



4th QUARTER PERFORMANCE INFORMATION FOR THE FINANCIAL YEAR 2016/17

Fourth Quarter 2016/17: 01 January– 31 March 2017

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1. GLOSSARY

Acronyms and definitions

Act	The CBE Act
AGSA	Auditor-General South Africa
AL	Annual Leave
APP	Annual Performance Plan
BAC	Bid Adjudication Committee
BE	Built Environment
BEP/s	Built Environment Profession/s
BEPC/s	Built Environment Professional Council/s
CBE	Council for the Built Environment
CC	Competition Commission
CCMA	Commission for Conciliation, Mediation and Arbitration
CEO	Chief Executive Officer
CHE	Council for Higher Education
COO	Chief Operations Officer
CGICTPF	Corporate Governance of Information and Communications Technology Policy Framework
Council	CBE Council
CPD	Continuous Professional Development
DoD	Department of Defence
DHS	Department of Human Settlements
DPW	Department of Public Works
DPSA	Department of Public Service and Administration



#Empl	Number of Employees
EPWP	Expanded Public Works Programme
FRL	Family Responsibility Leave
GIS	Geographic Information Systems
GMI	Gildenhuys Malatji Incorporated
HDI	Historically Disadvantaged Individual
HR	Human Resources
ICT	Information Communications Technology
IDMS	Infrastructure Delivery Management System
IDoW	Identification of Work
ILO	International Labour Organization
IT	Information Technology
KMIT	Knowledge Management and Information Technology
Minister	Minister of Public Works
MISA	Municipal Infrastructural Support Agency
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MTSF	Medium Term Strategic Framework
N/A	Not Applicable
NDP	National Development Plan
NGO	Non-Governmental Organisation
OCPO	Office of the Chief Procurement Officer
OSD	Occupation Specific Dispensation



PFMA	Public Finance Management Act
PICC	Presidential Infrastructure Co-ordinating Committee
QCTO	Quality Council for Trades and Occupations
RPL	Recognition of Prior Learning
SAQA	South African Qualifications Authority
SCM	Supply Chain Management
SIPDM	Standards for Infrastructure Procurement and Delivery Management
SIPS	Strategic Infrastructure Projects
SOE	State Owned Entity
SL1	Sick Leave
SL2	Study Leave
TSC	Transformation Steering Committee
UL	Unpaid Leave
UoT	University of Technology
WIL	Work Integrated Learning

Committees of Council

ARC	Audit and Risk Committee
BEMC	Built Environment Matters Committee
EXCO	Executive Committee
FHLC	Finance, Human Resources and Legal Committee



Built Environment Professional Councils (BEPCs):

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

CBE Programmes

Programme 1	Government Policies and Priorities
Programme 2	Skills for Infrastructure Delivery
Programme 3	Built Environment Research, Information and Advisory
Programme 4	Regulation and Oversight of six Built Environment Professional Councils



APPROVAL

This Quarterly Report was approved by:



P. Mdlalose (Ms)

Acting Chief Executive Officer

28 April 2017

Date



PART A
EXECUTIVE SUMMARY



2. EXECUTIVE SUMMARY

This report presents the performance of the Council for the Built Environment (CBE) for the fourth quarter of the 2016/17 financial year. It constitutes six parts. Part A is the Executive Summary, which provides an overall synopsis of the performance of the CBE, in terms of its mandate and strategic objectives as set out in the Strategic Plan. Part B provides a detailed Governance Report. Part C provides a detailed analysis of the performance of each Programme. Part D provides a detailed Financial Report for the quarter. Part E provides a Human Resource Exceptional Report for this reporting period.

The CBE implements its Annual Performance Plan (APP) through four programmes; viz.; Programme 1 – Government Policies and Priorities, Programme 2 - Skills for Infrastructure Delivery, Programme 3 – Built Environment Research, Information and Advisory, and Programme 4 - Regulation and Oversight of the six Built Environment Professional Councils (BEPCs).

The 2016/17 APP had 24 quarterly targets set for the fourth quarter. Of these, eighteen (75%) were achieved, two (8%) were partially achieved, and four (17%) were not achieved. The general reasons noted for the non-achievement of targets are:

- a) Due to network and server malfunction, 95% of up time was not achieved. Age-ing hardware and theft of Telkom cables caused extended periods of down-time;
- b) The final framework of CBE's Information Technology (IT) Governance and IT Strategy was not completed. Due to the Knowledge Management and Information Technology (KMIT) Manager's absenteeism and eventual resignation, the required functions could not be performed; and
- c) Dependency on external stakeholders such as the signing of a Memorandum of Agreement (MoA) by Department of Public Works (DPW) and the non-submission of APPs and Strategic Plans by some professional councils.

Table 1: Achievement status of quarterly targets

	Number of quarterly targets	Achieved	Partially Achieved	Not Achieved
Programme 1	6	2	2	2
Programme 2	7	7	0	0
Programme 3	4	3	0	1
Programme 4	7	6	0	1



	Number of quarterly targets	Achieved	Partially Achieved	Not Achieved
Quarter 4 total targets	24	18	2	4
Percentage	100%	75%	8%	17%

The highlights for the quarter under review were the following:

Programme 1 - Government Policies and Priorities

The strategic objective of Programme 1 is to ensure that built environment (BE) academic curricula and Continuous Professional Development (CPD) programmes embody health and safety in construction, environmental sustainability, job creation through labour intensive construction, as well as the Infrastructure Delivery Management System (IDMS).

For the 2016/17 APP, Programme 1 has six quarterly targets. Of these, two were achieved, while four were not achieved. The highlights of this Programme were the following:

- Internal controls functioned optimally and no irregular expenditure was incurred. The root cause of all identified irregular expenditure has been addressed.
- An unqualified audit for 2015/2016.

Programme 2 - Skills for Infrastructure Delivery

The strategic objective of Programme 2 is to drive and facilitate skills development and transformation within the BE. It contains the flagship programmes that drive the implementation of the Transformation Implementation Model of the CBE, with a focus on the Workplace Training Model and the Maths and Science support programme.

Programme 2 has seven quarterly targets. All seven were achieved. The highlights of this Programme were the following:

- The final Project Plan for the production and development of high demand BEP skills categories (Land and Engineering Surveyors and Geographic Information Systems [GIS] professionals) was completed.
- CBE's partnerships with Universities of Technology (UoTs) and host employers worked very well and made it possible to place a total of 200 interns - 100 more than the annual target.
- Transformation Strategy developed for the BEPCs.



Programme 3 - Built Environment Research, Information and Advisory

The strategic objective of Programme 3 is for CBE to provide informed and researched advice to Government on BE priority matters, as identified in the Medium-Term Strategic Framework (MTSF).

Programme 3 has four quarterly targets. Of these, two were achieved, one was partially achieved, and one was not achieved. The highlights of this Programme were the following:

- A final advisory report on the implementation of the Occupation Specific Dispensation (OSD) by DPW (National and provincial departments) was developed and presented at the DPW Skills Forum.
- The final report on the implementation plans of the three partnerships to improve technical capacity within municipal, provincial and national departments was developed. The partnerships were with the following entities:
 1. The Defence Formation Unit of the National Department of Defence (DOD)
 2. Municipal Infrastructural Support Agency (MISA), representing municipalities
 3. An MoA with the Eastern Cape Department of Public Works
- The final report on the implementation of the Standards for Infrastructure Procurement and Delivery Management (SIPDM) MoA to support infrastructure delivery was developed.

Programme 4 - Regulation and Oversight of six Built Environment Professional Councils

The strategic objective of Programme 4 is for the CBE to act as an appeal body on matters referred to it in terms of the law regulating the BEPs, and to promote sound governance of Built Environment Professions (BEPs).

Programme 4 has seven quarterly targets. Out of the seven targets, one was not achieved. The reason for the non-achievement was that some professional councils did not submit their APP and Strategic Plan to the CBE. The highlights for the quarter were the following:

- All appeals lodged were finalised within the statutory time limit as required.
- The final report on Corporate Governance was submitted to DPW.
- The final report on Compliance with Public finance Management Act by the six professional councils was developed.
- The oversight report on the implementation of Monitoring and Evaluation framework by the six professional councils was developed.



PART B

GOVERNANCE



3. INTRODUCTION

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

- a. The creation of an appropriate, ongoing and dynamic monitoring and system of checks and balances;
- b. The implementation of a system to ensure compliance by the CBE with its legal and regulatory obligations;
- c. The implementation of a process whereby risks to the sustainability of CBE's mandate are identified and managed; and
- d. The development of practices, which make and keep the CBE accountable to its stakeholders.

CBE takes its governance responsibility from the relevant legislation and principles of the King III Report.

3.1 EXECUTIVE AUTHORITY

The Minister of Public Works (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 Act 43 of 2000 (CBE Act), hereafter referred to as the "Act." Some of the key functions assigned to the CBE by the Act include the following:

- a. 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;
- b. To facilitate inter-ministerial co-operation concerning issues relating to the built environment;
- c. To 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;
- d. To comment, if necessary, on all proposed legislation impacting on health and safety in the built environment;
- e. To 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;
- f. To 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

- g. To act as an appeal body with regards to matters referred to it in terms of law regulating the built environment professions.

The CBE is, in addition, mandated to effect policy coordination within the BE, promote the participation of BEPs in integrated development within the context of national goals, promote sound governance of the built environment professions and act as the conduit for communication between Government and the BEPs.

3.3 COMPOSITION OF THE COUNCIL

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

- a. One representative from the department (DPW);
- 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 professional council; 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 is responsible for operational matters.

Table 2: Fourth Term Council

Name	Designation (<i>Section of the Act in terms of which appointment was made</i>)	Date Appointed	Date Resigned
IM Nkosi (Chairperson)	Section 5(2)(c) Nominated by SACPCMP	1 August 2014	-
NF Sithole (Deputy Chairperson)	Section 5(2)(d) Public representative	1 August 2014	-
Adv. DJ Block	Section 5(2)(d) Public representative	1 August 2014	16 February 2015
CA Breed	Section 5(2)(c) Nominated by SACLAP	1 August 2014	-



Name	Designation (<i>Section of the Act in terms of which appointment was made</i>)	Date Appointed	Date Resigned
IS Kgomo	Section 5(2)(b) Representative Department of Public Enterprise	1 August 2014	31 December 2014
ND Lombard	Section 5(2)(c) Nominated by SACAP	1 August 2014	-
N Maharaj	Section 5(2)(d) Public representative	1 August 2014	06 May 2015
EG Makongwana	Section 5(2)(c) Nominated by SACPVP	1 August 2014	-
JL Margolius	Section 5(2)(c) Nominated by SACPVP	1 August 2014	-
Dr ZT Mathe	Section 5(2)(c) Nominated by ECSA	1 August 2014	-
T Matunda	Section 5(2)(c) Nominated by SACQSP	1 August 2014	11 February 2015
D Michell	Section 5(2)(c) Nominated by SACPCMP	1 August 2014	-
Prof KA Michell	Section 5(2)(c) Nominated by SACQSP	1 August 2014	-
C Mtshisa	Section 5(2)(a) Representative Department of Public Works	1 August 2014	-
ZC Mvalo	Section 5(2)(b) Representative Department of Higher Education	1 August 2014	-
A Sassenberg	Section 5(2)(c) ECSA	1 August 2014	-
RG Sefotlho	Section 5(2)(d) Public representative	1 August 2014	-
AA Steyn	Section 5(2)(c) Nominated by SACLAP	1 August 2014	02 February 2016
S Thubane	Section 5(2)(c) Nominated by SACAP	1 August 2014	-
MM Tshangela	Section 5(2)(c) Representative Department of Environmental Affairs	1 August 2014	-

Committees of Council:

Statutory Committees

- Executive Committee (EXCO) - as prescribed and mandated in the Act.
- Audit and Risk Committee (ARC) - as prescribed and mandated in the Public Finance Management Act (PFMA).



