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PART A GENERAL INFORMATION

I. GENERAL INFORMATION

| REGISTERED NAME | The South African Council for the Project and Construction Management Professions |
|-------------------------|---|
| REGISTRATION | Incorporated under the Project and Construction Management Professions Act No. 48 of 2000. |
| PHYSICAL ADDRESS | International Business Gateway Gateway Creek Corner of New Road and 6th Road Midrand 1685 |
| POSTAL ADDRESS | PO Box 6286 Halfway House Midrand 1685 |
| TELEPHONE NUMBERS | +27 (0) 11 318 3402 / 3 / 4 |
| FAX NUMBER | +27 (0) 11 318 3405 |
| EMAIL ADDRESS | eatoregistrar@sacpcmp.org.za |
| WEBSITE ADDRESS | www.sacpcmp.org.za |
| EXTERNAL AUDITORS | Ngubane & Co Chartered Accountants Ngubane House 1 Superior Road, off 16th Road Midrand 1685 |
| BANKERS | Nedbank Limited Investec Bank |
| COMPANY/BOARD SECRETARY | This is not required in terms of the Project and Construction Management Professions Act No. 48 of 2000. |

2. LIST OF ABBREUIATIONS / ACRONYMS

| ACHASM | Association of Construction Health and Safety Management |
|---------|--|
| ACPM | Association of Construction Project Managers |
| APP | Annual Performance Plan |
| ARC | Audit and Risk Committee |
| ASAQS | Association of South African Quantity Surveyors |
| BBBEE | Broad-Based Black Economic Empowerment |
| BCP | Business Continuity Plan |
| BE | Built Environment |
| BEPEC | Built Environment Professions Export Council |
| BI | Building Inspectors |
| CanCHSA | Candidate Construction Health and Safety Agent |
| CanCHSM | Candidate Construction Health and Safety Manager |
| CanCHS0 | Candidate Construction Health and Safety Officer |
| CBE | Council for the Built Environment |
| CBEP | Council for the Built Environment Professions |
| CC | Competition Commission |
| CCM | Candidate Construction Manager |
| ССРМ | Candidate Construction Project Manager |
| CESA | Consulting Engineers South Africa |
| CETA | Construction SETA |
| CHE | Council on Higher Education |
| CHS | Construction Health and Safety |
| CHSM | Construction Health and Safety Manager |
| CHSO | Construction Health and Safety Officer |
| CIDB | Construction Industry Development Board |
| CIOB | Chartered Institute of Building |
| CMentor | Construction Mentor |
| CPD | Continuing Professional Development |
| DCCC | Disciplinary and Code of Conduct Committee |
| DoL | Department of Labour |
| DPW | Department of Public Works |
| DRP | Disaster Recovery Plan |
| ECSA | Engineering Council of South Africa |
| EDMS | Electronic Document Management System |
| EPWP | Expanded Public Works Programme |

LIST OF ABBREUIATIONS / ACRONYMS .

(CONTINUED)

| ESS | Employee Self Service |
|-----------|--|
| EXCO | Executive Committee |
| HDI | Historically Disadvantaged Individuals |
| HEQSF | Higher Education Qualifications Sub-Framework |
| HR | Human Resources |
| HRDC | Human Resource Development Council |
| ICT | Information and Communication Technology |
| IDoW | Identification of Work |
| IHL | Institutions of Higher Learning |
| IoSM | The Institute of Safety Management |
| ISO | International Standards Organisation |
| ITIL | Information Technology Infrastructure Library |
| LGSETA | Local Government Sector Education Training Authority |
| MANCO | Management Committee |
| MBA FS | Master Builders Association Free State |
| MBA KZN | Master Builders Association KwaZulu-Natal |
| MBA North | Master Builders Association North |
| MBSA | Master Builders South Africa |
| MC&SRM | Marketing, Communications and Stakeholder Relations Management |
| MoU | Memorandum of Understanding |
| MSP | Master Systems Plan |
| MTEF | Medium Term Expenditure Framework |
| NHBRC | National Home Builders Registration Council |
| NQF | National Qualifications Framework |
| PCM | Project and Construction Management |
| PFMA | Public Finance Management Act |
| PMSA | Project Management South Africa |
| PMTE | Property Management Trading Entity |
| PR | Public Relations |
| PrCHSA | Professional Construction Health and Safety Agent |
| PrCM | Professional Construction Manager |
| PrCMentor | Professional Construction Mentor |
| | |



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| PrCPM | Professional Construction Project Manager |
|---------|---|
| QCTO | Quality Council for Trades and Occupations |
| REGCOM | Registrations and Education Committee |
| RICS | Royal Institution of Chartered Surveyors |
| RP | Registered Person |
| RPL | Recognition of Prior Learning |
| RSA | Republic of South Africa |
| SACAP | The South African Council for the Architectural Profession |
| SACLAP | South African Council for the Landscape Architectural Profession |
| SACPCMP | The South African Council for the Project and Construction Management Professions |
| SACPVP | South African Council for the Property Valuers Profession |
| SACQSP | The South African Council for the Quantity Surveying Profession |
| SAFCEC | South African Forum of Civil Engineering Contractors |
| SAIA | South African Institute of Architects |
| SAICE | The South African Institution of Civil Engineering |
| SAN | Storage Area Network |
| SAIOSH | The South African Institute for Occupational Safety and Health |
| SAQA | South African Qualifications Authority |
| SCM | Supply Chain Management |
| SDLC | Systems Development Life Cycle |
| SETA | Sector Education and Training Authority |
| SGB | Standards Generating Body |
| SLA | Service-Level Agreement |
| SOEs | State-Owned Entities |
| SRC | Stakeholder Relations and Communications |
| SWOT | Strengths, Weaknesses, Opportunities and Threats |
| VAs | Voluntary Associations |
| YM | Your Membership (programme) |
| VOIP | Voice Over Internet Protocol |
| VPN | Virtual Private Network |
| Y2P | Youth to Professional |



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3. FOREWORD BY THE PRESIDENT



Mr. Isaac M. Nkosi, SACPCMP President

Progressive organisations are defined by certain core characteristics: expertise, innovation and passion for serving their stakeholders. These words resonate with The South African Council for the Project and Construction Management Professions (SACPCMP) for which I have the privilege of serving as the Fifth-term President of the Council.

Like any other organisation, the Council continues to face challenges brought about by changes in the environment in which it operates. These include, among others, a scarcity of resources, economic bursts, and changing demographics. For this reason there are continuous engagements with, first and foremost, our Voluntary Associations and various stakeholders to identify emerging trends that may severely impact on the Council's ability to deliver on its mandate, thus meaningfully impacting on the infrastructural development of South Africa. The Council and its stakeholders then develop strategies to address the identified challenges, thereby ensuring the Council remains relevant to the ever-changing environment. It is against this background that the SACPCMP has embarked on the professionalisation of building inspectors as facilitated by the National Home Builders Registration Council, a process that started in 2015 culminating in the signing of an MOU in November 2016. The Council appointed an Executive Manager to finalise the process and I am pleased to report that the gazetting of the scope of services for the registration of building inspectors will commence in the upcoming financial year.

The Council continually reviews its Strategic Plan in order to be responsive to its legislative mandate and government priorities, and align its Annual Performance Plan accordingly. The past year was no exception. A review of the Strategic Plan necessitated a review of the enabling environment to ensure that the resources required to successfully deliver on the mandate are in place. There is equally a commitment on the part of the Council in ensuring that our Information and Communication Technology is robust, modernised and fit for purpose to improve on our efficiencies. We are also working on our visibility by continuously raising public awareness on the benefits derived from using experienced and Registered Persons whose competency has been attested to by an impartial statutory body. To further enhance the standing, image and reputation of the Council, we have now established a Customer Relations Management (CRM) Unit to improve efficiency in interfacing with our stakeholders. In addition, a CRM online system has been introduced to log all incidents by the CRM team in order to produce business intelligence reports which will help drive our decision-making.

The Fifth-term Council commenced its term of office effective 1 June 2019 and has added new members, allowing for a balanced representation across gender, registration disciplines, expertise and geographic location. This has been a welcome development to ensure the Council strengthens its governance environment and its relations with stakeholders and interest groups. The Fifth-term Council looks forward to serving the SACPCMP with diligence and dedication in order to fulfil its mandate of protecting the public and contributing to the successful accomplishment of Government priorities. It also commends and appreciates the sterling work done by its predecessors and will strive to build on this foundation going forward.



Transformation remains a challenge across the Built Environment. The Council is prioritising transformation initiatives across all registration categories in order to remedy the existing disparities in race and gender through the transformation strategy that is now being implemented. These initiatives are monitored by the Transformation Committee which provides the requisite oversight.

We have recognised that the development of candidates to achieve professional status cannot be attained by the SACPCMP on its own. Hence, the Council is intensifying joint collaborative partnerships with the relevant SETAs, other entities and stakeholders with similar interests in the development of a skilled workforce. Furthermore, Recognition of Prior Learning (RPL) is amongst the key drivers of transformation. RPL allows those without the requisite formal qualifications for registration, but with proven demonstration of relevant experience accumulated over several years, to be equally considered for registration. It is on this realisation that we are intensifying our efforts to register those that meet the criteria through the RPL route by having tailor-made workshops conducted in major provincial centres throughout the country. It is worth indicating that the review of the Registration Policy, which has been in place since 1 May 2009, is currently underway.

The Construction Health and Safety (CHS) registration process has yielded great results with the improvement of efficiencies. During the year under review, the number of Registered Persons in this category has improved drastically. The Council has, through the CHS accreditation team, embarked on the process of exploring avenues for the development of CHS qualifications at institutions of higher learning. Several institutions have approached the Council to endorse the introduction of these qualifications.

It will be remiss of me not to mention that the Council is aware of the legitimate concerns expressed by Registered Persons over the inability to discharge the statutory obligation in respect of the Identification of Work and Publication of Recommended Professional Guideline Fees. I wish to give an assurance that both these matters are areas of urgent focus based on recommendations received from the relevant Council committees and stakeholders, which are under consideration and will be ready for implementation in the next financial year. Further, we are working in close collaboration with the Council for the Built Environment (CBE) as well as key stakeholders to have the impasse resolved.

I wish to welcome Mr. Moroka Isaac Butcher Matutle as the new Registrar of the SACPCMP. Mr. Matutle commenced his service with us on 1 February 2019, taking over from the ever energetic and passionate Ms. Nomvula Rakolote, who departed from the service of the SACPCMP in July 2018. I wish to express, on behalf of the SACPCMP, my sincere gratitude to Ms. Rakolote for serving the organisation with so much dedication and passion, and overseeing its remarkable growth since joining as Registrar in 2009.

I would like to thank my fellow Council Members, Management and Staff of the SACPCMP for being diligent, focused and tireless in executing their responsibilities as the success of the entity depends on the commitment of the collective. With the support of the Department of Public Works and the CBE, I am confident that this will lead to effectively tackling all the challenges that lie ahead and to craft a legacy of success for the SACPCMP.

I also wish to record my appreciation for the work done by Government institutions that mandated us to professionalise specified categories. This has contributed to the Council being responsive to industry needs and the protection of the public, which is a core mandate of the Council, among others. I must indicate that the Council cannot fully execute its functions and implement the mandate successfully without the various Council Committees and Voluntary Associations. I thank these committee members and Voluntary Associations for their untiring service to the SACPCMP, and equally thank all our stakeholders for the meaningful engagements we have had to improve the sustainability of the professions that reside under the ambit of the SACPCMP.

Mr. Ísaac Mzumara Nkosi President, SACPCMP

4. MESSAGE FROM THE REGISTRAR



Mr. Butcher Matutle, SACPCMP Registrar

The SACPCMP's past few years have been strongly characterised by action and, while much of this activity is ongoing, the Council is approaching a point where evaluation and assessment is on the horizon to ensure that we remain sustainable and meaningful to the industry we serve. Against the backdrop of a struggling construction sector, it is encouraging to note that the Council recorded not only an overall increase in registrations but also made great strides in the area of improved financial management.

