Audited/Actual performance			Estimated performance			Medium-term targets		
		2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20		
2.1 Number of implementation plans for high demand skills professions categories developed for SIPs.	To be the lead driver of skills development initiatives for public sector infrastructure delivery with a focus on SIPs skills initiatives by 30 March 2020.	DHET SIPs skills report presented to PCCC (Section on Professional Skills required for delivery of Government SIPs projects).	-	Development of the Implementation Project Plan to support the production of three high demand BEPs skills categories (Engineers, Quantity Surveyors, Project and Construction Managers) for SIPs, by 31 March 2016.	Three BEPs categories Development of the Implementation Project Plan to support the production of two high demand BEPs skills categories (Land and Engineering Surveyors, and GIS professionals) for SIPs by 31 March 2017.	Two categories of high demand professions' implementation plans developed in support of Landscape Architects and Town Planners professionals for the SIPs by 31 March 2018.	Two categories of high demand professions' implementation plans developed in support of Architects and Town Planners professionals for the SIPs by 31 March 2019.	One category of high demand profession implementation plans developed to support built environment professionals for the SIPs by 31 March 2020.		
2.2 Number of learners enrolled in the Maths and Science support programme.	Improvement of the Maths and Science throughput rate during the basic education phase by 31 March 2018.	-	150 Students reached through the roll out of the Maths and Science support programme by 31 March 2015.	150 Students reached through the roll out of the Maths and Science support programme by 31 March 2016.	150 Grade 10 -12 learners benefiting from the Maths and Science support programme by 31 March 2017.	150 Grade 12 learners enrolled in the Maths and Science support programme by 31 March 2018.	150 Grade 12 learners benefiting from the Maths and Science support programme by 31 March 2019.	150 Grade 12 learners benefiting from the Maths and Science support programme by 31 March 2020.		



Performance indicator	Strategic Plan target	Audited/Actual performance				Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17		2017/18	2018/19	2019/20
2.3 Number of candidates/BE graduates placed for workplace training.	To monitor and evaluate the implementation of a standardised and quality assured Workplace Training Framework by BE employers to produce competent professionals candidates for the BE industry by 31 March 2018.	50 Candidates/BE graduates placed in workplace training by 31 March 2014.	50 Candidates/BE graduates placed in workplace training by 31 March 2015.	50 Candidates/BE graduates placed in workplace training by 31 March 2016.	50 Candidates/BE graduates placed in workplace training by 31 March 2017.	50 New intake of Candidates/BE graduates in workplace training, facilitated by CBE, by 31 March 2018.	50 New intake of Candidates/BE graduates in workplace training, facilitated by CBE, by 31 March 2019.	50 New intake of Candidates/BE graduates placed in workplace training by 31 March 2020.	
2.4 Number of interns placed for workplace training.	To monitor and evaluate the implementation of a standardised and quality assured Workplace Training Framework by BE employers to produce competent professionals and graduates for the BE industry by 30 March 2020.	50 Interns/BE graduates placed in workplace training by 31 March 2014.	100 Interns placed for work integrated learning by 31 March 2015.	100 Interns placed for work integrated learning by 31 March 2016.	100 Interns placed for work integrated learning by 31 March 2017.	100 Interns placed for work integrated learning by 31 March 2018.	100 Interns placed for work integrated learning by 31 March 2019.	100 Interns placed for work integrated learning by 31 March 2020.	

Performance indicator	Strategic Plan target	Audited/Actual performance				Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16	2016/17		2017/18	2018/19	2019/20
2.5 Number of oversight reports of BEPCs' Accreditation of BE Academic Programmes.	Six oversight reports to ensure consistent application of the CBE Policy Framework on Accreditation by the BEPCs.	One monitoring oversight report on the Accreditation of Learning Sites and academic programmes by the BEPCs by 31 March 2014.	One monitoring oversight report on the Accreditation of Learning Sites and academic programmes by the BEPCs by 31 March 2015.	One monitoring oversight report on the Accreditation of Learning Sites and academic programmes by the BEPCs by 31 March 2016.	Report on the Accredited Academic Programmes and Institutions by the BEPCs by 31 March 2017.	One oversight report on the Accredited BE Academic Programmes by the BEPCs by 31 March 2018.	One oversight report on the Accredited BE Academic Programmes by the BEPCs by 31 March 2019.	One oversight report on the Accredited BE Academic Programmes by the BEPCs by 31 March 2020.	
2.6 Number of municipal, provincial and national departments and SOEs supported on their BE technical capacity based on the researched initiatives.	Six initiatives to support BE technical capacity within municipal, provincial, national departments and SOEs, completed by 31 March 2020.	-	Research report on BE professional skills in municipalities by 31 March 2015.	One research project on BE technical professionals employed in municipalities and provinces, submitted to BEMC by 31 March 2016.	Three partnerships to support BE technical capacity within municipal, provincial, national departments and SOEs completed by 31 March 2017.	Nine Provincial Public Works Departments engaged on the implementation of their CBE Structured Candidacy Framework by 31 March 2018.	Eight municipalities engaged on the implementation of structured Candidacy Framework by 31 March 2019.	Three national departments and SOEs engaged on the implementation of Structured Candidacy Framework by 31 March 2020.	