Other Committees

- a. Finance, Human Resources and Legal Committee (FHLC)
- b. Built Environment Matters Committee (BEMC)

Executive Committee (EXCO)

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

- a. Ensure that the resolutions of the Council are carried out.
- b. Consider any matter delegated to it by the Council in terms of any law, and 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 clause 16 of the CBE Act.
- f. Report on the activities of the Committee at every ordinary meeting of the Council.
- g. Establish an annual work plan to ensure that all relevant matters of the Committee's roles and responsibilities are covered.

EXCO held a regular meeting on 30 January 2017 to consider the matters below:

- CBE's Third Quarter Report for statutory submission was approved.
- A Stakeholder Management from the Acting CEO was noted. The need to provide feedback to stakeholders on the identification of work (IDoW) process was noted.
- Competition Commission and Identification of Work (IDoW) matters - The *status quo* was noted.
- Strategic Risk Register: The high risks identified were the appointment of a KMIT Manager, the relevance of the CBE and the need to develop a marketing strategy. The risk register must be reviewed, as the risks reflected might have changed.
- IT Governance: It was noted that service providers are to be appointed to address the IT requirements of the CBE.
- Legal Compliance: No specific breaches were reported. A calendar for implementation was noted.
- Update on CEO's Commission for Conciliation, Mediation and Arbitration (CCMA) matter: An unfair dismissal hearing is currently pending before the CCMA.



Audit and Risk Committee (ARC)

The 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 policy 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 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, summarised integrated information, any other intended release of price-sensitive information and prospectuses, trading statements and similar documents;
- 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; and
- k. Engage the external auditors to provide assurance on the summarized financial information.



Table 3: Audit and Risk Committee membership

Name	Internal or external	If internal, position in the public entity	Date appointed	Date Resigned
D Coovadia	External Member		6 December 2010(1 st Term) 6 December 2014 (2 nd Term)	
M Mothipe	External Member		8 February 2013 (1 st Term) 6 December 2014 (2 nd Term)	
F Docrat	External member		6 December 2014 (1 st Term)	
NF Sithole	Council Member		1 August 2014	
N Maharaj	Council Member		1 August 2014	06 May 2015
JL Margolius	Council Member		Appointed by Council on 27 May 2015.	

The ARC held one regular meeting during the quarter, on 24 January 2017, and the following were discussed:

- Appointment process of the Internal Auditors: A written report was noted. Two ARC members were availed to observe the planned presentations by short listed service providers.
- The Quarter 3 Performance Report was noted and recommended for adoption by EXCO, with changes.
- The Finance Report was noted; a small surplus is expected at the end of the financial year.
- The Corporate Governance Report was noted, along with the note that council members are only remunerated for meetings actually attended.
- IT Governance Report: The committee noted the report on the procurement process of the service provider and authorised management to go ahead with the process.
- The Quarter 3 Procurement Report was noted. A mechanism for the verification of the BEE status of companies to be put in place. Performance indicators should be included in agreements with state-owned entities (SOEs), and a performance evaluation should be conducted to ensure value for money where SOEs are utilised
- The External Audit Matrix Quarter 3 / Dashboard was noted. The Auditor-General South Africa's (AGSA's) audit strategy and engagement letter were noted and recommended to Council.
- Internal Audit Close Out Report.



Finance, Human Resources and Legal Committee (FHLC)

The mandate of the FHLC is as follows:

A. Finance

- a. 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).
- b. 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.
- c. Review the annual financial statements of the CBE in conjunction with ARC, and make recommendations to Council.
- d. Receive and consider budget proposals from the Executive and recommend the annual operating and capital budgets to Council.
- e. Monitor compliance with the PFMA in respect of matters relating to the CBE Act.
- f. Review the adequacy of the working capital by comparing cash focus against the actual.
- g. Receive reports of fraud relating to the CBE.
- h. Report on activities of the Committee at every ordinary meeting of the Council.
- i. Establish an annual work plan to ensure that all relevant matters of the Committee's roles and responsibilities are covered.

B. Human Resources

- a. 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.
- b. 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.
- c. Ensure compliance with all employment legislation such as Employment Equity Act, Labour Relations Act and Basic Conditions of Employment Act, etc.
- d. Consider and make recommendations on a formal and transparent procedure for developing a policy on remuneration with particular reference to Senior Management.
- e. Determine the annual remuneration adjustments for CBE staff.
- f. Creation and abolition of Senior Management positions, appointments, transfers and promotions of Senior Managers; of the CEO's performance appraisal, and implementation of disciplinary action against the CEO.



C. Legal

- a. Deal with the BE Policy proposal by DPW relating to the repeal of the CBE Act.
- b. Deal with IDoW; Appeals; Planning, Monitoring and Evaluation; and other legal compliance matters within the BEPCs.
- c. Deal with Corporate Governance matters in Council

A regular meeting of the FHLC set for 06 February 2017 was postponed to 09 February 2017, due to a lack of quorum. The following items were dealt with:

- The Quarter 3 Expenditure Report was noted, and Departmental Managers are to be requested to commit in writing their expenditure for the remainder of the financial year.
- The Quarter 3 Procurement Report was noted. A Samsung 10.1 Tablet will be procured for each Council member for use at Council meetings.
- The Bid Adjudication Committee (BAC) report on the procurement of internal audit services was noted. FHLC recommended the Bid for approval by Council by written vote, taking into account the timeline to have the tender awarded by 13 February 2017.
- The HR report was noted.
- The report on performance related bonuses was noted and endorsed, especially that the process was in line with the budget.
- The progress report on office accommodation was noted.
- IT governance update: The report was noted. It was noted that the IT issues would be resolved upon relocation to the new office building.
- Appeals outcome: The report was noted.
- Active contracts list: The report was noted.
- Updated consolidated action plan – corporate governance: The report was noted.
- Social and ethics implementation plan: The report was noted.
- Compliance report: The report was noted.

A special FHLC meeting was held on 06 March 2017 with the following outcomes:

- CBE Bid 1/2017 Procurement of Office Furniture: The Bid Adjudication Committee's (BAC) recommendation was noted, and recommended to Council for approval.
- Deviation from the procurement process of cabling and telephony: The BAC's recommendation was noted, and recommended to Council for approval.
- Recommendation for disposal of assets due to the office relocation: The BAC's recommendation was noted, and recommended to Council for approval.



- CBE Bid 2/2017 Procurement of legal services for the IDoW matter: The BAC recommendation was noted, and recommended to Council for approval.

Built Environment Matters Committee (BEMC)

The mandate of BEMC is as follows:

A. Broader Government Priorities and Programmes in the Built Environment

1. Skills Plan for Government's infrastructure rollout programme through the Presidential Infrastructure Coordinating Committee (PICC) and Strategic Infrastructure Projects (SIPs).
2. Job creation initiatives of Government, with links to the Expanded Public Works Programme (EPWP) and the involvement of BEPCs in labour intensive construction.
3. The environmental sustainability agenda, with links to DPW's Green Building initiatives.
4. Health and Safety in construction, with links to the Department of Labour's initiatives and incorporation of health and safety into the curricula of BE academic programmes.
5. Support for the BEPCs' Transformation plans.

B. Skills Development initiatives in the Built Environment

1. Maths and Science support programmes in schools.
2. Monitoring the accreditation of academic programmes and academic institutions.
3. Monitoring professional registration, including the Recognition of Prior Learning (RPL).
4. Quality assured workplace training for new BE graduates (for candidature), and interns (for experiential learning).

C. Research and Information on Built Environment matters

1. Research on BE matters that are of priority to DPW.
2. Research on BE matters that are of priority to the BEPCs.
3. Research on BE matters that are of priority in service delivery (e.g. the IDMS) with Municipalities, National, Provincial and Infrastructure departments.
4. Research on BE matters that are of priority to industry and the public.

D. BEPCs General Matters

1. Implementation of policies within the BEPCs.
2. Business plan issues of the BEPCs.
3. Support, guidance and monitoring of the BEPCs.
4. Support for conclusion of the IDoW regulations.
5. Other BEPC related matters.



One meeting of the BEMC took place during the quarter on 08 February 2017. The following were discussed and resolved:

- Transformation Plan and Progress Report: The first draft was noted. The transformation plan was recommended to Council for approval once all the comments from the Transformation Steering Committee (TSC), BEPCs and BEMC have been incorporated.
- Transformation Indaba update: The report was supported and adopted by BEMC.
- The Quarter 3 Performance Report for information was noted.
- Combined report on overall performance during Quarter 3: Under-expenditure was noted in Quarter 3; BEMC was assured that plans are in place for spending the budget in Quarter 4.
- Update on investigations – BEPC Governance Matters: BEMC noted that a meeting has been arranged with DPW to resolve issues raised in the report. If not resolved, these must be escalated to the Chairperson to deal directly with Director General and or the Minister.
- Deployment of Cuban Professionals: The report was noted.

Meetings of Council

A special Council meeting was held on 24 January 2017. The meeting, not quorate, noted inter alia, the following:

- Annual Performance Plan 2017/2018 for approval
- Fraud and Prevention Policy
- Terms of Reference for the CEO Recruitment Committee

Council noted the submissions listed above and agreed to have them circulated for approval by written vote.

A regular Council meeting was held on 08 March 2017, and the following were discussed and resolved:

- The EXCO Chairpersons Report was noted.
- EXCO's amended Terms of Reference (ToR) were noted and new changes were proposed. The revised ToR to be tabled at the next EXCO for recommendation to the next Council Meeting.
- Feedback on former CEO's CCMA matter was noted.
- The draft Built Environment Legislative Amendment is to be circulated to Council for comment.
- The ARC Chairperson's Report was noted.
- The Quarter 3 Expenditure Report was noted.
- The Budget Adjustment Proposal was approved.
- The Quarter 3 Procurement Report was noted.