The construction sector remains one of the industries adversely impacted by the current economic challenges, with the impact evidenced by the number of wellestablished construction firms being placed under business rescue which is a prelude to ceasing to operate. As such, the SACPCMP is required to execute its mandate in a complex environment, impacted by global and national events that directly affect its pursuit towards making a positive impact on the Built Environment.

These conditions have significant impact on the SACPCMP as more than 80% of its revenue is derived from annual membership fees. Under such trying circumstances, the SACPCMP remains humbled by the commitment shown by its Registered Persons and stakeholders who not only supported the entity but kept it accountable. Through various initiatives the Entity has managed to reverse a R3 million deficit recorded in the previous financial year. While great strides have been made in the area of financial administration, management continues to search for better ways to deliver the Council's mandate in the best way while tapping into cost-saving measures.

Meeting Challenges with Resolution

Challenges faced due to the Council's heavy reliance on fees to sustain operations were appravated by the non-payment of fees, impacted strongly by challenging economic conditions which continued into the current financial year. To alleviate the current pressures, the Council provided an additional grace period for members not in good standing who were due for deregistration. These deregistrations were mainly due to the failure to pay annual fees which, in the whole, sustain our operations. To stem this negative trend, the Council took a decision in March 2018 not to deregister 815 Registered Persons who were eligible for deregistration. This was on the realisation of the ripple effect of the economic slowdown. The Council granted reprieve to these stakeholders for an additional period of six months which culminated in the number of eligible persons for deregistration reducing from 815 to 447. This goodwill gesture allowed for those Registered Persons who took the opportunity of the amnesty to now effectively practice legally.

Further to this, the Council also took the decision in March 2019 to not deregister persons eligible for deregistration but to rather grant a similar amnesty to demonstrate the value we place on our Registered Persons as meaningful contributors to the development of the country. We hope that going forward, we can continue to undertake measures to stem the outflow that diminishes our concerted efforts to register duly competent and qualified persons.

Austerity measures coupled with staff-capacity constraints exacerbated a strained telecommunications system, which continues to frustrate stakeholders in their attempts to reach our operations. Addressing this is a priority and the year ahead will see a concerted effort to drastically improve this situation. The financial strain is further exacerbated by the lack of fiscal grants or subventions. To this end, we have investigated the possibility of engaging entities such as SETA for grant funding to embark on a structured candidacy programme and provide further benefit to stakeholders.



Efforts towards Excellence

In the PCM stream, past years saw the Council engage in the manual assessment of applications, which was time consuming and delayed the assessment of applications. However, as of April this year, all submissions are to be made online and this equally applies to the assessment of applications. This is a significant stride as it will drastically reduce the turnaround time for assessment of applications.

Furthermore, a number of new activities materialised during the financial year under review; the Council established a task team to provide the much-needed technical advice in preparation for the opening of registration of building inspectors. It is envisaged that commencement of registration will be in late-2019 and will contribute to the enforcement and monitoring of building regulations as well as applicable byelaws for deriving exceptional and appropriate quality in building projects.

The need for the Council to provide assistance and guidance to candidates in their development towards professional registration was initiated through the planning of dedicated candidate workshops and provincial roadshows. This will continue to be the norm going forward as this is deemed as being of the utmost importance for the purposes of increasing the throughput of candidates that attain professional status.

Perhaps some of the most exciting developments we have seen in the past year relate to our activities supporting transformation. The Council took the bold step to set up a forum to accelerate a process that has been solely lacking. In 2016, we saw the development of a Transformation Committee to address transformation issues in the Built Environment. The Committee is a hub of diverse skills with sector representatives who collaborate as a powerful think tank to devise a strategy and implementation plan to drive transformation within the industry. In addition, innovative platforms such as social media and engagement sessions were successfully utilised to communicate with the youth through creatively disbursing salient messages to students across the country, especially those from historically disadvantaged groups.

The SACPCMP has in the current year built a strong foundation for compliance with applicable national legislatives through the finalisation of its policies. The entity plans to use these first building blocks to strengthen its governance and compliance imperatives.

The SACPCMP is poised in the upcoming financial year to ensure that it remains solvent and financially viable to fulfil its mandate. The entity will embark on programmes aimed at increasing the sources of funding beyond registration fees, while also optimising income generation and the improvement of efficiencies in debt-collection activities.

Economic Viability during a Downturn

With the knowledge that the construction industry is not immune to current economic conditions, the Council built a degree of agility within its operations. One of the strategies included debt collection aimed at addressing the current funding challenges while improving the entity's cash flow position. In moving forward within the understanding of the downturn's undeniable impact on our Registered Persons, we also look forward to the stabilising and enhancement of the sector provided via the stimulus package announced by Government.

Moving Forward in Gratitude

As the new Registrar of the SACPCMP, I would like to thank the Council's former Registrar, Ms. Nomvula Rakolote, who guided the organisation with such energy and enthusiasm during the past years. Under Ms. Rakolote's watch, the Council succeeded in emerging from some trying times, and her leadership united the SACPCMP team to present a unified front in the efforts to develop and sustain the organisation. She has handed the reigns graciously over to me and I have committed to ensuring that we move from strength to strength on the many foundations that have already been set in place.

In our consistent endeavour to improve serving the public and our stakeholders, the SACPCMP will continue addressing areas that are not aligned to our concept of excellence. Looking at the achievements, challenges and successes we faced over the past year, I am encouraged to see that all this has been underpinned by a dedicated group of people who form the lifeblood of this organisation, a group that strives to support the Council's many stakeholders, and a team willing to grow, develop and prosper. As Registrar, I eagerly join my team in the journey to taking the SACPCMP forward to a point where we can ensure the Council remains sustainable and meaningful to the industry it serves and the public we protect.

MEMatulle

. Butcher Matutle Registrar, SACPCMP

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY •

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

All information and amounts disclosed in the annual report are consistent with the annual financial statements audited by Ngubane & Co (Johannesburg) Inc.

The annual report is complete, accurate and is free of material omissions.

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

The annual financial statements (Part E) have been prepared in accordance with international financial reporting standards applicable to the public entity.

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

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

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

In our opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the SACPCMP for the financial year ended 31 March 2019.

Yours faithfully

Michamile

SACPCMP Registrar Butcher Matutle

SACPCMP President Isaac Nkosi

6. STRATEGIC OUERUIEW

UISION

To be a world-class regulatory body for the Built Environment Management Professions.

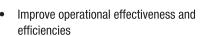
MISSION

To create an enabling environment for the promotion, growth and transformation of the Built Environment Management Professions through advocacy, research and best practice.

UALUES

- Accountability
- Integrity
- Innovation
- Transparency
- Inclusiveness

GOALS



- Increase and retain registration of competent persons
- Build financial stability
- Assist and monitor the completion of the IDoW
- Implement mandated programmes and align to government priorities

Value Proposition

Headline Statement

The SACPCMP is a statutory body that regulates the Built Environment Management Professions and is committed to skills development and transforming the landscape of the sector.

Strap line

Constructing New Perspectives



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7. LEGISLATIUE AND OTHER MANDATES

Constitutional Mandates

Section 22 of the Constitution of the Republic of South Africa (Act No. 108 of 1996) provides that "every citizen has a right to choose their trade, occupation and profession freely". This section gives the basis for the existence of The South African Council for the Project and Construction Management Professions (SACPCMP) through Act No. 48 of 2000.

Legislative Revision

No legislative revisions have been made to date; however, the Department of Public Works has solicited comments and inputs on policy review and proposed amendments to the statutory regulatory framework of Councils for the Built Environment Professions (CBEPs) from the industry.

Legislative Mandate

The South African Council for the Project and Construction Management Professions (SACPCMP) is a juristic person established by Section 2 of the Project and Construction Management Professions Act (Act No.48 of 2000) "to regulate Project and Construction Management Professionals to protect the public".

The SACPCMP fulfils the statutory mandate by:

- Registering professionals and maintaining a national register of professionals;
- Identifying the type and scope of work for the Project and Construction Management Professions;
- Determining registration criteria for professionals;
- Conducting examinations for the purpose of registration of the Project and Construction Management Professions;
- Developing a code of conduct for Registered Professionals;
- Consulting with the South African Qualifications Authority (SAQA) or any other body established by it, and the Voluntary Associations (VAs) to determine competency standards for the purpose of registration;
- Conducting accreditation programmes for the Project and Construction Management Professions offered at tertiary
 educational institutions in consultation with SAQA and the Council on Higher Education (CHE);
- Giving advice or rendering assistance to any educational institution, voluntary association or examining body with
 regard to education facilities for the training and education of Registered Persons and prospective Registered Persons;
- Entering into an agreement with any person, or body of persons, within or outside the Republic of South Africa with regard to recognition of any examination or qualification for the Project and Construction Management Professionals;
- Determining, after consultation with the Voluntary Associations and Registered Persons, conditions relating to the nature and extent of continuing professional development (CPD);
- Establishing a Standards Generating Body (SGB); and
- Recognising Voluntary Associations.

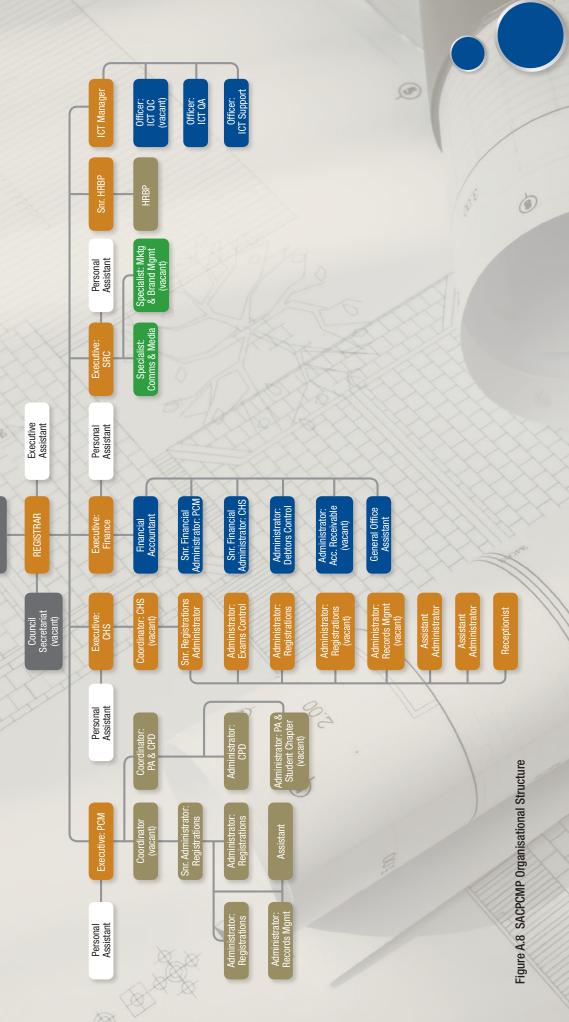
8. SACPCMP ORGANISATIONAL STRUCTURE

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PART B PERFORMANCE INFORMATION

I. SITUATIONAL ANALYSIS

1.1 SERVICE DELIVERY ENVIRONMENT

Overall, the SACPCMP saw a good performance during the year under review, which was witnessed through the increase in registrations. This was despite a poor economic climate and struggling construction industry.

Cognisant of the industry challenges, the Council approved a minimal increase in both the annual as well as other registration fees. It reviewed deregistration requirements to accommodate those feeling the economic pinch. Despite recorded revenue being slightly less than anticipated, the Council managed to maintain a breakeven point, reversing the loss recorded in the previous year.

The Construction Health and Safety (CHS) categories have seen a favourable number of registrations but still face frustrations attributed to a relatively young profession and general competency being hampered by an educational environment where tertiary studies at graduate level have little provision for CHS. On a positive note, the majority of the backlog in processing CHS applications was addressed. However, the number of incomplete applications and outstanding payments remain a concern.

In the Project and Construction Management (PCM) stream, the Council intends to embark upon candidature workshops in the major centres of all the provinces. The challenge still stands in terms of how quality experience can be obtained during the candidature period to seamlessly translate to professional status. With regard to overall registrations, it was encouraging to see an increasing number of previously disadvantaged individuals (black, coloured and Indian) outnumbering their white counterparts.