## Programme 2: Performance indicators and quarterly targets for 2017/18

Performance indicator	Reporting period	Annual target 2017/18	Quarterly targets			
			1st	2nd	3rd	4th
2.1 Number of implementation plans for high demand skills professions categories developed for SIPs.	Quarterly	Two categories of high demand professions' implementation plans developed in support of Landscape Architects and Property Valuers professionals for the SIPs by 31 March 2018.	First draft of implementation plan.	Consultations with Landscape Architects and Property Valuers Councils.	Second draft of implementation plan.	Two categories of high demand BEPs implemented in support of Landscape Architects and Property Valuers and approved by CEO by 31 March 2018.
2.2 Number of learners enrolled in the Maths and Science support programme.	Quarterly	150 Grade 12 learners enrolled in the Maths and Science support programme by 31 March 2018.	Baseline results of the 150 learners.	Progress report of 150 enrolled learners.	Progress report of 150 enrolled learners.	Analysis report on 150 Grade 12 learners enrolled in the Maths and Science support programme.
2.3 Number of candidates/BE graduates placed for workplace training.	Quarterly	50 new Candidates/BE graduates in workplace training by 31 March 2018.	25 Candidates/BE graduates placed for workplace training.	25 Candidates/BE graduates placed for workplace training.	Assessed progress of 50 placed candidates.	Final analysis report on 50 new in-take on Candidates/BE graduates in workplace training by 31 March 2018.
2.4 Number of interns placed for workplace training.	Quarterly	100 Interns placed for work integrated learning by 31 March 2018.	100 Interns placed in work integrated learning.	Assessed progress of 50 interns.	Assessed progress of 50 interns.	Final analysis report on 100 Interns placed for work integrated learning by 31 March 2018.
2.5 Number of oversight reports of BEPCs' Accreditation of BE Academic Programmes.	Quarterly	One oversight report on the Accredited Academic Programmes by the BEPCs by 31 March 2018.	Report on compliance on the 19 CHE accreditation criteria during the accreditation visits.	Report on compliance on the 19 CHE accreditation criteria during the accreditation visits.	Report on compliance on the 19 CHE accreditation criteria during the accreditation visits.	One oversight report on the Accreditation of BE Academic Programmes by BEPCs.

Performance indicator	Reporting period	Annual target 2017/18	Quarterly targets			
			1st	2nd	3rd	4th
2.6 Number of municipal, provincial and national departments and SOEs supported on their BE technical capacity based on the researched initiatives.	Quarterly	Nine Provincial Public Works Departments engaged on the implementation of the CBE Structured Candidacy Framework by 31 March 2018.	Three Provincial Public Works Departments engaged on the implementation of the CBE Structured Candidacy Framework.	Three Provincial Public Works Departments engaged on the implementation of the CBE Structured Candidacy Framework.	Three Provincial Public Works Departments engaged on the implementation of the CBE Structured Candidacy Framework.	Report on the engagement of nine Public Works Department on the implementation of the CBE Structured Candidacy Framework.

### Programme 3: Built Environment Research, Information and Advisory

**Strategic goal:** An optimally functioning BE with a responsive and relevant policy and legislative framework, based on informed and researched positions.

**Strategic objective:** To provide informed and researched advice to Government on BE priority matters identified in the 2014 MTSF.

Strategic Objective	Audited Actual Performance					Estimated/ Unaudited Performance	Medium-Term Targets		
	2012/13	2013/14	2014/15	2015/16	2016/17		2017/18	2018/19	2019/20
3 To provide informed and researched advice to Government on BE priority matters identified in the 2014 -19 MTSF.	Research reports on BE issues pertinent to BE professionals, DPW, and BE issues impacting on service delivery and the economy by 31 March 2013.	Research projects on BE issues pertinent to BE professionals, DPW, and BE issues impacting on service delivery and the economy by 31 March 2014.	Research projects on BE priority matters identified in the 2014 MTSF by 31 March 2015.	Research projects on BE priority matters identified in the 2014 MTSF by 31 March 2016.	Research projects on BE priority matters identified in the 2014 MTSF by 31 March 2017.	Research projects on BE priority matters identified in the 2014 MTSF by 31 March 2018.	Research projects on BE priority matters identified in the 2014 MTSF by 31 March 2019.	Research projects on BE priority matters identified in the 2014 MTSF by 31 March 2020.	

### Programme 3: Performance indicators and medium term targets for 2017/18 – 2019/20

Performance indicator	Strategic Plan target	Audited/Actual performance			Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16		2016/17	2017/18	2018/19
3.1	Number of reports on initiatives programmes to support technical capacity within the State.	-	-	One research project on OSD Framework's role in the attraction and retention of BEPs in the public sector, submitted to DPW, by 31 March 2016.	One advisory report on the implementation of OSD within national infrastructure departments, developed by 31 March 2017.	One report on initiatives to support infrastructure skills within Government by 31 March 2018.	One report on initiatives to support infrastructure skills within Government by 31 March 2019.	One report on initiatives to support infrastructure skills within Government by 31 March 2020.
3.2	Number of research reports on state of readiness for municipalities to implement the SIPDM.	-	-	-	One partnership with the OCPO on CPD programmes to support infrastructure delivery in the public sector by 31 March 2017.	One research report on state of readiness for municipalities to implement SIPDM by 31 March 2018.	One research report on state of readiness for municipalities to implement SIPDM by 31 March 2019.	One research report on state of readiness for municipalities to implement SIPDM by 31 March 2020.
3.3	Number of research reports on analysis of the impact of built environment skills development initiatives.	-	-	First phase research project on the incorporation of labour intensive construction and job creation opportunities in public sector infrastructure and construction projects contracts, submitted to Council by 31 March 2016.	Partnerships on initiatives to promote labour intensive practices in BE projects by 31 March 2017.	Research report on analysis of the impact of CBE's Maths and Science support programme focusing on the built environment by 31 March 2018.	Research reports on analysis of the impact of built environment skills development initiatives by 31 March 2019.	Research reports on analysis of the impact of built environment skills development initiatives by 31 March 2020.

