



**SECOND QUARTER PERFORMANCE
INFORMATION FOR THE
FINANCIAL YEAR 2020/21**

01 July – 30 September 2020



APPROVAL OF THE SECOND QUARTER REPORT FOR THE FINANCIAL YEAR 2020/21

This quarterly report was developed by the Council for the Built Environment (CBE), under the stewardship of its Accounting Authority, the CBE Council.

It has been prepared in line with the targets set out in the annual performance plan, and captures the performance of the CBE for the second quarter of the 2020/21 financial year.



P Mdlalose (Ms)
Chief Executive Officer

CONTENTS

1. ACRONYMS AND DEFINITIONS	7
PART A: EXECUTIVE SUMMARY	10
2. EXECUTIVE SUMMARY	11
PART B: GOVERNANCE.....	16
3. INTRODUCTION	17
3.1. EXECUTIVE AUTHORITY	17
3.2. THE ACCOUNTING AUTHORITY	17
3.3. COMPOSITION OF THE COUNCIL.....	18
3.4. COMMITTEES OF COUNCIL	22
3.5. OTHER COMMITTEES.....	32
3.6. RISK MANAGEMENT	41
3.7. INTERNAL CONTROL AND FINANCIAL MANAGEMENT	41
3.8. INTERNAL AUDIT	41
3.9. COMPLIANCE WITH LEGISLATION AND PROCEDURES.....	42
3.10. FRAUD AND CORRUPTION	42
3.11. MINIMISING CONFLICT OF INTEREST	43
3.12. CODE OF CONDUCT.....	43
3.13. HEALTH AND SAFETY AND ENVIRONMENTAL ISSUES.....	43
3.14. TRAINING AND DEVELOPMENT	43
3.15. SUPPLY CHAIN MANAGEMENT	43
PART C: PERFORMANCE INFORMATION	44
4. PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE.....	46
4.1. PROGRAMME 1: ADMINISTRATION.....	47
4.2. PROGRAMME 2: TRANSFORMATION.....	55
4.3. PROGRAMME 3: SKILLS AND CAPACITY DEVELOPMENT	61
4.4. PROGRAMME 4: RESEARCH AND ADVISORY	69
4.5. PROGRAMME 5: REGULATION AND PUBLIC PROTECTION.....	75
PART D: EXPENDITURE REPORT.....	81

5. SIGNIFICANT DEVIATIONS.....	83
5.1. REVENUE	83
5.2. EXPENDITURE	84
6. HUMAN RESOURCES	87
6.1 RECRUITMENT AND SELECTION.....	87
6.2 STAFF MOVEMENT	87
6.3 STAFF TURNOVER.....	87
6.4 LABOUR RELATIONS	88
6.5 PERFORMANCE MANAGEMENT AND DEVELOPMENT	88
6.5 LEAVE	89

List of Tables

Table 1: Achievement Status of Quarter Two Targets	13
Table 2: Fifth Term Council	20
Table 3: Committees of Council	22
Table 4: Audit and Risk Committee Membership	26
Table 5: Meetings with the Investigators	27
Table 6: Appointed Appeal Committee	28
Table 7: Council and Committees – Composition and Meeting Attendance.....	37
Table 8: Council Remuneration.....	40
Table 9: Procurement	44
Table 10: Alignment with DPWI, NDP Priorities and NDPIP Outcomes.....	46
Table 11: Media Interviews	51
Table 12: Programme 1: Administration	52
Table 13: Programme 2: Transformation.....	59
Table 14: Structured Candidacy Programme	63
Table 15: Career Awareness Initiatives	64
Table 16: Programme 3: Skills and Capacity Development	66
Table 17: Research Output.....	71
Table 18: Programme 4: Research and Advisory	74
Table 19: Built Environment Legislative Updates Action Plan	75
Table 20: Programme 5: Regulation and Public Protection.....	78
Table 21: Employee Statistics	87
Table 22: Race and Gender Equity	88
Table 23: Leave.....	89
Table 24 : Absenteeism.....	90

List of Figures

Figure 1: Second quarter Programme Performance	13
Figure 2: Expenditure: Actual versus Budget.....	83

1. ACRONYMS AND DEFINITIONS

APP	Annual Performance Plan
BE	Built Environment
BEP/s	Built Environment Profession/s
The CBE Act	Council for the Built Environment Act 43 of 2000
CBE	Council for the Built Environment
CBEP	Councils for the Built Environment Professions
CEO	Chief Executive Officer
CETA	Construction Education and Training Authority
Council	CBE Council (the accounting authority of the organisation)
CUT	Central University of Technology
DPWI	Department of Public Works and Infrastructure
EPWP	Expanded Public Works Programme
FIDPM	Framework for the Infrastructure Delivery and Procurement Management
4IR	Fourth Industrial Revolution
HDI	Historically Disadvantaged Individual
HR	Human Resources
IA	Internal Audit
ICT	Information Communications Technology
IDoW	Identification of Work
IT	Information Technology
IoT	Internet of Things
King IV™	King IV Report on Corporate Governance for South Africa
Manco	Management Committee

Minister	Minister of Public Works and Infrastructure
MoU	Memorandum of Understanding
MTSF	Medium-Term Strategic Framework
NDP	National Development Plan
NDPIP	National Development Plan Implementation Plan
NSG	National School of Government
NT	National Treasury
OSD	Occupation Specific Dispensation
PFMA	Public Finance Management Act
SCM	Supply Chain Management
SIPDM	Standard for Infrastructure Procurement and Delivery Management
UoT	University of Technology
VA	Voluntary Association

Committees/Sub-Committees of Council

ARC	Audit and Risk Committee
AC	Appeals Committee
BEMC	Built Environment Matters Committee
EXCO	Executive Committee
FHLC	Finance, Human Resources and Legal Committee
ISC	IDoW Steering Committee
SMMCC	Stakeholder Management and Marketing Communications Committee

Councils for the Built Environment Professions (CBEP)

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

SACPVP	South African Council for the Property Valuers Profession
SACPCMP	South African Council for the Project and Construction Management Professions
SACQSP	South African Council for the Quantity Surveying Profession

CBE Programmes

Programme 1	Administration
Programme 2	Transformation
Programme 3	Skills and Capacity Development
Programme 4	Research and Advisory
Programme 5	Regulation and Public Protection

PART A
EXECUTIVE SUMMARY

2. EXECUTIVE SUMMARY

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

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

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

This report presents the performance of the CBE for the second quarter of the 2020/21 financial year, including the challenges and issues confronting CBE Programmes in pursuit of the 2020/21 financial year targets outlined in the Annual Performance Plan (APP). It further details

financial transactions of the CBE as at 30 September 2020. This report is presented in five parts:

Part A is the Executive Summary, a synopsis of the CBE's performance in terms of its mandate and strategic objectives set out in its Strategic Plan

Part B provides a detailed Governance Report

Part C is a detailed analysis of the performance of each Programme

Part D is a detailed Financial Report for the second quarter

Part E is the Human Resource Report for this reporting period

The CBE implements its annual performance plan (APP) through five Programmes:

- i. Programme 1: Administration
- ii. Programme 2: Transformation
- iii. Programme 3: Skills and Capacity Development
- iv. Programme 4: Research and Advisory
- v. Programme 5: Regulation and Public Protection

Treasury Regulation 5.3.1 requires the accounting officer to establish procedures for quarterly reporting to the executive authority to facilitate effective performance monitoring, evaluation and corrective action. Procedures for quarterly reporting have been established through the August 2011 National Treasury Guidelines, "Preparation of Quarterly Performance Reports Guidelines", in line with the Presidency's outcomes-based approach.

The 2020/21 APP has 13 quarterly targets set for the second quarter. Ten of these targets were achieved, and three were not achieved. This brings the overall quarter two performance of the CBE against annual targets for the 2020/21 financial year to 77% as shown in Table 1 below.

Table 1: Achievement Status of Quarter Two Targets

APP Programme	Number of Quarterly Targets	Achieved	Not Achieved
Programme 1: Administration	4	2	2
Programme 2: Transformation	2	2	0
Programme 3: Skills and Capacity Development	3	2	1
Programme 4: Research and Advisory	1	1	0
Programme 5: Regulation and Public Protection	3	3	0
Quarter Two Total Targets	13	10	3

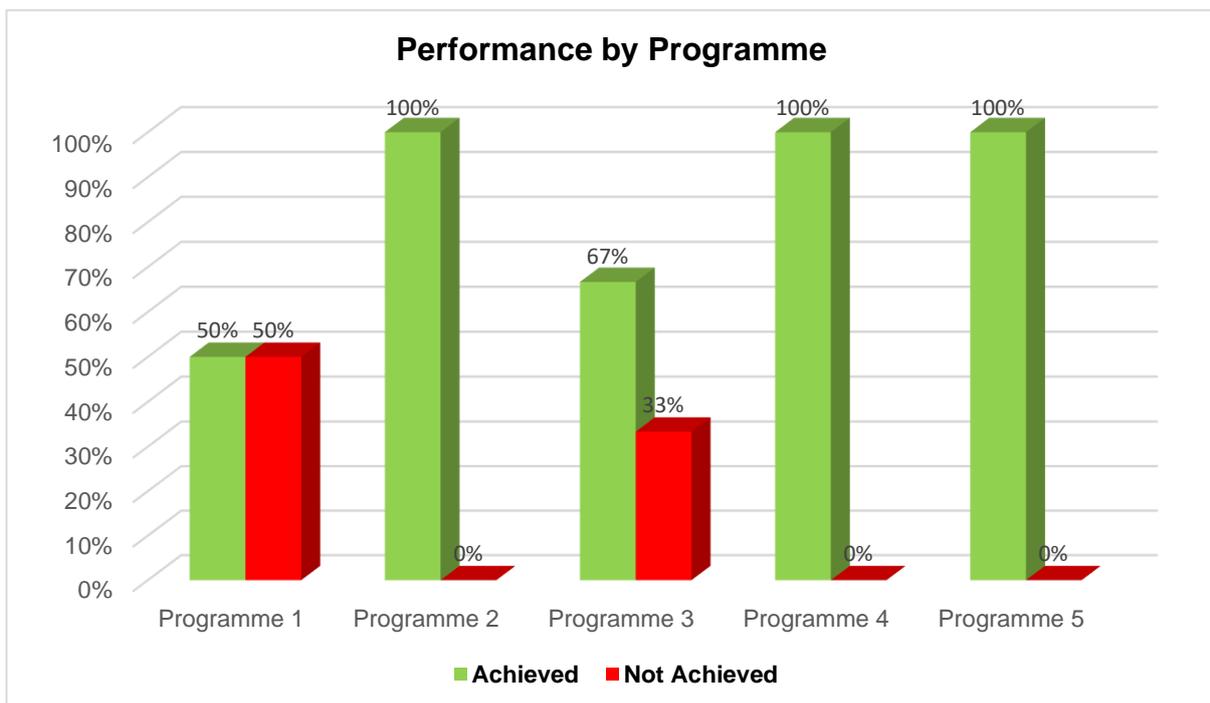


Figure 1: Second Quarter Programme Performance

Highlights

The highlights for the quarter under review were the following:

- (a) Standard Operating Procedures were identified and mapped. The gap analysis report was prepared, presented to and approved by the Management Committee (Manco) on 30 September 2020
- (b) There were three media engagements during the quarter to profile the CBE. Interviews were held on radio and television - Thobela FM; Newzroom Africa and eNCA
- (c) The draft Broad Based Long-Term Transformation Strategy for the Built Environment was developed.
- (d) Five formal sector collaborative engagements were hosted by 30 September 2020
- (e) Five workplaces were monitored and evaluated in implementing the Structured Candidacy Programme
- (f) Seven Built Environment career awareness initiatives were conducted for school learners across four provinces - KwaZulu-Natal, Mpumalanga, North West and Eastern Cape
- (g) The first draft of the Research Agenda was developed. Input collection for emerging built environment research themes are a key component of the first phase, hence a questionnaire calling for input was circulated to stakeholders
- (h) Four appeals were lodged during the quarter as follows:
 - 1. The first was against the South African Council for the Quantity Surveying Profession (SACQSP) on the withdrawal of accreditation of a programme at an institute of learning
 - 2. The second was against the South African Council for the Architectural Profession (SACAP) on the outcome of a disciplinary tribunal
 - 3. The third was against the Engineering Council of South Africa (ECSA) on failure to prefer charges against a registered person
 - 4. The fourth was lodged against the South African Council for the Project and Construction Management Professions (SACPCMP) against the refusal to recognise an international qualification for registration purposes

Three appeals, requiring decision during the quarter, were decided within the prescribed period of 60 days. One appeal, due for decision in quarter three, was finalised in this quarter. Four appeals in total were decided during the quarter. The remaining two appeals are due for decision in the next quarter

- (i) One Corporate Governance assessment of two CBEP on compliance with the provisions of the adopted Governance Framework was developed. The assessment indicated the following:
 - 1. Neither CBEP has an appointed audit committee
 - 2. SACPCMP and SACLAP lack capacity to develop the required governance instruments and policies
 - 3. SACQSP demonstrated strong commitment towards compliance and availed several policies for CBE's input

Challenges

- a) Programme 1.2 quarterly target was not achieved. An organisational design and structure, fit-for-purpose, was not developed. There was a Finance, Human Resources and Legal Committee (FHLC) resolution to re-issue the Request for Proposals (RFP) to appointment a service provider. The second round of proposals have been evaluated and due diligence finalised. A recommendation report has been drafted for final approval. The process will be finalised before the end of October 2020
- b) The Information Communications Technology (ICT) Cloud Strategic Plan, updated with Management committee inputs and submitted to the Information Technology Steering Committee (ITSC) for recommendation, was not approved. This will be reviewed for submission.
- c) The oversight report on the CBEP' accreditation of Built Environment academic programmes and institutions was not developed. Due to the Covid-19 pandemic restrictions, the CBEP could not undertake accreditation visits to universities. All visits were postponed to the 2021/22 financial year. The CBE is in constant engagement with the CBEP and will provide support where required.