The Council's marketing activity focused on communicating the organisation's role in the sector as well as opportunities to develop the skills pipeline, although frustrations regarding strained communication channels between stakeholders and the entity remain an issue.

On the Human Resources (HR) front, and in its commitment to attract, develop and retain talent, the SACPCMP was able to improve the capacity of employees to deliver on its legislative mandate. This was achieved amidst structural and functional challenges in different occupational categories as well as tempestuous economic conditions. The Council approved the key people priorities necessary to bring immediate change and improvement. The set HR priorities were ensuring that the SACPCMP be responsive to operational business requirements and stakeholder expectations, the renewal of people skills, and the development and implementation of adequate controls.

ICT infrastructure operations were geared towards improving maturity to respond to operational demand. This prioritised the optimisation of networks and upgrading the telephone management system. The implementation of Phase 1 of business continuity actions to back up critical data across the ICT infrastructure systems, and provide an uninterrupted power supply to support the organisation during times of load shedding, were highlights of the year.

Going forward, the Council will look at the following key considerations that require proactive management intervention:

- Improving financial sustainability
- Updating information and communication technology
- Enhancing and developing brand and reputation
- Organisational realignment
- Driving transformation
- Driving compliance of the continuing professional development (CPD) programme
- Finalisation of Identification of Work (IDoW) and tariff of fees
- Good governance

1.2 ORGANISATIONAL ENVIRONMENT

The SACPCMP derives its mandate from section 22 of the Constitution of the Republic of South Africa.

The organisation was established to register, certify, regulate and promote specific Built Environment Management Professions. It is further tasked with the protection of public interest, which is achieved by ensuring suitably qualified and registered professionals in specific Built Environment Management Professions in South Africa through promoting and enforcing high standards of professional ethics and conduct within the Built Environment.

The Minister of Public Works is the Executive Authority of the SACPCMP and communicates through the Council for the Built Environment (CBE), the overarching body which coordinates the activities of all the Councils for the Built Environment Professions. The Built Environment refers to the functional area within which Registered Persons practise and includes all structures that are planned and/or erected above or underground, as well as the land utilised for the purpose and the supporting infrastructure.



The SACPCMP operates alongside five other Councils for the Built Environment Professions (CBEP), namely:

- 1. SACAP: The South African Council for the Architectural Profession
- 2. ECSA: Engineering Council of South Africa
- 3. SACLAP: South African Council for the Landscape Architectural Profession
- 4. SACQSP: The South African Council for the Quantity Surveying Profession
- 5. SACPVP: South African Council for the Property Valuers Profession

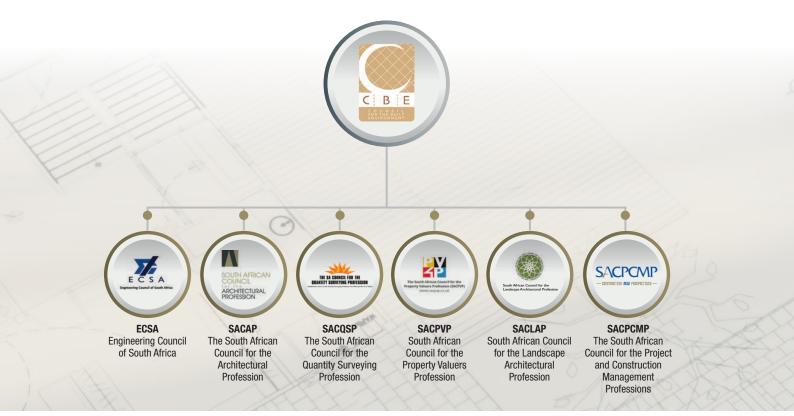


Figure B.1.2 Councils for the Built Environment Professions

In terms of section 3 of the SACPCMP Act 48 of 2000, the Council is appointed by the National Minister of Public Works. The Council consists of ten members, and its composition is as follows:

- Six Registered Persons as per categories of the Act, excluding candidates, of whom at least four must actively practise in the professions and be nominated by Voluntary Associations (VAs) and any Registered Persons;
- Two professionals in the service of the State, nominated by any sphere of Government, of whom at least one must be nominated by the Department; and
- Two members of the public nominated through an open process of public participation.

The SACPCMP has working committees and sub-committees to provide capacity in order to achieve its mandate.

While an approved structure is currently in place, there is a need to review this to ensure it fully aligns to the mandate and strategy of the Council.

The strategic framework for HR planning will seek to identify and provide the necessary skills and capacity to address challenges pertaining to the organistional structure, such as those experienced by the CHS Department, and enable the organisation to deliver on its legislative mandate.

The appointment of the SACPCMP's new Registrar towards the latter part of the financial year opened opportunities for review and evaluation of processes and systems within the Council. One such opportunity was the aligning of financial and procurement processes to PFMA guidelines.

SITUATIONAL ANALYSIS 🕈 (CONTINUED)

The move from paper-based to electronic solutions for capturing and uploading registration submissions assisted in the processing of applications, predominantly on the CHS front. The electronic solution for the Project and Construction Management (PCM) stream has yet to be fully realised but is expected in the upcoming months.

The image and efficiency of the organisation remains a key priority of the SACPCMP. As a result, a Customer Relationship Management (CRM) Unit was established to assist in improving service to stakeholders.

From a financial perspective and considering that the SACPCMP does not receive any of its funding from the fiscus, the organisation remains financially under strain, with 80% of its revenue generated from annual registration fees which came under pressure due to deregistrations within a tough economic environment.

While the SACPCMP recorded a surplus of R186 025.00 in the 2018/19 financial year off the back of a R3.08 million deficit the previous year, it is becoming increasingly important for the Council to increase the proportion of revenue generated from other sources.

1.3 KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

While no legislative changes or policy developments came into effect in the year past, challenges pertaining to IDoW and the recommended guideline fees still remain. Notwithstanding this, there was a new development: The Council resubmitted, through the CBE, the reformulated scope of services for its registration categories to the Competition Commission (CC) and is awaiting the outcome. With regard to professional fees, it is hoped that in the not-too-distant future, the SACPCMP will publish an interim adjustment of the tariff of fees which were last published in December 2011.

1.4 LEGISLATIVE AND POLICY MANDATES

There is an ongoing review of the Registration Policy, CPD and programme accreditation. It is also envisaged that new policies will be developed for tribunals and appeals in the coming financial year. The need to review policies is premised on aligning these to best practice, removing ambiguities that exist in current policies, and encompassing changes and lessons learnt.

1.5 STRATEGIC OUTCOME-ORIENTED GOALS

The SACPCMP's five strategic goals inform the alignment to its delivery programme structure and the development of strategic objective targets, performance indicators and performance data, as outlined in the rolling Annual Performance Plan (APP).

The Council's strategic goals are to:

- Improve operational effectiveness and efficiencies;
- Increase and retain registration of competent persons;
- Build financial sustainability;
- Assist and monitor the completion of IDoW; and
- Implement mandated programmes and align these to Government priorities.

In November 2018 the SACPCMP embarked on a process to critically examine progress in terms of its strategic position and direction in line with its mandate and the shifts in the environment which impact on planning and delivery.

Arising from this and in line with Government's planning frameworks, the SACPCMP developed its 2019/20 APP as the final plan for implementing the goals outlined in the 2015-2020 Strategic Plan. This plan reflects the planning priorities, revised strategic objectives with five-year targets, aligned MTEF performance indicators, annual targets and budget allocations.





2.1 REGISTRATION, RECOMMENDED GUIDELINE FEES AND IDoW

The strategic goal of the Council's registration activities and programmes are to increase and retain the registration of competent persons.

The SACPCMP experienced a steady growth in the total number of registrations, which increased from 7785 in the 2017/18 financial year to 10 370 in the 2018/19 financial year – a percentage increase of 33%.

The majority of registration increases were in the Construction Health and Safety (CHS) categories, attributable to the requirements for registration being underpinned by legislation. There was an increase in the number of registered Professional Construction Health and Safety Agents from 77 at the end of March 2018 to 93 as at the end of March 2019. However, this number is still too low to meet the actual requirements of the construction industry.

There was a decrease in the number of Registered Persons practising in the PCM stream primarily due to non-payment of annual fees. This was attributed to the depressed economic cycle that led to a downturn in the construction industry. Notwithstanding this, the Council continued to mount awareness campaigns to increase the pool of Registered Persons to contribute to transformation within the sector.

A notable challenge was a small number of candidates who were considered for upgrading to professional status. During the 2017/18 financial year, 58 candidates underwent interviews for consideration of progression; 44 of these were successful. In the 2018/19 financial year, the number of candidates considered for upgrading to professional status increased to 63. Only 44 of these were successful. This is indicative of a number of challenges being experienced, the major one being a relatively low throughput rate.

During the past year, progression was seen in the project planning required to launch the Council's registration of Building Inspectors (BIs). Implementation is expected later in 2019.

Regarding the recommended guideline of fees and Identification of Work (IDoW), these align with the Council's objectives to promote and enforce the high standards of professional ethics and conduct within the Built Environment. In terms of IDoW, the Council has, through the CBE, resubmitted the reformulated scope of work to the Competition Commission (CC) and is awaiting the outcome. It is envisaged that in the foreseeable future the SACPCMP will develop its own IDoW policy, which will be aligned to the policy framework of CBE.

The absence of certainty regarding the publication of guideline professional fees led to a call for the Council to execute its statutory mandate. It is hoped that the Council will publish an interim adjustment of the tariff of fees which were last published in December 2011. Going forward, the SACPCMP will explore the possibility of coming together with other Councils for the Built Environment Professions (CBEPs) to determine alternative modalities of fees to be endorsed by other regulatory bodies with a vested interest in the protection of the public.

2.1.1 REGISTRATION – CONSTRUCTION PROJECT MANAGEMENT AND CONSTRUCTION HEALTH AND SAFETY

| Registration – Construction Project Management | | | | | | |
|---|---|-----------------------------|---|---|---|--|
| Strategic Objectives | Actual Achievement 2017/2018 | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations | |
| Increased number of competent professionals within the Construction Management and Construction Project Management professions. | 2589 (PrCPM; PrCM; PrCMentor, and CMentor) | 2727 | 2635 (PrCPM; PrCM; PrCMentor, and CMentor) | (92) | The inability to meet the target was primarily due to deregistration (due to non-payment of annual fees). | |

Table 2.1.1.1 Strategic Objectives (Registration: CPM)

2.1 REGISTRATION, RECOMMENDED GUIDELINE FEES AND IDoW

Table 2.1.1.2 Strategic Objectives (Registration: CHS)

| Registration – Construction Health and Safety | | | | | | | |
|--|------------------------------------|-----------------------------|------------------------------------|---|--|--|--|
| Strategic Objectives | Actual Achievement 2017/2018 | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations | | |
| Facilitate the increase in the number of Registered Professionals within the Construction Health and Safety profession. | 2221 | 2809 | 3615 | +806 | Stabilisation of electronic registration processes and reduction of the registration backlog; Relatively high number of new applications, especially at CHSO level. | | |

(CONTINUED)

Table 2.1.1.3 Key Performance Indicators, Targets and Achievements (CPM)

| Construction Project Management | | | | | | |
|--|--|-----------------------------|--|---|--------------------------|--|
| Performance Indicator | Actual Achievement 2017/2018 | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations | |
| Cumulative (total) of number of registered candidates across the PrCPM and PrCM registration categories. | 2093 (Candidate Pr.CPM and Candidate PrCM) | 2309 | 2348 (Candidate Pr.CPM and Candidate PrCM) | +39 | | |

Table 2.1.1.4 Key Performance Indicators, Targets and Achievements (CHS)

| | Registration – Construction Health and Safety | | | | | | |
|---|--|---|---|---|---|--|--|
| Performance Indicator | Actual Achievement 2017/2018 | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations | | |
| Cumulative (total) of number of registered candidates across the Construction Health and Safety (CHS) profession. | 874 registered candidates within the CHS profession | 1320 | 1772 | +452 | Stabilisation of electronic registration processes and reduction of the backlog that existed in registration since 2015; Introduction of a direct route to candidate registration at CHSO level. | | |
| Develop and implement a new policy of candidacy support. | Policy under revision | Policy finalised | Structured candidacy refined but policy still under revision. | Policy not yet finalised | Lack of financial resources for comprehensive implementation. | | |
| Develop and implement skills models and examination and assessment tools. | New target | Development and implemen- tation of skills models and examination tools. | Terms of Reference finalised and service provider approved. | | | | |



2.1.1.5 Strategy to Overcome Areas of Underperformance (CHS and CPM)

The Council has a revised 2019/2020 Strategic Plan that addresses improved financial control and revenue, and revision of policies in general, to ensure increased professional registration and a revised continuing development policy to maintain membership.