### Programme 3: Performance indicators and quarterly targets for 2017/18

Performance indicator	Reporting period	Annual target 2017/18	Quarterly targets			
			1st	2nd	3rd	4th
3.1 Number of reports on initiatives and programmes to support technical capacity within the State.	Quarterly	Report on initiatives to support infrastructure skills within Government by 31 March 2018.	Approved concept document outlining initiatives.	Progress report on implementation of the initiatives.	Progress report on implementation of the initiatives.	Final report on implementation of the initiatives with recommendations.
3.2 Number of research reports on the state of readiness by municipalities to implement the SIPDM.	Quarterly	One research report on state of readiness of municipalities to implement the SIPDM by 31 March 2018.	Research Terms of Reference (ToR) approved.	First draft report on state of readiness of municipalities to implement the SIPDM.	Second draft report on state of readiness of municipalities to implement the SIPDM.	Final draft report on state of readiness of municipalities to implement the SIPDM.
3.3 Number of research reports on analysis of the impact of built environment skills development initiatives.	Quarterly	Research report on analysis of the impact of CBE's Maths and Science support programmes focusing on built environment by 31 March 2018.	Research ToR approved.	First draft report on the impact of Maths and Science support programmes focusing on built environment initiatives.	Second draft report on analysis of the impact of built environment skills development initiatives.	Final draft report on analysis of the impact of built environment skills development initiatives.

## Programme 4: Regulation and Oversight of six BEPCs

**Strategic goal:** BEPs that operate within a regulated policy and legislative framework.

**Strategic objective:** To act as an appeal body on matters of law referred to it in terms of legislation regulating the BEPs, and to promote and ensure high standards of professional ethics and conduct within the BE.

Strategic Objective	Audited/Actual performance						Estimated Unaudited Performance	Medium-term targets		
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18		2018/19	2018/20	
4.1 Act as an appeal body on matters of law referred to it in terms of legislation regulating the BEPs, and promote and ensure high standards of professional ethics within the BE.	Appeal cases finalised (within 60 days).	Annual report on the 100% finalisation of appeals within statutory 60 days by 31 March 2014.	Act as an appeal body on matters of law referred to it in terms of legislation regulating the built environment professions and promote and ensure high standards of professional ethics within the BE by 31 March 2015.	100% finalisation of appeals within the statutory 60 days by 31 March 2016.	100% finalisation of appeals within the statutory 60 days by 31 March 2017.	100% finalisation of appeals within the statutory 60 days by 31 March 2018.	100% finalisation of appeals within the statutory 60 days by 31 March 2018.	100% finalisation of appeals within the statutory 60 days, approved by CEO.	100% finalisation of appeals within the statutory 60 days, approved by CEO.	100% finalisation of appeals within the statutory 60 days, approved by CEO.
4.2 Act as an appeal body on matters of law referred to it in terms of legislation regulating the BEPs, and promote and ensure high standards of professional ethics within the BE.	-	Corporate Governance Framework for BEPCs, completed by 31 March 2014.	Report on consultation and adoption of the Corporate Governance Framework within the six BEPCs by 31 March 2015.	Corporate Governance Implementation Checklist assessment in the six BEPCs, submitted to Council and DPW, by 31 March 2016.	Assessment of the Corporate Governance Implementation Checklist in the six BEPCs, submitted to Council and DPW, by 31 March 2017.	Report on the monitoring and evaluation of corporate governance compliance in the six BEPCs, submitted to Council and DPW, by 31 March 2018.	Report on the monitoring and evaluation of corporate governance compliance in the six BEPCs, submitted to Council and DPW, by 31 March 2019.	Report on the monitoring and evaluation of corporate governance compliance in the six BEPCs, submitted to Council and DPW, by 31 March 2020.	Report on the monitoring and evaluation of corporate governance compliance in the six BEPCs, submitted to Council and DPW, by 31 March 2019.	Report on the monitoring and evaluation of corporate governance compliance in the six BEPCs, submitted to Council and DPW, by 31 March 2018.



Strategic Objective	Audited/Actual performance					Estimated Unaudited Performance	Medium-term targets		
	2012/13	2013/14	2014/15	2015/16	2016/17		2017/18	2018/19	2018/20
4.3 Act as an appeal body on matters of law referred to it in terms of legislation regulating the BEPs, and promote and ensure high standards of professional ethics within the BE.	-	-	-	Report on the development and adoption of an all-encompassing CBE Monitoring and Evaluation Framework by the six BEPCs, submitted to Council and DPW, by 31 March 2016.	Oversight report on the implementation of an all-encompassing Monitoring and Evaluation Framework by the six BEPCs, submitted to Council and DPW by 31 March 2017.	Oversight report on the implementation of an all-encompassing Monitoring and Evaluation Framework by the six BEPCs, submitted to Council and DPW by 31 March 2018.	Oversight report on implementation of the all-encompassing CBE Monitoring and Evaluation Framework by the six BEPCs, submitted to Council and DPW by 31 March 2019.	Oversight report on implementation of the all-encompassing CBE Monitoring and Evaluation Framework by the six BEPCs, submitted to Council and DPW by 31 March 2020.	