- Update on new Office Accommodation was noted.
- CBE Bid 1/2017 Procurement of Office Furniture was approved by Council as recommended by FHLC.
- CBE Bid 2/2017 Procurement of Legal Services for the IDoW matter was approved by Council as recommended by FHLC.
- Deviation from the procurement process for cabling and telephony was approved by Council as recommended by FHLC.
- Fraud and Prevention Policy was approved as recommended by ARC.
- The deviation from procurement of attorneys Gildenhuys Malatji Incorporated (GMI) to conduct the former CEO's arbitration matter was also approved, subject to National Treasury approval.
- The BEMC Chairperson's Report was noted.
- The BEMC's ToR was approved by Council.
- Transformation Model for approval: The transformation model must be updated to include Council comments, and a meeting arranged prior to the next Council meeting for Erhard Visser (Transformation Manager) to present the final document.
- The Transformation Indaba update was noted.
- The Acting Chief Executive Officer's Report was noted.
- The IT Governance Report was noted.
- The Strategic Risk Register was noted.
- The Report on Council Composition was noted.
- Consolidated Action Plan – Corporate Governance update was noted by Council.
- The Social and ethics implementation plan update was noted.
- The Compliance Report was noted, with no specific breaches reported.
- Council's Corporate Governance Training on King IV training to be arranged for 24 May 2017.

Vacancies at Council

Currently, there are five vacancies in the CBE Council. Recommendations have been made to the Minister on the appointment of council members in the vacancies. The statutory requirement of the Minister filling vacancies within 60 days had not been complied with. Vacancies in the professional councils have, similarly, not been filled. Long existing vacancies on councils do hamper transparent decision-making.



Table 4: Council Committees composition and meetings

Council Committee	Number of meetings planned	Number of meetings held	Committee membership	Meeting Attendance	
EXCO				30 Jan 17	-
	1	2	IM Nkosi (Chairperson) NF Sithole (Deputy-Chairperson) Prof KA Michell Dr ZT Mathe S Thubane (Alternate Member)	Yes No Yes Yes Yes	
ARC				24 Jan 17	-
	1	2	D Coovadia M Mothipe F Docrat NF Sithole JL Margolius	Yes Yes Yes No No	
FHLC				09 Feb 17	06 Mar 17
	1	1	Prof KA Michell (Chairperson) ND Lombard JL Margolius A Sassenberg IM Nkosi RS Sefotlho ZC Mvalo	Yes Yes No No Yes Yes No	Yes Yes No Yes No Yes No
BEMC				08 Feb 17	-
	1	1	Dr ZT Mathe CA Breed EG Makongwana D Michell C Mtshisa ZC Mvalo RG Sefotlho S Thubane MM Tshangela	Yes Yes Yes No No No No Yes No	
Council				24 Jan 17	08 Mar 17
	1	1	IM Nkosi (Chairperson) NF Sithole (Deputy Chairperson) CA Breed ND Lombard	Yes No Yes Yes	Yes Yes Yes Yes

Council Committee	Number of meetings planned	Number of meetings held	Committee membership	Meeting Attendance	
			EG Makongwana	No	No
			JL Margolius	No	No
			Dr ZT Mathe	Yes	Yes
			D Michell, Mr	Yes	Yes
			Prof KA Michell	No	Yes
			C Mtshisa	No	Yes
			ZC Mvalo	No	Yes
			A Sassenberg	No	Yes
			RG Sefotlho	Yes	Yes
			S Thubane	No	Yes
			MM Tshangela	Yes	Yes

Remuneration of Council members

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

The following members are not remunerated, either by choice or in terms of their public service designation:

- C Mtshisa
- ZC Mvalo
- MM Tshangela

Council members receive a determined amount, and are reimbursed for parking, travel and toll fees.

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

Table 5: Council Remuneration

Designation	Per Day	Per Hour
Chairperson	R4 072	R509
Deputy Chairperson	R3 456	R432
Chairpersons' of Committees	R3 456	R432
Members of Council/ Committees	R3 216	R402

Name	Remuneration	Other allowance	Other re-imbursments	Total
IM Nkosi (Chairperson)	52 832.00	-	8 272.40	61 104.40
NF Sithole (Deputy	3 216.00	-	212.05	3 428.05

Name	Remuneration	Other allowance	Other re-imbursements	Total
Chairperson)				
CA Breed	9 648.00	-	418.08	10 066.08
ND Lombard	19 296.00	-	1 410.99	20 706.99
N Maharaj (Resigned PY)		-		
EG Makongwana	6 432.00	-	0	6 432.00
JL Margolius	19 296.00	-	0	19 296.00
Dr ZT Mathe	13 344.00	-	2 809.83	16 153.83
T Matunda	-	-	-	-
D Michell	16 080.00	-	2 002.64	18 082.64
Prof KA Michell	20 178.00	-	4 406.00	24 584.00
C Mtshisa	-	-	-	-
ZC Mvalo	-	-	-	-
A Sassenberg	6 432.00	-	9 446.54	15 878.54
RG Sefotlho	22 512.00	-	2 794.30	25 306.30
AA Steyn (Resigned PY)	-	-	-	-
S Thubane	12 864.00	-	-	12 864.00
MM Tshangela	-	-	-	-
D Coovadia (Audit Committee External Member)	56 120.00	-	4 518.26	60 638.26
M Mothipe (Audit Committee External Member)	44 896.00	-	590.22	45 468.22
F Docrat (Audit Committee External Member)	44 896.00	11 224.00	2 478.48	58 598.48

3.4 RISK MANAGEMENT

Risk management forms a central part of the CBE's strategic management with the task of identification, assessment, management and monitoring of risks across the organisation. This exercise has been performed by the CBE internal audit function, Ngubane and Company, to support the ARC.

In line with good governance, risk management and planning is also emphasised to be an element for which the Accounting Authority is directly responsible. Risk Management is also a compliance requirement, as per the PFMA.

During the period under review, the strategic risk register with action plans and risk report were submitted to EXCO and Council respectively. These documents



will be distributed continuously to all relevant governance structures on a quarterly basis, for monitoring of action plans thereof.

3.5 INTERNAL CONTROLS AND FINANCIAL MANAGEMENT

During the quarter under review, the AGSA commenced with the planning phase of the audit for the 2016/2017 financial year. The audit covered all areas within the CBE viz. performance information, finance, supply chain, information technology and human resource. The audit steering committee meetings, which comprise of CBE management and AGSA representatives, are held on a weekly basis while the audit is in progress, to track the audit progress. The audit is in progress with the planning phase completed, and it is anticipated that the audit will be finalised in the first quarter (ending June 2017) with the audit report released in the second quarter (ending September 2017).

3.6 INTERNAL AUDIT

Internal Audit Function

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

The CBE has appointed new internal auditors, O.M.A Chartered Accountants, effective from 1 April 2017. The three-year rolling strategy, as well as the annual internal audit plan, will be submitted to the upcoming ARC meeting.

3.7 COMPLIANCE WITH LEGISLATION AND PROCEDURES

The ARC monitors legal compliance by the CBE. Management presented a compliance report to the ARC, FHLC and Council on a quarterly basis.

3.8 FRAUD AND CORRUPTION

The entity focuses on the implementation of an up-to-date fraud prevention plan, a requirement set out in Section 3.2.1 of Treasury Regulations.

During the quarter under review, the updated fraud prevention plan was submitted and approved by Council. A preliminary investigation by an appointed service provider on a reported incident has commenced. This will be concluded in the next quarter. Fraud and corruption awareness material has been procured. Fraud and corruption awareness workshops

for staff are expected to commence in the upcoming quarter.

3.9 MINIMISING CONFLICT OF INTEREST

Declaration of interest registers were presented at all meetings of the Council and its Committees during the quarter. Special declaration forms relating to Code of Conduct for SCM practitioners were circulated to senior executives and all employees involved in the SCM process.

3.10 CODE OF CONDUCT

The annual declaration forms indicating other business interests, and the confirmation to abide by the code of conduct policy of the organisation, were circulated. All employees have complied with the requirement.

3.11 HEALTH AND SAFETY AND ENVIRONMENTAL ISSUES

Wellness awareness articles were circulated on a monthly basis covering topics such as sexual health; nutrition and pregnancy; nutrition and cancer; and other wellness topics.

Following a wellness day held in the previous quarter, reminders and articles are circulated to serve as programme awareness to all staff on a monthly basis.

A quarterly emergency meeting was held to address health and safety compliance. A building inspection was undertaken by the Department of Labour. This resulted in a non-compliance certificate, which is due to the instability of the building, submitted to the building owner.

The inspection overlapped with the end of lease. As a precaution, the building was vacated two weeks earlier than the scheduled occupation of the new office premises. The CBE moved in to the new office building at the end of March 2017.

3.12 TRAINING AND DEVELOPMENT

Two employees registered for study courses, these being a Bachelor of Technology and a National Diploma.

3.13 SUPPLY CHAIN MANAGEMENT

The table below indicates the total procurement spend on historically disadvantaged individuals (HDI) share as 75.1% with White males sitting at 24.8%. The CBE will continuously endeavour to increase its HDI percentage.



Table 6: Procurement

<i>Procurement Details</i>	<i>Procurement for the 4th Quarter ending March 2017</i>					
	<i>Procurement</i>		<i>Contractual Amount</i>		<i>Totals</i>	<i>Procurement distribution</i>
	R'	%	R'	%	R'	%
HDI	R2 163 932.27	95.3%	R6 118 374.01	69.85%	R8 282 306.28	75.1%
Woman	R 971 844.27	42.8%	R 2 893 953	33.05%	R3 865 797.27	35%
Black Male	R 1 192 088.00	52.5%	R 3 224 421.01	36.80%	R4 416 509.01	40%
White Male	R 105 550.00	4.6%	R 2 636 731.48	30.1%	R2 742 281.48	24.8
State owned entities	0.00	0%	0%	0%	0%	0%
Totals	R2 269 482.27	100%	R8 755 105.49	100%	R11 024 587.80	100%

On actual procurement spend which excludes long-standing contracts, HDIs represent 95.3% of the procurement spend mainly attributable to black males. White males have 4.6% spend and state owned entities are sitting at 0%.



PART C
PERFORMANCE INFORMATION



4. PERFORMANCE INFORMATION BY PROGRAMME/OBJECTIVE

CBE implemented its 2016/17 third quarter APP through four programmes viz. Government Policies and Priorities; Skills for Infrastructure Delivery; BE Research, Information and Advisory; and Regulation and Oversight of six BEPCs.