PART B
GOVERNANCE

3. INTRODUCTION

The CBE takes its governance responsibility from the relevant legislation and principles of the King IV Report on Corporate Governance for South Africa (King IV™). According to this Report, Corporate Governance is about the exercise of ethical and effective leadership by the CBE Council (Council). Such leadership includes the following responsibilities for the Council:

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

The pursuance of ethical and effective leadership should result in the following beneficial outcomes for the CBE:

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

3.1. EXECUTIVE AUTHORITY

The Minister of Public Works and Infrastructure (the Minister) is the Executive Authority of the CBE.

3.2. THE ACCOUNTING AUTHORITY

The CBE Council is the Accounting Authority of the organisation. The CBE was established in terms of the Council for the Built Environment Act, 43 of 2000 (referred to as the CBE Act.) Some of the key functions assigned to the CBE by the CBE Act include the following outlined in section 4:

- i. *(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;*
- ii. *(e) facilitate inter-ministerial co-operation concerning issues relating to the built environment;*

- iii. *(f) provide advice and consultation on national policy that could impact on the built environment, human resource development in relation to the built environment professions and the recognition of new professions;*
- iv. *(g) comment, if necessary, on all proposed legislation impacting on health and safety in the built environment;*
- v. *(i) advise the professional councils on matters of national importance where the needs of the State, as communicated to the Council through the relevant Minister, require joint and coordinated action by the built environment professions;*
- vi. *(k) ensure the consistent application of policy by the professional councils with regards to: accreditation, registration, competence testing of registered persons, codes of conduct for the professions, principles for determination of fees in accordance with any legislation relating to the promotion of competition, and standards of health, safety and environmental protection within the built environment; and*
- vii. *(m) act as an appeal body with regards to matters referred to it in terms of the law regulating the built environment professions.*

The CBE is, in addition, mandated to:

- i. *4(f) effect policy coordination within the Built Environment*
- ii. *3(d) promote the participation of the built environment professions in integrated development within the context of national goals*
- iii. *3(f) promote sound governance of the built environment professions*
- iv. *3(h) act as the conduit for communication between Government and the BEPs*

3.3. COMPOSITION OF THE COUNCIL

The CBE Act (section 5) stipulates that Council comprises twenty members (non-executive), appointed by the Minister, consisting of:

- a. *One representative from the Department of Public Works and Infrastructure (DPWI);*
- b. *Not more than three persons nominated by state departments within whose functional areas the professions are also practised;*
- c. *Two representatives nominated by each council for the professions; and*
- d. *Not more than four persons nominated by the public.*

The CBE Act stipulates a formal process for the appointment of members. The Minister appoints the Chairperson, Deputy-Chairperson and members of the Council for a period of four years. A Company Secretary supports the Council and its Committees on governance matters. The Chief Executive Officer (CEO) and CBE staff are responsible for operational matters.

Cabinet approved the appointment of the Fifth Term Council on 7 November 2018, effective from 1 November 2018 to 31 October 2022. The Act requires the Minister of Public Works and Infrastructure to determine first meeting of Council. The Fifth Term Council was inaugurated on 16 January 2019, the date determined by the Minister for the first meeting of Council. The inauguration was followed by an induction session on 17 January 2019.

The Chairperson of the Council resigned on 27 June 2019 with immediate effect. The Deputy Chairperson, in terms of the provisions of section 9(3) of The CBE Act, performed the functions and exercised the powers of the Chairperson until the Minister appointed the new Chairperson.

The Minister appointed four members to the Council on 20 January 2020 –

- i. Dr SS Dlamini (Chairperson)
- ii. Mr CV Gamede
- iii. Ms K Naidoo
- iv. Mr WO Mothowamodimo

Table 2: Fifth Term Council

Name	Designation (Section of the Act in terms of which appointment was made)	Gender	Date Appointed	Date Resigned	Date Term Ended
1. Dr SS Dlamini (Chairperson)	Section 5(2)(c) Nominated by SACAP	Male	20 Jan 2020	-	-
2. KEM Mogodi (Deputy Chairperson)	Section 5(2)(b) read with section 6 (3)(b) Representative of state departments	Female	1 Nov 2018	-	-
3. Dr J Badul	Section 5(2)(b) Nominated by Department of Environmental Affairs	Female	1 Nov 2018	-	-
4. Dr P Dala	Section 5(2)(d) Public nominee	Male	1 Nov 2018	-	-
5. Dr CH Deacon	Section 5(2)(c) Nominated by SACPCMP	Female	1 Nov 2018	-	-
6. U Exner	Section 5(2)(d) Public nominee	Female	1 Nov 2018	-	-
7. CV Gamede	Section 5(2)(c) Nominated by ECSA	Male	20 Jan 2020		
8. NE Hutamo	Section 5(2)(c) Nominated by SACLAP	Male	1 Nov 2018	-	-
9. Dr KI Jacobs	Section 5(2)(c) Nominated by ECSA	Male	1 Nov 2018	-	-
10. ZY Makhathini-Neer	Section 5(2)(b) Nominated by Department of Water Affairs and Sanitation	Female	1 Nov 2018	-	-
11. JL Margolius	Section 5(2)(c) Nominated by SACPVP	Male	1 Nov 2018	-	-
12. GH Meyer	Section 5(2)(c) Nominated by SACQSP	Male	1 Nov 2018	-	-
13. HN Molao	Section 5(2)(c) Nominated by SACPCMP	Female	1 Nov 2018	-	-
14. WO Mothowamodimo	Section 5(2)(c) Nominated by SACLAP	Male	20 Jan 2020		
15. ST Mthembu	Section 5(2)(d) Public nominee	Female	1 Nov 2018	-	-
16. K Naidoo	Section 5(2)(c) Nominated by SACAP	Female	20 Jan 2020		
17. H Ndlovu	Section 5(2)(c) Nominated by SACPVP	Male	1 Nov 2018	-	-

Name	Designation (<i>Section of the Act in terms of which appointment was made</i>)	Gender	Date Appointed	Date Resigned	Date Term Ended
18. N Qina	Section 5(2)(c) Nominated by SACQSP	Female	1 Nov 2018	-	-
19. F Rabada	Section 5(2)(a) Representative Department of Public Works and Infrastructure	Female	1 Nov 2018	-	-
Resignations					
IM Vieira	Section 5(2)(d) Public nominee	Female	1 Nov 2018	21 Nov 2019	-
AM Molobe (Chairperson)	Section 5(2)(c) Nominated by SACLAP	Male	1 Nov 2018	27 June 2019	-
Adv B Tlhakung	Section 5(2)(c) Nominated by ECSA	Female	1 Nov 2018	23 Nov 2018	-

3.4. COMMITTEES OF COUNCIL

Table 3: Committees of Council

STATUTORY COMMITTEES			
EXCO Executive Committee	ARC Audit and Risk Committee	AP Appeal Committee	
OTHER COMMITTEES			
FHLC Finance, Human Resources and Legal Committee	BEMC Built Environment Matters Committee	BEMC SUB-COMMITTEES	
		IDoW Identification of Work Task Team	SMMCC Stakeholder Management, Marketing and Communications Committee

3.4.1 STATUTORY COMMITTEES

Executive Committee

The Executive Committee (EXCO) is prescribed and mandated by section 12 of the CBE Act. In terms of the CBE Act, EXCO may hold meetings as and when necessary, but at least four times per year.

Council appointed an Executive Committee on 17 January 2019 consisting of the following persons:

1. Dr SS Dlamini (Chairperson)
2. KEM Mogodi (Deputy Chairperson)
3. Dr KI Jacobs (Member)
4. ZY Makhathini-Neer (Member)
5. U Exner (Alternative Member)

The EXCO terms of reference was reviewed and adopted by Council on 29 May 2019:

- a. Ensure that the resolutions of the Council are carried out;
- b. Consider any matter delegated to it by the Council in terms of any law, and advise the Council in connection therewith;
- c. Prepare estimates of revenue and expenditure of the Council;
- d. Control the expenditure of monies voted by Council in its approved estimates and all other monies or funds made available by the Council;
- e. Exercise or perform any power, duty or function delegated to it by the Council and such other powers as may be delegated to it by Council in terms of section 16 of the CBE Act;

- f. Report at every ordinary meeting of the Council on the activities of the committee;
- g. *It is noted that (a) to (f) above are functions allocated to the EXCO by legislation. It must however be noted that Council, as the Accounting Authority, is empowered to consider all relevant steps to ensure good governance and adequate financial control. The need for Council not to involve itself in operational matters dictate that the functions (c) and (d) be performed by the CBE administration, as per the delegation of authority by Council, and overseen by Council supported by the Audit and Risk Committee (ARC);*
- h. Oversee Risk Governance with reference to:
 - (i) The review of performance information as per the quarterly and annual reports prepared by management
 - (ii) The review of mitigating measures proposed by management to address identified performance shortfalls and other identified risks, and monitor and assist management in its execution of mitigating measures and/or propose mitigating measures
- i. Make recommendations to Council on the above and inform Council of decisions finalised in terms of the Council's delegation.

EXCO held a scheduled meeting during the second quarter on 29 July 2020, with the following outcomes:

- a. Recommended the first quarter 2020/21 report inclusive of the unaudited performance information, finance and governance report
- b. Approved the statutory submission of the draft 2019/20 Annual Report to National treasury (NT)
- c. Approved the statutory submission of the draft 2019/20 Financial Statements to NT
- d. Noted the Risk Management Report and Risk Registers
- e. Noted the amendments on the strategic plan and APP due to the Covid-19 budget adjustments, as approved by Council on 22 May 2020
- f. Noted the compliance report and emphasised the importance of the Protection of Personal Information Act (POPIA) implementation plan

EXCO held a workshop on 9 September 2020 to review the committees of Council and made recommendations to Council regarding the structures required going forward.

Audit and Risk Committee

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

The role of the ARC is to assist Council to ensure that:

- a. The CBE has implemented an effective policy framework and plan for Risk Management that will enhance the CBE's ability to achieve its strategic objectives;
- b. The disclosure regarding risk is comprehensive, timely, and relevant;
- c. Review the annual financial statements, interim reports, preliminary or provisional result announcements, and summarised integrated information;
- d. Comment on the annual financial statements, the accounting practices and the effectiveness of the internal financial controls;
- e. Review the disclosure of sustainability issues in the integrated report to ensure that it is reliable and does not conflict with the financial information;
- f. Recommend to Council the engagement of an external assurance provider on material sustainability issues;
- g. Recommend the integrated report for approval by Council;
- h. Consider the frequency for issuing interim results;
- i. Consider whether the external auditor should perform assurance procedures on the interim results;
- j. Review the content of the summarised information for whether it provides a balanced view;
- k. Engage the external auditors to provide assurance on the summarised financial information;
- l. Ensure that the Risk Register is updated in line with the APP on a bi-annual basis;
- m. With regard to Social and Ethical-Matters:

- (i) To monitor the CBE's activities, having regard to relevant legislation, legal requirements and good practice with specific reference to (ii) to (vi) below;
- (ii) To promote ethical standards and guidelines for acceptable behaviour amongst all employees;
- (iii) Promotion of good corporate citizenship with reference to:
 - (a) Equality, prevention of unfair discrimination and the eradication of corruption;
 - (b) Promote employee awareness in the detection of fraud and other corrupt activities;
 - (c) Acknowledgement of employee involvement in community projects with due consideration of the CBE's mandate;
 - (d) Contribution to development of communities where the CBE conducts its activities; and
 - (e) To undertake initiatives to promote greater environmental responsibility by encouraging the use of environmental friendly technologies.
- (iv) To promote consumer interests within the ambit of the CBE's mandate;
- (v) To enhance the CBE's employment relationship and contribute within its means towards the educational development of its employees;
- (vi) To promote an environment where open communication is expected and protected; and
- (vii) To report to Council on an annual basis on its findings, and more frequently if occasion requires.