## Programme 4: Performance indicators and medium term targets for 2017/18 – 2019/20

Performance indicator	Strategic Plan target	Audited/Actual performance			Estimated performance			Medium-term targets		
		2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20		
4.1	Percentage of appeals finalised within the statutory 60 days from date of lodgement.	All appeal cases resolved within the 60 days from lodgement.	Appeal cases finalised (within the statutory 60 days) by 31 March 2015.	Annual report on the 100% finalisation of appeals within statutory 60 days by 31 March 2016.	100% finalisation of appeals within the statutory 60 days by 31 March 2017.	100% finalisation of appeals within the statutory 60 days by 31 March 2018.	100% finalisation of appeals within the statutory 60 days by 31 March 2019.	100% finalisation of appeals within the statutory 60 days by 31 March 2020.		
4.2	Implementation report on the IDoW. Action Plan	One scope of work on the IDoW completed by 31 March 2014.	IDoW for the five BEPCs implemented by 31 March 2015.	Report on the implementation of the decision of the CC on IDoW of five BEPCs and ECSA, by 31 March 2016.	Implementation report on the decision of the CC on IDoW of six BEPCs, submitted to Council by 31 March 2017.	Develop an IDoW Action Plan approved by Council, by 31 March 2018.	Implement the IDoW Action Plan.	Implement the IDoW Action Plan.		
4.3	Reviewed Corporate Governance Framework approved by Council.	-	-	Assessment of the Corporate Governance Implementation Checklist in the six BEPCs, submitted to Council and DPW, by 31 March 2016.	Assessment of the Corporate Governance Implementation Checklist in the six BEPCs, submitted to Council and DPW, by 31 March 2017.	Review and align CBE's Corporate Governance Framework with the King IV principles of Corporate Governance, for approval of Council by 31 March 2018.	Assessment of level of compliance of six BEPCs with the King IV Corporate Governance framework, submitted to Council and DPW by 31 March 2019.	Assessment of level of compliance of six BEPCs with the King IV Corporate Governance framework, submitted to Council and DPW by 31 March 2019.		
4.4	An Assessment report on the six BEPCs Policies alignment with the seven (ministerial approved) Policy Frameworks.	-	-	Six BEPCs implementation programme on the translation of four Ministerial approved BE policies into rules, by 31 March 2016.	Three workshops to facilitate the alignment of the Ministerial approved BE Policy frameworks by the six BEPCs, by 31 March 2017.	An assessment report on the six BEPCs Policies alignment with the seven (ministerial approved) Policy Frameworks submitted to DPW, by 31 March 2018.	Six BEPCs implementation programme on the alignment of further Ministerial approved BE policies into rules, by 31 March 2019.	Six BEPCs implementation programme on the alignment of further Ministerial approved BE policies into rules, by 31 March 2020.		

Performance indicator	Strategic Plan target	Audited/Actual performance			Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16		2017/18	2018/19	2019/20
4.5 Percentage of the PFMA workshop outcomes implemented.	BEPs comply with the PFMA by 31 March 2020.	-	-	PFMA compliance roadmap by the six BEPCs, submitted to BEMC, by 31 March 2016.	Submission of the six BEPCs PFMA compliance report to BEMC, by 31 March 2017.	50 Percent of the PFMA workshop outcomes implemented on the applicability of the PFMA as a mechanism to enhance governance and their capacity to comply, by 31 March 2018.	75 Percent of the PFMA workshop outcomes implemented on the applicability of the PFMA as a mechanism to enhance governance and their capacity to comply, by 31 March 2019.	100 Percent of the PFMA workshop outcomes implemented on the applicability of the PFMA as a mechanism to enhance governance and their capacity to comply, by 31 March 2020.
4.6 Number of Strategic Plans, APPs and Annual Reports of the six BEPCs submitted to CBE and DPW.	The Strategic Plans, APPs and Annual Reports of the six BEPCs, submitted to CBE and DPW.	-	-	Timetable on the alignment of Strategic Plans, APPs and Annual Reports of the six BEPCs to those of CBE and DPW, submitted to Council and DPW by 31 March 2016.	Six BEPCs Strategic Plans, APPs and Annual Reports submitted to DPW by 31 March 2017.	Strategic Plans, APPs and Annual Reports of the six BEPCs to Council and DPW by 31 March 2018.	Strategic Plans, APPs and Annual Reports of the six BEPCs to Council and DPW by 31 March 2019.	Submission of aligned Strategic Plans, APPs and Annual Reports of the six BEPCs to Council and DPW by 31 March 2020.