4.1 Programme 1: Government Policies and Priorities

The strategic objective of Programme 1 is to ensure that BE academic curricula and CPD programmes embody health and safety in construction, environmental sustainability, job creation through labour intensive construction, and the IDMS.

This Programme responds to the following mandates of the CBE:

- Section 3 (c) promote ongoing human resource development in the built environment;
- Section 3 (d) facilitate participation by the built environment professions in integrated development in the context of national goals;
- Section 3 (e) promote appropriate standards of health, safety and environmental protection within the built environment; and
- Section 4 (a) advise Government on any matter falling within the scope of the built environment, including resource utilisation, socio-economic development, public health and safety and the environment, and for this purpose carry out such investigations as it or the relevant Minister deems necessary.

It is contributing to the following outcomes of the DPW:

Direct outcomes

- Outcome 4 – decent employment through inclusive growth (Chapter 3 of the National Development Plan [NDP]);
- Outcome 6 – an efficient, competitive and responsive economic infrastructure network (Chapter 4 of the NDP); and
- Outcome 12 – an efficient, effective and development orientated public service (Chapter 13 of the NDP).

For the 2016/17 APP, Programme 1 has six quarterly targets. Of these, two targets were achieved, while four were not achieved. The targets for the third quarter performed as follows:



*4.1.1 Six MoAs, signed with BEPCs to incorporate amendments agreed upon with six BEPCs – **Partially achieved.***

The aim of this project is to facilitate implementation of the CBE framework for incorporation of health and safety, sustainability, labour intensive techniques and the IDMS within the curriculum of BE programmes at South African tertiary institutions. This project originates from the research previously undertaken by CBE, which resulted in the development of a framework for incorporation of new knowledge areas in the BE programmes. The four areas were strategically identified as key in the context of the country's development and to supporting Government priorities; hence the need for their full incorporation into the training of BEPs in South Africa. The actual implementation of the framework will be driven by the BEPCs within the function of accreditation, as embedded in their legislative mandates.

During this financial year the CBE, in collaboration with the BEPCs, facilitated activities to develop an approach to incorporate these four areas into the curricula.

The first draft MoA was developed during the second quarter and was reviewed in the third quarter. The MoA was circulated to the BEPCs for input in the first month of the last quarter. Parallel to the process, was the appointment of a service provider to undertake a baseline study on the extent to which the five knowledge areas of the framework have been implemented within the BE programmes at universities. It was finalised during the third quarter and presented to the professional councils a workshop in February 2017. . The outcomes of the report highlighted health and safety, as well as sustainability, as the most considered in the programmes, but there is still need to expand on them. Further engagements are planned for the new financial year with the Department of Human Settlements' (DHS) units responsible for capacity building and human settlements planning.

The annual target of the MoAs could not be achieved due to the BEPCs request for further engagements with the Council for Higher Education (CHE) and Quality Council for Trades and Occupations (QCTO) on the focus areas of the MoAs.

*4.1.2 Finalised job profiles and a skills development report, submitted to Council for approval – **Partially achieved.***

Revised job profiling and job evaluation were concluded. A feedback session has been scheduled to take place in the new financial year. A skills audit was conducted and a report was scheduled for presentation at the end of financial year. This could not materialise due to office relocation. However, it will be concluded in the upcoming quarter.

The annual target of submission to Council for approval was not achieved.

*4.1.3 Final CBE IT Governance and IT Strategy – **Not achieved.***

The aim of this project is to achieve an effective and efficient management of the IT resources and service delivery to support CBE's objectives. Information Communications Technology (ICT) Governance focuses on the following:

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

The Public Service Act and Regulations places the responsibility of managing electronic governance in the public service with the Minister of Public Service and Administration. The Department of Public Service and Administration (DPSA), in collaboration with the Government Information Technology Officer Council and the AGSA, developed the Corporate Governance of Information and Communications Technology Policy Framework (CGICTPF), whose purpose is to institutionalise the Corporate Governance of and Governance of ICT governance within Departments. The CGICTPF is applicable to all spheres of Government, organs of state and public enterprises.

The final draft of a CBE IT Governance and IT Strategy was not completed, due to the absenteeism and eventual resignation of the KMIT Manager. The final document will be resubmitted during the first quarter of the next financial year for approval.

*4.1.4 95% up time of network and server systems maintained - **Not achieved.***

The aim of this project is to achieve an effective and efficient management of the IT resources and service delivery to support CBE's objectives. The target of 95% network uptime was not achieved. Age-ing IT infrastructure and theft of Telkom cables led to extensive breaks in connectivity. The up time was not documented to provide an accurate reflection of downtime. An appointed service provider performed a GAP Analysis and provided an Implementation Plan to address the shortcomings experienced. The recommendations, which commenced during the re-location of the organisation, will be implemented in stages.



*4.1.5 Zero irregular expenditure maintained - **Achieved.***

The aim of this project is to ensure full compliance with the PFMA and National Treasury Regulations. The fourth quarter target was to maintain zero irregular expenditure. The internal controls functioned optimally, and no irregular expenditure was incurred. The root cause of all previously identified irregular expenditure has been addressed.

The prior year's irregular expenditure incurred relates to contracts, which have been identified as being irregular at the date of award. No additional irregular expenditure has been incurred, other than the expenditure on these contracts. A draft memorandum, in consultation with National Treasury, has been prepared to seek condonation of the prior year's irregular expenditure. There has been some difficulty in obtaining the supporting evidence to submit with the condonation request, as National Treasury requires the tax clearance certificates for each supplier for that specific financial year. Many suppliers cannot obtain these certificates.

National Treasury has issued new instructions on the procurement of a travel management service, and the advert has since been placed. The anticipated date of award is early July 2017.

*4.1.6. Unqualified audit report - **Achieved.***

The aim of this project is to implement sound financial management and internal controls, to achieve a clean audit. During the quarter, a verification of all account balances and transactions was performed. The preparation of annual financial statements has commenced and internal audit will review the final AFS before submission. The internal audit reports highlighted two significant findings; and internal controls have been implemented to avoid a recurrence.



4.2 Programme 2: Skills for Infrastructure Delivery

The strategic objective of Programme 2 is to drive and facilitate Skills Development and Transformation within the BE. It contains the flagship programmes that drive the implementation of the Transformation Implementation Model of the CBE, together with the Workplace Training Model. For the 2016/17 APP, Programme 2 has seven quarterly targets. All seven targets were achieved. The targets for the fourth quarter performed as follows:

*4.2.1 Final Project Plan for the production and development of high demand BEP skills categories (Land and Engineering Surveyors and Geographic Information Systems [GIS] professionals) approved by CEO - **Achieved.***

The goal of the project is to have an adequate number of BEPs with appropriate, adequate skills and competencies, responsive to the country's infrastructure delivery needs. The occupational teams, working through BEPCs, determined the number of people with the required occupational skills in both the workforce as well as those unemployed. The occupational teams then determined which occupations were not being developed at the requisite rate to meet the demand.

The final project plan for the production and development of two high demand BEPs skills categories was completed successfully after a final input workshop during March 2017. The feedback received from all stakeholders was positive and the Geomatics Council representatives accepted the 21 SIPs Steps as a way of increasing the number of identified professionals. It could also expand the final project output.

The CBE attended an Intermediate Body meeting on 23 March 2017, where the focus was on expanding the BE Professions in all nine Provinces. This view was received positively by the meeting.

*4.2.2 Final report on the 450 learners in the Maths and Science support programme, submitted to the CEO for approval - **Achieved.***

This project aims to increase the number of disadvantaged learners who can benefit from improved Maths and Science results to afford them opportunities to enter BE careers. CBE aims to accomplish this through partnerships with credible service providers who are capable of delivering improved Maths and Science results in rural areas. 450 learners registered to participate in the CBE Maths and Science support programme in the Durban (KwaZulu-Natal), Port Elizabeth (Eastern Cape) and Nelspruit (Mpumalanga) Education Districts.



Table 7: Maths and Science results in Mpumalanga, KwaZulu-Natal and Eastern Cape

Mpumalanga	
Maths	90%
Science	92%
Kwa-Zulu Natal	
Maths	99%
Science	100%
Eastern Cape	
Maths	41%
Science	82.7%

*4.2.3 Final progress report on workplace training of 50 candidates/BE graduates - **Achieved.***

This project aims to ensure that BE candidates achieve maximum professional development and professional registration in the shortest possible time by:

- Conducting workplace assessments and accreditation;
- Drawing up a generic training plan for the profession, in alignment with the BEPCs competency profile;
- Drawing a detailed training plan for each candidate; and
- Preparing mentors (through workshops), to conduct a formative assessment of each outcome, according to the South African Qualifications Authority's (SAQA's) requirements.

The target was achieved. Quarter 1, 2 and 3 targets could not be met in time, mainly due to significant delays experienced in complying with National Treasury Procurement and SCM regulations for attaining the services of suitable mentors. However, by the end of Quarter 3, the CBE placed all 50 candidates and kick-started the programme with the majority of them having had their first face-to-face contact session with their individually assigned mentors.

*4.2.4 Monitoring and evaluation report on the 100 candidates placed in the 2014/15 and 2015/16 financial years – **Achieved.***

The target was achieved. Due to the significant delays experienced in procurement of mentorship services,



there was only enough time to conduct the first contact sessions with candidates. However, two of the employers postponed candidate engagements beyond the deadline. As a result, not all of the reports on individual candidate contact sessions have been received. Nonetheless, the difficulties experienced during these times have provided valuable insight if this programme is implemented on a large scale. As such, the knowledge gained will enable better planning and advise future implementations.

The majority of the 2014/15 and 2015/16 candidates are no longer in the programme; however, their aborted participation still provide valuable insight into the reasons behind extended candidate periods, often never reaching professional registration. These were:

1. Attaining professional registration status
2. Change of employment / loss of contact with candidate
3. Not having candidate registration status.

*4.2.5 Final progress report on work integrated learning of 100 interns– **Achieved.***

The aim of this project is to collaborate with Universities of Technology (UoTs) to place students who need to complete work integrated learning (i.e. Practical 1 and 2) in order to graduate. The CBE also monitors and evaluates the workplace training of these interns. This target was achieved. In the fourth quarter, the CBE was actively placing more learners on the Work Integrated Learning (WIL) programme, to utilise the surplus funds received in the third quarter.

The reason for the variance was that CBE's partnerships with UoT's and host employers worked very well, which made it possible to place a total of 200 interns, a hundred more than the annual target. Another reason for the variance was the additional funds received. CBE mentored a total of 104 interns from various built environment studies, all of whom were exposed to the minimum outcomes required by the UoT. All Engineering interns on the WIL programme have completed and are due to graduate with their National Diploma, while all Building Science and Architectural technology interns have completed and moved on to the next year of study.