The SACPCMP continues to mount awareness campaigns with the view to increasing the pool of Registered Persons. This stems from its obligation of ensuring better equipped and competent professionals that would make a meaningful contribution to the infrastructural development of the country. It was encouraging to see an increase in the number of previously disadvantaged individuals (black, coloured and Indian) that surpassed the number of white counterparts, contributing to approximately 83% of registered candidates.

Whilst visible progress in racial transformation is indeed encouraging, the focus going forward will be in assisting candidates to upgrade to professional status within a reasonable period of time.

2.1.1.6 Changes to Planned Targets

There were no changes to planned targets for the current financial year.

Table 2.1.1.7 Linking Performance with Budgets (CPM)

| Construction Project Management | | | | | | |
|--------------------------------------|--------------|-----------------------|-----------------------------|--|--|--|
| | | 2018/2019 | | | | |
| Programme/Activity/Objective | Budget | Actual Expenditure | (Over)/Under Expenditure | | | |
| PCM Assessment of Applications & RPL | 1 373 760,00 | 957 584,04 | 416 268,65 | | | |
| PCM Interviews | 756 677,14 | 620 631,15 | 136 045,99 | | | |
| PCM Meetings | 145 600,00 | 84 022,35 | 61 577,65 | | | |
| PCM Travel & Accommodation | 442 592,00 | 237 818,42 | 204 773,58 | | | |
| PCM Workshops | 376 000,00 | - | 376 000,00 | | | |
| PCM Investigation of Complaints | 840 000,00 | 64 183,96 | 775 816,04 | | | |
| Total | 3 934 629,14 | 1 982 239,92 | 1 970 481,91 | | | |

Table 2.1.1.8 Linking Performance with Budgets (CHS)

| Construction Health and Safety | | | | | | |
|--------------------------------|--------------|-----------------------|-----------------------------|--|--|--|
| | | 2018/2019 | | | | |
| Programme/Activity/Objective | Budget | Actual Expenditure | (Over)/Under Expenditure | | | |
| CHS Assessment of Applications | 25 900,00 | - | 25 900,00 | | | |
| CHS Assessment of Logbooks | 66 666,67 | 13 524,96 | 53 141,71 | | | |
| CHS Training of Assessors | 1 895 910,86 | 1 322 994,39 | 591 009,15 | | | |
| CHS Interviews | 25 983,43 | 61 100,00 | (35 116,57) | | | |
| CHS Appeals | 100 000,00 | 43 830,28 | 56 169,72 | | | |
| CHS Examinations | 60 000,00 | 26 261,70 | 33 738,30 | | | |
| CHS Script Marking | 212 785,71 | 133 400,00 | 79 385,71 | | | |
| CHS-RPL Assessment | 51 857,14 | - | 51 857,14 | | | |
| CHS Meetings | 2 742,86 | 18 260,29 | (15 517,43) | | | |
| CHS Travel & Accommodation | 73 652,57 | 187 222,36 | (113 569,79) | | | |
| Total | 2 515 499,24 | 1 806 593,98 | 726 997,94 | | | |

Table 2.1.1.9 SACPCMP Registration Statistics

| | SACPCMP TOTAL NUMBER OF REGISTERED PROFESSIONALS BY RACE & GENDER | | | | | | |
|--------|---|-------|--------|----------|-------|--|--|
| Gender | African | White | Indian | Coloured | Total | | |
| Male | 591 | 1 731 | 155 | 107 | 2 584 | | |
| Female | 90 | 37 | 7 | 5 | 139 | | |
| Total | 681 | 1 769 | 162 | 112 | 2 723 | | |

| | SACPCMP TOTAL NUMBER OF REGISTERED CANDIDATES BY RACE & GENDER | | | | | | |
|--------|--|-------|--------|----------|-------|--|--|
| Gender | African | White | Indian | Coloured | Total | | |
| Male | 1 859 | 590 | 122 | 188 | 2 759 | | |
| Female | 1 148 | 125 | 27 | 61 | 1 361 | | |
| Total | 3 007 | 715 | 149 | 249 | 4 120 | | |

TOTAL NUMBER OF REGISTERED PROFESSIONALS BY CATEGORY

| | PROFESSIONAL CONSTRUCTION MANAGER | | | | | | |
|--------|-----------------------------------|-------|--------|----------|-------|--|--|
| Gender | African | White | Indian | Coloured | Total | | |
| Male | 123 | 694 | 35 | 31 | 883 | | |
| Female | 9 | 2 | 0 | 0 | 11 | | |
| Total | 132 | 696 | 35 | 31 | 894 | | |

| | PROFESSIONAL CONSTRUCTION PROJECT MANAGER | | | | | | |
|--------|---|-------|--------|----------|-------|--|--|
| Gender | African | White | Indian | Coloured | Total | | |
| Male | 445 | 978 | 113 | 61 | 1 597 | | |
| Female | 74 | 27 | 6 | 5 | 112 | | |
| Total | 519 | 1 005 | 119 | 66 | 1 709 | | |

| PROFESSIONAL CONSTRUCTION MENTOR | | | | | | |
|----------------------------------|---------|-------|--------|----------|-------|--|
| Gender | African | White | Indian | Coloured | Total | |
| Male | 10 | 11 | 3 | 3 | 27 | |
| Female | 0 | 0 | 0 | 0 | 0 | |
| Total | 10 | 11 | 3 | 3 | 27 | |

| | PROFESSIONAL CONSTRUCTION HEALTH AND SAFETY AGENT | | | | | | |
|---|---|----|---|----|----|--|--|
| Gender African White Indian Coloured Tota | | | | | | | |
| Male | 13 | 48 | 4 | 12 | 77 | | |
| Female | 7 | 8 | 1 | 0 | 16 | | |
| Total | 20 | 56 | 5 | 12 | 93 | | |

TOTAL NUMBER OF REGISTERED PERSONS BY CATEGORY

| | CONSTRUCTION HEALTH AND SAFETY MANAGER | | | | | | |
|--------|--|-------|--------|----------|-------|--|--|
| Gender | African | White | Indian | Coloured | Total | | |
| Male | 132 | 394 | 40 | 54 | 620 | | |
| Female | 75 | 65 | 5 | 13 | 158 | | |
| Total | 207 | 459 | 45 | 67 | 778 | | |



| | CONSTRUCTION HEALTH AND SAFETY OFFICER | | | | | | |
|--------|--|-------|--------|----------|-------|--|--|
| Gender | African | White | Indian | Coloured | Total | | |
| Male | 1 044 | 649 | 90 | 257 | 2 040 | | |
| Female | 435 | 195 | 23 | 51 | 704 | | |
| Total | 1 479 | 844 | 113 | 308 | 2 744 | | |

| | CONSTRUCTION MENTORS | | | | | | |
|--------|----------------------|-------|--------|----------|-------|--|--|
| Gender | African | White | Indian | Coloured | Total | | |
| Male | 3 | 2 | 0 | 0 | 5 | | |
| Female | 0 | 0 | 0 | 0 | 0 | | |
| Total | 3 | 2 | 0 | 0 | 5 | | |

TOTAL NUMBER OF CANDIDATES BY CATEGORY

| | CANDIDATE CONSTRUCTION HEALTH AND SAFETY AGENT | | | | | | |
|--------|--|-------|--------|----------|-------|--|--|
| Gender | African | White | Indian | Coloured | Total | | |
| Male | 51 | 43 | 7 | 2 | 103 | | |
| Female | 21 | 12 | 2 | 5 | 40 | | |
| Total | 72 | 55 | 9 | 7 | 143 | | |

| CANDIDATE CONSTRUCTION HEALTH AND SAFETY MANAGER | | | | | | |
|--|---------|-------|--------|----------|-------|--|
| Gender | African | White | Indian | Coloured | Total | |
| Male | 17 | 26 | 1 | 7 | 51 | |
| Female | 9 | 6 | 1 | 2 | 18 | |
| Total | 26 | 32 | 2 | 9 | 69 | |

| CANDIDATE CONSTRUCTION HEALTH AND SAFETY OFFICER | | | | | | | |
|--|-------------------------------------|-----|----|-----|-------|--|--|
| Gender | African White Indian Coloured Total | | | | | | |
| Male | 660 | 161 | 23 | 99 | 943 | | |
| Female | 487 | 78 | 9 | 43 | 617 | | |
| Total | 1 147 | 239 | 32 | 142 | 1 560 | | |

| CANDIDATE CONSTRUCTION MANAGERS | | | | | | |
|---------------------------------|---------|-------|--------|----------|-------|--|
| Gender | African | White | Indian | Coloured | Total | |
| Male | 195 | 192 | 26 | 31 | 444 | |
| Female | 81 | 5 | 2 | 2 | 89 | |
| Total | 276 | 197 | 27 | 33 | 533 | |

| | CANDIDATE CONSTRUCTION PROJECT MANAGERS | | | | | |
|--------|---|-------|--------|----------|-------|--|
| Gender | African | White | Indian | Coloured | Total | |
| Male | 936 | 168 | 65 | 49 | 1 218 | |
| Female | 55 | 24 | 14 | 9 | 597 | |
| Total | 1 486 | 192 | 79 | 58 | 1 815 | |

2.1.2 REGISTRATION OF BUILDING INSPECTORS

Stakeholder engagement with a number of organisations highlighted the importance of establishing a regulatory framework for the professionalisation of the discipline of Building Inspectors (BIs) through one of the Councils for the Built Environment Professions. The SACPCMP was identified as the most preferable body to represent this, and it was thus agreed that it be the custodian of the discipline. The consensus was that it would be through the regulatory framework that public interest would be assured, and that competent and diligent inspections could improve on the quality of building and construction.

Over the past year, progression was made in the planning to launch the Registration of Building Inspectors.

The SACPCMP established a task team consisting of a representative group from Government, industry and academia with a vested interest in the Building Inspectors discipline to spearhead the opening-up of registration.

The task team has provided technical advice on the Building Inspectors Registration categories, the development of the required competencies for each of the registration categories, the development of the scope of services and the development of registration criteria. The categories of registration will fall under specified categories that the Council can prescribe as allowed for under section 18(c) of the PCM Act (Act No 48 of 2000). It is envisaged that the launch of registration will take place towards the latter part 2019.



2.1.3 IDENTIFICATION OF WORK (IDoW)

Section 26 of the Project and Construction Management Act No 48 of 2000 mandates the SACPCMP, following consultation with Voluntary Associations (VAs), any person, body or industry, to submit recommendations to the Council for the Built Environment (CBE) regarding the type of Project and Construction Management (PCM) work which may be performed by persons registered in any of the categories referred to in section 18 of the Act. This extends to include work which may fall within the scope of any other profession regulated by the Professions Act referred to in the CBE Act (Act No 43 of 2000).

The SACPCMP views the Identification of Work (IDoW) as being for the protection of the public interest. This is due to an enabling mechanism under section 18(2) of the Project and Construction Management Act that seeks to prevent unregistered and incompetent persons from executing PCM work.



In accordance with the CBE Act, the CBE is required to consult with the Competition Commission (CC) before the finalisation of the IDoW.