## Programme 4: Performance indicators and quarterly targets for 2017/18

Performance indicator	Reporting period	Annual target 2017/18	Quarterly targets			
			1st	2nd	3rd	4th
4.1 Percentage of submitted appeals against decisions of BEPCs finalised within the statutory period of 60 days.	Quarterly	100% Finalisation of appeals within the statutory 60 days by 31 March 2018.	Quarterly Report on the compliance with the statutory mandate of deciding appeals within the prescribed period of 60 days. Prepare the first draft of the IDoW Action Plan.	Quarterly Report on the compliance with the statutory mandate of deciding appeals within the prescribed period of 60 days. Source inputs from the six BEPCs on the first draft Action Plan.	Quarterly Report on the compliance with the statutory mandate of deciding appeals within the prescribed period of 60 days. Prepare 2nd draft of the IDoW Action Plan.	Final Report on the compliance with the statutory mandate of deciding appeals within the prescribed period of 60 days. Source approval on the IDoW action plan from Council.
4.2 Implementation report on the IDoW Action Plan.	Quarterly	Develop an IDoW Action Plan approved by Council by 31 March 2018.	Review CBE's Corporate Governance Framework with the King IV principles of Corporate Governance.	Consult BEPCs on the review of CBE's Corporate Governance Framework with the King IV principles of Corporate Governance.	Align CBE's Corporate Governance Framework with the King IV principles of Corporate Governance.	CBE's revised Corporate Governance Framework with the King IV principles of Corporate Governance, submitted to Council for approval.
4.3 Reviewed Corporate Governance Framework approved by Council.	Quarterly	Reviewed and aligned CBE Corporate Governance Framework to the King IV principles of Corporate Governance, and approved by Council by 31 March 2018.	Two BEPCs assessed on the alignment of their Policies with the seven (ministerial approved) Policy Frameworks.	Two BEPCs assessed on the alignment of their Policies with the seven (ministerial approved) Policy Frameworks.	Two BEPCs assessed on the alignment of their Policies with the seven (ministerial approved) Policy Frameworks.	Assessment report on the six BEPCs Policies alignment with the seven (ministerial approved) Policy Frameworks.
4.4 An Assessment report on the six BEPCs Policies alignment with the seven (ministerial approved) Policy Frameworks.	Quarterly	An Assessment report on the six BEPCs Policies alignment with the seven (ministerial approved) Policy Frameworks, submitted to DPW, by 31 March 2018.	A workshop on the applicability of the PFMA as a mechanism to enhance governance to the BEPCs and their capacity to comply.	A draft Action Plan to implement the recommendations of the workshop.	Implementation of the Action Plan.	50 Percent of the PFMA workshop outcomes implemented by 31 March 2018.
4.5 Percentage of the PFMA workshop outcomes implemented.	Quarterly	50 Percent of the PFMA workshop outcomes implemented by 31 March 2018.	Six BEPCs Strategic Plans, APPs and Annual Reports submitted to DPW by 31 March 2018.	Six BEPCs Strategic Plans, APPs and Annual Reports submitted to DPW by 31 March 2018.	Six BEPCs Strategic Plans, APPs and Annual Reports submitted to DPW by 31 March 2018.	Six BEPCs Strategic Plans, APPs and Annual Reports submitted to DPW by 31 March 2018.
4.6 Number of Strategic Plans, APPs and Annual Reports of the six BEPCs submitted to CBE and DPW.	Quarterly	Six BEPCs Strategic Plans, APPs and Annual Reports submitted to DPW by 31 March 2018.	Consultation with three BEPCs on the development of their Strategic Plans, APPs and Annual Reports.	Consultation with three BEPCs on the development of their Strategic Plans, APPs and Annual Reports.	Consultation with three BEPCs on the development of their Strategic Plans, APPs and Annual Reports.	Six BEPCs Strategic Plans, APPs and Annual Reports submitted to DPW by 31 March 2018.

## Programme 5: Government Policies and Priorities

**Strategic goal:** A BE that is responsive to the developmental and economic priorities of Government.

**Strategic objectives:** BE academic curricula and CPD programmes that embody issues of health and safety in construction, environmental sustainability, job creation through labour intensive construction and the IDMS.

Strategic Objective	Estimated performance				Medium-term targets			
	2012/13	2013/14	2014/15	2015/16	Estimated unaudited performance 2016/17	2017/18	2018/19	2019/20
1 BE academic curricula that embody issues of health and safety in construction, environmental sustainability and job creation through labour intensive construction as well as IDMS.	-	-	-	Framework developed on modalities to incorporate health and safety in construction, environmental sustainability and job creation through labour intensive construction as well as IDMS in BE curricula by 31 March 2016.	Memorandum of Agreement (MoA) on the framework implementation on BE curricula reviews and changes to incorporate health and safety in construction, and the IDMS by 31 March 2017.	Two academic institutions engaged on changing the curricula of BE programmes to incorporate health and safety in construction, environmental sustainability and job creation through labour intensive construction as well as the IDMS by 31 March 2018.	Two academic institutions engaged on changing the curricula of BE programmes to incorporate health and safety in construction, environmental sustainability and job creation through labour intensive construction as well as the IDMS by 31 March 2019.	Two academic institutions engaged on changing the curricula of BE programmes to incorporate health and safety in construction, environmental sustainability and job creation through labour intensive construction as well as the IDMS by 31 March 2020.

## Programme 5: Performance indicators and medium term targets for 2017/18 – 2019/20

Performance indicator	Strategic Plan target	Audited/Actual performance			Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16		2016/17	2017/18	2018/19
5.1 Number of implementation plans incorporating new knowledge in BE curricula.	To ensure that all BE academic programmes include adequate coverage of issues on health and safety in construction, environmental sustainability and job creation through labour intensive construction in their curriculum by 31 March 2020.	-	-	Framework developed on modalities to incorporate health and safety in construction, environmental sustainability, job creation through labour intensive construction and the IDMS in BE curricula by 31 March 2016.	MoA on the framework implementation on BE curricula reviews and changes to incorporate health and safety in construction, and the IDMS by 31 March 2017.	Implementation plan to incorporate health and safety, sustainability, labour intensive construction and the IDMS into BE academic curricula by 31 March 2018.	Implementation plan to incorporate new knowledge in BE curricula.	Implementation plan to incorporate new knowledge in BE curricula.
5.2 Number of research reports to inform CBE's Transformation Strategy.	-	-	-	-	Baseline study on Transformation of the BE.	Bench marking study on Transformation best practice by 31 March 2018.	One research project conducted to inform CBE's Transformation Strategy by 31 March 2019.	One research project conducted to inform CBE's Transformation Strategy by 31 March 2020.