The programme has seen an increased number of private companies taking interest in training interns, resulting in CBE concluding MoA's with three more companies for placements.

Passenger Rail Agency of South Africa (PRASA) has decided to start a candidacy programme for previously unemployed graduates who participated in the CBE WIL programme, under CBE's supervision. Three host employer companies have offered their interns full time employment upon graduation. This programme is starting to yield some benefits of curbing unemployment.

*4.2.6 Final oversight report on accreditation of academic institutions by BEPCs submitted to BEMC – **Achieved.***



The BEPCs are empowered by their respective Acts to accredit BE academic programmes and institutions. The CBE has an oversight role derived from the CBE Act of 2000 to ensure that the BE academic programmes at tertiary institutions (traditionally Universities and Universities of Technology) meet the quality assurance requirements of the CHE. This project required the six BEPCs to submit their accreditation schedule for the year to the CBE. It also required that the CBE accompanies the BEPCs on their accreditation visit, and subsequently submit a report to BEMC on the results of the accreditation visit. The CBE participated in 13 accreditation visits in the current financial year.

A final oversight report on accreditation of academic programmes and academic institutions by the BEPCs was completed. During the reporting period, the following were reported by the BEPCs:

- ECSA postponed a follow-up accreditation visit to the Walter Sisulu University of Technology (WSU) in the Eastern Cape and the Cape Peninsula University of Technology (CPUT) until the 2017 academic year due to student unrest and ongoing violence on most campuses.
- SACAP conducted a scheduled accreditation visit to the University of Pretoria (UP) during February 2017. Three further visits are planned for the 2017 academic year, i.e. to the University of Free State (UFS) in April 2017, University of Namibia in May 2017 and the Tshwane University of Technology (TUT) during August 2017.
- SACLAP also conducted 2 scheduled accreditation visits to UP during February 2017 and UCT during March 2017. No further visits are planned for the 2017 academic year.
- SACPVP conducted a scheduled visit to the University of the Witwatersrand during March 2017. Another 2 visits are scheduled for UCT in May 2017 and UFS in August 2017.
- SACQSP conducted a scheduled accreditation visit to MUT during March 2017. No further accreditation visits are scheduled for the 2017 academic year to date.

Table 8: Learning Programmes evaluated

BEPC	Name of Institution	Qualification	Accreditation outcome
SACAP	University of Pretoria (UP)	BSc Arch: BSc Arch (Hons) and M. Arch (Prof)	All 3 learning programmes received full accreditation.
SACLAP	University of Pretoria (UP)	BSc Land Arch: BSc Land Arch (Hons) and M. Land Arch (Prof)	All 3 learning programmes received full accreditation.
	University of Cape Town (UCT)	M. Land Arch (Prof)	The learning programme received full accreditation.
SACPVP	University of the Witwatersrand (Wits Univ)	BSc in Property Studies: Post Grad in Prop Dev and MSc Prop Dev	The learning programme received full accreditation.



BEPC	Name of Institution	Qualification	Accreditation outcome
SACQSP	Mangosuthu University of Technology (MUT)	N. Dip. In Building Science	Full accreditation with a few recommendations for remedial work on the said learning programme before a follow up is planned in future.

4.2.7 Transformation Strategy developed for the BEPCs – **Achieved.**

The overall aim of the project is to refine and update the CBE's 2013 Transformation Model and Action Plan to reach a unified Transformation Strategy for the BEPCs. This will be achieved through:

- Consolidating findings from the baseline study with the 2013 proposed Transformation Model and Action Plan through active participation and involvement of the BEPCs (and other key role-players);
- Constituting a Transformation Steering Committee (TSC), representative of key role players and contributors, to actively drive the refined transformation strategy in the interim and prior to the establishment of a Non-Governmental Organisation (NGO), as proposed in the 2013 Model; and
- Identification of problem areas in need of redress and potential "quick wins" or "low hanging fruit" (enabled through the baseline study and situational analysis) which will be work shopped by the TSC in order to design feasible interventions.

The target was achieved. The Transformation Strategy was developed and circulated among all stakeholders for their final inputs.

4.3 Programme 3: Built Environment Research, Information and Advisory

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

This Programme is responding to the following mandates of the CBE:

- Section 3 (d) facilitate participation by the built environment professions in integrated development in the context of national goals;
- Section 3 (e) promote appropriate standards of health, safety and environmental protection within the built environment; and
- Section 4 (a) advise Government on any matter falling within the scope of the built environment, including resource utilisation, socio-economic development, public health and safety and the environment, and for this purpose carry out such investigations as it or the relevant Minister deems necessary.



It is contributing to the following outcomes of the DPW:

Direct outcomes

- Outcome 4 – decent employment through inclusive growth (Chapter 3 of the NDP);
- Outcome 6 – an efficient, competitive and responsive economic infrastructure network (Chapter 4 of the NDP); and
- Outcome 12 – an efficient, effective and development orientated public service (Chapter 13 of the NDP).

Indirect outcomes

- Outcome 8 - sustainable human settlements and improved quality of household life (Chapter 8 of the NDP); and
- Outcome 10 - protect and enhance our environmental assets and natural resources (Chapter 5 of the NDP).

For the 2016/17 APP, Programme 3 has four quarterly targets. Of these, three were achieved and one was not achieved. The targets for the fourth quarter performed as follows:

*4.3.1 Final reports on the implementation plan of three partnerships to improve technical capacity within municipal, provincial and national departments - **Achieved.***

The project is a programme to support the development of technical capacity within the public sector. It is informed by the CBE's survey on the number of BEPs employed at municipalities, provincial and national departments. During the engagements for data collection with the various departments, other areas emerged in which CBE can provide support in building the technical BEP capacity of Government.

This project is rooted in CBE's support for public sector BEP capacity building. Its significance is in the assistance to infrastructure departments concerning their internal requisite technical skills to enhance quality in infrastructure delivery. Overall, this will improve Government's service delivery to the communities. The project further supports the existing capacity building initiatives by the municipalities, provincial and national departments.

The target was achieved. Final reports on the implementation plans of the partnerships have been developed.

Partnerships have been formalised with the stakeholders mentioned below, and the following outlines progress on the implementation plans:

Partnership 1 - The Defence Formation Unit of the National Department of Defence (DoD)

The MoA was signed in December 2016. As part of the implementation plan, the following activities have been undertaken:



1. Meeting with DPW and Defence Formation, to ensure alignment of support initiatives.
2. Meeting with DoD and DPSA to clarify issues relating to the OSD, as part of recruiting BEPs for the Defence Formation Unit.
3. CBE delivered a presentation at the Defence Formation Symposium.
4. Continuous advice to the Defence Formation Unit on their recruitment process.

Partnership 2 – Municipal Infrastructural Support Agency (MISA)

The MoA was signed in September 2016 and the implementation plan was finalised in December. A consensus was reached during engagements that the Human Capital Unit of DPW would play an effective role in the realisation of the objectives of the partnership. As a result, DPW is a co-signatory in the CBE/MISA Memorandum of Understanding (MoU).

Partnership 3 - Eastern Cape DPW

An MoA was signed with the Eastern Cape Department of Public Works during the second quarter. A follow up meeting was held in the last quarter to discuss the challenges of professional registration for the Department's technical officials. It was further proposed that the implementation plan would be amended to incorporate aspects of the OSD and SIPDM.

In line with this partnership, continuous engagements were held with the DPW provincial departments of Limpopo and Mpumalanga on issues relating to the attraction and retention of technical skills, professional registration of officials (facilitation of meetings with relevant BEPCs), and implementation of the OSD.

*4.3.2 Final report on implementation of the SIPDM MoA to support infrastructure delivery in the public sector – **Achieved.***

The main objective of the project is to establish a partnership with the Office of the Chief Procurement Officer (OCPO) to support improved delivery of infrastructure and asset management, whilst promoting the IDMS amongst BEPs. The partnership with the OCPO will enable the CBE to advise Government on issues relating to, amongst others, the implementation of the IDMS by infrastructure departments, regulation of fees and other procurement issues impacting the BE. This partnership is also based on the previous research undertaken by the CBE on issues pertaining to infrastructure procurement and those that impact on the BEPs. The partnership seeks to facilitate the effective implementation of the IDMS and SIPDM, and forms part of CBE's response to strengthening technical capacity in both the public and private sector for infrastructure delivery. The DPW has a mandate to oversee the delivery of infrastructure and asset management of the country; hence, this partnership with the OCPO will place the CBE at an advantage to advise the Minister on the challenges related to procurement and other processes.

The target was achieved. A final report has been developed to support the implementation of SIPDM.

The MoA (including an implementation plan), was signed

between CBE and the OCPO during the second quarter. The steering committee met during the quarter to discuss the progress on the implementation plan and the way forward. As part of the implementation plan, the CBE participated in the various provincial awareness campaigns on the implementation of the SIPDM by provincial infrastructure departments and municipalities. One of the notable outcomes is that the SIPDM forces the departments to involve BEPs in the procurement and delivery of infrastructure. The role of CBE in supporting the departments and municipalities in attracting and retaining the BE skills is elevated. This includes facilitation of registration of existing BE skills within the public sector.

*4.3.3 Final advisory report on the implementation of the OSD by DPW National and Provincial departments approved by the CEO - **Achieved.***

The rationale of this project is shaped by the work of the CBE during the 2015/16 financial year. A critical analysis of the OSD on Engineering and related qualifications was undertaken on whether it enhances or hinders the attraction and retention of BEPs within the public sector, with specific focus on the DPW's provincial departments. The project seeks to facilitate engagements with DPSA on the current OSD regime and how it can support the skills development initiatives implemented in DPW national and provincial departments, to attract and retain BE skills in the public sector.

The target was achieved. A final advisory report, developed and submitted for the CEO's approval, has also been discussed with DPSA. The CBE continuously provides advice to the various departments, and facilitates necessary engagements with the DPSA on issues relating to implementation of the OSD. One of the challenges that have been identified in the engagements is the lack of human capacity within the DPSA to provide effective support to the infrastructure departments on the application of the OSD.

*4.3.4 Final report on the implementation of the MoA with EPWP/ILO on programmes to promote labour intensive practices in BE projects - **Not achieved.***

This project is a component of initiatives that seek to create awareness for BEPs on the application of labour intensive practices in infrastructure delivery, to ultimately contribute to job creation in the BE sector. The partnership with EPWP / International Labour Organization (ILO) was established to draw lessons from various projects, of both small and big construction projects. This project will also facilitate mechanisms to ensure that Government's infrastructure and construction project contracts incorporate requirements of labour intensive construction and contribute to job creation opportunities. It will also facilitate the inclusion of labour intensive techniques into BE curricula and CPD programmes.