Through the CBE, the Council has resubmitted the reformulated scope of work to the CC and is awaiting the outcome. The newly developed IDoW framework encompasses a scope of practice for each category of registration for consideration by the CC. It is envisaged that in the foreseeable future, the SACPCMP will develop its own IDoW policy which will be aligned to the policy framework of CBE.

2.1.3.1 Strategic Objectives, Performance Indicators, Targets and Achievements

The strategic objective of this programme is to promote and enforce the high standards of professional ethics and conduct within the Built Environment through the IDoW. In terms of progress, this is a new indicator.

The strategic objective target for this (2015/16 to 2019/20) is to have one IDoW published in the first month of the new financial year, pending the outcome of the case with the CC.

2.1.4 RECOMMENDED GUIDELINE PROFESSIONAL FEES

In accordance with section 34 of the Project and Construction Management Act No 48 of 2000, the SACPCMP, following

consultation with the VAs, is required to formulate and publish recommended guideline fees. Section 34(2) of the same Act also requires the SACPCMP to annually review and thereafter publish these fees, which are to become applicable from the 1st of January up to the 31st of December each year.

The Council took the decision from the beginning of 2013 not to publish the fees based on the advice from the CC that the publication of the fees in their current format was deemed by them to be an anti-competitive measure. It was on this basis that an exemption application was made to the CC, which was rejected.

It was expected that this would form the basis of an appeal by the CBE on behalf of all of the Built Environment Professional Councils, and in the absence of certainty regarding the publication of guideline professional fees (not only for the SACPCMP but also for other CBEPs), our Registered Persons as well as independent representatives have called for the Council to execute its statutory mandate.

It is hoped that in the not-too-distant future, the SACPCMP will publish an interim adjustment of the tariff of fees which were last published in December 2011. Going forward, the Council will explore (in conjunction with the other CBEPs) the possibility of coming together to determine alternative modalities of fees endorsed by other regulatory bodies with a vested interest in the protection of the public.

2.2 TRANSFORMATION AND RECOGNITION OF PRIOR LEARNING

Transformation in the industry has always been a buzzword and the Council took the bold step to set up a forum to accelerate progress that has been sorely lacking.

The SACPCMP's strategic objective is the transformation of the Built Environment management professions. To this end, a number of transformation activities were developed, including a Transformation Committee and various youth engagement activities.

The SACPCMP's youth engagement activities also aligned with the strategic objective of improving stakeholder perceptions of the Council, and the strategic goals of implementing mandated programmes and aligned to Government priorities in terms of issues such as transformation.

In May 2009, the Council commenced with the implementation of Recognition of Prior Learning (RPL) on the basis that it viewed this as being a key driver of transformation. This gained steady traction, allowing the registration of persons through proven demonstration of competency accumulated over ten or more years. The existing policy is to be reviewed with a view of having standalone policies designed for the professional stream and non-professional registration categories to allow for an increase of registration through this route.

2.2.1 TRANSFORMATION

Table B.2.2.1.1 Strategic Objectives (Transformation)

| Transformation | | | | | |
|---|---|---|--|---|--------------------------|
| Strategic Objectives | Actual Achievement 2017/2018 | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations |
| Transformation of the Built Environment management professions (Indicator: % of HDI RPs across all registration categories – PrCPM, PrCMentor, CMentor PrCM & PrCHSA, CHSM, CHSO). | 32% HDI registered professionals (1506/4709) | Targets were not formalised for this period. | HDI registered professionals (4400/6843) | No deviations | None |
| Transformation: Implement mandated programmes and align to Government priorities. | New initiative | Targets were not formalised for this period. | Three activities | No deviations | None |

Table B.2.2.2 Key performance Indicators, Targets and Achievements

| | | Transformation | | | |
|--|--|--|---|---|--------------------------|
| Performance Indicator | Actual Achievement 2017/2018 | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations |
| Transformation of the Built Environment management professions (Cumulative number of HDI RPs across all registration categories – PrCPM, PrCMentor, CMentor PrCM & PrCHSA, CHSM, CHSO). | 1 506 HDI professional registrations across all registration categories. | Targets were not formalised for this period. | 2575 HDI professional registrations across all registration categories | No deviations | None |
| Transformation of the Built Environment management professions (Cumulative number of female RPs across all registration categories – Pr. CPM, Pr. C Mentor, C Mentor Pr. CM & PrCHSA, CHSM, CHSO). | 590 female professional registrations across all registration categories. | Targets were not formalised for this period. | 1 001 female professional registrations across all registration categories | No deviations | None |
| Transformation of the Built Environment management professions (Cumulative number of RPs across all registration categories for RPL – PrCPM, PrCMentor, CMentor PrCM & PrCHSA, CHSM, CHSO). | 5 RPL professional registrations across all registration categories. | Targets were not formalised for this period. | 10 RPL professional registrations | No deviations | None |



| Transformation | | | | | |
|---|---|--|---|--|---|
| Performance Indicator | Actual Achievement 2017/2018 | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations |
| Transformation: Implement mandated programmes and align to Government priorities. | New initiative to ensure that the organisational image is enhanced among stakeholders, and to support transformation objectives. | Targets were not formalised for this period. | Youth activations at five universities to address negative industry stigma and promote development of the skills pipeline. | No deviations | New initiative |
| Transformation: Implement mandated programmes and align to Government priorities. | New initiative to ensure that the organisational image is enhanced among stakeholders, and to support transformation objectives. | Targets were not formalised for this period. | Attendance of one Ministerial Career Day. | No deviations | New initiative |
| Transformation: Implement mandated programmes and align to Government priorities. | New initiative to ensure that the organisational image is enhanced among stakeholders, and to support transformation objectives. | Targets were not formalised for this period. | Development of Student Chapter initiative, Youth Portal and Career Guide. | Design updates of material for the Career Guide required. | Career Guide updates will be implemented in the new financial year. |

2.2.1.1 Recognition of Prior Learning (RPL)

The Council's RPL efforts have gained steady traction, and to this end, the SACPCMP committed to having RPL workshops in major centres across the country to increase the throughput of persons to be registered via the RPL route.

RPL is an alternative for those who do not have the recognised formal qualifications for registration and, for now, only applies to the categories of Construction Project Management and Construction Management.

During the 2018/19 financial year, the SACPCMP had 10 applicants registered in the professional categories, the make-up of which was three Professional Construction

Project Managers and seven Professional Construction Managers.

The Council has identified some challenges that generally impede applications from registering though the RPL route, which are:

- Inadequate support from employers;
- Lack of clarity on the knowledge areas to be covered;
- Lack of clarity on the required registration competencies;
- Incomplete reporting and supporting documentation on experience as required through the toolkit; and
- Incorrect perception that the compilation of the required Portfolio of Evidence is cumbersome and very demanding.

2.2 TRANSFORMATION AND RECOGNITION OF PRIOR LEARNING

(CONTINUED)

On the realisation that most applicants who pursue registration through the RPL route experience difficulties in compiling the Portfolio of Evidence, the SACPCMP now intends to host RPL workshops that will guide applicants on how to compile their documentation, as well as the

preparation required for the oral assessment. The Council will also review the existing RPL policy with the aim of having a two-tier toolkit for the professional and non-professional categories.

Table B.2.2.2.1 RPL Annual Statistics

| RPL Annual Statistics | Total | | |
|--|---|--|--|
| Number of professionals registered through RPL | Three Pr. CPMs and seven Pr. CMs | | |
| Percentage of Registered Professionals through RPL | 0.17% of Pr. CPMs and 0.78% of Pr. CMs | | |
| Number of people who paid to pursue registration through RPL | 23 | | |
| Number of RPL applications in process | Three approved to undergo an interview; Three portfolios still undergoing assessment; Two with outstanding information on submitted portfolios; and I5 portfolios still to be submitted. | | |
| Number of rejected RPL applications | Zero | | |

2.2.2.2 Transformation Committee

A Transformation Committee was established to drive transformation in the Built Environment. The Committee represents a hub of diverse skills, including representatives from the Human Resource Development Council (HRDC) of South Africa, Thuthuka, the Independent Development Trust, Department of Public Works, the CBE, and Master Builders, to name but a few. This powerful think tank devised a strategy and an implementation plan to drive strategic transformation objectives.

Initiatives will be mainly channelled through the SACPCMP's Student Chapter after the Committee has finalised the implementation plan.

The draft Transformation Strategy was developed and circulated to the Presidential Forum, to be spearheaded by the SACPCMP President to ensure that the VAs work in close collaboration to maximise impact in the area of transformation. A Transformation Workshop is planned for the new financial year to identify strategic milestones for implementation.

2.2.2.3 Youth Activations

The SACPCMP worked with HDI Youth Marketeers to formulate a creative strategy to convey salient messages to the youth, especially those from historically disadvantaged groups. Youth activations included five lecture takeovers at universities, 14 university seeder activations, and advertisements on seven campus radio stations. Experts in youth activation, HDI Youth Marketeers, who develop *Generation NEXT*, a supplement on youth published in the *Sunday Times*, were engaged.

Professional actors took over the last 10 minutes of lectures at SACPCMP-accredited universities: University of Pretoria; University of the Free State; Mangosuthu University of Technology; Cape Peninsula University of Technology; and Walter Sisulu University. The actors introduced the SACPCMP to students using the Game of Thrones theme. Thereafter, students engaged Registered Persons in an information dissemination area and registered for the SACPCMP Student Chapter.

The SACPCMP also drafted a proposal for CBE on the running of a youth camp and hopes to take this forward in the next year.





Figure B.2.2.2.3 SACPCMP Youth Activations

2.2.2.4 Student Chapter and Career Guide

The SACPCMP's Student Chapter initiative looks to promote youth engagement within the industry and encourage a sustainable pipeline of professionals entering the Project and Construction Management (PCM) sectors in South Africa. A dedicated Youth Portal (www.Y2P.org) has formed part of the Council web design. Under its Student Chapter initiative, the SACPCMP developed a Career Guide to assist learners in making career choices and to encourage them to consider a career in the PCM industry. The guide also provides them with fun facts as well as debunking myths that exist in the industry. The guide will be posted on the Student Chapter Youth Portal in the new financial year.

As part of its student outreach programme, the SACPCMP will also be sponsoring a selection of awards at the Nelson Mandela University annual prize giving, to be held in Port Elizabeth in 2019.

2.2.2.5 School Youth Development and Awareness

The Stakeholder Relations and Communications (SRC) Department teamed up with the CBE and the Department of Public Works to attend the 2019 Ministerial Career Expo in Mpumalanga. School youths and their educators were advised on the benefits offered by pursuing a career in the CPM and CHS sectors. Y2P.org was marketed to learners, who were also encouraged to take up mathematics and science as their subject choices, should they look to entering the CPM sector.

2.2.2 LINKING PERFORMANCE WITH BUDGETS

Transformation and RPL budgets are integrated in the SRC, CPM and CHS budgets.



Figure B.2.2.2.4 SACPCMP Youth Activations





2.3 CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

The overarching aim of continuing professional development (CPD) is to ensure that the knowledge and competencies of Registered Persons (excluding candidates) are continuously developed and that they acquire updated levels of knowledge and skills to promote professional integrity. Improved CPD compliance aligns to the SACPCMP's strategic goal of increasing and retaining the registration of competent persons.

