

2022/2023 FINANCIAL YEAR

**TRANSFORMATION COLLABORATIVE
COMMITTEE:**

OCCUPATION SPECIFIC DISPENSATION

PROGRESS REPORT

JUNE 2022

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ACRONYMS

APP - Annual Performance Plan

BEMC – Built Environment Matters Committee (Council Sub-Committee)

CBE - Council for the Built Environment

CBEP – Councils for the Built Environment Professions

DPSA – Department of Public Service and Administration

DPWI - Department of Public Works and Infrastructure

OSD - Occupation Specific Dispensation

PER - Personnel Expenditure Review

SOE – State-Owned Entity

TCC - Transformation Collaboration Committee

ToR - Terms of Reference

1. Purpose

The purpose of this report is to provide an overview of the activities undertaken by the Occupation Specific Dispensation Transformation Collaborative Committee (OSD TCC) during Quarter 1 of the 2022/2023 financial year.

2. Background

The Council for the Built Environment (CBE) is a statutory body established under the Council for the Built Environment Act (No. 43 of 2000). It is an overarching body that coordinates the following six councils for the built environment professions - Architecture, Landscape Architecture, Engineering, Property Valuation, Project and Construction Management, and Quantity Surveying – and through memoranda of understanding these also include Town and Regional Planning, Land Surveying and Environmental Assessment. Sections 3 (a) and (e) of the CBE Act respectively, mandates the CBE to promote and protect the interests of the public and promote appropriate standards of health, safety and environmental protection within the built environment.

In line with the above, Transformation of the Built Environment Professions is one of the key imperatives of the CBE. As per the CBE Strategic Plan, the CBE is to facilitate participation by the Built Environment Professions in integrated development in the context of national goals, specifically regarding Transformation as a key priority of the sixth term government. The CBE's third Transformation Indaba, hosted in October 2019, produced a number of key resolutions, in relation to challenges impeding Transformation in the sector. The CBE expects to deliver on these resolutions to ensure transformational progress. The main vehicle for driving these activities is the Transformation Collaborative Committees (TCCs), constituted in collaboration with the Department of Public Works and Infrastructure (DPWI) to specifically address these challenges. These TCCs, with support from the DPWI, are commissioned to engage with all relevant departments and industry role players to resolve key challenges identified by stakeholders. These Transformation Collaborative Committees (TCC) comprise of the following:

- i. Health, Safety, Public Protection and Universal Access (HSPPUA)
- ii. Occupation Specific Dispensation (OSD)
- iii. Procurement, Policy, Legislation and Socio-Economic Development (PPLSED)
- iv. Professional Skills and Capacity Development (PSCD)
- v. Women Empowerment and Gender Equality (WEGE)

Occupation Specific Dispensation (OSD)

The OSD TCC's focus is to look into the current gaps and limitations of OSD policy and its impact on built environment professionals in the employ of public service. It looks into the need to revisit the policy framework on the current OSD, as well as challenges around implementation and how it affects the built environment. The proposals are to cover reforms that will also ensure the inclusion of other professions that were left out initially when OSD originated. The section below provides an update on progress made by the OSD TCC in Quarter 1 of the 2022-2023 financial year.

3. Occupation Specific Dispensation TCC Quarter 1 Progress Report

3.1 Overview

The OSD TCC Terms of References (TOR) and list of deliverables were revisited to ensure their alignment to the CBE objects and to adopt the TOR on 6 May 2022. However, it is understood that the CBE will coordinate a workshop in July 2022 on all the TCC TOR to ensure full alignment and accommodation of the relevant CBE objects. The Department of Public Service and Administration (DPSA) was engaged regarding the finalised proposal for consideration. The DPSA has committed to allow the OSD TCC to coordinate industry inputs on the Personnel Expenditure Review process which is undertaken by the State every five years. Lastly, the OSD TCC developed a workplan for the BEMC's consideration for continuous reference and monitoring against the goals, objectives, tasks set out by the OSD TCC.