## Programme 5: Performance indicators and quarterly targets for 2017/18

Performance indicator	Reporting period	Annual target 2017/18	Quarterly targets			
			1st	2nd	3rd	4th
5.1 Number of implementation plans incorporating new knowledge in BE curricula.	Quarterly	Implementation plan to incorporate health and safety, sustainability, labour intensive construction and the IDMS into BE academic curricula by 31 March 2018.	Concept document developed.	First draft implementation plan developed.	Second draft implementation plan developed.	Implementation plan to incorporate health and safety, sustainability, labour intensive construction and the IDMS into BE academic curricula by 31 March 2018.
5.2 Number of research reports to inform CBE's Transformation Strategy.	Quarterly	Bench marking Study on Transformation best practice by 31 March 2018.	ToR and proposed Project Plan developed and approved for implementation.	Phase 1 of the study completed, as per the approved ToR and Project Plan.	Phase 2 of the study completed, as per the approved ToR and Project Plan.	Detailed recommendations on best practice principles for Transformation, based on the research findings.



# PART C

## LINKS TO OTHER PLANS



## PART C: LINKS TO OTHER PLANS

National Development Plan	CBE alignment to NDP
Chapter 3: Decent employment through inclusive economic growth.	Facilitate participation by the built environment professions in integrated development in the context of national goals.
Chapter 9: Skilled and capable workforce to support an inclusive growth path (improving education, training and innovation).	A transformed built environment with appropriate, adequate skills and competencies, responsive to the country's infrastructure delivery, operation and maintenance needs.

CBE has noted the Policy Statements of DPW and the Property Management Trading Entity (PMTE), who manages the public sector property portfolio at DPW, as it commences the 2017/18 planning process, the third in the five-year electoral cycle.

### Links to the long-term infrastructure and other capital plans

CBE does not have any long-term infrastructure or capital spending plans.

### Conditional grants

CBE does not receive any conditional grants.

### Public-private partnerships

N/A.

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# PART D

## TECHNICAL INDICATORS

## PART D: TECHNICAL INDICATORS

### Programme 1: Administration

**Strategic objective:** To ensure that CBE has the necessary capacity and capability to support Government's development priorities within the BE.

Indicator Title	Achieve a financially unqualified opinion.
<b>Short definition</b>	There are different performance levels. A financially unqualified opinion with no findings, commonly known as a clean audit opinion, is unqualified financial statements with no reported audit findings, in respect of either reporting on predetermined objectives or compliance with key legislation. CBE plans to work towards a clean audit status with an unqualified opinion and no findings.
<b>Purpose/importance</b>	Audits help an organisation to achieve its goals and objectives by measuring its overall performance and productivity, as detected in transactions and business records. Further, an audit protects an organisation from financial misstatements and presenting a reliable health picture of the organisation to National Treasury. Fraud protection is a benefit of audits, achieved through internal controls that prevent and detect accounting irregularities. Strengthening the financial integrity of an organisation through an audit reduces the risk and the cost of capital.
<b>Reporting cycle</b>	Annual.
<b>Desired performance</b>	Unqualified Audit.
<b>Indicator Responsibility</b>	Chief Financial Officer/ Finance Manager.

Indicator Title	Implemented ICT Governance processes, as per DPSA guidelines.
<b>Short definition</b>	Enable and support CBE through governance policies.
<b>Purpose/importance</b>	Ensure compliance and alignment with DPSA's corporate governance.
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	IT processes compliant with sound corporate governance.
<b>Indicator Responsibility</b>	Manager: Knowledge Management and Information Technology.

Indicator Title	Approved ICT Implementation Plan.
<b>Short definition</b>	Enable and support CBE through Knowledge Management and ICT Systems, ensuring 95% up-time.
<b>Purpose/importance</b>	Support CBE to implement its mandate by ensuring a 95% up-time of IT services.
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	95% network up-time.
<b>Indicator Responsibility</b>	Manager: Knowledge Management and Information Technology.

### Programme 2: Skills for Infrastructure Delivery

**Strategic objective:** Drive and facilitate skills development and transformation within the BE.

Indicator Title	Number of high demand skills professions categories developed for SIPs.
<b>Short definition</b>	Skills development interventions to increase the number of BEPs to support SIPs.
<b>Purpose/importance</b>	SIPs form the core of Government's planned infrastructure delivery programme. BE skills are at the centre of infrastructure delivery.
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	Adequate number of BEPs to support SIPs, determined through an inclusive consultative process with DHET and the PICC.
<b>Indicator Responsibility</b>	Skills Development Practitioner.

<b>Indicator Title</b>	<b>Number of students enrolled in the Maths and Science support programme.</b>
<b>Short definition</b>	Initiatives and projects by stakeholders implementing the CBE Transformation Model through Maths and Science support programmes in schools.
<b>Purpose/importance</b>	To improve the Maths and Science performance of learners from under resourced schools, thereby empowering them to enter BE careers.
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	Increasing number of PDIs and women within the BEPs.
<b>Indicator Responsibility</b>	Manager: Skills for Infrastructure Delivery.

<b>Indicator Title</b>	<b>Number of candidates/BE graduates and interns placed for workplace training.</b>
<b>Short definition</b>	Implementation of the CBE Workplace Training Model.
<b>Purpose/importance</b>	BEPs must reflect appropriate quality and quantity to meet the planned infrastructure delivery needs of the country.
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	The practical work of BE candidates and interns is quality assured to comply with the BEPCs competency framework for registration.
<b>Indicator Responsibility</b>	Manager: Transformation Programmes.

<b>Indicator Title</b>	<b>Number of oversight reports of BEPCs' Accreditation of BE Academic Programmes.</b>
<b>Short definition</b>	Professional Councils are statutorily required to accredit BE programme in a five-year cycle. The CBE's role is one of oversight, to ensure that the accreditation complies with the prescripts, principles and requirements of DHET and CHE.
<b>Purpose/importance</b>	To ensure that institutions offer accredited BE programmes to maintain high standards of education of BEPs.
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	All BE programmes are accredited.
<b>Indicator Responsibility</b>	Manager: Skills for Infrastructure Delivery.