The existing CPD policy was implemented with effect from 1 April 2012 and, on account of some implementation

teething problems, a decision was made to holistically review it. An important aspect that necessitated the review was to ensure alignment as well as harmonisation to other Councils for the Built Environment Professions' CPD policies as well as the CBE Policy Framework. The revised policy was published in the Gazette for comment, closing on 18 April 2019. All received comments will be considered before the policy's publication for implementation in the 2019/2020 financial year.

| Continuing Professional Development | | | | | | |
|---|------------------------------------|---|------------------------------------|---|--------------------------|--|
| Strategic Objectives | Actual Achievement 2017/2018 | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations | |
| Increased CPD compliance: 60% of Registered Professionals in all categories to be CPD compliant by the end of their five-year cycle. | 57% CPD compliant (29/51) | Targets were not formalised for this period | 69% | No deviations | None | |

Table B.2.3.1 Strategic Objectives (CPD)

Table B.2.3.2 Key Performance Indicators, Targets and Achievements

| Continuing Professional Development | | | | | | |
|--|--|--------------------------------|---|---|--------------------------|--|
| Performance Indicator | Actual Achievement 2017/2018 | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations | |
| Increased CPD compliance: Number of Registered Persons completing CPD activities. | 51 registered persons completing CPD activities | New indicator | 34 out of 49 people compliant (69%) | No deviations | None | |
| Increased CPD compliance: Cumulative (total) number of validated short courses by providers in all CPD categories. | 133 validated short courses | New indicator | 187 validated short courses | No deviations | None | |

(CONTINUED)

Uncompliant persons from the CPD cycle that ended on 31 March 2019 were on suspension in accordance with the prescripts of section 13 of the CPD policy. Although they were eligible for deregistration, approval was granted in March 2019 at the 61st Council Meeting for an extension (until 31 July 2019) on the deregistration to allow time for administration for CPD uploads and approval of profiles of those still submitting filings. The Council approved 26 new applications for CPD exemption, which will be reviewed on an annual basis.

| CPD Cycle Ending Date | Filed | No Fillings | Complied | Not Complied | Total Registered Persons | Complied in Previous Cycle | Total Registered Persons Eligible | Compliance % |
|--------------------------|-------|-------------|----------|-----------------|--------------------------------|----------------------------------|--|-----------------|
| 3/31/2017 | 1024 | 393 | 833 | 584 | 1417 | | 1417 | 59% |
| 3/31/2018 | 40 | 9 | 34 | 15 | 49 | | 49 | 69% |
| 3/31/2019 | 67 | 31 | 50 | 48 | 98 | | 98 | 51% |
| 3/31/2020 | 74 | 64 | 38 | 100 | 138 | | 138 | 28% |
| 3/31/2021 | 205 | 318 | 69 | 454 | 523 | | 523 | 13% |
| 3/31/2022 | 832 | 1114 | 129 | 1817 | 1113 | 833 | 1946 | 7% |
| 3/31/2023 | 136 | 991 | 6 | 1121 | 1093 | 34 | 1127 | 1% |
| 3/31/2024 | 91 | 1625 | 1 | 1715 | 1666 | 50 | 1716 | 0% |
| Totals | 2469 | 4545 | 1160 | 5824 | 6097 | 917 | 7014 | 17% |

Table B.2.3.2.1 CPD Compliance Cycles

The SACPCMP has received most annual CPD reports through email and post from Registered Persons (RPs) and has encouraged RPs to upload their documents online. Once uploaded, the online profiles of RPs are reviewed and updated to provide comprehensive CPD reports for data quality purposes.

The Council faced the following challenges over the past year:

- RPs not submitting their CPD filings on an annual basis but rather submitting at the end of their five-year cycle. This caused cumbersome administrative work as most were manual submissions.
- An administration burden due to manual CPD verification.

- Despite repeated reminders, RPs failing to comply with CPD requirements.
- Complaints regarding course costs and (the lack of) accessibility of venues and locations where courses are conducted.
- A lack of compatibility in CPD requirements between the different CBEPs.
- Delays resulting from service provider submissions in terms of CPD validation.

However, the re-configuration of the CPD programme on the YM system during the 2018/19 financial year assisted in sending reminders to those who had not complied. In addition, the Council was able to view CPD compliance percentages and the number of those who are not CPD compliant for all current CPD cycles.

Table B.2.3.3 Linking Performance With Budgets

| | 2018/2019 | | | |
|------------------------------|-----------|-----------------------|-----------------------------|--|
| Programme/Activity/Objective | Budget | Actual Expenditure | (Over)/Under Expenditure | |
| Assessment of applications | 30 000,00 | 33 550,00 | (3 550,00) | |
| CPD Meetings | 20 000,00 | 25 069,22 | (5 069,22) | |
| CPD Workshops | 20 000,00 | - | 20 000,00 | |
| Total | 70 000,00 | 58 619,22 | 11 380,78 | |



With a view to further improvement, Council has identified the need to configure IT systems to align with PrivySeal so as to update the CPD cycle date on the PrivySeal certificate once compliance is achieved. In addition, and to increase the level of compliance, the SACPCMP has developed tailor-made CPD promotional material for RPs that can be accessed via the Council's website and plans to embark on provincial roadshows in the year ahead to boost CPD awareness. Other planned initiatives include the marketing of CPD online bundles, automated statements being issued through the online CPD platform, and regular communication regarding validated courses.

2.4 PROGRAMME ACCREDITATION

Accreditation evaluates and subsequently maintains the quality and standards of Project and Construction Management programmes that are offered by the institutions. The accreditation process is guided and overseen by the SACPCMP's Programme Accreditation Committee which appoints and oversees Accreditation Panels to undertake accreditation visits with representation from the CBE. The Accreditation Panel's recommendations are considered and recommended to the Council to either conditionally or unconditionally grant, refuse or withdraw previous accreditation by the SACPCMP to the relevant institutions.

Table B.2.4.1 Strategic Objectives, Performance Indicators, Targets and Achievements

| Programme Accreditation | | | | | | | |
|--|------------------------------------|---|------------------------------------|---|--------------------------|--|--|
| Strategic Objectives | Actual Achievement 2017/2018 | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations | | |
| Increase and retain registered competent persons through quality accreditation programmes | | Targets were not formalised for this period | | No deviation | None | | |

Table B.2.4.2 Key Performance Indicators

| Programme Accreditation | | | | | | | |
|--|---|---|---|---|--------------------------|--|--|
| Performance Indicator | Actual Achievement 2017/2018 | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations | | |
| Percentage of the total number of accredited universities (13) retaining full or provisional accreditation status | 77% of the total number of accredited universities 10 of 13 | Targets were not formalised for this period | 77% of the total number of accredited universities 10 of 13 | No deviation | None | | |
| | | | | | | | |

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2.4 PROGRAMME ACCREDITATION

(CONTINUED)

2.4.1.1 Review of the Programme Accreditation Policy

The Programme Accreditation Policy was revised and will be published for public comments. The revision was to align to updated benchmarks, ensuring that the higher educational institutions can deliver the cohorts of graduates required within the industry, as well as aligning the policy to lessons learnt from the first and second accreditation cycles. Changes in technology, brought to the fore issues around sustainability, the environment and climate change, and the inclusion of these in the curricula, also necessitated the policy revision.

2.4.1.2 Heads of Department Forum

A Heads of Department (HOD) Forum convenes on an annual basis with all accredited institutions to enhance the relationships between the Council and the institutions. This serves as a platform for the institutions to become acquainted with the Programme Accreditation Policy Framework, procedures and evaluation of annual reports, as well as offering suggestions on refinements to be made to the Framework.

At the HOD Forum Meeting held in June 2018, one of the pertinent issues discussed was the need to adopt a standard naming convention for qualifications. This was accepted in principle, to provide a standard naming qualification guideline to be utilised by all the institutions. This is being looked into, with assistance and guidance to be sought from the CHE.

2.4.1.3 Construction Health and Safety Programme Accreditation

There is a need for Institutions of Higher Learning to offer accredited programmes from undergraduate to postgraduate level to meet the requirements of Construction Health and Safety (CHS). However, the overall strategic response by accredited institutions in developing specialised programmes to respond to the requirements of the CHS professions has still not occurred. Therefore, a dedicated task team will work towards defining educational entry criteria for purposes of accrediting these qualifications in the year ahead.

2.4.1.4 Shortage of Assessors

There is an acute shortage of assessors for conducting accreditation visits as well as carrying out assessments of the annual reports. An approach will be made to the HODs to assist in nominating persons they deem fit, with a view of having suitably experienced persons from both academia and active practitioners to augment the existing pool.

2.4.2 KEY PERFORMANCE INDICATORS, PLANNED TARGETS AND ACTUAL ACHIEVEMENTS

Assessments for confirming the accreditation status of tertiary institutions (completed in Q4 annually) are to take place in the new financial year.

| | | 2018/2019 | | | |
|------------------------------|------------|-----------------------|-----------------------------|--|--|
| Programme/Activity/Objective | Budget | Actual Expenditure | (Over)/Under Expenditure | | |
| Assessment Fees | 188 571,43 | 242 000,00 | (53 428,57) | | |
| Travel & Accommodation | 10 000,00 | 5 681,48 | 4 318,52 | | |
| Gratuity | 20 000,00 | | 20 000,00 | | |
| Meetings | 20 000,00 | 9 075,35 | 10 924,65 | | |
| Total | 238 571,43 | 256 756,83 | (18 185,40) | | |

Table B.2.4.3 Linking Performance With Budgets



Table 2.4.3.1 SACPCMP-accredited Tertiary Institutions

| Institution | Accredited Programmes | Accreditation Status as at March 2019 |
|---|---|--|
| University of the | Bachelor of Science: Construction StudiesBachelor of Science: (Hons) Construction Management | Five-year accreditation status (Provisionally approved) |
| Witwatersrand (WITS) | Master of Science: Building in Construction Project Management | Five-year accreditation status |
| University of Johannesburg | National Diploma: BuildingBachelor of Technology: Construction Management | Five-year accreditation status |
| University of Pretoria | Bachelor of Science: Construction ManagementBachelor of Science: (Hons) Construction Management | Five-year accreditation status (Provisionally approved) |
| | Master of Science in Project Management | Five-year accreditation status |
| Tshwane University of Technology | National Diploma: BuildingBachelor of Technology: Construction Management | Five-year accreditation status |
| University of the Free State | Bachelor of Science: Construction Management Bachelor of Science: (Hons) Construction Management Master of Land and Property Management (MLPM) | Five-year accreditation status |
| | National Diploma: BuildingBachelor of Technology: Construction Management | Five-year accreditation status |
| Nelson Mandela University | Baccalaureus Scientiae in Construction Studies – BSc (Construction Studies) Baccalaureus Scientiae in Construction Management – BSc (Hons) (Construction Management) Magister Scientiae in Built Environment, Construction Management Specialisation Magister Scientiae in Built Environment, Construction Health and Safety Management Specialisation Magister Scientiae in Built Environment, Project Management Specialisation | Five-year accreditation status |
| University of Cape Town | Bachelor of Science: Construction StudiesBachelor of Science: (Hons) Construction Management | Five-year accreditation status |
| Cape Peninsula University of Technology | National Diploma: Building Bachelor of Technology: Construction Management | Five-year accreditation status |
| Durban University of Technology | National Diploma: BuildingBachelor of Technology: Construction Management | Five-year accreditation status |
| Central University of Technology | National DiplomaBachelor of Technology: Construction Management | Five-year accreditation status |

2.5 COMMUNICATIONS AND STAKEHOLDER RELATIONS

The SACPCMP has continued with its communications and stakeholder relations activities to better communicate Council-related information to showcase thought leadership, development or updates regarding registration and stakeholder engagement.

The SACPCMP has communicated key messages to stakeholders through a variety of different innovative channels and initiatives, including a selection of programmes, events, social and online media, publications, a customer relationship management programme and media interaction.

The majority of the Council's Stakeholder Relations and Communications (SRC) activities support the SACPCMP's strategic goal towards improving operational effectiveness and efficiencies, with a strategic objective of improving stakeholder perceptions of the SACPCMP. To this end, the SRC Department has formalised a Marketing, Communications and Stakeholder Relations Management (MC&SRM) plan to monitor and manage milestones annually.