Table 4: Audit and Risk Committee Membership

Name	Internal / External	Date Appointed	Date Resigned	Contract Ended
P Stock (Chairperson)	External Member	11 April 2019		
LM Mangquku	External Member	11 April 2019		
Dr L Konar	External Member	11 April 2019		
U Exner	Council Member	1 November 2018		
Dr P Dala	Council Member	1 November 2018		

The ARC held meetings on 20 July 2020, 22 July 2020 and 23 September 2020 during the second quarter, with the following outcomes:

- a) **Performance Information** - The Internal Audit (IA) review of Quarter 1 performance targets and adequacy of the evidence was deliberated. The results were supported by the ARC, and the independence of the IA was emphasised
- b) **Governance Report** - All meetings were quorate and held during the quarter
- c) **Finance Report** - No irregular expenditure was indicated in the financial information
- d) The following were discussed and noted: Quarterly Procurement Report, Risk Management Report, Strategic and Operational Risk Registers, Fraud Management Report, Compliance Report, Contract Register
- e) Deliberated on and recommended the appointment of the External Auditors and the Internal Auditors
- f) Considered and recommended the 2019/20 Financial Statements, irregular expenditure register and disclosure notes
- g) Considered and recommended the 2019/20 Annual Report
- h) Considered IT Governance and matters and recommended the IT Turnaround Plan
- i) Considered the External Audit, Nexia SAB&T engagement letter and audit strategy and recommended the approval thereof
- j) Considered and provided input in the Internal Audit, Rakoma and Associates Inc three year plan and annual work plan for 2020/21
- k) Considered and recommended the following policies –
 - (i) Fraud Prevention
 - (ii) Whistle Blowers
 - (iii) Compliance
 - (iv) Social and Ethics
- l) Considered and recommended the move of the Social and Ethics component to the Transformation Committee

- m) Considered and recommended the conflict of interest provision report
- n) Considered the outcome of the self-assessment questionnaires
- o) Considered and recommended the external audit management letter and audit report regarding the 2019/20 audit outcome
- p) Considered and recommended the audited 2019/20 Financial statements
- q) Considered and recommended the 2019/20 Annual Report
- r) Considered and finalised the audit committee report for inclusion in the annual report

There were two reports from Whistle Blowers in 2019/20; one investigation has been concluded by O.M.A Chartered Accountants Inc. and the other investigation by SNG is ongoing. There were a number of meetings and presentations to track the progress of the investigations.

Table 5: Meetings with the Investigators

Date	Meeting	Investigation
1 April 2020	Council Delegated	SNG Whistle Blower Report
21 April 2020	ARC	OMA Whistle Blower Report
19 May 2020	Council Delegated	SNG Whistle Blower Report
25 May 2020	ARC In-Committee	SNG Whistle Blower Report
30 June 2020	Council	SNG Presentation Whistle Blower Report
20 July 2020	Council Delegated	SNG Whistle Blower Report
20 July 2020	ARC In-Committee	OMA Whistle Blower Report
22 July 2020	ARC	Disclosure Under Investigation: Irregular Expenditure Scoring Guidelines
22 July 2020	ARC	Disclosure Under Investigation: Irregular Expenditure GMI
5 August 2020	Council Delegated	SNG Whistle Blower Report
1 September 2020	Council Delegated	SNG Whistle Blower Report
14 September 2020	Council	SNG Presentation Whistle Blower Report
23 September 2020	ARC In-Committee	OMA Whistle Blower Report
23 September 2020	ARC In-Committee	SNG Whistle Blower Report
23 September 2020	ARC In-Committee	Under Investigation: Irregular Expenditure SCM Processes Sole Sourcing

THE APPEAL COMMITTEE

The Council for the Built Environment Act 43 of 2000, (The CBE Act) and the Professions' Acts make provision for the lodgement of appeals against decisions of Councils for the Built Environment (CBEP). The CBE Act [section 21(3)] requires an Appeal Committee to be appointed for every appeal lodged, consisting of three persons, viz.

- a) a legally qualified and experienced person
- b) a professional with appropriate experience
- c) a specialist in the professional field concerning the appeal

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

THE APPOINTED APPEAL COMMITTEE

Council, at its meeting of March 2020 appointed the following standing Appeal Committee, for a period of 12 (twelve) months to be allocated for appeal hearings on a rotational basis as and when required:

Table 6: Appointed Appeal Committee

Name	Capacity (Chairperson or BE generalist)
Lebogang Stroom-Nzama	Chairperson
Khathutshelo Sikhala	Chairperson
Boitumelo Mmusinyane	Chairperson
Sibusiso N Jiyane	Chairperson
Rebaone Gaoraelwe	Chairperson
Virginia Mohala	Chairperson
Mohamad I Motala	Chairperson
Selemo B Makubung	Chairperson
Linda L Manyathi	Chairperson
Gerald Damstra	BE Generalist
Darryl R Riley	BE Generalist
Karl Bailey	BE Generalist
Shoayb Loonat	BE Generalist
Tracey Myers	BE Generalist
Ron Watermeyer	BE Generalist

SPECIALIST/S IDENTIFIED BY THE CEO AS PER COUNCIL RESOLUTION

Name	Appeal Matter
Eugene Barnard	Sakhile Ngcem vs SACAP
Singalakha Jojo	Katlego Motene vs SACAP
Prof Majozi	University of KwaZulu-Natal vs SACQSP
Jeff Pipe	C D Galatis vs ECSA and Others

SITTINGS OF THE APPEAL COMMITTEE

i. UNIVERSITY OF KWAZULU-NATAL VERSUS THE SOUTH AFRICAN COUNCIL QUANTITY SURVEYING PROFESSIONAL (SACQSP) (1)

Date appeal lodged:	15 May 2020
Date of 60-day lapse:	14 July 2020
Date of decision:	3 July 2020

NATURE OF THE APPEAL

The appellant appealed the withdrawal of accreditation.

OUTCOME OF THE APPEAL

The appeal was postponed with an order to interrupt the 60 days' time limit.

COST OF THE APPEAL

No cost incurred.

ii. SAKHILE NGCEM VERSUS SOUTH AFRICAN COUNCIL FOR THE ARCHITECTURAL PROFESSION (SACAP)(2)

Date appeal lodged:	17 June 2020
Date of 60-day lapse:	16 August 2020

Date of decision:

4 August 2020

NATURE OF THE APPEAL

The Appellant appealed the sanction imposed by a Disciplinary Tribunal of SACAP.

OUTCOME OF THE APPEAL

The appeal was upheld. The Appeal Committee varied the sanction imposed by SACAP.

COST OF THE APPEAL

Chairperson: R 51 000

Generalist: R 28 875

Specialist: R22 500

iii. UNIVERSITY OF KWAZULU-NATAL VERSUS THE SOUTH AFRICAN COUNCIL QUANTITY SURVEYING PROFESSIONAL (SACQSP) (2)

Date appeal lodged: 3 July 2020

Date of 60-day lapse: 2 September 2020

Date of decision: 24 August 2020

NATURE OF THE APPEAL

The appellant appealed the withdrawal of accreditation of an educational programme at the University KwaZulu-Natal.

OUTCOME OF THE APPEAL

The appeal was upheld.

COST OF THE APPEAL

Chairperson: R 51 000

Generalist: R 18 000

Specialist: R25 875

iv. KATLEGO MOTENE VERSUS SOUTH AFRICAN COUNCIL FOR THE ARCHITECTURAL PROFESSION (SACAP)(2)

Date appeal lodged:	5 August 2020
Date of 60-day lapse:	4 October 2020
Date of decision:	29 September 2020

NATURE OF THE APPEAL

The Appellant appealed the sanction imposed by a Disciplinary Tribunal of SACAP.

OUTCOME OF THE APPEAL

The Appeal was dismissed.

COST OF THE APPEAL

Chairperson:	R 51 000
Generalist:	R 42 000
Specialist:	R28 500

v. COSTANTINE DENNIS GALATIS VERSUS ENGINEERING COUNCIL OF SOUTH AFRICA (ECSA) AND OTHERS

Date appeal lodged:	6 August 2020
Date of 60-day lapse:	5 October 2020
Date of decision:	In progress

NATURE OF THE APPEAL

The appellant appealed a decision of the Investigating Committee of ECSA to not prefer charges against a registered person following a complaint.

OUTCOME OF THE APPEAL

In progress.

vi. NICHOLAS WILLIAM ATKINSON VERSUS SOUTH AFRICAN COUNCIL FOR THE PROJECT AND CONSTRUCTION MANAGEMENT PROFESSIONS (SACPCMP)

Date appeal lodged:	18 September 2020
Date of 60-day lapse:	17 November 2020
Date of decision:	In progress

NATURE OF THE APPEAL

The Appellant appealed a decision of the SACPCMP Council to not recognise an international qualification for purposes of registration.

OUTCOME OF THE APPEAL

In progress.

3.5. OTHER COMMITTEES

Finance, Human Resources and Legal Committee (FHLC)

Council appointed the following members to serve on the FHLC:

1. Dr KI Jacobs (FHLC Chairperson)
2. NE Hutamo (FHLC Deputy Chairperson)
3. Dr SS Dlamini (CBE Council Chairperson) (Member)
4. KEM Mogodi (CBE Council Deputy Chairperson)(Member)
5. U Exner (Member)
6. JL Margolius (Member)
7. HN Molao (Member)
8. ST Mthembu (Member)

The FHLC terms of reference was approved by Council on 29 May 2019:

a. With regard to Finance

- (i) Consider matters of financial strategy and policy (including procurement and SCM), risk management and insurance as they relate to the operation of the

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

b. With regard to Human Resources

- (i) Consider and make recommendations on the Human Resources (HR) Strategy to ensure that CBE is able to attract, retain and develop the best possible talent to support business performance;
- (ii) Consider and make recommendations on the creation or review of an organisational culture, structure, and processes, which seek to support the development of staff and optimisation of their potential, in particular those who have been previously disadvantaged to address any existing inequalities in staff profiles and organisational practice;

- (iii) Ensure compliance with all employment legislation such as Employment Equity Act, Labour Relations Act and Basic Conditions of Employment Act, etc.;
- (iv) Consider and make recommendations on a formal and transparent procedure for developing a policy on remuneration with particular reference to Senior Management;
- (v) Determine the annual remuneration adjustments for CBE staff; and
- (vi) Create and abolish Senior Management positions, appointments, transfers and promotions of Senior Managers, the CEO's performance appraisal, and implementation of disciplinary action against the CEO.

c. With regard to Legal-matters

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

d. With regard to Planning, Monitoring and Evaluation- Matters

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

The FHLC held a scheduled meeting on 27 July 2020, with the following outcomes:

- a. Considered and recommended the 2020/2021 Quarter 2 Expenditure and Procurement Report, draft 2019/2020 Financial Statements, data allowance proposal to address the virtual meetings, disposal recommendation, SCM policy amendment regarding the composition of the Bid Adjudication Committee (BAC), Council Remuneration Policy

- b. Considered and deliberated on the CBE Office Accommodation as work in progress
- c. Considered the following reports: Human Resources, Appeals, Compliance, Contract Register
- d. Reviewed the Organisational Structure Review plan and determined a way forward

Built Environment Matters Committee

Council appointed the following members to serve on the Built Environment Matters Committee (BEMC):

- 1. ZY Makhathini-Neer (BEMC Chairperson)
- 2. KEM Mogodi (Council Deputy Chairperson)(BEMC Deputy Chairperson)
- 3. Dr SS Dlamini (Council Chairperson)(Member)
- 4. Dr J Badul (Member)
- 5. Dr CH Deacon (Member)
- 6. GH Meyer (Member)
- 7. K Naidoo (Member)
- 8. H Ndlovu (Member)
- 9. N Qina (Member)
- 10. F Rabada (Member)
- 11. GV Gamede (Member)
- 12. WO Mothowamodimo (Member)

The BEMC terms of reference was approved by Council on 29 May 2019:

- a. Consider progress reports from management on the achievement of the APP targets per Programme, propose remedial action where required to management and follow up on the implementation thereof through the Project Champions;
- b. Project champions are members of the BEMC allocated the role to promote specific APP targets;
- c. Receive reports and information required in terms of the APP on behalf of Council;
- d. Monitor and guide the CBE's Transformation Strategy;
- e. Monitor and guide the CBE's Stakeholder Management Strategy;

- f. Receive and consider information reported by the six councils for built environment professions (CBEP) to the CBE on a quarterly basis, and recommend remedial steps or intervention where required;
- g. Monitor the execution of actions required of the CBE by the CBE EXCO/President's Forum; and
- h. Consider and recommend all CBE policies not considered by the FHLC to Council.

The BEMC held a scheduled meeting on 16 July 2020 with the following outcomes:

- a. Noted the 2020/21 first quarter performance information
- b. Considered the CBEP quarterly reports and registration presentation
- c. Deliberated further on the importance of SA First, the gaps in legislation resulting in the appointment of foreign professionals and the need for research in this regard
- d. Considered the research agenda as presented
- e. Considered the feedback received from the sub-committee, Stakeholder Management, Marketing and Communication Committee (SMMCC)
- f. Considered the feedback received from the sub-committee, IDoW Task Team (ITT)
- g. Considered feedback from the Transformation Collaborative *Fora*
- h. Deliberated on the Health and Safety as well as the Social and Ethics components that should be incorporated into meetings for Council to address going forward

MEETINGS OF COUNCIL

Council held the following meetings during the second quarter, where the following were resolved.