<b>Indicator Title</b>	<b>Number of municipal, provincial and national departments and SOEs supported on their BE technical capacity based on the researched initiatives.</b>
<b>Short definition</b>	To provide Government with research and advisory services on measures to strengthen the technical capacity at municipal, provincial and national levels. The intended outcome is to increase the number and quality of BEPs employed to undertake infrastructure and service delivery.
<b>Purpose/importance</b>	<p>Sections 4 a, d and e of the Act impels the CBE to:</p> <ul style="list-style-type: none"> <li>• Advise Government on BE priority matters identified in the MTSF and NDP; and</li> <li>• Provide information and knowledge management resources for the BE to inform Government's policy on an annual basis.</li> </ul> <p>Parallel to this enactment, is a dynamic and changing BE sector that requires regulatory intelligence to inform Government's planning and infrastructure investment.</p>
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	Research of a scholarly nature that is peer reviewed by a panel of experts and owned by stakeholders through an inclusive, consultative process.
<b>Indicator Responsibility</b>	Manager: Skills for Infrastructure Delivery.

### Programme 3: Built Environment Research, Information and Advisory

**Strategic objective:** To provide informed and researched advice to Government on BE priority matters identified in the 2014 MTSF.

Indicator Title	Number of Research projects on BE skills development initiatives.
<b>Short definition</b>	To provide research support to the BE skills development initiatives and to advise the Minister and the built environment sector.
<b>Purpose/importance</b>	Sections 4 and e of the Act impels the CBE to: <ul style="list-style-type: none"> <li>• Advise Government on BE priority matters identified in the MTSF and NDP; and</li> <li>• Provide information and knowledge management resources for the BE to inform Government's policy on an annual basis.</li> </ul>
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	Research of a scholarly nature, that is peer reviewed by a panel of experts, and owned by stakeholders through an inclusive, consultative process.
<b>Indicator Responsibility</b>	Manager: Research and Policy.

### Programme 4: Regulation and Oversight of six BEPCs

**Strategic objective:** To act as an appeal body on matters of law referred to it in terms of legislation regulating the BEPs, and to promote and ensure high standards of professional ethics and conduct within the BE.

Indicator Title	All appeals submitted to CBE by persons aggrieved by decisions on BEPCs are finalised within the statutory 60 days from lodgement.
<b>Short definition</b>	Any person aggrieved by a decision of any BEPC may, in terms of the CBE Act, 43 of 2000, appeal to the CBE.
<b>Purpose/importance</b>	The appeal mechanism enhances administrative justice and accountability by BEPCs.
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	The CBE's Appeal Committee must decide on an appeal within 60 days of its lodgement.
<b>Indicator Responsibility</b>	Manager: Regulations and Legal Services.

Indicator Title	Implementation report on the IDoW Action Plan.
<b>Short definition</b>	The BEPCs legislations allows them to restrict the provision of professional services on delineated scopes of work to registered BEPs in a specified registration category in the public interest
<b>Purpose/importance</b>	<ul style="list-style-type: none"> <li>• In terms of Section 20(2) of the CBE Act, 43 of 2000, the CBE must, after consultation with the CC and in consultation with the BEPCs, identify the scope of work for every category of registered persons.</li> <li>• In the public interest, identified work should only be performed by registered persons whose competence and qualifications have been assessed prior to registration.</li> </ul>
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	IDoW is developed and agreed to on a widely consultative basis.
<b>Indicator Responsibility</b>	Manager: Regulations and Legal Services.

<b>Indicator Title</b>	<b>Reviewed Corporate Governance Framework approved by Council.</b>
<b>Short definition</b>	Section 3 (f) of the CBE Act impels it to promote sound governance of the BEPCs. In accordance with this mandate, a Corporate Governance Framework was developed to assist BEPCs in enhancing good governance in their operations.
<b>Purpose/importance</b>	To enhance corporate governance within the six BEPCs.
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	BEPCs comply with principles of corporate governance.
<b>Indicator Responsibility</b>	Manager: Regulations and Legal Services.

<b>Indicator Title</b>	<b>Implementation programmes to align the six BEPCs with the Ministerial approved BE policy frameworks.</b>
<b>Short definition</b>	BEPCs on how to institutionalise the policy frameworks developed by the CBE and DPW.
<b>Purpose/importance</b>	The CBE Act mandates it to ensure the uniform application of norms and guidelines by the BEPCs for the BEPs.
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	BEPCs implement the CBE policy frameworks.
<b>Indicator Responsibility</b>	Manager: Regulations and Legal Services.

<b>Indicator Title</b>	<b>Implementation of the PFMA workshop outcomes.</b>
<b>Short definition</b>	The consideration of the applicability of the PFMA as a mechanism to enhance governance in the BEPCs.
<b>Purpose/importance</b>	BEPCs are, in the public interest, required to maintain proper levels of governance.
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	The PFMA as a mechanism to enhance governance of BEPCs assessed.
<b>Indicator Responsibility</b>	Manager: Regulations and Legal Services.

<b>Indicator Title</b>	<b>Number of Strategic Plans, APPs and Annual Reports of the six BEPCs submitted to CBE and DPW.</b>
<b>Short definition</b>	BEPCs align with Government-wide financial and performance planning frameworks and objectives.
<b>Purpose/importance</b>	This project seeks to ensure that the six BEPCs, on their path to compliance with the PFMA, are also compliant with the statutory requirements of Government-wide budgeting, planning and reporting.
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	The Strategic Plans, APPs and Annual Reports of the BEPCs comply with statutory requirements, and align with those of CBE and DPW.
<b>Indicator Responsibility</b>	Manager: Strategic Planning, Monitoring and Evaluation.