2.5 COMMUNICATIONS AND STAKEHOLDER RELATIONS (CONTINUED)

Table B.2.5.1 Strategic Objectives

| Stakeholder Relations and Communications | | | | | | |
|---|------------------------------------|-----------------------------|------------------------------------|---|--------------------------|--|
| Strategic Objectives | Actual Achievement 2017/2018 | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations | |
| Improved stakeholder perception of the SACPCMP | Five activities | Eight activities | Eight activities | No deviations | None | |

Table B.2.5.2 Key performance Indicators, Targets and Achievements

| | Stakeholder Relations and Communications | | | | | |
|---|--|---|--|---|--|--|
| Performance Indicator | Actual Achievement 2017/2018 | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations | |
| Improved stakeholder perception of the SACPCMP | Hosting/presentation of Summit and Conference | Hosting/presentation of one Summit and one Conference | Construction Management Summit (July 2018) Project Construction Management Conference (Oct 2018) | No deviations | None | |
| Improved stakeholder perception of the SACPCMP | New initiative to ensure that the organisational image is enhanced and operational effectiveness is improved | Customer Relationship Management (CRM) pilot programme | CRM team implemented | Pilot programme implemented as a permanent service | The need for a CRM team was identified through the pilot phase and thus implemented permanently | |
| Improved stakeholder perception of the SACPCMP | New initiative to ensure that the organisational image is enhanced through marketing organisational benefits | Structured communications via online forums – Brandlive/Shape Shifter vidcasts and podcasts (seven shows) | Brandlive/Shape Shifter vidcasts and podcasts (seven shows) | No deviations | None | |
| Improved stakeholder perception of the SACPCMP | Regular communi- cation via online forums to enhance organisational image among stakeholders | Communication via social and online forums | Regular posting of content via SACPCMP social media platforms; Regular internal communication updates to staff | No deviations | None | |
| Improved stakeholder perception of the SACPCMP | Regular communication via website to enhance organisational image and update stakeholders | SACPCMP website update | SACPCMP website update | No deviations | None | |



| | Stakeholder Relations and Communications | | | | | | |
|---|--|---|---|---|---|--|--|
| Performance Indicator | Actual Achievement 2017/2018 | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations | | |
| Improved stakeholder perception of the SACPCMP | Ensure that the organisational image is enhanced through engagements with stakeholders, the media, Registered and Unregistered persons by marketing the benefits of the organisation | Media interaction | Hosting of the Annual Press Club | No deviations | None | | |
| Improved stakeholder perception of the SACPCMP | Pilot edition of Shape Shifter | Communications via publications | Quarterly publication of SACPCMP magazine, Shape Shifter (print and/or digital) | No deviations | None | | |
| Percentage implementation of milestones of the annually approved MC&SRM | New indicator | Development of annual MC&SRM plan | Development of annual MC&SRM plan | No deviation | Existing activities to be addressed in alignment to the developed plan | | |

2.5.2.1 SACPCMP Events

Construction Management Summit

The Seventh Construction Management Summit was held from 27 to 28 June 2018 at Emperors Palace in Johannesburg. The Summit was graced by the Honourable Deputy Minister of Public Works who delivered the keynote opening address as well as an international guest speaker from the Australian Institute of Building. The summit was attended by 331 participants, which is the highest number recorded since the first event in June 2012. Attendees were from various backgrounds such as construction management professionals, registered candidates, students, civil society, municipal officials, Government officials and academia.



Project and Construction Management Conference

The overall theme of the SACPCMP Conference is *Growth, Development and Transformation of the Project and Construction Management Professions.* This has been consistent for the previous five conferences, which were preceded by master classes on cross-cutting topics within the industry. The 6th Project and Construction Management Professions Conference took place at the Gallagher Convention Centre in Midrand from 29 to 31 October 2018. The main conference forum saw the Minister of Public Works, Thulas Nxesi, deliver the keynote address, and thank the outgoing Registrar, Nomvula Rakolote, for her contribution to the SACPCMP. The event boasted a blend of industry-related topics and ran over two days.

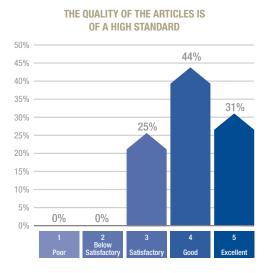
A gala dinner, held on 30 October, saw an official farewell of the outgoing Registrar where Council members, staff, and associates paid tribute to Ms. Rakolote.

2.5.2.2 SACPCMP Communications and Publications

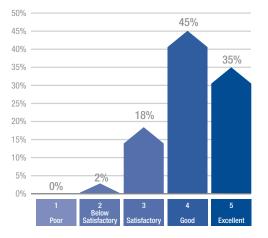
Shape Shifter Magazine

The quarterly magazine has grown from strength to strength. It is industry-focused and it features articles written by content specialists, as well as the profiling of Registered Persons and academics. Youth participation is also encouraged.

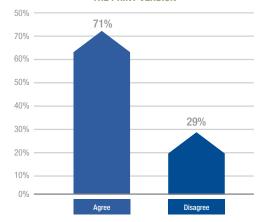
Figure B.2.5.2 Shape Shifter Survey Results



THE DESIGN AND LAYOUT ARE CREATIVE ELEMENTS THAT PROVIDE A GOOD READING EXPERIENCE

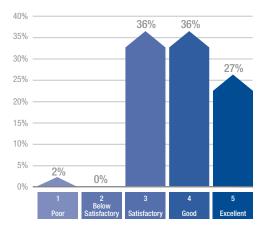


I PREFER THE DIGITAL VERSION TO THE PRINT VERSION

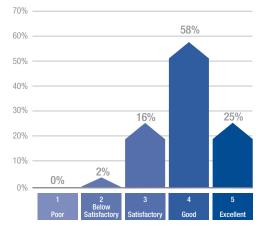


A survey was conducted to determine satisfaction and it was encouraging to note that readers were pleased with the magazine. Readers also noted that they preferred the digital version to the printed version.

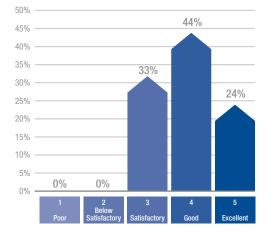
THE INDIVIDUALS BEING PROFILED ARE RELEVANT AND REFLECT THE DEMOGRAPHICS OF THE INDUSTRY



THE ARTICLES ARE WELL WRITTEN AND STIMULATING TO READ



THE ARTICLES ARE INDUSTRY RELATED AND ARE OF A HIGH STANDARD



DEVELOP | GROW | PROSPER



SACPCMP Website

A new website design was implemented, and now incorporates social media. The new design boasts seamless navigation and new information posted regularly. A rolling banner is used to post highlights and

new developments. There is a dedicated page for PrivySeal which is embedded in the website. The Youth Portal (www.Y2P.org) is also embedded as part of the main SACPCMP website.

Brandlive

The SRC Department produces regular marketing collateral in the form of podcasts and vidcasts (also under the Shape Shifter title) hosted by Brandlive, an internet radio station. Each month, interviews are distributed via social media and bulk mailers to stakeholders. Content via this platform ensures that the SACPCMP has a credible and stable avenue through which to communicate messaging in a controlled environment.

Other organisations utilising Brandlive include The Mail & Guardian, the CSIR, N2Growth Africa, Section 27, Green

Innovation Magazine, Entrepreneurial Pitstop and The Profiler (SAPS).

Show topics or guests covered to date include:

- Isaac Nkosi Introduction of President
- Continuing professional development (CPD)
- Gregory Mofokeng and Thabo Masombuka Conference
- Sigi Naidoo Coaching and the Conference
- The CBE Transformation Indaba
- PrivySeal: How it works
- Deregistration



Figure B.2.5 Brandlive/Shape Shifter Filming

Social and Online Platforms

To improve both internal and external stakeholder perceptions of the Council, the SRC Department produces and posts/distributes regular communication via social and online forums. This includes platforms such as Facebook, LinkedIn and Twitter, as well as the distribution of information via SACPCMP's bulk mailer system, and internal communication regular to staff.

A social media strategy will be developed in the year ahead to review the effectivity of the Council's social media communications and how this can be further utilised to enhance the organisation's image as well as support the strategic goal of increasing and retaining registrations.

2.5.2.3 Customer Relationship Management (CRM) Programme

A CRM team was structured as a pilot programme to assist in the improvement of operational effectiveness and efficiencies of the Council. A group of women were trained to manage all calls and e-mails from Registered Persons, track and monitor complaints on social media and ensure that high-level queries were escalated. The team also managed the reception area of the SACPCMP.

While the team was successful in assisting with problematic issues, as well as highlighting 'pain points' in the registration processes, the year ahead will look at streamlining the team's efforts and the utilisation of software to ensure that accurate reporting and complaint resolution are addressed.

2.5 COMMUNICATIONS AND STAKEHOLDER RELATIONS (CONTINUED)

2.5.2.4 Media Interaction

Hosting the National Press Club

On 24 May 2018, the SACPCMP hosted the National Press Club at the Court Classique Hotel in Pretoria. This event was part of the SRC Department's efforts to maintain a positive relationship with the media.

The focus of the evening's presentation was Construction Health and Safety. The SACPCMP donated three high-end gifts and each guest received a branded bag and Councilrelated publications. The evening was a great success and will be organised annually.

2.5.2.5 Voluntary Associations

THE SACPCMP's Voluntary Associations (VA) Recognition Framework has been revised to ensure alignment with the overall VA Recognition Framework of the Council for the Built Environment, endorsed by the DPW. Over the last three years, the registered VAs increased from 10 to 17.

The overall purpose of having a functional VA platform in addition to the Council's mandate as per the Act 48 of 2000, is to ensure consultation takes place with VAs on strategic initiatives. This prevents VAs operating in silos and ensures effective use of joint resources that drive the increase in membership for the relevant categories of registration within the Council's ambit.

Table B.2.5.2.5 Accredited Recognised Voluntary Association Members

| | Organisation | Abbreviation |
|----|--|--------------|
| 1 | Association of Construction Health and Safety Management | ACHASM |
| 2 | Association of South African Quantity Surveyors | ASAQS |
| 3 | Master Builders Association North | MBA North |
| 4 | The South African Institution of Civil Engineering | SAICE |
| 5 | The South African Institute for Occupational Safety and Health | SAIOSH |
| 6 | South African Forum of Civil Engineering Contractors | SAFCEC |
| 7 | Consulting Engineers South Africa | CESA |
| 8 | Master Builders South Africa | MBSA |
| 9 | Master Builders Association Free State | MBAFS |
| 10 | Chartered Institute of Building | CIOB |
| 11 | South African Roads Federation | SARF |
| 12 | Master Builders Association KwaZulu-Natal | MBA KZN |
| 13 | Association of Construction Project Managers | ACPM |

Table B.2.5.2.5 Non-accredited Recognised Voluntary Association Members

| | Organisation | Abbreviation |
|---|--|--------------|
| 1 | Royal Institute of Chartered Surveyors | RICS |
| 2 | Institute of Safety Management | IOSM |
| 3 | South African Institute of Architects | SAIA |
| 4 | Master Builders Association Western Cape | MBA WC |

Objectives, Performance and Achievements

Quarterly VA Forum meetings address challenges in the industry, suggest remedies for challenges identified and ensure cross pollination of the information across the Built Environment. The Council updates VAs on projects planned, stakeholder engagement sessions as well as other events or activities scheduled for the forthcoming quarters. Through meetings held during the 2018/2019 financial period, a number of strategic challenges were identified and discussed, some of which included:

- Tariff of fees
- Transformation
- Voluntary Associations Framework
- Identification of Work (IDoW)



Table B.2.5.2.6 VA Forum Engagements 2018/2019

| Performance Indicator Planned Target 2018/2019 | | Actual Achievement 2018/2019 | Deviation from Target | |
|---|------------------|---------------------------------|-----------------------|--|
| VA Forum Meeting | 19 February 2019 | 19 February 2019 | None | |
| VA Forum Meeting | 15 November 2018 | 15 November 2018 | None | |
| VA Forum Meeting | 12 July 2018 | 12 July 2018 | None | |
| VA Forum Meeting | 6 March 2018 | 6 March 2018 | None | |

2.5.2.6 Presidential Forum

The SACPCMP took the decision at the end of 2017 to establish a Presidential Forum Committee, to bring the private and public sectors together to ensure collaboration and alignment to the strategies of the public sector, while utilising the experience and expertise from the private sector. From the initial induction session held, four themes were identified as focal point challenges to be addressed in this platform: legislation, skills development, transformation and sustainability.