Special meeting held on 26 August 2020, Council approved –

- a. The External Audit, Nexia SAB&T Engagement Letter for sign off by the Council Chairperson
- b. The First Quarter 2020/21 Report for statutory submission
- c. First Quarter Expenditure and Procurement reports

- d. Considered the ARC Chairperson's report regarding the IT Turnaround Plan and approved the way forward
- e. EXCO Workshop proposal to deliberate on the structure and restructuring of the Committees and Sub-committees of Council
- f. CBE Staff Skills Matrix and way forward to review the organogram
- g. The revised Council Charter
- h. Rescinded the resolution to utilise CBE email addresses for Council members

Special meeting held on 14 September 2020, Council –

- i. Received a presentation on the outcome of the SNG Report into the Whistle Blowers allegations received

Scheduled meeting held 28 September 2020, Council approved –

- j. The External Audit 2019/2020 Management Letter and Audit report
- k. The audited 2019/20 Financial Statements for statutory submission
- l. The 2019/20 Annual Report for statutory submission
- m. All other matters of Committees recommended for approval was deferred to the next Council meeting due to the late submission of the meeting pack

Table 7: Council and Committees – Composition and Meeting Attendance

Members	Number of Scheduled Meetings	Number of Special Meetings	Total Meetings Attended	Total Percentage Attendance
EXCO				
Dr SS Dlamini (Chairperson)	1	0	1	100
KEM Mogodi (Deputy-Chairperson)	1	0	1	100
Dr KI Jacobs	1	0	1	100
ZY Makhathini-Neer	1	0	1	100
U Exner (Alternate Member)	0	0	0	0
ARC				
Ms P Stock (External Member)(Chairperson)	1	3	4	100
Mr LM Mangquku (External Member)	1	3	4	100
Dr L Konar (External Member)	1	3	4	100

Members	Number of Scheduled Meetings	Number of Special Meetings	Total Meetings Attended	Total Percentage Attendance
Ms U Exner (CBE Fifth Term Council Member)	1	2	3	100
Dr P Dala (CBE Fifth Term Council Member)	1	2	3	100
FHLC				
Dr KI Jacobs (Chairperson)	1	0	1	100
NE Hutamo (Deputy Chair)	1	0	1	100
U Exner	1	0	1	100
JL Margolius	0	0	0	0
HN Molao	1	0	1	100
KEM Mogodi	1	0	1	100
ST Mthembu	1	0	1	100
Dr SS Dlamini	1	0	1	100
BEMC				
ZY Makhathini-Neer (Chairperson)	1	0	1	100
KEM Mogodi (Deputy Chair)	1	0	1	100
Dr J Badul	1	0	1	100
Dr CH Deacon	1	0	1	100
GH Meyer	1	0	1	100
H Ndlovu	1	0	1	100
N Qina	1	0	1	100
F Rabada	0	0	0	0
Dr SS Dlamini	1	0	1	100
K Naidoo	1	0	1	100
CV Gamede	0	0	0	0
WO Mothowamodimo	0	0	0	0
Council				
Dr SS Dlamini (Chairperson)	1	2	3	100
KEM Mogodi (Deputy-Chairperson)	1	2	3	100
Dr J Badul	1	2	0	0
Dr P Dala	1	2	3	100
Dr CH Deacon	1	2	3	100

Members	Number of Scheduled Meetings	Number of Special Meetings	Total Meetings Attended	Total Percentage Attendance
U Exner	1	2	3	100
NE Hutamo	1	2	3	100
Dr KI Jacobs	1	2	3	100
ZY Makhathini-Neer	1	2	3	100
JL Margolius	1	2	1	33.3
GH Meyer	1	2	3	100
HN Molao	1	2	3	100
ST Mthembu	1	2	3	100
H Ndlovu	1	2	1	33.3
N Qina	1	2	3	100
F Rabada	1	2	1	33.3
K Naidoo	1	2	3	100
CV Gamede	1	2	2	66.7
WO Mothowamodimo	1	2	2	66.7

REMUNERATION OF COUNCIL MEMBERS

The Minister approved the remuneration rate for Council members on 22 January 2013 according to Category A2 classification (Part time members), as per National Treasury pre-scripts. These have since been adjusted on an annual basis.

The following members are employed in the public sector and not remunerated:

- i. Dr J Badul
- ii. CV Gamede
- iii. NE Hutamo
- iv. ZY Makhathini-Neer
- v. WO Mothowamodimo
- vi. H Ndlovu
- vii. F Rabada

Council members receive a predetermined amount that includes preparatory fees, and are reimbursed for parking, travel and toll fees.

The remuneration paid to Council members appears in the table below.

Table 8: Council Remuneration

Designation	Preparatory Time	Per Hour	Per Day
Chairperson	Council: 5 hours EXCO: 4 hours	R581	R4,646
Deputy Chairperson	Council: 4 hours EXCO: 3 hours	R493	R3,943
Chairpersons of Committees	Council: 5 hours Committees: 4 hours	R581	R4,646
Members of Council / Committees	Council: 4 hours EXCO: 3 hours ARC: 3 hours FHLC: 3 hours BEMC: 3 hours	R459	R3,669

Name	Remuneration	Other Allowance	Other Re-imbursements	Total
Dr SS Dlamini (Chairperson)	312 613.42			312 613.42
KEM Mogodi (Deputy Chairperson)	113 819.00			113 819.00
Dr J Badul	0.00			0.00
Dr P Dala	55 965.01			55 965.01
Dr CH Deacon	47 250.00			47 250.00
U Exner	62 388.00			62 388.00
C Gamede	0.00			0.00
NE Hutamo	0.00			0.00
Dr KI Jacobs	120 812.00			120 812.00
ZY Makhathini-Neer	0.00			0.00
JL Margolius	46 791.00			46 791.00
GH Meyer	31 653.00			31 653.00
HN Molao	10 551.00			10 551.00
W Mothowamodimo	0.00			0.00
ST Mthembu	32 112.00			32 112.00
K Naidoo	31 653.00			31 653.00
H Ndlovu	0.00			0.00
N Qina	36 699.00			36 699.00
F Rabada	0.00			0.00
P Stock (Audit Committee External Member)*	196 753.50			196 753.50
LM Mangquku (Audit Committee External Member)*	86 084.40			86 084.40
L Konar (Audit Committee External Member)*	57 389.60			57 389.60

* The ARC External members are remunerated in terms of the South African Institute of

Chartered Accountants (SAICA) annual determined rates, as approved by the Minister of Public Works and Infrastructure.

3.6. RISK MANAGEMENT

Risk management forms a central part of the CBE's strategic management with the task of identifying, assessing, managing and monitoring risks across the organisation. In line with good governance, risk management and planning is an emphasised element for which the Accounting Authority is directly responsible. Risk Management is also a compliance requirement, as per the PFMA.

Progress updates were populated on the Strategic and Operational Risk registers. Progress on implementing actions on the risk registers are submitted to the relevant committees on a quarterly basis, for monitoring thereof.

3.7. INTERNAL CONTROL AND FINANCIAL MANAGEMENT

The Auditor-General South Africa (AGSA) notified the CBE of its intention to discontinue their audit of the CBE in accordance with section 4(3) of the Public Audit Act. The CBE appointed Nexia SAB&T to perform the year-end audit. During the quarter under review, Nexia SAB&T concluded the audit for the 2019/20 financial year. The audit covered all areas within the CBE viz. performance information, finance, supply chain management (SCM), IT and human resource (HR). Audit steering committee meetings, which comprises CBE management and external audit representatives, were held weekly while the audit was in progress, to track the audit progress.

The entity has obtained a clean audit report for the fourth consecutive year. All the necessary audit documentation was submitted to National Treasury by the prescribed deadline. CBE performed a detailed analysis of the findings, and is in the process of implementing action plans for all findings raised. These action plans will be updated quarterly to monitor all findings raised, and will be submitted to the relevant Council committees for monitoring thereof.

3.8. INTERNAL AUDIT

INTERNAL AUDIT FUNCTION

The role of the internal audit function is to improve the CBE's operations. It helps the CBE to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and im-

prove the effectiveness of risk management, control, and governance processes. The internal audit function reports at all ARC meetings and, if necessary, meets with the ARC Chairperson prior to, and immediately after, each ARC meeting.

The CBE appointed a new internal audit service provider, Rakoma and Associates Inc for three years. The three-year rolling strategy, as well as the annual internal audit plan, was submitted to the ARC for approval.

Based on the approved internal audit plan for the 2020/21 financial year, the following audits were performed during the quarter under review:

- a) Quarter 1 Performance review
- b) Levies received from CBEP's audit
- c) Annual Financial Statement review
- d) Annual Report review

3.9. COMPLIANCE WITH LEGISLATION AND PROCEDURES

The ARC monitors the CBE's legal compliance. Management presents a compliance report quarterly to the ARC, FHLC and Council.

3.10. FRAUD AND CORRUPTION

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

The contract with the CBE's current hotline service provider has lapsed and a new fraud hotline service provider was appointed. During the quarter under review, no tip-off or incident directed to the employees or council members was received; the only report that came from the fraud hotline on the 03 August was related to the incident of the construction company which was allegedly accepting payments for work but fail to deliver on the ground. The company name was checked through the Companies and Intellectual Property Commission, it was not found in their register. The name was forwarded to Construction Industry Development Board to also track the company.

A virtual fraud and corruption awareness workshop for the second quarter was held on 30 September 2020.

3.11. MINIMISING CONFLICT OF INTEREST

Declaration of Interest forms are completed during Evaluation and Bid meetings.

During quarter 1, the Accounting Authority approved a deviation for the Confidentiality and Self-disclosure declarations to be submitted without Commissioner of Oaths certification due to the national lockdown. The CBE is in the process of obtaining fully completed annual declarations.

3.12. CODE OF CONDUCT

There were no breaches recorded in the code of conduct during the quarter.

3.13. HEALTH AND SAFETY AND ENVIRONMENTAL ISSUES

A Health and Safety team meeting was held virtually on 31 August 2020. Among the agenda items was the CBE's Covid-19 workplace readiness where it was confirmed that deep cleaning had been done, and the office was ready for resumption of duties at Alert Level 02 as planned. All personal protection equipment was acquired, including the health symptom-screening device. The office re-opened in August 2020; however, a large contingent of staff (including those with co-morbidities and other vulnerable situations) continue to work from home during Alert Level 01.

3.14. TRAINING AND DEVELOPMENT

No new training was held during the quarter due to budget cuts. Training, approved during the 2019/20 year, but deferred to the current period was attended as follows:

- I. Performance Management: One employee (Human Capital and Facilities Management)
- II. Competition Law: One employee (Regulations and Legal Services)
- III. Management Acceleration Programme: One employee (Finance)

3.15. SUPPLY CHAIN MANAGEMENT

The table below indicates the total procurement spend on the following categories:

a)	Historically Disadvantaged Individuals (HDI), Youth and Disabled	67%
b)	State Owned Entities	24%
c)	White male	9%

The CBE will endeavour to maintain its HDI percentage. The table below captures the procurement for the second quarter:

Table 9: Procurement

Category	Procurement for the Second Quarter ending September 2020					
	Procurement		Contractual Amount		Total	Procurement Distribution
	R'	%	R'	%	R'	%
Women	R4 225.00	50%	R500 045.22	56%	R504 270.22	56%
Black Male	<u>R0.00</u>	<u>0%</u>	<u>R0.00</u>	<u>0%</u>	<u>R0.00</u>	<u>0%</u>
HDI total	R4 225.00	50%	R500 045.22	56%	R504 270.22	56%
Youth	R4 225.00	50%	R88 977.72	10%	R93 202.72	10%
Disabled	<u>R0.00</u>	<u>0%</u>	<u>R0.00</u>	<u>0%</u>	<u>R0.00</u>	<u>0%</u>
Total HDI, Youth and Disabled	R8 450.00	100%	R589 022.94	66%	R597 472.94	67%
State owned entities	R0.00	0%	R211 370.00	24%	R211 370.00	24%
White Male	R0.00	0%	R88 977.72	10%	R88 977.72	9%
Totals (adding bold figures)	R8 450.00	100%	R889 370.66	100%	R897 820.66	100%

PART C

PERFORMANCE INFORMATION

4. PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

The CBE implements its 2020/21 APP through five Programmes:

- Programme 1: Administration
- Programme 2: Transformation
- Programme 3: Skills and Capacity Development
- Programme 4: Research and Advisory
- Programme 5: Regulation and Public Protection

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

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

Table 10: Alignment with DPWI, NDP Priorities and NDPIP Outcomes

NDP Priorities		NDPIP Outcomes	DPWI Outcomes	CBE Outcomes
				
Priority 6: A Capable, Ethical and Developmental State	Ethical, efficient operations and effective accountability mechanisms	A Resilient, Ethical and Capable DPWI	1. Optimum Functioning Council	
Priority 1: Economic Transformation and Job Creation	Increased ownership and participation by historically disadvantaged individuals	Transformed Built Environment	2. Transformed Built Environment	

NDP Priorities	NDPIP Outcomes	DPWI Outcomes	CBE Outcomes
Priority 2: Education, Skills and Health	Improved education, training and innovation Improved employability of youth through skills training	Transformed Built Environment	3. Skilled Built Environment
Priority 6: A Capable, Ethical and Developmental State	Ethical, efficient operations and effective accountability mechanisms	A Resilient, Ethical and Capable DPWI	4. Informed decision-making which impacts the current and future operational requirements of the industry
Priority 6: A Capable, Ethical and Developmental State Priority 5: Social cohesion and safe communities	Ethical, efficient operations and effective accountability mechanisms	A Resilient, Ethical and Capable DPWI	5. Public interest in the Built Environment promoted and protected

4.1. PROGRAMME 1: ADMINISTRATION

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

Programme 1 contributes towards Priority 6: A Capable, Ethical and Developmental State. The administrative function provides support to the entire CBE, thus contributing directly and indirectly to the delivery of all strategic outcome-oriented goals. The focus areas are

Organisational Capacity and Efficiency, ICT, Marketing and Communications and financial support services.

To achieve the above, Administration's targets for the second quarter were the following:

*4.1.1 Identify and map any critical Standard Operating Procedures and prepare gap analysis report – **Achieved.***

The objective of the project is to ensure that the CBE is in the best shape to achieve goals set out in the Strategic Plan.

This target aims to achieve effective, efficient and quality service delivery. The CBE works continuously on staff development and strengthening its internal processes through an improved planning framework, efficient systems and relevant programmes. Furthermore, it will strive to achieve an excellent organisational culture through avenues such as a change management strategy, to support a competitive working environment.

The quarterly target was achieved. Standard Operating Procedures were identified and mapped. The gap analysis report was prepared, presented to and approved by Manco on 30 September 2020.