3.1. Quarterly Progress

The section below provides a status update on progress made by the OSD TCC in relation to Quarter 1 (April – June 2022) 2022-2023 financial year.

3.1.1. Quarter 1 (6 May 2022)

On 6 May 2022 the first OSD TCC was hosted. The specific purpose of this engagement was to finalise the refined TORs, endorse the OSD proposal for further engagements with the DPSA and to introduce the two Annual Performance Plan (APP) targets linked to the committee's work for the current financial year for recommendation to the Built Environment Management Committee (BEMC). A summary is provided below on the areas of discussion outlined above.

3.1.1.1. Terms of Reference

The refined OSD TOR was tabled at the meeting of 6 May 2022 for input by the committee members. This duly completed, the ToR was adopted.

3.1.1.2. Matters for Discussion

a) Revised Draft Occupation Specific Dispensation (OSD) Policy Proposal Report

The CBE presented the final proposal emanating from the inputs received from the committee. The following key recommendations were highlighted:

- i. The need for government to establish a sustainable graduate programme centralised across all the public entities, SOEs and government departments to ensure sustainable approach and parity
- ii. Eliminate non-BEPs in leading professionals as this leads to lack of capacity building in government
- iii. Broaden the scope of applicability and implement the OSD policy at the local municipalities which will not only drive transformation in the CBEP but also at the historically disadvantaged communities through increased service delivery

The committee welcomed the final report, recommending that it should be tabled at the BEMC for further discussions with the DPSA and affected parties.

b) Department of Public Service and Administration (DPSA) Personnel Expenditure Review

It was reported that the DPSA was undertaking a personal expenditure review in cooperation with PricewaterhouseCoopers:

- i. Usually conducted after a period of five years with the 2022/23 financial year utilised for consultation review.
- ii. The review covers all remuneration related matters across various levels of government (national, provincial and SOEs).
- iii. An analysis of the OSD policy would form part of the exercise (overview of all occupations – not only the built environment).
- iv. The DPSA would then develop a remuneration policy to respond to the various research conducted and recommendation including the challenges reported.

It was agreed that the DPSA and PricewaterhouseCoopers would deliver a detailed presentation in the next OSD TCC scheduled for 22 June 2022.

c) *List of OSD TCC Deliverables from the previous Financial Year*

The CBE presented the OSD TCC deliverables which were in line with the goals of the committee for any further inputs to form part of the adopted TOR. The committee welcomed the list and requested a final round for inputs and comments. No further inputs were received from committee members with the final version circulated.

3.1.1.3. 2022/23 Annual Performance Plan (APP) target

The following targets were outlined to form part of the OSD TCC deliverables to be monitored and reported on a quarterly basis. The CBE committed to make presentations at the next OSD TCC scheduled for 22 June 2022.

a) One research report on the assessment of BE Candidacy Programmes within public sector institutions by 31 March 2023

It was highlighted that the target would be considering in relation to candidacy programmes which indirectly/directly related to the implementation of OSD in respective spheres of government.

b) One research report analysing the implementation of legislation and policies impacting the Built Environment

It was highlighted that the target was broad and would encompass the OSD policy issues from the committee. A presentation would be made at the next OSD TCC.

3.1.2. Quarter 1 (9 June 2022)

On 22 June 2022 the second OSD TCC was hosted. The specific purpose of this engagement was to report on matters arising from previous discussions and to recommend the workplan developed for the current financial year. A summary is provided below on the areas of discussion outlined above.

3.1.2.1. Terms of Reference

It was reported that the adopted OSD TOR would form part of the ad hoc workshop in which all the TCC TORs would be tabled with Council members and TCC Chairpersons in July 2022 to ensure alignment to the CBE objects and standardisation.