The annual target was not achieved. During the quarter, the MoA implementation plan was developed and signed by CBE and was submitted to the EPWP/ILO for signature. Follow ups have been made and it was established that the MOA has not been signed. This project has encountered delays due to non-response from EPWP. CBE signed copies were submitted to EPWP/ILO in February 2017 for their signatures.

4.4 Programme 4: Regulation and Oversight of six BEPCs

The strategic objective of Programme 4 is to ensure that the CBE acts as an appeal body on matters referred to it in terms of the law regulating the BEPs, and to promote sound governance of BEPs.

This Programme is responding to the following mandate of the CBE:

- Sections 20 and 21 of the CBE Act 43 of 2000.

It contributes to the following outcomes:

Indirect outcomes

- Outcome 13 - social protection (Chapter 11 of the NDP); and
- Outcome 10: protect and enhance our environmental assets and natural resources.

For the 2016/17 APP, Programme 4 has seven quarterly targets. Five targets were achieved and one was not achieved. The targets for the fourth quarter performed as follows:

*4.4.1 100% finalisation of appeals within the statutory 60 days – **Achieved.***

The aim of this target is to protect public interest by hearing all appeals within 60 days of lodgement, as prescribed in terms of section 21 of the CBE Act. According to section 4(m) of the Act, the CBE is empowered and obliged to hear an appeal lodged by a party, aggrieved by the decision of any of the BEPCs in terms of the professions Act. Section 21 stipulates that any person who is aggrieved by a decision of any of the councils for the professions, may, upon payment of the prescribed fee and within 30 days from that person becoming aware of such decision, appeal to the council in writing and the council must consider and decide the appeal. An Appeal Committee is appointed on an *ad hoc basis* in terms of the provisions of section 21 of the Act when an appeal is lodged to conduct appeals and to decide the appeal within 60 days of lodgement.

The target was achieved. All appeals lodged in the financial year were decided within the statutory period of 60 days. The Policy on Conducting Appeals was reviewed, and Council approved the revisions on 24 November 2016.

*4.4.2 Final report on engagement with BE professional bodies on the IDoW exemption applications – **Achieved.***

Section 20 of the Act requires that the CBE, after consultation with the Competition Commission (CC) and in consultation with the councils for the professions, identify the scope of work for every category of registered persons. The effect of this process (referred



to as IDoW) will be that, with limited exceptions, only registered persons would perform all identified work. Earlier consultation with the CC solicited a decision by the CC that exemption applications be submitted for each BEPC IDoW. The CC rejected the exemption applications.

The CBE continued to seek to engage the CC on reaching an amicable resolution on the rejected exemption applications, but attempts to set up a discussion platform with the CC was not successful. The CBE has instructed attorneys to proceed with an appeal and/or review of the CC's decisions to reject the CBE's exemption applications. As a final attempt to avoid litigation, the CC was requested in writing to allow for the re-submission of the exemption applications, addressing the concerns of the CC. Should this attempt fail, litigation will be proceeded with on procedural grounds. The BEPCs were engaged on the developments.

The target was achieved. A final report on engagement with BE professional bodies on the IDoW exemption applications was developed.

*4.4.3 Final report on the progress made by the six BEPCs on the implementation of the Corporate Governance Framework – **Achieved.***

The objective of this project is to enhance corporate governance compliance by the six BEPCs. Upon determining the level of compliance, the project aims to develop strategies to improve these in each BEPC. Section 3 (f) of the Act impels the CBE to promote sound governance of the BEPs, thus it developed a Corporate Governance Framework to assist the assessment of compliance and the BEPCs in enhancing good governance in their operations.

The target was achieved. A report was submitted to DPW and BEMC (as delegated by Council) on the status of compliance with corporate governance principles, as reflected in the Corporate Governance Framework by the six BEPCs. High-level comments on the general state of governance at the BEPCs were also made in the report.

There has been significant improvement by BEPCs on the implementation of the Corporate Governance Framework, especially by the larger BEPCs, whilst the smaller BEPCs have cited the lack of resources for their inability to implement the Corporate Governance. One of the methods proposed to alleviate financial constraints is to share services where feasible.

The CBE noted that a number of complaints were received on the BEPCs failure to process applications for information and their non-compliance with orders of the Appeals Committee. These shortcomings may be caused by a lack of awareness of their duties imposed by their own legislation as well as legislations that give effect to the Constitution.

To ensure that the prescripts of legislations that give effect to the Constitution are adhered to, the CBE will provide training to BEPC officials on the provisions of legislation promulgated to give effect to constitutional rights. The training will be a workshop to interrogate the following legislations:

1. Promotion of the Administrative Justice Act (PAJA) (No 3 of 2000)
2. Promotion of Access to Information Act (PAIA) (No 2 of 2000)
3. Protection of Personal Information Act, (POPI) (No 4 of 2013).

*4.4.4 Report on three workshops to facilitate the alignment of the Ministerial approved BE policy frameworks by the six BEPCs – **Achieved.***

This project envisages an implementation programme of the Ministerial approved BE policy frameworks and their translation into rules by the six BEPCs. One of CBE's mandates is to ensure the uniform and consistent application of norms and guidelines for BEPCs. Thirteen concurrent functions were identified, requiring the alignment of policies between the BEPCs, CBE and DPW (on behalf of the Minister). DPW, in conjunction with the CBE, has developed seven policy frameworks on norms and standards to be applied to each concurrent mandate, which are:

1. Accreditation of Built Environment Programmes Policy
2. Professional Registration Policy
3. Code of Conduct Policy
4. Competence Testing of Registered Persons Policy
5. Tribunal and Appeals Policy
6. International Agreement Policy
7. Recognition of New Professions

The target was achieved. Through workshops, CBE presented and engaged the BEPCs on the seven (ministerial approved) policy frameworks. The purpose of the workshops was to attain common understanding of the content of the frameworks and terminology used in order to facilitate the alignment of the BEPCs' policies with the policy frameworks. BEPCs are expected to align their respective policies with the policy frameworks approved by the Minister and/or translate the policy frameworks into policy.

The CBE will submit an assessment report to DPW on the alignment of BEPCs with the seven approved policy framework in the 2017/2018 financial year.

*4.4.5 Submission of the six BEPCs PFMA compliance report to DPW – **Achieved.***

The Minister, through DPW, circa 2009 expressed the expectation that BEPCs should develop a roadmap to compliance with the provisions of the PFMA. The purpose behind this expectation is the enhancement of good governance by BEPCS. One of the statutory objectives of the CBE is, in terms of section 3(f) of the CBE Act, to promote sound governance of the built environment professions.

The CBE, in the previous financial year, identified the development of roadmaps towards PFMA compliance as a target in its APP. Accordingly; a compliance checklist was developed and availed to BEPCs in order to

assess their progress on PFMA compliance. A completion of the checklist allowed the CBE to assess progress made by BEPCs towards compliance with the provisions of the PFMA, challenges experienced and a way forward.

The target was achieved. A report on six BEPC's PFMA compliance was submitted to DPW. The BEPCs have also noted that they are not listed under schedule 2 or 3 of the PFMA and have questioned the applicability of the PFMA to themselves. Entities listed under schedule 2 and 3 have a mandatory prerequisite to comply with the provisions of PFMA. The BEPCs have requested the CBE to facilitate a workshop on PFMA compliance with National Treasury and DPW to interrogate the extent of its applicability to themselves; whether it is mandatory or it should be considered only as a code of good practice. This workshop will be facilitated in the first quarter of the 2017/18 financial year.

*4.4.6 Submission of the six BEPC's Strategic Plans, APP and Annual Reports to DPW – **Not Achieved.***

This project seeks to ensure that the six BEPCs, on their path towards compliance with the PFMA, are compliant with the statutory requirements of Government-wide budgeting and planning/reporting requirements. It means that their Strategic Plans and Annual Reports must be compliant with statutory requirements and Government priorities in the BE.

The target was not achieved. In the fourth quarter, consultation took place during the Registrar's Forum in February 2017. All professional councils were requested to submit their APP and Strategic Plans to the CBE before the end of March 2017. To date the CBE received documents from ECSA, SACAP, SACPCMP and SACLAP. With the exception of SACLAP, documents are not approved. Hence, CBE is awaiting approved documents from the councils. The CBE is working with all the six BEPCs to finalise their documents in the first quarter of 2017/2018.

*4.4.7 Final Oversight report on the implementation of the Monitoring and Evaluation Framework by BEPCs, submitted to Council and DPW – **Achieved.***

The objectives of the project are to guide the monitoring and reporting processes on the 13 functions of the CBE and professional councils through:

- Assisting professional councils to submit their Quarterly Reports, Annual Reports, Strategic Plans and Annual Performance Plans as per agreed time lines;
- Assisting professional councils to comply with all statutory reporting requirements for programme performance information, as well as laying the foundations for audits of non-financial information;
- Synchronising the planning and reporting processes of CBE and the professional councils with the performance management and reporting systems of Government, located within the Government-wide Monitoring and Evaluation Framework;
- Developing a monitoring and reporting system on the 13 public functions and programmes and



projects of the BEPCs, aligned to developmental priorities of Government; and

- Revising the monitoring and reporting templates of the 13 functions.

The target was achieved. The Final Oversight report on the implementation of the Monitoring and Evaluation Framework by BEPCs was developed and submitted to DPW. The professional councils have complied with the set date for the submission of their Annual and Quarterly Reports to CBE. Regarding their APPs and Strategic Plans, the CBE received documents from ECSA, SACAP, SACLAP, and SACPCMP and is working with SACQSP and SACPVP to finalise their documents.

The six BEPCs are generally at differentiated levels of compliance with National Treasury format and information requirements for Annual Reports. The requirements for the submission of Annual Reports are embedded in CBE Act and in the six BEPCs Acts. There is an attempt by all the BEPCs to conform to submission dates to DPW and Parliament, for Annual Reports. The CBE is working with all the BEPCs to ensure total compliance with on planning and reporting requirements of Government. Those professional councils experiencing financial constraints ultimately present a challenge to CBE achieving its deliverables.

Please note that the actual financial information in the programme tables below are not updated as the CBE experienced server problems which delayed processing. CBE is doing its utmost to ensure that these server problems are resolved so that the delays in processing will not affect the year end processes.



Programme 1: Government Policies and Priorities

The strategic objective of Programme 1 is to ensure that BE academic curricula and CPD programmes embody health and safety in construction, environmental sustainability, job creation through labour intensive construction, as well as the IDMS.

Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget	Quarterly Performance Target Q4	Quarterly Targets and Actuals				Actual Expenditure	% Variance	Corrective Action in case of poor spending
						Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly Budget			
									R'000	R'000		
1.1A built environment that is responsive to the developmental and economic priorities of Government.	BE academic curricula and CPD programmes embody issues of health and safety in construction, environmental sustainability, and job creation through labour intensive construction and the IDMS.		Six MoAs signed with BEPCs to facilitate engagements with BE academic institutions on incorporating health and safety, sustainability, labour intensive techniques and the IDMS into BE academic curricula by 31 March 2017.	453	Six MoAs signed with BEPCs to facilitate engagements with BE academic institutions on incorporating health and safety and the IDMS into BE academic curricula	Partially Achieved		MoAs will be signed after engagements with CHE and QCTO.	476			



Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget		Quarterly Targets and Actuals						
					Quarterly Performance Target Q4	Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly Budget R'000	Actual Expenditure R'000	% Variance	Corrective Action in case of poor spending
1.2			Job profiling of all positions and a skills development report, finalised and submitted to Council for approval by 31 March 2017.	250	Finalise job profiles and a skills development report, submitted to council for approval.	Partially Achieved Job profiles and skills development report finalised but not submitted to Council		The finalised profile and skills development report will be submitted to the next sitting of Council.				
1.3		Efficient and effective knowledge management of the IT service.	Developed IT governance, in compliance with the DPSA Corporate Governance of ICT, and implementation of the IT Strategy by 31 March 2017.	Not allocated. The development of IT Governance and Strategy will be performed in-house.	Final CBE IT Governance Framework	Not achieved	Draft was developed	The final document will be resubmitted during the first quarter of the next financial year for approval.	0	0	N/A	N/A
1.4			Upgraded server infrastructure.		(95%) up time of network and server systems maintained.							



Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget		Quarterly Targets and Actuals						
					Quarterly Performance Target Q4	Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly Budget	Actual Expenditure	% Variance	Corrective Action in case of poor spending
									R'000			
1.5		Reduced irregular expenditure baseline.	Zero irregular expenditure.	0	Zero irregular expenditure maintained.	Achieved	N/A	N/A	0	0	0	N/A
1.6		Clean audit report.	Unqualified audit report for 2016/17.	0	Unqualified audit report	Achieved	N/A	N/A	0	0	0	N/A



Programme 2: Skills for Infrastructure Delivery

The strategic objective of Programme 2 is to drive and facilitate skills development and transformation within the BE. It contains the flagship programmes that will drive the implementation of the Transformation Implementation Model of the CBE, together with the Workplace Training Model.

Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget	Quarterly performance Target Q4	Quarterly Targets and Actuals				Actual Expenditure R'000	% Variance	Corrective Action in case of poor spending
						Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly budget			
									R'000			
2.1 A transformed BE with appropriate, adequate skills and competencies, responsive to the country's infrastructure delivery needs.	Drive and facilitate skills development and transformation within the BE.	Number of high demand skills professions categories developed for SIPs.	Development of three BEPs categories Project Plan to support the production of two high demand BEP skills categories (Land and Engineering Surveyors, GIS professionals) for SIPs by 31 March 2017.	159	Final Project Plan for the production and development of high demand BEP skills categories (Land and Engineering Surveyors and GIS professionals) approved by the CEO.	Achieved	None	None	60		100%	The appointment of an expert was anticipated during the planning phase and budgeted for, but the final Project Plan was eventually done without an external resource. The actual expenditure was for the facilitation of an intermediary meeting with stakeholders.



Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget		Quarterly Targets and Actuals						
					Quarterly performance Target Q4	Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly budget R'000	Actual Expenditure R'000	% Variance	Corrective Action in case of poor spending
2.2 A transformed BE with appropriate, adequate skills and competencies, responsive to the country's infrastructure delivery needs.	Drive and facilitate skills development and transformation within the BE.	Number of students enrolled in the Maths and Science support programme.	450 learners from a pool of grade 10-12 learners enrolled in the Maths and Science support programme by 31 March 2017.	3 550	Progress report on the learners in the Maths & Science support programme.	Achieved	None	None	40	1 925	-702%	Although the budget shows over expenditure, CBE is utilising its surplus funds to supplement the project.
2.3 A transformed BE with appropriate, adequate skills and competencies, responsive to the country's infrastructure	Drive and facilitate skills development and transformation within the BE.	Number of candidates/BE graduates placed for workplace training.	50 candidates/BE graduates in workplace training by 31 March 2017.	1 050	Final progress report on work place training of 50 candidates/B E graduates	Achieved	N/A	N/A	54			There were delays in starting this project. Most work was implemented during Q4.



Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget		Quarterly Targets and Actuals						
					Quarterly performance Target Q4	Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly budget R'000	Actual Expenditure R'000	% Variance	Corrective Action in case of poor spending
delivery needs.			Monitoring and Evaluation Report of the 100 candidates placed in the 2014/15 and 2015/16 financial years.		Monitoring and Evaluation report on the 100 candidates placed in 2014/14 and 2015/16 financial years.	Achieved	N/A	N/A				
2.4 A transformed BE with appropriate, adequate skills and competencies, responsive to the country's infrastructure delivery needs.	Drive and facilitate skills development and transformation within the BE.	Number of interns placed for workplace training.	100 interns placed for work integrated learning.	3 009	Final progress report on the work integrated learning of the 100 interns.	Achieved	200 interns were placed to utilise the surplus funds received in the third quarter.	N/A				N/A



Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget	Quarterly performance Target Q4	Quarterly Targets and Actuals				Actual Expenditure	% Variance	Corrective Action in case of poor spending
						Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly budget			
									R'000	R'000		
2.5 A transformed BE with appropriate, adequate skills and competencies, responsive to the country's infrastructure delivery needs.	Drive and facilitate skills development and transformation within the BE.	One project on accreditation of BE academic programmes and institutions.	Report on accreditation academic programmes and institutions, submitted to BEMC, by 31 March 2017.	240	Final Oversight report on accreditation of academic institutions by BEPCs submitted to BEMC.	Achieved	N/A	N/A				
2.6 A transformed BE with appropriate, adequate skills and competencies, responsive to the country's infrastructure delivery needs.	Drive and facilitate skills development and transformation within the BE.	Number of Transformation initiatives within BEPs.	Developed Transformation Strategy by March 2017.	560	Final Transformation Strategy developed for the BEPs.	Achieved	N/A	N/A				



Programme 3: BE Research, Information and Advisory

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

Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget		Quarterly Targets and Actuals						
					Quarterly performance Target Q4	Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly budget	Actual Expenditure	% Variance	Corrective Action in case of poor spending
3.1 An optimally functioning BE with a responsive and relevant policy and legislative framework based on informed and researched positions.	To provide informed and researched advice to Government on BE priority matters identified in the 2014 MTSF.	Number of initiatives on BE professionals employed at municipal, provincial and national departments by 31 March 2017.	Three partnership projects to support BE technical capacity within municipal, provincial, and national departments completed by 31 March 2017.	815	Final report on the implementation plans of the three partnership to improve technical capacity within municipal, provincial and national department.	Achieved	N/A	N/A	94			



Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget		Quarterly Targets and Actuals						
					Quarterly performance Target Q4	Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly budget	Actual Expenditure	% Variance	Corrective Action in case of poor spending
3.2 An optimally functioning BE with a responsive and relevant policy and legislative framework based on informed and researched positions.	To provide informed and researched advice to Government on BE priority matters identified in the 2014 MTSF.	Number of Initiatives to support infrastructure delivery in the public sector.	One partnership with the OCPO on infrastructure delivery in the public sector, by 31 March 2017.	372		Achieved	N/A	N/A				



Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget		Quarterly Targets and Actuals						
					Quarterly performance Target Q4	Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly budget	Actual Expenditure	% Variance	Corrective Action in case of poor spending
3.3 An optimally functioning BE with a responsive and relevant policy and legislative framework based on informed and researched positions.	To provide informed and researched advice to Government on BE priority matters identified in the 2014 MTSF.		Advisory report on the implementation of the OSD by DPW National and Provincial departments to attract and retain BEPs developed by 31 March 2017.	178	Final advisory report on the implementation of the OSD by DPW National and provincial departments approved by CEO.	Achieved	N/A	N/A	85			



Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget		Quarterly Targets and Actuals						
					Quarterly performance Target Q4	Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly budget	Actual Expenditure	% Variance	Corrective Action in case of poor spending
									R'000			
3.4 An optimally functioning BE with a responsive and relevant policy and legislative framework based on informed and researched positions.	To provide informed and researched advice to Government on BE priority matters identified in the 2014 MTSF.		One MoA with EPWP/ILO on programmes to promote labour intensive practices in BE projects by 31 March 2017.	272	Final report on the activities in the implementation of the MoA with EPWP/ILO on programmes to promote labour intensive practices in BE projects	Not Achieved		0	0	0		



Programme 4: Regulation and Oversight of six BEPCs

The strategic objective of Programme 4 is to ensure that the CBE acts as an appeal body on matters of law regulating the BEPs, and to promote sound governance of BEPs.

Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget	Quarterly Targets and Actual							
				R'000	Quarterly performance Target Q4	Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly budget	Actual Expenditure	% Variance	Corrective Action in case of poor spending
									R'000	R'000		
4.1 BEPs who operate within a regulated policy and legislative framework.	Act as an appeal body on matters of law regulating the BEPs, and promote and ensure high standards of professional ethics within the BE.	Percentage of appeals submitted to CBE by persons aggrieved by decisions of the six BEPCs, finalised within statutory 60 days from lodgement.	100% finalisation of appeals within the statutory 60 days by 31 March 2016.	316	100% finalisation of appeals within 60 days.	Achieved	N/A	N/A	N/A	N/A	N/A	Savings were achieved on the project. The surplus will fund training to BEPC officials on legislation that give effect to section 33 of the Constitution.



Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget	Quarterly Targets and Actual							
					Quarterly performance Target Q4	Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly budget	Actual Expenditure	% Variance	Corrective Action in case of poor spending
				R'000					R'000	R'000		
4.2 BEPs who operate within a regulated policy and legislative framework.	Promote and ensure high standards of professional ethics within the BE.	Implementation report of the CC decision on the IDoW exemption applications for the six BEPCs.	A report on engagements between the CC and the BE professional bodies, by 31 march 2017.	3	Final report on engagement with BE professional bodies on the IDoW exemption applications	Achieved	N/A	N/A	N/A	0	100	
4.3 BEPs who operate within a regulated policy and legislative framework.	Promote and ensure high standards of professional ethics within the BE.	Implementation analysis of CBE's corporate governance framework for the six BEPCs.	Final report on the progress made by the six BEPCs on the implementation of the Corporate Governance Framework, submitted to Council and DPW by 31 March 2017.	2	Final report on the progress made by the six BEPCs on the implementation of the Corporate Governance Framework.	Achieved	N/A	N/A	0	0	N/A	N/A



Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget	Quarterly Targets and Actual							
				R'000	Quarterly performance Target Q4	Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly budget	Actual Expenditure	% Variance	Corrective Action in case of poor spending
									R'000	R'000		
4.4 BEPs who operate within a regulated policy and legislative framework.	Promote and ensure high standards of professional ethics within the BE.	Implementation programme of Ministerial approved BE policy frameworks and their translation into rules by the six BEPCs.	Three workshops to facilitate the alignment of the Ministerial approved BE policy frameworks by the six BEPCs.	5	Report on three workshops to facilitate the alignment of the Ministerial approved BE policy frameworks by the six BEPCs.	Achieved	N/A	N/A	0	0	N/A	N/A
4.5 BEPs who operate within a regulated policy and legislative framework.	Promote and ensure high standards of professional ethics within the BE.	PFMA compliance roadmap by the six BEPCs.	Submission of the six BEPCs' PFMA compliance report to DPW by 31 March 2017.	17	Submission of the six BEPCs' PFMA compliance report to DPW.	Achieved	N/A	N/A	0	0	N/A	The funds were reserved to facilitate a workshop with National Treasury on PFMA compliance, did not materialise.



Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget	Quarterly Targets and Actual							
				R'000	Quarterly performance Target Q4	Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly budget	Actual Expenditure	% Variance	Corrective Action in case of poor spending
									R'000	R'000		
4.6 Six BEPs who operate within a regulated policy and legislative framework.	Promote and ensure high standards of professional ethics within the BE.	Number of Strategic Plans, APPs and Annual Reports of the six BEPCs submitted to DPW.	Six BEPCs Strategic Plans, APPs and Annual Reports submitted to DPW by 31 March 2017.	0	Submission of Strategic Plans, APP and Annual Reports to DPW	Not achieved	Not all BEPCs submitted their APP and Strategic Plans.	The CBE is assisting BEPCs to finalise their APP and Strategic Plans. The process will be finalised in the first quarter of 2017/2018.	0	0	N/A	N/A



Strategic Goal	Strategic Objective	KPIs	Annual Target	Annual Budget	Quarterly Targets and Actual							
				R'000	Quarterly performance Target Q4	Actual Q4	Deviation from the Quarterly target	Corrective action	Quarterly budget	Actual Expenditure	% Variance	Corrective Action in case of poor spending
									R'000	R'000		
4.7 BEPs who operate within a regulated policy and legislative framework.	Promote and ensure high standards of professional ethics within the BE.	Adoption and implementation of an all-encompassing CBE Monitoring and Evaluation Framework By the six BEPCs.	Oversight report on the implementation of an all-encompassing CBE Monitoring and Evaluation Framework by the six BEPCs, submitted to Council and DPW by 31 March 2017.	0	Final Oversight report on the implementation of the Monitoring and Evaluation Framework by BEPCs, submitted to Council and DPW	Achieved	N/A	N/A	0	0	N/A	N/A



PART D

EXPENDITURE REPORT



	Programme	Actual (Jan to March)	Budget (Jan to March)	Variance (Jan to March)	Variance %	Actual (April to March)	Budget (April to March)	Variance (Apr to March)	Variance %
Revenue	1	493 380	1 324 750	-831 370	-62.8	45 542 633	45 861 100	-318 467	-0.7
	2	0	0	0	0	0	0		
	3	0	0	0	0	0	0		
	4	0	0	0	0	0	0		
Total revenue		493 380	1 324 750	-831 370	-63	45 542 633	45 861 100	-318 467	-1
Expenditure	1	11 918 645	9 808 465	-2 110 180	-21.5	44 150 430	45 915 506	1 765 076	3.8
	2	1 730 331	1 178 814	-551 517	-46.8	7 306 842	4 993 268	-2 313 574	-46.3
	3	220 621	125 000	-95 621	-76.5	713 835	1 353 088	639 253	47.2
	4	209 311	248 463	39 152	15.8	568 598	672 998	104 400	15.5
Total expenditure		14 078 908	11 360 742	-2 718 166	-23.9	52 739 704	52 934 860	195 156	0.4

Revenue

The revenue consists mainly of the Parliamentary Grant funding received from DPW. It was received as budgeted. The unfavourable variance for the quarter is due to the difference in the timing of the expected BEPC levies. The unfavourable variance of 1% for the year to date is due to an under-collection of levies from the six BEPCs.

Expenditure

The variances on expenditure were as follows:



Programme 1: There was an unfavourable variance in Q4 of R2 110 180 (-21,5%) due to the legal fees and consulting fees that exceeded budget for the quarter. There was a favourable variance of R1 765 076 (3.8%) for the year to date expenditure due to cost saving strategies implemented, as well as a delay in the advertisement and appointment of some senior vacant positions. The services of a consultant are currently being procured to address the IT deficiencies.

Programme 2: There was an unfavourable variance of R551 517 (-46.8%) for Q4 due to the spending of surplus funds on the allocated projects. There was a year to date unfavourable variance of R2 313 574 (-46,3%), which is due to the spending of surplus funds that the CBE was approved by National Treasury to retain for the maths and science and mentor projects, and is accounted for as follows:

- R2 373 200 of surplus funds was spent on the Maths and Science support programme, as well as on stipends paid to interns.
- The delay in the appointment of mentors on the structured candidacy project was resolved and resulted in a net over-expenditure of R1 309 000.

Programme 3: There was an unfavourable variance of R95 621 (-76,5%) for Q4, which is mainly due to the phased expenditures of travel and accommodation and CBE events that differed to budget. There was a year to date favourable variance of R639 253 (47,2%). This under-expenditure in consulting fees was due to the inability to appoint Project Experts.

Programme 4: There was an under expenditure in Q4 resulting in a favourable variance of R39 152 (15.8%), due to under-expenditure in consulting fees. The reason for the under-expenditure for the year to date of R104 400 (15.5%) is mainly due to consultant and publication cost which were underspent due to the appeals that were received in the period and the timing of the budgeted costs which cannot be determined accurately.



PART E
HUMAN RESOURCE
EXCEPTION REPORT



Recruitment and Selection

Interviews were held for the Paralegal Officer position, and an appointment is imminent. Shortlisting sessions have been scheduled for the following positions:

- Manager: Knowledge Management and Information Technology
- Strategic Planning and Monitoring Officer
- Transformation Officer

Staff Movement

There were no staff movement during the quarter.

Table 9: Employee Statistics

JANUARY 2017										
Permanent Employees:										
African		Asian/Indian		White		Coloured		Total		Grand Total
Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	
15	5	2	1	3	3	1	1	21	10	31
Fixed Term Employees:										
1	0	0	0	0	0	0	0	0	0	1
FEBRUARY 2017										
Permanent Employees:										
African		Asian/Indian		White		Coloured		Total		Grand Total
Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	
15	5	2	1	3	3	1	1	21	10	31
Fixed Term Employees:										
1	0	0	0	0	0	0	0	0	0	1
MARCH 2017										



Permanent Employees:										
African		Asian/Indian		White		Coloured		Total		Grand Total
Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	
15	5	2	1	3	3	1	1	21	10	31
Fixed Term Employees:										
1	0	0	0	0	0	0	0	0	0	1

Staff Turnover:

Number of employees at beginning of quarter and at end of quarter (31+31)

Divide by 2 = Total ($62 \div 2 = 31$)

Divide terminations over Total x 100 = turnover % ($0 \div 31 \times 100 = 0\%$)

The table above reflects no movement during the period under review.

Table 10: Racial and Gender Equity

Population group	Male			Female			Total		
	No.	% male population		No	% female population		No	% of total Population	
		CBE	SA Population		CBE	SA Population		CBE	SA Population
African	5	50.00	80.6	15	71.43	80.40	20	64.52	80.50
Coloured	1	10.00	8.70	1	4.76	8.90	2	6.45	8.80
Indian/Asian	1	10.00	2.60	2	9.52	2.40	3	9.68	2.50
White	3	30.00	8.20	3	14.29	8.30	6	19.35	8.30
Total	10		100.00	21		100.00	31		100.0

The target figures provided have been benchmarked with the latest mid-year population estimates by Statistics SA demographic data, (P03022015). Representations have been exceeded with white and Indian staff. The CBE will endeavor to correct this with appointment of African male and female, as well as Coloured female at its next recruitment opportunity.



Employee Relations

The Labour Court process regarding the two former fixed term employees is still pending.

The CCMA case on the former CEO is awaiting arbitration hearing is scheduled for a date in April 2017.

Policy Reviews

An agreement was reached with the employee representatives on benchmarked areas within a few of the human resources policies such as Leave, Hours of work, Retention, Remuneration and Benefits as well a Performance Management and Development.

Performance Management

The moderation process of the previous year's performance scores was concluded, performance related rewards were approved accordingly and paid in February 2017.

Compliance with the performance management and development system remains a challenge. A workshop was held to address the areas of concern such as crafting agreements, reviews and bonus qualifiers.

Employee Leave

The table below depicts the number of leave types in terms of planned and unplanned days taken during the period under review.

Table 11: Employee Leave

Type of leave	January 17		February 17		March 17		TOTAL	
	Employees	Days	Employees	Days	Employees	Days	Employees	Days
Annual Leave	18	101	15	40	7	11	40	152
Sick Leave	1	5	2	3.5	2	2	5	10.5
Family Responsibility	2	3	1	5	1	3	4	11
Unpaid leave	0	0	0	0	0	0	0	0
Study leave	3	5	1	4	0	0	0	9
Maternity Leave	0	0	0	0	0	0	0	0
Paternity leave	0	0	0	0	0	0	0	0
Suspension	0	0	0	0	0	0	0	0



Absenteeism

Absenteeism is benchmarked at a 4% industry average. A total of 21.5 unplanned person-days were lost during the quarter resulting in an above average absenteeism rate of 1.03%.

Table 12: Absenteeism rate

January 17												
#Empl	AL	#Empl	SL1	#Empl	FRL	#Empl	SL2	#Empl	UL	Total Man-days lost	Total Staff Complement	Absentee %
18	101	1	5	2	3	3	5	0	0	8	32	1.15%
February 17												
#Empl	AL	#Empl	SL1	#Empl	FRL	#Empl	SL2	#Empl	UL	Total Man-days lost	Total Staff Complement	Absentee %
15	40	3	3.5	1	5	1	4	0	0	8.5	32	1.23%
March 17												
#Empl	AL	#Empl	SL1	#Empl	FRL	#Empl	SL2	#Empl	SUS	Total Man-days lost	Total Staff Complement	Absentee %
7	11	2	2	1	3	0	0	0	0	5	32	0.72%
Total for the period under review												
25	152	6	10.5	4	11	4	9	0	0	7.17	32	1.03%

Formula:

Absenteeism percentage = $\frac{\text{Man-days lost}}{\text{Product of Average No of workdays for the period by staff complement}} \times 100$. Whereas Average No. of workdays = 21.67 days per month.

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