*4.1.2 Develop organisational design and structure which is fit-for-purpose – **Not Achieved.***

In actioning this target, the CBE will finalise the business process mapping and re-engineering initiative to remove operational bottlenecks, streamline systems and processes, and optimise design with efficient and effective delivery platforms to enhance:

- a) accountability
- b) value for money
- c) improved stewardship of resources

The quarterly target was not achieved. An organisational design and structure, fit-for-purpose, was not developed. There was a Finance, Human Resources and Legal Committee (FHLC) resolution to re-issue the Request for Proposals to appointment a service provider. The second round of proposals have been evaluated and due diligence finalised. A recommendation report has been drafted for final approval. The process will be finalised before the end of October 2020.

According to the proposal of the recommended service provider the whole project will be finalised within eight weeks. The project deadlines will be revised during the inception meeting envisaged to take place in the month of October 2020.

*4.1.3 Approved ICT Cloud Strategic Plan and Conduct Prioritisation on the Road Map Initiatives – **Not Achieved.***

This target is to enable the CBE to meet the organisational strategic goals through technological platforms and solutions, while also ensuring that the CBE is aligned to the Fourth Industrial Revolution (4IR) and Internet of Things (IoT) changes across industries and around the world. Business modernisation: A key strategic intent is an organisation that is flexible, efficient and innovative where information science is a prime mover of an end-to-end pro-user system. This will be achieved through:

- a. innovating and modernising current manual business processes
- b. establishing sustainable enterprise architecture capability as the basis for ICT strategic plan development
- c. developing, implementing and monitoring ICT corporate governance and improving the overall ICT control environment to mitigate risks
- d. implementing knowledge management capability for the organisation to institutionalise knowledge sharing, and to harvest and harness innovation, idea generation and corporate thinking power

The quarterly target was not achieved in line with the APP. The ICT Cloud Strategic Plan was developed and submitted sequentially to Management committee for input. As a value add to the internal IT Steering Committee the CBE resumed the process of recruiting an external ITSC Chairperson. Action plans will continue to have the ICT Cloud Strategic Plan reviewed, recommended and presented by the IT Steering Committee for approval.

*4.1.4 One marketing communication activity to raise the profile of the CBE – **Achieved.***

The CBE's aim is to improve public awareness and recognition of the crucial role of Built Environment Professionals everywhere in the country. Raising awareness of the role and contribution of Built Environment Professionals through the media, social media and public events

will help excite and inspire potential Built Environment Professionals and keep citizens informed. Improving stakeholder relations and engagement is a crucial strategic objective. The CBE will review and develop an integrated Marketing and Communications Plan, which will outline effective platforms for information dissemination as well obtaining feedback from stakeholders.

The quarterly target was achieved. Three media engagements activities were realised during the quarter to profile the CBE. Mass media channels were identified as relevant platforms for the marketing communication activity. Thobela FM (radio) and Newzroom Afrika (TV) were identified as media channels to be utilised during this quarter for the following reasons:

Thobela FM is a national radio station in the SABC stable, with its footprint in Limpopo, Gauteng, Mpumalanga and North West. Recording a listenership of over 3 million in South Africa and abroad, its purpose is to provide programming that informs, educates and entertains. Thobela FM's differentiating factor is that is the only authentic Northern Sotho Broadcaster (public/commercial) service provider that broadcasts in all Northern Sotho dialects.

Newzroom Afrika is a premier South African 24-hour TV news channel. The Newzroom Afrika channel is innovative and offers an interactive multimedia service. It has the reputation for credible and authoritative news. The programme that the CBE targeted viz. AM Report is known to be packed with the latest insights on the biggest news stories, hard-hitting studio interviews and sport, weather and traffic updates. With a viewership of approximately 2 727 823, Newzroom Afrika reaches approximately 12.37% of the South African news-watching audience.

There is a positive variance of two media activities. The target was over-achieved without any accompanying budget implications. The reasons for over-achievement were:

- i. Newzroom Afrika was able to accommodate CBE's request for an interview before the end of the quarter, despite the programme disruptions brought on by Covid-19 announcements by the President
- ii. The eNCA interview was the outcome of a relationship building endeavour with the media

The target performed as detailed in the following table:

Table 11: Media Interviews

DATE	MEDIA	CHANNEL/ STATION	CBE REPRESENTATIVE	TOPIC
06 August 2020	Radio	Thobela FM	Maphefo Mogodi (Council Deputy Chairperson)	The talking points were: i. Profile of the CBE ii. Govt's infrastructure plans to address Covid-19 i. The role of the CBEP and importance of professional registration Refer to Annexure 2.
18 September 2020	TV	Newzroom Afrika	Priscilla Mdlalose (CEO)	The talking points were: i. Profile of the CBE ii. Govt's infrastructure plans to address Covid-19 i. The role of women in the sector Refer to Annexure 9.
18 September 2020	TV	eNCA	Priscilla Mdlalose (CEO)	The talking points were: i. Profile of the CBE ii. Govt's infrastructure plans to address Covid-19 i. The role of women in the sector Refer to Annexure 9.

4.1.5 Percentage increase of income generated – No Target.

There was no quarterly target. The CBE appointed a service provider to draft the CBE's revenue enhancement strategy. An inception meeting was held and the project plan was finalised. The service provider proposed an amendment to the initial proposed project plan for a desktop review and interviews with relevant stakeholders. The project deadlines were revised and it is anticipated that the project will be finalised in the third quarter.

Table 12: Programme 1: Administration

Impact Statement	Outcome	Output Indicator	Annual Target	Annual Budget	Quarterly Performance	Quarterly Targets and Actuals					Corrective Action	
						Actual Output - Validated	Deviation	Corrective Action	Quarterly Budget	Actual Expenditure		% Variance
									R'000	R'000		
Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions	Optimum Functioning CBE	1.1 High-level and sub business processes developed and approved	High-level and sub business processes developed and approved by 31 March 2021	59	Identify and map any critical Standard Operating Procedures and prepare gap analysis report	Achieved Standard Operating Procedures were identified and mapped. The gap analysis report was prepared, presented and approved by Manco on 30 September 2020	N/A	N/A	15	Nil	100%	It was resolved that the project should be handled internally. The budget will be reprioritised during the mid-term review
		1.2 Approved CBE's organisational design and structure	Revise organisational design and structure by 31 March 2021	58	Develop organisational design and structure which is fit-for-purpose	Not Achieved	The appointment of a service provider was re-started due to reissue of RFP as	A recommendation report has been drafted for final approval and will be finalised before the end of	15	Nil	100%	Appointment of service provider will be finalised in October 2020

Impact Statement	Outcome	Output Indicator	Annual Target	Annual Budget	Quarterly Performance	Quarterly Targets and Actuals						Corrective Action
						Actual Output - Validated	Deviation	Corrective Action	Quarterly Budget	Actual Expenditure	% Variance	
									R'000	R'000		
							per FHLC resolution	October 2020				
Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions	Optimum Functioning CBE	1.3 Approved Cloud Strategic Plan that includes IoT and 4IR Initiatives Roadmap	Cloud Strategic Plan that includes IoT and 4IR Initiatives Roadmap completed and implemented by 31 March 2021	0	Approved ICT Cloud Strategic Plan and Conduct Prioritisation on the Road Map Initiatives	Not Achieved ICT Cloud Strategic Plan updated with Manco inputs and submitted to ITSC for recommendation	The ICT Cloud Strategic Plan will be reviewed and be resubmitted for approval		Nil	Nil	N/A	Review of the submission with additional guidance from the members of the IT Steering Committee
		1.4 Number of marketing communications activities to raise the profile of the CBE	Four marketing communication activities to raise the profile of the CBE by 31 March 2021	130	One marketing communication activity to raise the profile of the CBE	Achieved Three media interviews took place during the quarter as follows: Two TV interviews - on Newzroom Afrika and eNCA One radio interview on Thobela FM	There is a positive variance of two media activities	N/A	Nil	53	(100%)	This expenditure relates to contracts approved in the previous financial year. The expenditure will be monitored closely in the coming quarters

Impact Statement	Outcome	Output Indicator	Annual Target	Annual Budget	Quarterly Targets and Actuals							Corrective Action
					Quarterly Performance	Actual Output - Validated	Deviation	Corrective Action	Quarterly Budget	Actual Expenditure	% Variance	
									R'000	R'000		
		1.5 Percentage increase of income generated	N/A	224	N/A	N/A	N/A	N/A	100	Nil	100%	The service provider has been appointed and a catch up strategy implemented

4.2. PROGRAMME 2: TRANSFORMATION

Programme 2 contributes to Priority 1: Economic Transformation and Job Creation. The overall objective of the CBE's Transformation unit is to become the sector-coordinating arm of the CBE. Specifically, the transformation programmes aim to:

- (i) Generate focus and synergy in facilitating the development of a unified Transformation Agenda for the Built Environment sector of South Africa
- (ii) Promote collaboration in driving the Transformation agenda of the Built Environment sector of South Africa
- (iii) Participate actively in joint initiatives, conferences and platforms that advances Transformation in the sector
- (iv) Coordinate efforts in transforming the Built Environment through various initiatives and actions
- (v) Support/Coordinate efforts to unblock the skills-pipeline and ensure a sustainable supply of aptly skilled and quality individuals to meet future demands
- (vi) Establish and facilitate partnerships and working relationships, local and international and across private and public sectors to drive Transformation initiatives
- (vii) Provide expert guidance, consultation and services to support internal change management initiatives and organisational development

For the 2020/21 APP, Programme 2 had two quarterly targets. The targets for the second quarter performed as follows:

*4.2.1 First draft of the broad based long-term Transformation Strategy for the Built Environment – **Achieved.***

The draft broad based long-term Transformation Strategy for the Built Environment is geared towards uncovering gaps in policies and legislation impacting on Transformation in the Built Environment. In this regard, a two-fold investigation is required to:

- i. identify all relevant policies and legislation impacting on Transformation in the Built Environment
- ii. conduct a detailed and expert analysis on these identified policies, identifying gaps associated with Transformation in the Built Environment as defined by the CBE

The outcomes of this investigation will feed into the development of a coordinated broad-based Transformation Strategy for South African Built Environment. The first phase of this assignment involves the identification of relevant policies and legislation impacting on Transformation in the Built Environment. These include, but are not limited to:

- i. South African Constitution
- ii. Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)
- iii. Occupation Specific Dispensation (OSD)
- iv. Strategic Framework on Gender and Women's Economic Empowerment of 2006
- v. Council for the Built Environment Act, 43 of 2000 (section 20 of the CBE Act: Identification of Work)

A thorough literature review will be conducted with key CBE informants to identify any additional areas of interest. The second phase will entail the actual analysis and specific focus on:

- a) analysing all relevant and identified policies and legislation against the CBEs definition of Transformation, its objectives and envisaged outcomes
- b) unpacking the intent and relevance of each policy and legislation in terms of its contribution to Transformation in the sector
- c) identifying gaps contained in each policy or legislation which hinders or impacts negatively on the progress of Transformation in the sector
- d) recommendations on how to address the identified gaps
- e) recommendations on the implementation of these policies and legislation to assist Transformation in the sector

The quarterly target was achieved. The Draft Broad Based Long-Term Transformation Strategy for the Built Environment was submitted to the CEO in September 2020 and, with minor amendments, approved. The draft strategy will be further refined during quarter three of 2020/21 through consultation with key stakeholder groups.

*4.2.2 Four sector collaborative engagements hosted by 30 September 2020 – **Achieved.***

The aim of sector coordination is to allow for more integrated, joined-up conversation and coherent responses timeously to government policy. From a sector perspective, this interface will demonstrate the importance of the industry, facilitate more resilient workforce planning, and increase appropriately qualified people with relevant certified lifelong skills that will benefit the economy. The objectives of sector coordination are to:

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

The quarterly target was achieved. Five formal sector collaborative engagements were hosted by 30 September 2020. These meetings were hosted on the same day in order to allow participation from other committee members. The following formal sector engagements were held:

- I. 21 September 2020 – Occupation Specific Dispensation TransCom
- II. 21 September 2020 – Procurement Policy and Legislation TransCom
- III. 21 September 2020 – Skills Development TransCom
- IV. 21 September 2020 – Health and Safety TransCom
- V. 21 September 2020 – Health and Safety TransCom

The CBE presented to different sector players through webinar dialogues hosted by the following partners:

- (i) Construction Education and Training Authority (CETA) - 27 August 2020: “Making women the centre of skills development in the construction industry.” CBE is developing a MoU with the CETA to strengthen its interventions on skills pipeline.
- (ii) Association of Construction Project Managers (ACPCM) - 31 August 2020: “Why has diversity or transformation policies made little difference to women’s participation at the professional and operative levels in South African construction.”
- (iii) National School of Government (NSG) on 29 September 2020: “Recognizing public sector Built Environment practitioners”. This new partnership will support advocacy on

the recognition of Built Environment Professionals at local municipalities. It will be concretised with a MoU with NSG.