3.1.2.2. Matters arising for Discussion

a) **One research report analysing the implementation of legislation and policies impacting the Built Environment**

It was reported that the work undertaken in relation to OSD would be reported under the above target which would be consolidated through the CBE for a final report in Quarter 4 of the financial year.

i) **Revised Draft Occupation Specific Dispensation (OSD) Policy Proposal**

It was reported that the CBE presented the OSD Policy proposal to the DPSA and PricewaterhouseCoopers on the 26 May 2022. The CBE shared the report after the discussions for further consideration by the DPSA.

ii) **Department of Public Service and Administration (DPSA) Personnel Expenditure Review**

The DPSA and PricewaterhouseCoopers provided a detailed presentation to the committee which highlighted the following:

- **Personnel Expenditure Review (PER) (2006)**

Public Service struggled to attract and retain scarce and critical skills, especially within sectors such as Health, Technical and Engineering related fields, among others. In the Health sector, Scarce skills and Rural allowances were introduced prior to OSD in order to supplement employees' salaries for attraction and retention purposes.

The recommendations were:

- ✓ Introduction of Occupational Differentiation, particularly for professionals and specialist roles
- ✓ Review of the Equate Job Evaluation (JE) system

- **Introduction, Development and Implementation of OSDs (2007 – 2011)**

- Objectives and principles of OSD
- OSD for Engineers and related Occupations
- The various phases (3) undertaken were outlined, including the establishment of posts, appointments, grading and progression
- Key Lessons learnt and challenges with OSD

- **Wage Bill and South Africa's economic outlook**

- **Personnel Expenditure Review (PER) (2006)**

Key consideration, as part of PER 2022, is to determine whether:

- OSDs have achieved their intended objectives; and
- Service delivery has improved with the implementation of OSDs.

It is important to note was that this would be the first review of OSDs since they were implemented more than ten (10) years ago.

It was agreed that the DPSA and PricewaterhouseCoopers would work together with the OSD TCC to solicit industry participation and inputs to the research undertaken.

iii) *Round table discussions on OSD (Gaps and Limitations)*

The CBE would be undertaking round table discussions with implementing agents inclusive of provincial government, SOEs and industry to solicit inputs relating to the OSD policy. The first such engagement was considered for 15 July 2022. A concept document was the requested prior to the engagements taking place, to guide the intended objectives and outcomes of the initiative.

3.1.2.3. Workplan

The following deliverables were tabled for the committee's endorsement:

- a) Revised OSD Policy Proposal
- b) Report on gaps and limitations of OSD submitted to DPSA
- c) Engagement with other stakeholders (i.e. South African Local Government Association [SALGA])
- d) One research report on the assessment of BE Candidacy Programmes within public sector institutions by 31 March 2023
- e) One research report analysing the implementation of legislation and policies impacting the Built Environment by 31 March 2023.

The activities will be reported on a quarterly basis as part of the standing items of the committee going forward. The committee welcomed and endorsed the workplan for recommendation at the next BEMC.

3.1.2.4. 2022/23 Annual Performance Plan (APP) target

a) One CBE programme promoting youth involvement and development in the Built Environment by 31 March 2023

A brief presentation in relation to the draft concept document was tabled at the meeting. The following aspects were highlighted as part of the aims and objectives of the activity:

- i. Examine the nature and efficacy of built environment candidacy programmes within the sector institutions
- ii. Investigate the effectiveness of the mentorship of built environment candidates within public sector institutions
- iii. Evaluate the extent to which OSD enables or limits the implementation of built environment candidacy programmes
- iv. Examine whether the working environment within public sector institutions is conducive to built environment candidacy programmes
- v. Investigate the challenges impeding the success of built environment candidacy programmes implemented within public sector institutions
- vi. Assess and document good practices of built environment candidacy programmes within public sector institutions

The methodology - data instruments, sample size and strategy – were highlighted. The quarterly schedule of the programme would unfold as follows: Quarter 1: Concept Documents, Quarter 2: First draft research report, Quarter 3: Second draft research report and Quarter 4: Submission of the draft report to the subject expert for review purposes.

The committee noted that the concept document would be taken through internal processes and circulated upon approval. However, any additions post the meeting were welcome.

4. Conclusion and Way Forward

A recommendation register has been consolidated against the OSD TCC held in quarter one for consideration by the BEMC.