## Programme 5: Government Policies and Priorities

**Strategic objective:** BE academic curricula and CPD programmes that embody the following elements:

- Health and safety in construction;
- Environmental sustainability;
- Job creation through labour intensive construction; and
- The IDMS and the SIPDM.

Indicator Title	Number of implementation plans incorporating new knowledge in BE curricula.
<b>Short definition</b>	The academic curricula of all BE programmes are to include adequate coverage of health and safety issues, environmental sustainability issues in order to protect the public, labour intensive construction issues, and IDMS to facilitate efficient Government infrastructure delivery and its desired impact on job creation, poverty alleviation and economic development during the reporting period and onwards, as changes are accepted by institutions of learning.
<b>Purpose/importance</b>	The curricula of BE education programmes influence BEPs knowledge of infrastructure design and its health and safety performance, environmental sustainability performance, in order to protect the public against adverse outcomes; labour intensive construction methods to increase the labour absorbing capacity of infrastructure development will contribute to job creation, poverty alleviation and economic development. The academic curricula of all BE programmes are to include adequate coverage of the IDMS to facilitate efficient Government infrastructure delivery and its desired impact on job creation, poverty alleviation and economic development.
<b>Reporting cycle</b>	Quarterly.
<b>Desired performance</b>	Health and safety, environmental sustainability, labour intensive construction and the IDMS form part of the curricula of BE programmes.
<b>Indicator Responsibility</b>	Manager: Research and Policy.

## Annexure A.

### Amend CBE Strategic Plan 2015/16 to 2019/20 – Programmes

The composition of the Programmes has changed. The Administration component from the former Programme 1 (Government Policies and Priorities) now stands alone in a 'revised' Programme 1. The Government Policies and Priorities component of the former Programme 1 now stands alone in a 'new' Programme 5. Programmes 2, 3 and 4 remain as they were. Therefore, the revised Programmes are:

Programme 1: Administration

Programme 2: Skills for Infrastructure Delivery

Programme 3: Built Environment Research, Information and Advisory

Programme 4: Regulation and Oversight of six BEPCs

Programme 5: Government Policies and Priorities

#### Programme 1: Administration

**Strategic goal:** Provide support to CBE, thus contributing directly and indirectly to the delivery of all strategic outcome-oriented goals of the CBE.

**Strategic objective:** To ensure that CBE has the necessary capacity and capability to support Government's development priorities within the BE.



## Programme 1: Performance indicators and medium term targets for 2017/18 – 2019/20

Performance indicator	Strategic Plan target	Audited/Actual performance			Estimated performance	Medium-term targets		
		2013/14	2014/15	2015/16		2016/17	2017/18	2018/19
1.1 Implemented ICT Governance processes as per DPSA guidelines.	IT processes compliant with sound corporate governance.	-	-	-	Developed IT Governance Framework, in compliance with the DPSA corporate governance of ICT, and implementation of the IT Strategy by 31 March 2017.	IT Governance Framework, in line with DPSA Corporate Governance of ICT Policy Framework, implemented by 31 March 2018.	IT Governance Framework, in line with DPSA Corporate Governance of ICT Policy Framework, implemented by 31 March 2019.	Developed Continuous Improvement roadmap of the implementation of IT Governance by 31 March 2020.
1.2 Approved ICT Implementation Plan.	95% network up-time.	-	-	-	Reconfigured network and server systems to ensure 95% up-time by 31 March 2017.	ICT Plan implemented by 31 March 2018.	ICT Plan implemented by 31 March 2019.	Developed Continuous Improvement Roadmap of the Implementation of ICT Plan by 31 March 2020.
1.3 Clean audit strategy.	Efficient management of operations, financial controls and compliance to laws and regulations to obtain a clean audit report.	-	-	-	Unqualified audit by 31 March 2017.	Unqualified audit report, with no material financial findings, for 31 March 2018.	Unqualified audit report with no material financial and performance reporting findings, for 31 March 2019.	Clean audit for 31 March 2020.

## Performance indicators and quarterly targets for 2017/18

Performance indicator	Reporting period	Annual target 2017/18	Quarterly targets			
			1st	2nd	3rd	4th
1.1 Implemented ICT Governance processes as per DPSA guidelines.	Quarterly	IT Governance Framework, in line with DPSA Corporate Governance of ICT Policy Framework, implemented by 31 March 2018.	Presentations of the IT Governance Policy and its Implementation Guide to CBE Management.	The implementation of the priority areas of IT Governance Framework, based on CORBIT 5 (Disaster Recovery Plan).	The implementation of the priority areas of IT Governance, based on CORBIT.	IT Governance Framework, in line with DPSA Corporate Governance of ICT Policy, implemented.
1.2 Approved ICT Implementation Plan.	Quarterly	ICT Plan implemented by 31 March 2018.	Issue and evaluate Request for Proposals for WAN upgrade and implementation of IT Disaster Recovery Plan.	Upgraded WAN infrastructure.	Implemented IT Disaster Recovery Plan.	ICT plan implemented.
1.3 Clean audit strategy.	Quarterly	Unqualified audit report for 2016/17.	No target.	Implement action plans to address prior year's audit findings for 50% of the findings.	Implement action plans to address prior year's audit findings for 100% of the findings.	Unqualified audit report, with no material financial findings.

## References

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3. PwC (2015).
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6. PwC (2016).
7. Stats SA research report.





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