Table 13: Programme 2: Transformation

Impact Statement	Outcome	Output Indicator	Annual Target	Annual Budget	Quarterly Targets and Actuals							Corrective Action
					Quarterly Performance	Actual Output-Validated	Deviation	Corrective Action	Quarterly Budget	Actual Expenditure	% Variance	
									R'000	R'000		
Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions	Transformed Built Environment	2.1 Approved Built Environment Transformation Strategy	Draft broad based long-term Transformation Strategy for the Built Environment by 31 March 2021	427	First draft of the broad based long-term Transformation Strategy for the Built Environment	Achieved The first Draft Broad Based Long-Term Transformation Strategy for the Built Environment was developed and approved by the CEO	N/A	N/A	400	49	88%	The budget was not utilised due to Covid-19 restrictions on travel. Project meetings were held virtually. The budget will be utilised in the ensuing quarters. The budget was also going to be used to undertake a study; this is going to be executed by internal staff
		2.2 Number of sector collaborations on Transformation in the Built Environment	16 Sector Collaboration Forums held by 31 March 2021	216	Four sector collaborative engagements hosted by 30 September 2020	Achieved The following engagements were held on 21 September: 1.Women Empowerment and Gender Equality	There is a positive variance of one engagement.	N/A	Nil	Nil	0%	N/A

Impact Statement	Outcome	Output Indicator	Annual Target	Annual Budget	Quarterly Performance	Quarterly Targets and Actuals				Actual Expenditure	% Variance	Corrective Action
						Actual Output-Validated	Deviation	Corrective Action	Quarterly Budget			
									R'000			
						TransCom, 2.Occupation Specific Dispensation TransCom 3.Procurement Policy and Legislation Trans-Com 4.TransCom Chairpersons Forum; and 5.Health and Safety Trans-Com						

4.3. PROGRAMME 3: SKILLS AND CAPACITY DEVELOPMENT

The NDP prioritises building a capable State, which will play a developmental and transformative role in improving the quality of education, skills development and innovation in order to raise employment opportunities through faster economic growth. The lack of skilled people in the infrastructure sector across the Republic of South Africa represents a major liability. This skills gap needs to be addressed - to find more skilled people, as well as to better use existing resources. This acutely affects small municipalities as they often lack Built Environment Professionals in the infrastructure field.

Infrastructure development needs a capable workforce to deliver lasting transformational change. For the Built Environment to be sustainable, and deliver on its targets, there is a need to ensure that the appropriate skills base is in place. This will require the CBE to support building capacity in the STEM (science, technology, engineering, mathematics) areas and thus create a pipeline for students to develop the high-tech skills needed to meet national demand in the Built Environment sector.

The CBE aims to provide leadership and coordination on all skills development issues in the Built Environment, and will work with industry and Government skills bodies to ensure that capability and capacity issues in construction are addressed in a strategic manner.

This Programme is responding to section 3 of the CBE Act to:

(c) promote ongoing human resource development in the built environment.

(g) promote liaison in the built environment in the field of training, both in the Republic and elsewhere, and to promote the standards of such training in the Republic.

Programme 3 contributes to Priority 2 (Education, Skills and Health) through the following initiatives:

- a) Throughput report on the Built Environment skills pipeline (supply and demand)
- b) Monitoring and evaluation of workplaces on the implementation of the Structured Candidacy Framework
- c) Career awareness initiatives for the Built Environment

For the 2020/21 APP, Programme 3 had four quarterly targets. The targets performed as follows:

*4.3. Approved advisory throughput report on the Built Environment skills pipeline (supply and demand) by 31 March 2021– **no target in the second quarter.***

The CBE endeavours to uncover the key causes of labour and skills gap challenges by conducting an advisory study that will highlight and provide explanations on the skills shortage through the skills pipeline. The study will attempt to document bottlenecks from school to post- professional level and recommendations on improving and developing requirements for key skills training and interventions.

The aim of this programme is to develop an advisory report on skills pipeline trends in the Built Environment, relative to South Africa's NDP infrastructure needs based on these objectives to:

- i. analyse and document current and future skills demand, including scarce and critical Built Environment skills
- ii. analyse current and future skills supply, including scarce and critical Built Environment skills
- iii. study skills imbalances and mismatch in the Built Environment sector
- iv. study emigration and migration patterns in the Built Environment sector
- v. analyse statistics on high school graduates applying for tertiary qualifications in the Built Environment Professions (including successful and unsuccessful applications) in the past five year period
- vi. analyse statistics on the throughput rates of Built Environment graduates by the traditional universities and universities of technology (UoT)
- vii. understand bottlenecks/challenges in the delivery system from school level to university, and future remedial actions and recommendations
- viii. understand bottlenecks in the delivery system from candidacy and professional levels, and future remedial actions and recommendations
- ix. document Built Environment Skills policy directives, planning responses and recommendations/interventions for future implementation

The concept document was approved on 30 June 2020. The Approved Concept Document will guide the implementation of the project on the throughput report on the Built Environment skills pipeline (supply and demand). The CBE collected statistical data on students' enrolment and completions over a period of five years (2015-2019) from the Central University of

Technology (CUT) and during 2015-2018 from the Department of Higher Education and Training (DHET). This statistical data will assist the CBE to develop a baseline study during the process of appointing a service provider.

*4.3.2 Five workplaces monitored and evaluated in implementing the Structured Candidacy Programme – **Achieved.***

The introduction of the Standard for Infrastructure Procurement and Delivery Management (SIPDM) by National Treasury requires that only professionally registered Built Environment employees make decisions on public infrastructure project management to proceed to the next stage. It takes unacceptably long periods for candidates in the public sector to become professionally registered, hence the CBE developed the Structured Candidacy Framework as an instrument to ensure that Built Environment candidates achieve maximum professional development and professional registration in the shortest possible time.

This programme will focus on introducing the Structured Candidacy programme to workplaces and assessing its readiness to implement such. It will also identify similar candidacy programmes in the Built environment sector for reporting.

The quarterly target was achieved. Five workplaces were monitored and evaluated in implementing the Structured Candidacy Programme. A workplace assessment was conducted outlining the key requirements of a structured candidacy programme while assessing the workplace capability and challenges to meet the CBEP’s outcomes for professional registration. A workplace assessment checklist was completed by all organisations. The table shows the organisation monitored and evaluated.

Table 14: Structured Candidacy Programme

Organisation	Date of Engagement
1. Optimal Engineering	29 September 2020
2. Umnini Quantity Surveyor	28 September 2020
3. North west Department of Public Works and Roads (NW DPWR)	15 September 2020
4. ST Nubian Architects	17 September 2020
5. Sivest (SA)PTY LTD	7 September 2020

4.3.3 Three Built Environment career initiatives conducted for school learners across three identified provinces – *Achieved*.

Career Awareness initiatives is a campaign to provide information on the scarcity of Built Environment Professionals in Built Environment sector with the aim to empower learners at school level to make more informed decisions about their future career paths and to steer them towards viable work experience opportunities in the Built Environment. The Built Environment is arguably one of the sectors within the country that is most in need of transformation. Recent statistics show that the Built Environment Professions are still largely dominated by specific demographics at registered professional level. Built Environment career awareness and advocacy is one of the tools that was adopted as long-term intervention to transform the sector.

The quarterly target was achieved. Seven Built Environment career awareness initiatives were conducted for school learners across four provinces (KwaZulu-Natal, Mpumalanga, North West and Eastern Cape). The quarterly target was therefore exceeded by conducting career awareness initiatives in one additional school and in one additional province. The table below provides details of the career awareness initiatives:

Table 15: Career Awareness Initiatives

Province	Sessions	District	School	Date
KwaZulu-Natal	6	Umkhanyakude	Makhasa High School	1 September 2020
Mpumalanga	7	Gert Sibande	Takheni Secondary School	29 August 2020
	8		Highveld Secondary School	4 September 2020
North West	9	Ngaka Modiri Molema	Tetlano Secondary School	8 September 2020
			Boitseanape Technical High School	9 September 2020
Eastern Cape	10	Alfred Nzo East	Winnie Mandela Comprehensive Technical High School	15 September 2020
			Cangci Comprehensive Technical High School	16 September 2020

*4.3.4 Oversight report on the CBEP accreditation of Built Environment academic programmes and institutions developed – **Not Achieved.***

Section 4(k)(i) of the CBE Act empowers the CBE to *ensure the consistent application of policy by the councils for the professions with regard to accreditation.*

The Higher Education Quality Committee (HEQC) framework for programme accreditation (2004) recognises the responsibilities of statutory councils for professional education, particularly with regard to licence and other professional and work-based requirements.

In 2010, the CBE developed a Policy Framework on Accreditation of the Built Environment Programmes, approved by the Minister in 2013. The objectives of the Framework are to:

- a) Ensure that built environment programmes conform to the requirements of the Higher Education Quality Sub framework (HEQSF)
- b) Elucidate the principles that should underpin the accreditation of built environment programmes by professional councils
- c) Define the key minimum criteria to be met by built environment programmes
- d) Give effect to requirement of the CBE Act to ensure consistency in the application of policy on accreditation within the BEPC

The quarterly target was not achieved. An oversight report on the CBEP' accreditation of Built Environment academic programmes and institutions was not developed. Due to the Covid-19 pandemic, the CBEP could not undertake accreditation visits to universities. All visits have been postponed to the 2021/22 financial year.

Table 16: Programme 3: Skills and Capacity Development

Impact Statement	Outcome	Output Indicator	Annual Target	Annual Budget	Quarterly Targets and Actuals							
					Quarterly Performance	Actual Output - Validated	Deviation	Corrective Action	Quarterly Budget	Actual Expenditure	% Variance	Corrective Action
									R'000	R'000		
Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions	Skilled Built Environment Professionals	3.1 Number of through-put advisory reports on the Built Environment skills pipeline (supply and demand)	Approved advisory throughput report on the Built Environment skills pipeline (supply and demand) by 31 March 2021	1 419	N/A	N/A	N/A	N/A	703	Nil	100%	The budget was not utilised due to Covid-19 restrictions on travel and advertising for bidders. Project meetings were held virtually. The budget will be utilised in the next quarters. The midterm budget review be facilitated to support areas that show signs of over expenditure due to the changing ways of conducting the CBE business
		3.2 Number of work-places monitored and evaluated in	Fifteen work-places monitored and evaluated in	214	Five work-places monitored and evaluated in	Achieved	N/A	N/A	178	3	99%	The budget was not utilised due to Covid-19 travel restrictions. Project meetings

Impact Statement	Outcome	Output Indicator	Annual Target	Annual Budget	Quarterly Performance	Quarterly Targets and Actuals				Actual Expenditure	% Variance	Corrective Action
						Actual Output - Validated	Deviation	Corrective Action	Quarterly Budget			
									R'000			
		implementing the Structured Candidacy Programme	implementing the Structured Candidacy Programme by 31 March 2021		implementing the Structured Candidacy Programme							were held virtually. The budget will be utilised in the ensuing quarters
Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions	Skilled Built Environment Professionals	3.3 Number of Built Environment career awareness initiatives conducted	Twelve Built Environment career awareness initiatives conducted for school learners across nine provinces by 31 March 2021	431	Three Built Environment career initiatives conducted for school learners across three identified provinces	Achieved Career initiatives were conducted in seven schools in four provinces (KwaZulu-Natal, Mpumalanga, North West and Eastern Cape)	There is positive variance of one province	N/A	421	15	96%	Travel and subsistence, accommodation and petty invoices not yet processed. Two career sessions conducted via a virtual platform as it was not possible to travel to Cape Town. The balance will be utilised in ensuing quarters

Impact Statement	Outcome	Output Indicator	Annual Target	Annual Budget	Quarterly Targets and Actuals							Corrective Action
					Quarterly Performance	Actual Output - Validated	Deviation	Corrective Action	Quarterly Budget	Actual Expenditure	% Variance	
									R'000	R'000		
		3.4 Number of oversight reports on CBEP accreditation of Built Environment academic programmes and institutions	Approved oversight report on the CBEP accreditation of Built Environment academic programmes and institutions by 31 March 2021	52	Oversight report on the CBEP accreditation of Built Environment academic programmes and institutions developed	Not Achieved Oversight report on the CBEP accreditation of Built Environment academic programmes and institutions was not developed	Due to the Covid-19 pandemic restrictions, the CBEP could not undertake accreditation visits to universities. All visits have been postponed to the 2021/22 financial year	N/A	19	Nil	100%	No accreditation visits planned due to Covid-19 pandemic. Budget to be utilised in ensuing quarters

4.4. PROGRAMME 4: RESEARCH AND ADVISORY

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

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

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

For the 2020/21 APP, Programme 4 had one quarterly target, which was achieved:

*4.4.1 First draft Research Agenda developed – **Achieved.***

As part of the CBE's strategic priority to reposition itself as a thought leader in the Built Environment, the CBE will develop its inaugural Built Environment Agenda. The CBE research agenda aims to promote creation of quality assured research outputs on matters affecting the

Built Environment Professions and the broader Built Environment. The research agenda will be developed and facilitated through partnerships with various Built Environment stakeholders, including but not limited to the CBEP, Voluntary Associations (VA) in the Built Environment, Government institutions, institutions of higher learning, and the private sector.

The research agenda is to enhance CBE's capacity to deliver on its mandate, which is to *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.*

The research agenda will further enable the CBE to lead the sectoral agenda in the Built Environment. It will:

- i. identify existing knowledge and gaps in the Built Environment research
- ii. prioritise research themes and focus areas in guiding the Built Environment research
- iii. align various research efforts from Built Environment stakeholders
- iv. enable opportunities for collaborative research projects in the Built Environment
- v. enhancing research capacity within the Built Environment
- vi. serve as a reliable source of research themes, informing research outputs that impact positively on policy imperatives affecting the Built Environment

The quarterly target was achieved. The first draft Research Agenda was developed. The first draft of the Research Agenda was developed. Input collection for emerging built environment research themes are a key component of the first phase, hence a questionnaire calling for input circulated to the following stakeholders:

- | | |
|--|----------------|
| a. CBE Research Task Team: | 20 July 2020 |
| b. Six CBEP: | 13 August 2020 |
| c. Public Works Sector Capacity Building Forum (PWSCBF): | 28 July 2020 |

4.4.2 Established and functional Built Environment Research Hub by 31 March 2021 - No target.

This project is part of CBE’s strategic priority to reposition itself as a thought leader on Built Environment issues. The CBE will establish a national research agenda for the Built Environment, and consider issues from the continent. The Agenda will be facilitated through partnerships with institutions of higher education, government departments, private sector and other relevant Built Environment stakeholders. The main aim is to ultimately create an information and knowledge repository on various issues affecting the sector.

The Research Hub will promote skills, knowledge and data development to be shared, analysed, interrogated and harnessed to keep the sector abreast on relevant subject areas. The Hub will further become a centre to access data and knowledge about Built Environment research and a platform to harvest, store, and retrieve research knowledge products serving students, professionals, public and private sector institutions and the general public. The Hub will therefore serve as a repository of research outputs including academic and non-academic research reports, policy briefs, technical briefs, special publications, position papers, conference proceedings and research papers.

There was no target for quarter two. The following research outputs have been uploaded on the Built Environment Research Hub:

Table 17: Research Output

Thematic Area	Research Output
Health and Safety	<ol style="list-style-type: none"> 1. Final advisory report on health and safety regulations within the public sector. 2. Final report on the construction health and safety framework for tertiary Built Environment education.
Transformation	<ol style="list-style-type: none"> 3. Report on the benchmarking study on transformation best practices within the Built Environment. 4. Report on the status of transformation in the South African Built Environment.
Infrastructure Delivery and Quality	<ol style="list-style-type: none"> 5. Final report on Built Environment Professionals role in the Expanded Public Works Programme. 6. Report on the development of an empirical model for the improvement of labour intensive on public entity infrastructure. 7. Report on the viability of government infrastructure agency.
Skills and Capacity Development	<ol style="list-style-type: none"> 8. Report on the state of the Built Environment professions.

Thematic Area	Research Output
	9. Report on the national Built Environment skills audit. 10. Report on the approaches to attract and retain Built Environment Professionals in the South African public sector.

As part of this project, the CBE is pursuing strategic partnerships with academic institutions whose aim is to develop the research agenda, exchange research outputs and establish knowledge sharing platforms that will assist with information, research, education, sharing of ideas amongst Built Environment Professionals and academia. In the second quarter, a Memorandum of Understanding (MoU) was signed with CUT. The MoU with Durban University of Technology is currently being vetted by CBE's Legal Department.

*4.4.3 Two Built Environment advisory reports developed and submitted to the Minister of DPWI by 31 March 2021 - **No target.***

This project is aligned to CBE's mandate of *advising government in all matters falling within the scope of the built environment, including resource utilization, socio-economic development, public health, safety and environment.* Therefore, in the 2020/21 financial year, the CBE will establish a Built Environment research hub with access to various research databases on themes relating to CBE's mandate and other issues of national priority pertaining to the Built Environment. The database will initially focus on the Health and Safety, Built Environment Skills Development, Environmental Sustainability and Built Environment Regulations. Areas of national importance will include Transformation, the Expanded Public Works Programme (EPWP) and the Framework for Infrastructure Delivery and Procurement Management (FIDPM).

There was no target for the quarter. In the second quarter, an outline of the advisory report on FIDPM, focusing on its institutionalisation and skills requirement was developed. In addition, the CBE and National Treasury jointly established an advisory platform, the FIDPM Task Team. In quarter two, the FIDPM Task Team held two engagements on 28 July 2020 and 4 September 2020, covering the following issues:

- I. International Perspectives on Quality Infrastructure in Africa
- II. Infrastructure South Africa and the Strategic Integrated Projects/ Progress Update
- III. District Development Model
- IV. Initiatives by CBEP to Support Skills Requirements and Proposals to Support Skills Requirements for the Effective and Efficient Public Sector Public Sector Delivery within FIDPM

V. Update on Public Procurement Threshold Review Process

Table 18: Programme 4: Research and Advisory

Impact Statement	Outcome	Output Indicator	Annual Target	Annual Budget	Quarterly Targets and Actuals							Corrective Action
					Quarterly Performance	Actual Output - Validated	Deviation	Corrective Action	Quarterly Budget	Actual Expenditure	% Variance	
									R'000	R'000		
Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions	Informed decision making that impacts current and future operational requirements of the industry	4.1 Quality assured CBE Research Agenda	Approved CBE Research Agenda by 31 March 2021	94	First draft Research Agenda developed	Achieved First draft Research Agenda was developed	N/A	N/A	25	Nil	100%	Budget will be utilised in Quarter 3, subject to easing of State of Disaster Regulations. The budget was surrendered as part of the Covid-19 budgetary cuts
		4.2 Functional Built Environment Research Hub	Established and functional Built Environment Research Hub by 31 March 2021	22	N/A	N/A	N/A	N/A	Nil	Nil	N/A	N/A
		4.3 Number of Built Environment advisory reports developed and submitted to the Minister of DPWI	Two Built Environment advisory reports developed and submitted to the Minister of DPWI by 31 March 2021	190	N/A	N/A	N/A	N/A	N/A	100	9	91%

4.5. PROGRAMME 5: REGULATION AND PUBLIC PROTECTION

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

Programme 5 contributes to Priority 6: A capable, ethical and developmental State. The CBE contributes towards this outcome by facilitating the capacity building of the six CBEP through corporate governance assessment, Built Environment Legislation Update, and the CBE's Appeal Function.

For the 2020/21 APP, Programme 5 has three quarterly targets, all of which were achieved. The targets performed as follows:

*4.5.1 Fifty percent of recommended Built Environment Legislative Updates action plan implemented – **Achieved.***

This programme addresses the CBE's mandate in terms of sections 4(a) and 4(d) of the Council for the Built Environment Act, 43 of 2000 (the CBE Act). Section 4(a) empowers it *to advise government on any matter falling within the scope of the built environment, including resource utilisation, socio-economic development, public health and safety and the environment, and for this purpose carry out such investigations as it or the relevant Minister deems necessary.* Section 4(d) allows the CBE to *advise the Minister with regard to the amendment of the Act, if necessary, in order to support the norms and values of the built environment professions.*

The quarterly target was achieved. Fifty percent of recommended Built Environment Legislative Updates Action Plan was implemented. The performance of the target is detailed in the table below:

Table 19: Built Environment Legislative Updates Action Plan

ACTION	ACTION EXPLAINED	RESPONSIBLE PERSON	DELIVERY DATE	COMMENTS
1. First meeting with the Built Environment Legal Forum (BELF)	First meeting conducted	CBE	By 30 June 2020	Achieved. Meeting held on 19 June 2020.
2. Identify stakeholders for consultation	Stakeholders identified to consult on viability of an Ombuds Office for the Built Environment	CBE	By 30 September 2020	Consultation Plan on Ombuds function was developed.

ACTION	ACTION EXPLAINED	RESPONSIBLE PERSON	DELIVERY DATE	COMMENTS
3. Request DPWI update on BE legislative changes	DPWI to be requested to provide and update on the BE legislative changes proposed by DPWI earlier	CBE	By 30 September 2020	Update on BE legislative changes was requested in writing to DPWI on 26 June 2020. Feedback was received on 2 July 2020.

*4.5.2 Hundred percent of lodged appeals finalised within the statutory 60 days from the date of lodgement – **Achieved.***

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

The quarterly target was achieved. The final report on the compliance with the CBE’s mandate to decide appeals within 60 days of lodgement was produced. Four appeals were lodged during the quarter as follows:

1. The first was against the South African Council for the Quantity Surveying Profession (SACQSP) on the withdrawal of accreditation of a programme at an institute of learning
2. The second was against the South African Council for the Architectural Profession (SACAP) on the outcome of a disciplinary tribunal
3. The third was against the Engineering Council of South Africa (ECSA) on failure to prefer charges against a registered person
4. The fourth was against the South African Council for the Project and Construction Management Professions (SACPCMP) against the refusal to recognise an international qualification for registration purposes

Three appeals, requiring decision during the quarter, were decided within the prescribed period of 60 days.

One appeal, due for decision in quarter three, was finalised in this quarter. Four appeals in total were decided during the quarter. The remaining two appeals are due for decision in the next quarter.

*4.5.3 One Corporate Governance assessment of two CBEP on compliance with the provisions of the adopted Governance Framework – **Achieved.***

Section 3 (f) of The CBE Act impels the CBE to promote sound governance in the Built Environment Professions. The CBE and CBEP committed during previous financial years to comply with a governance framework based on the principles of King III. Since the advent of King IV™, the Governance Framework was accordingly revised. There has also been an ongoing expectation from DPWI and the Minister to improve governance of the CBEP. In *Circa* 2012, the then Minister of DPW insisted on the CBEP complying with the provisions of the PFMA as a way to enhance governance. This was to be achieved by the development of a roadmap by the CBEP towards PFMA compliance. The CBEP are however not listed in the PFMA for compliance. Following discussions, a Regulatory Framework, containing overall governance principles, including PFMA principles was developed.

The quarterly target was achieved. One Corporate Governance assessment of two CBEP on compliance with the provisions of the adopted Governance Framework was developed. Three CBEP were furnished with draft assessments and requested to propose dates for assessment by virtual means:

- i. SACQSP: 26 May 2020
- ii. SACPCMP: 4 August 2020
- iii. SACLAP: 4 August 2020

Virtual meetings with SACQSP on 10 July 2020 and SACLAP on 21 September 2020 to discuss and assess their level of compliance with the Regulatory Framework indicated the following:

- I. Neither CBEP has an appointed audit committee
- II. SACPCMP and SACLAP lack capacity to develop the required governance instruments and policies
- III. SACQSP demonstrated strong commitment towards compliance and availed several policies for CBE's input

Table 20: Programme 5: Regulation and Public Protection

Impact Statement	Outcome	Output Indicator	Annual Target	Annual Budget	Quarterly Performance	Quarterly Targets and Actuals				Actual Expenditure	% Variance	Corrective Action
						Actual Output - Validated	Deviation	Corrective Action	Quarterly Budget			
									R'000			
Well-regulated and inclusive Built Environment Professions that contribute to national priorities and ambitions	Promote and protect public interest in the Built Environment	5.1 Percentage of recommended Built Environment legislative updates action plan implemented	Hundred percent of recommended Built Environment Legislative Updates action plan implemented by 31 March 2021	244	Fifty percent of recommended Built Environment Legislative Updates action plan implemented	Achieved Six of the 12 action plan deliverables identified for the financial year were achieved. Three activities were completed in Q1 and three additional activities completed by 30 September 2020, representing 50% (6 of 12) were achieved	N/A	N/A	2	Nil	100%	Expenditure is moved towards Q3
		5.2 Percentage of lodged appeals finalised	Hundred percent of lodged appeals finalised within the	808	Hundred percent of lodged appeals finalised within the	Achieved 100% of the lodged ap-	N/A	N/A	396	299	25%	Due to the unpredictable nature of ap-

Impact Statement	Outcome	Output Indicator	Annual Target	Annual Budget	Quarterly Targets and Actuals							
					Quarterly Performance	Actual Output - Validated	Deviation	Corrective Action	Quarterly Budget	Actual Expenditure	% Variance	Corrective Action
									R'000	R'000		
		within the statutory 60 days from the date of lodgement	statutory 60 days from the date of lodgement by 31 March 2021		statutory 60 days from the date of lodgement	peals were finalised within the statutory 60 days from date of lodgement. Four appeals were lodged during the quarter. Two appeals were lodged in the first quarter and were due for decision in this quarter. Three appeals required decision during the quarter, and were all decided within the prescribed period of 60 days. One appeal that was due for decision in Quarter 3 was also						peals, the timing cannot be accurately determined at the beginning of the year

Impact Statement	Outcome	Output Indicator	Annual Target	Annual Budget	Quarterly Performance	Quarterly Targets and Actuals				Corrective Action		
						Actual Output - Validated	Deviation	Quarterly Budget	Actual Expenditure		% Variance	
												R'000
						finalised in this quarter						
		5.3 Number of Corporate Governance assessments of the six CBEP on compliance with the provisions of the adopted Governance Framework to identify potential governance weaknesses	One Corporate Governance assessment of the six CBEP on compliance with the provisions of the adopted Governance Framework developed by 31 March 2021	95	One Corporate Governance assessment of two CBEP on compliance with the provisions of the adopted Governance Framework	Achieved Virtual meetings were conducted with SACQSP on 10 July 2020 and SACLAP on 21 September 2020 to discuss and assess their level of compliance with the Regulatory Framework		N/A	Nil	Nil	0%	N/A

PART D
EXPENDITURE REPORT

EXPENDITURE REPORT FOR THE QUARTER ENDING 30 SEPTEMBER 2020

Expenditure versus Budget

	Quarter 2					Year To Date					Full Year Budget				
	Actual	Budget	Variance to date	% Over collected / (Under collected)	Actual % revenue collected of budget	Actual	Budget	Variance to date	% Over collected / (Under collected)	Actual % revenue collected of budget	Actual	Budget	Variance to date	% Over collected / (Under collected)	Actual % revenue collected of budget
Levies	-	141,500	(141,500)	0%	0%	-	141,500	(141,500)	0%	0%	-	1,862,000	(1,862,000)	-100%	0%
Grant income	-	-	-	0%	0%	27,612,000	27,612,000	-	0%	100%	27,612,000	48,813,000	(21,201,000)	-43%	57%
Interest	132,747	258,273	(125,526)	-49%	51%	256,732	430,454	(173,722)	-40%	60%	256,732	947,000	(690,268)	-73%	27%
Partnership Funding	880,357	-	880,357	100%	0%	1,998,758	-	1,998,758	100%	0%	1,998,758	-	1,118,402	100%	0%
Other Income	-	-	-	100%	0%	15,195	-	15,195	100%	0%	15,195	-	15,195	100%	0%
Total Income	1,013,103	399,773	613,330	153%	253%	29,882,685	28,183,954	1,698,731	6%	106%	29,882,685	51,622,000	(22,619,672)	-44%	58%

	Quarter 2					Year To Date					Full Year Budget				
	Actual	Budget	Variance to date	% Underspent / (Overspent)	Actual % spent of budget	Actual	Budget	Variance to date	% Underspent / (Overspent)	Actual % spent of budget	Actual	Budget	Variance to date	% Underspent / (Overspent)	Actual % spent of budget
Programme															
Programme 1: Administration	12,072,460	11,282,513	(789,947)	-7%	107%	22,485,961	22,465,761	(20,200)	-0.1%	100%	22,485,961	47,411,400	24,925,439	53%	47%
Programme 2: Transformation	48,500	200,000	151,500	76%	24%	48,500	400,000	351,500	88%	12%	48,500	643,000	594,500	92%	8%
Programme 3: Skills and Capacity Development	38,022	959,375	921,353	96%	4%	38,022	1,320,275	1,282,253	97%	3%	38,022	2,114,600	2,076,578	98%	2%
Programme 4: Research and Advisory	-	80,000	80,000	100%	0%	8,537	125,000	116,463	93%	7%	8,537	306,000	297,463	97%	3%
Programme 5: Regulations and Public Protection	236,128	194,500	(41,628)	-21%	121%	298,947	397,500	98,553	25%	75%	298,947	1,147,000	848,053	74%	26%
Total Expenditure	12,395,111	12,716,388	321,277	3%	97%	22,879,967	24,708,536	1,828,569	7%	93%	22,879,967	51,622,000	28,742,033	56%	44%
Net Surplus/(Deficit)	(11,382,008)	(12,316,615)	934,607	-8%	92%	7,002,717	3,475,418	3,527,299	100%	0%	7,002,717	-	6,122,361	100%	0%

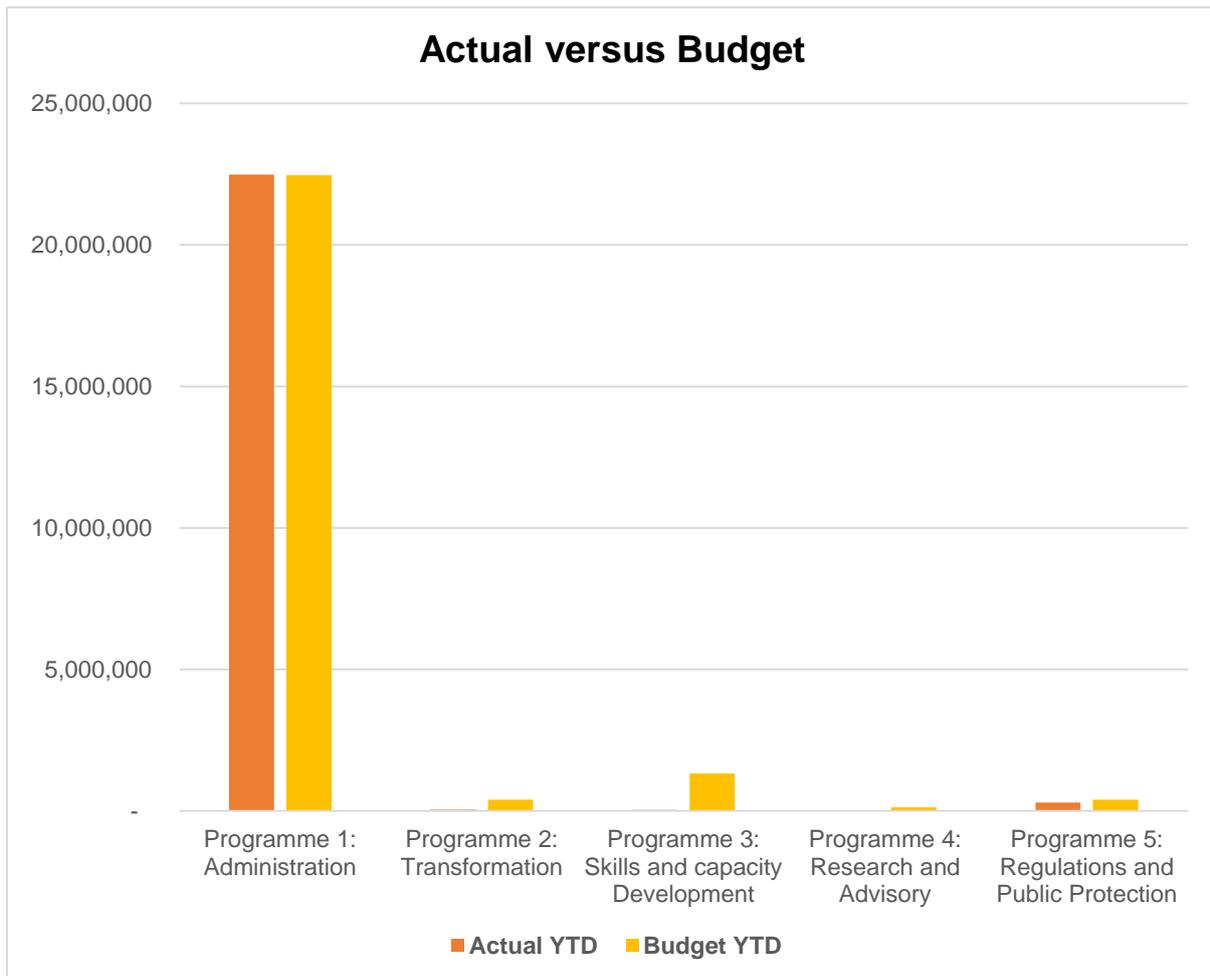


Figure 2: Expenditure: Actual versus Budget

5. SIGNIFICANT DEVIATIONS

5.1. REVENUE

The CBE received its Parliamentary Grant from DPWI as budgeted. A favourable variance was recorded on income, due to:

- i. analysis and finalisation of submitted claims by the Construction Education and Training Authority (CETA) after consultation with the administrator
- ii. receipt of insurance pay out for damaged asset

Less cash surpluses are currently available than was anticipated, mainly due to:

- i. CBEP levies only received in July 2020
- ii. CETA funds administrated separately

The CBE surrendered 12.06% of its income during the reprioritisation of funds towards curbing the effects of the Covid-19 pandemic on the national economy.

5.2. EXPENDITURE

The variances on expenditure were as follows:

Programme 1: Administration

A shortfall of R20 200 (0.1%) was attributed to:

- i. the delayed appointment of a consultant to perform the revenue enhancement strategy
- ii. procurement activities halted as per National Treasury instruction during the National Lockdown. Procurement for various ICT projects are currently in progress
- iii. the pending matter in the Labour Court to have the former CEO's claim for unfair dismissal dismissed on hold, pending the outcome of the investigation of a Whistle Blower hotline tip-off. The funds allocated for such legal action was therefore not utilised

There was an overspend on council remuneration for an emergency meeting to approve the amended CBE budget, in accordance with the reprioritisation of budgets. Other meetings were also scheduled to attend to the current investigation into a hotline tip off.

Prior year committed funds utilised for training, radio and TV interviews, and computer expenses i.e. Unemployment database, Electronic Built Environment System resulted in the actual expenditure exceeding the budgeted expenditure. These differences were offset against the savings highlighted above and resulted in the variance of R20 200.

Programme 2: Transformation

There was a surplus of R351 500 (88%), as a result of the Transformation Research Project performed internally. The funds will be reprioritised during the mid-term review.

Programme 3: Skills and Capacity Development

There was a surplus of R1 282 253 (97%), attributed to:

- i. re-scheduling mentorship visits due to the Covid-19 National Lockdown restrictions. This resulted in savings on travel and mentor fees for the Structured Candidacy project
- ii. restrictions on travel, due to the Covid-19 pandemic, resulted in savings

- iii. a change in strategy on the throughput study, which was initially planned to be performed by an external service provider. However, the restrictions on procurement during the National Lockdown led to a considerable time loss, and the project will now be performed internally. This strategy will also build the internal capacity of the Skills Department as the study will be undertaken with the Research Department

Programme 4: Research and Advisory

There was a surplus of R116 463 (93%) due to Covid-19 travel restrictions where planned conference attendances could be undertaken.

Programme 5: Regulation and Public Protection

There was a surplus of R98 553 (25%) due to savings on appeal committee fees. The unpredictable nature of appeals do not allow them to be accurately determined at the beginning of the year.

PART E

HUMAN RESOURCES

6. HUMAN RESOURCES

6.1 RECRUITMENT AND SELECTION

There was no recruitment of permanent positions as per the halt on all vacant positions. Recruitment of the Finance Intern was initiated.

6.2 STAFF MOVEMENT

There were no staff movements during the quarter.

Table 21: Employee Statistics

July 2020										
Permanent Employees:										
African		Asian/Indian		White		Coloured		Total		Grand Total
Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	
17	9	2	0	4	2	1	0	24	11	35
Fixed Term Employees:										
2	0	0	0	0	0	0	0	2	0	2
August 2020										
Permanent Employees:										
African		Asian/Indian		White		Coloured		Total		Grand Total
Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	
17	9	2	0	4	2	1	0	24	11	35
Fixed Term Employees:										
2	0	0	0	0	0	0	0	2	0	2
September 2020										
Permanent Employees:										
African		Asian/Indian		White		Coloured		Total		Grand Total
Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	
17	9	2	0	4	2	1	0	24	11	35
Fixed Term Employees:										
2	0	0	0	0	0	0	0	2	0	2

6.3 STAFF TURNOVER

Number of permanent employees at beginning of quarter and at end of quarter (35+35);

Divide by 2 = Total (70÷2 = 35)

Divide terminations over Total x 100 = turnover % (0÷35 x 100 = 0%)

Staff turnover during the period under review is 0%.

Table 22: Race and Gender Equity

Population Group	Male			Female			Total		
	No	Percentage Distribution		No	Percentage Distribution		No	Percentage Total Distribution	
		CBE	SA Population		CBE	SA Population		CBE	SA Population
African	9	81.8	80.7	17	70.8	80.8	26	74.3	80.7
Coloured	0	0.0	8.8	1	4.2	8.8	1	2.9	8.8
Indian /Asian	0	0.0	2.7	2	8.3	2.5	2	5.7	2.6
White	2	18.2	7.8	4	16.7	7.9	6	17.1	7.9
Total	11	100.0		24	100.0		35	100.00	

The target figures provided have been benchmarked with the latest Statistics SA demographic data mid-year population estimates for South Africa by population group and sex, 2020, (P0302 July 2020).

Representations have been exceeded with white male and female as well as Indian/Asian female employees. The CBE will endeavour to correct this with the appointment of African female and coloured male or female at its next recruitment opportunity.

The Employment Equity Committee was nominated, finalised and submitted reports to the Department of Labour.

6.4 LABOUR RELATIONS

No labour relations cases were recorded during the quarter. Monthly meetings could not be held during the quarter as requested by the Union. Salary adjustment negotiation meetings successfully reached an agreement.

6.5 PERFORMANCE MANAGEMENT AND DEVELOPMENT

First Quarter performance reviews were concluded and recorded during the second quarter.

6.5 LEAVE

The table below details the number and leave types in terms of planned and unplanned days during the quarter under review.

Table 23: Leave

Leave Type	July 2020		August 2020		September 2020		TOTAL	
	Empl	Days	Empl	Days	Empl	Days	Empl	Days
Annual	7	8.5	9	26	13	42	15	76.5
Sick	5	14.5	3	9	5	22	6	45.5
Family Responsibility	1	1	0	0	0	0	1	1
Special	0	0	0	0	0	0	0	0
Study	1	1	0	0	0	0	1	1
Maternity	0	0	0	0	1	16	1	16
Paternity	0	0	0	0	0	0	0	0
Suspension	0	0	0	0	0	0	0	0

Absenteeism management solutions indicate that on average, absenteeism rate can fluctuate between 1.5% up to an acceptable maximum of 4%. A total of 84.5 unplanned person-days were lost during the quarter resulting in an acceptable average absenteeism rate of 3.49%.

Table 24 : Absenteeism

Legend:

Formula: Absenteeism % = Man-days lost /Product of Average No of workdays for the period by staff complement X 100. Whereas Average No. of workdays = 21.67 days per month.

Number of Employees	Annual Leave	Number of Employees	Sick Leave	Number of Employees	Family Re-sponsibil-	Number of Employees	Study Leave	Number of Employees	Maternity Leave	Number of Employees	Special Leave	Total Per-son Days	Total Staff	Rate %
July 2020														
7	8.5	6	20.5	1	1	1	1	0	0	0	0	20.5	37	2.56%
August 2020														
9	26	4	30	0	0	0	0	0	0	0	0	30	37	3.74%
September 2020														
13	42	7	34	0	0	0	0	1	16	0	0	34	37	4.24%
Total for the period under review														
15	76.5	8	84.5	1	1	0	0	1	16	0	0	84.5	37	3.49%

Man-days lost = Unplanned absences related to ill health and family responsibility.