Table B.2.5.2.7 SACPCMP Presidential Forum Participants

| | Organisation | Abbreviation |
|----|--|--------------|
| 1 | Association of Construction Health and Safety Management | ACHASM |
| 2 | Association of South African Quantity Surveyors | ASAQS |
| 3 | Master Builders Association North | MBA North |
| 4 | The South African Institution of Civil Engineering | SAICE |
| 5 | South African Forum of Civil Engineering Contractors | SAFCEC |
| 6 | Consulting Engineers South Africa | CESA |
| 7 | Master Builders South Africa | MBSA |
| 8 | Chartered Institute of Building | CIOB |
| 9 | South African Roads Federation | SARF |
| 10 | Institute of Safety Management | IOSM |
| 11 | South African Institute of Architects | SAIA |
| 12 | Royal Institute of Chartered Surveyors | RICS |

In addition to the above-mentioned organisations, the Presidential Forum also hosts representatives from a number of government entities such as CBE, DPW, CIDB, DHET, DoL and the SETAs.

Objectives, Performance and Achievements

With a view to addressing issues affecting the sector from a strategic vantage point, the Presidential Forum has discussed a number of topics, including the Public Sector skills shortage, where, in July 2018, the DPW committed to providing a list of placements, enabling the Council to support posts in the public sector. A national register of skills shortages was suggested to be published and updated regularly; this initiative will be further investigated in the year ahead. Transformation was also a topic of discussion and the Forum supported the SACPCMP's utilisation of its quarterly publication, Shape Shifter, to drive transformation opportunities as well as changing the perception among stakeholders of the construction industry in general.

Table B.2.5.2.8 Presidential Forum Engagements 2018/2019

| Performance Indicator | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target | Comment on Deviations |
|----------------------------|-----------------------------|---------------------------------|-----------------------|---|
| Presidential Forum Meeting | 20 November 2018 | 20 February 2019 | Change in date | Due to operational requirements this meeting was postponed to early 2019 |
| Presidential Forum Meeting | 31 July 2018 | 31 July 2018 | No deviation | None |
| Presidential Forum Meeting | 27 March 2018 | 27 March 2018 | No deviation | None |

2.5 COMMUNICATIONS AND STAKEHOLDER RELATIONS (CONTINUED)

Strategic Challenges for the VA and Presidential Forums There is a need for a more streamlined approach for information dissemination and cross pollination of activities across the Built Environment, as there still seem to be many activities run by different organisations in silos instead of in partnerships. The Council plans to launch additional sections of its Youth Portal to allow VAs to provide programme information and internship opportunities to support transformation. With regard to the Presidential Forum, no official budget for the activities proposed by the Forum was approved, adding a challenge to ensuring progress is made on all aspects identified. Where progress was made, it was actioned through resources allocated via other Council budgets (for example the Marketing and Communications budget). Hence, there is a need to raise funding which incorporates public and private sector participation. A proposal will be raised to the executive level of the Council in the year ahead, to drive the future strategic programmes of this Forum.

Table B.2.5.3 Linking Performance With Budgets

| | 2018/2019 | | | | |
|------------------------------|--------------|-----------------------|-----------------------------|--|--|
| Programme/Activity/Objective | Budget | Actual Expenditure | (Over)/Under Expenditure | | |
| Designing and Printing | 365 640,00 | 146 195,00 | 219 445,00 | | |
| Marketing & Advertisements | 598 000,00 | 199 101,12 | 398 898,88 | | |
| Advocacy and Media | 650 000,00 | 324 628,24 | 325 371,76 | | |
| Transformation Programmes | 500 000,00 | 372 306,10 | 127 693,90 | | |
| Corporate Social Investment | 35 000,00 | 17 783,18 | 17 216,82 | | |
| Total | 2 148 640,00 | 1 060 013,64 | 1 088 626,36 | | |

2.6 INFORMATION COMMUNICATION TECHNOLOGY (ICT)

The SACPCMP's Information Communication Technology (ICT) Department looks to be a strategic partner in delivering effective business solutions and services to the Council, delivering customer-focused solutions through automation of key business processes underpinned by sound ICT governance and information security controls. The protection and integrity of the SACPCMP's information and systems, stability through the implementation of a robust infrastructure and endeavouring to develop, recruit and retain skilled ICT personnel, are crucial.

The SACPCMP has acknowledged the critical role that information and communication technologies play in helping the organisation achieve its vision and deliver on its mandate.

Table B.2.6.1 Strategic Objectives

| Information Communication Technology | | | | | | | | |
|---|--------------------------------|------------------------------------|---|--|--|--|--|--|
| Strategic Objectives | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations | | | | |
| Effective information and technology management | New Indicator | Eight activities | Four activities | System incompatibilities have resulted in the need to research alternate options | | | | |

It was imperative that an overarching ICT strategy be formulated to assist the organisation in reaching its strategic goals.

The SACPCMP Act makes provision for the establishment of a technological information and monitoring system of Registered Persons (such as the YM system). In terms of the Act, the information to be captured by the system includes:

- Registrations of professionals, candidates and specified categories;
- Maintaining continuing professional development in various categories;
- Monitoring programme accreditations to prescribe academic programmes;
- Enforcing penalties to improper conduct by Registered Persons; and

During the previous years, the implementation of YM was identified as a key deliverable for the SACPCMP, but to date the system has not performed optimally.



The SACPCMP management continues to acknowledge that the successful implementation of a membership system is of strategic importance and will enable the Council to fulfil its mandate. Attention is therefore being given to the development of such a system.

However, it should be noted that the ICT environment

encompasses a number of other important back-end solutions and processes that enhance business efficiencies through the automation of business processes.

The ICT strategy will also ensure that all ICT initiatives are coordinated, integrated and aligned to the overall objectives of the SACPCMP, as outlined in its five-year Strategic Plan.

Table B.2.6.2 Key Performance Indicators, Targets and Achievements

| | Information Communication Technology | | | | | | |
|---|--------------------------------------|---|---|---|--|--|--|
| Performance Indicator | Planned Target 2018/2019 | Actual Achievement 2018/2019 | Deviation from Target to Achievement for 2018/2019 | Comment on Deviations | | | |
| Development and modernisation of YM registration and management system | New indicator | Develop and modernise YM registration and management system | Project still in progress | System incompatibilities have resulted in the need to research alternate options | | | |
| Implementation of Electronic Document Management System (EDMS) | New indicator | Implemented Phase 1 of the EDMS | Project still in progress | System incompatibilities have resulted in the need to research alternate options | | | |
| Maintenance and enhancement of Office 365 & SharePoint collaboration | New indicator | Developed and implemented applications and service to integrate and collaborate with Office 365 & SharePoint | No deviations | None | | | |
| Reduced costs using Manage Unified Communication with the telephone management system and printing services | New indicator | Upgrade of PABX Telephone Management solutions | No deviations | None | | | |
| Turnaround support and Relationship Management on internal and external stakeholder response to incidents and problems including Route Cause Analysis (RCA) | New indicator | Reduced queries via the email system and adhoc switchboard calls. Implemented Customer Service Desk Management solution | No deviations | None | | | |
| Duration and extent of downtime/ outage to the business systems | New indicator | Draft Disaster Recovery Plan | Project 50% complete | Draft Recovery Plan's Business Continuity Site still to be identified | | | |
| Upgraded server infrastructure and optimisation network infrastructure and bandwidth | New indicator | Implemented Server Infrastructure and Upgraded Network Optimisation | No deviations | None | | | |

Table B.2.6.3 Linking Performance With Budgets

| | 2018/2019 | | | |
|-------------------------------|--------------|-----------------------|-----------------------------|--|
| Programme/activity/objective | Budget | Actual Expenditure | (Over)/Under Expenditure | |
| Software licence fees | 800 000,00 | 656 023,37 | 143 976,63 | |
| Software maintenance | 600 000,00 | 485 577,56 | 114 422,44 | |
| Network & printer maintenance | 421 705,71 | 168 003,45 | 253 702,26 | |
| Council online system | 233 924,57 | 295 123,00 | (61 198,43) | |
| Total | 2 055 630,29 | 1 604 727,38 | 450 902,91 | |



DEVELOP I GROW I PROSPER

PART C GOUERNANCE

1. INTRODUCTION

The SACPCMP remains committed to the highest standards of corporate governance. Transparency and accountability remain core principles on which all business-related activities are conducted. Governance extends beyond regulatory compliance as the Executive Management team aims to create and maintain a culture of good governance, thereby adding value to the mandate of the Council.

The Council is ultimately responsible for the strategy, direction, leadership, governance and performance of the SACPCMP. The scope and functioning of the organisation and its committees are governed by a Council Charter that is reviewed and updated regularly. The Charter succinctly outlines the relevant authority, responsibilities, and powers of the Council and its Committees. Undertaking an annual evaluation of these is also a requirement of the Charter. This provides the opportunity to explore what the Council hopes it will gain from evaluations that can improve effectiveness in a meaningful way.

The SACPCMP's Audit and Risk Committee (ARC) has completed its second year as a fully functional, independent oversight structure. The committee has significantly improved the risk management, control and governance aspects of the Council. A number of control and improvement recommendations were made by the committee over the past year. The committee has consequently been instrumental in the appointment of an outsourced internal audit function as well as the initiation of the Council's first externally facilitated strategic risk assessment process.

The ARC also collaborated with the SACPCMP's Finance Committee in reviewing the status of the organisation's financial management, providing recommendations for enhancement. The main purpose of the review of the Council's financial policies was to align these to the PFMA and commence with the implementation thereof. The draft policies have been finalised, with inputs sourced from all relevant committees, which will be presented to the Council during the latter part of 2019.

2. PORTFOLIO COMMITTEES

The SACPCMP accounts to the Department of Public Works (DPW) through the Council for the Built Environment (CBE), with the Executive Authority of the Council being the Minister of the DPW.

3. EXECUTIVE AUTHORITY

The SACPCMP submits its Quarterly Performance Reports to the Executive Authority through the CBE.

Table C.3.1

| Quarterly Report Submission to the CBE | | | | | |
|--|-----------------|--|--|--|--|
| 1 st quarter | 16 April 2018 | | | | |
| 2 nd quarter | 15 October 2018 | | | | |
| 3 rd quarter | 31 January 2019 | | | | |
| 4 th quarter | 16 April 2019 | | | | |

4. THE COUNCIL

The Council is constituted in terms of section 3 of the Project and Construction Management Professions Act, 48 of 2000. The Council is under the leadership of a President, who is assisted by a Vice-President. The term of office of all Councillors is four years, but members continue in office until the succeeding Council is duly constituted. The Council carries out its oversight responsibilities through different committees that manage and oversee the business of the Council for which they have the delegated authority as per their respective approved terms of reference.

The committees form an integral part of the Council's corporate governance framework. They also play a pivotal role in achieving and maintaining expected standards in the Council's governance and ethical standards. They ensure that the Council's activities are subjected, at all times, to in-depth scrutiny to ensure that high standards of governance are maintained.

There is a provision for co-opting Registered Persons to serve in the various committees. These need not necessarily be members of Council. The individuals' expertise and aptness for the task at hand are taken into account when making committee appointments.

4.1 Responsibilities of the Council

- Informing themselves on an annual basis about the Council's business and any issue that may affect its purpose or performance;
- Appointment of staff;
- General oversight of all aspects of the SACPCMP;
- Determining the SACPCMP's purpose, policies and values, and monitoring compliance with these;
- Determining, appraising and approving the SACPCMP corporate strategy and monitoring its implementation;
- Appraising and approving major management initiatives, resource allocations, capital investments and disinvestments;
- Ensuring that risk management systems and procedures are in place to protect the SACPCMP assets and reputation;
- Approving the staff compensation strategy;



- Awareness and understanding of and compliance with the underlying principles of good governance;
- Ensuring ethical behaviours and compliance with relevant laws and regulations, audit and accounting principles and the SACPCMP'S own governing documents and codes of conduct;
- Reporting annually to the Minister and Parliament on all aspects of the SACPCMP'S performance; and
- Reporting to the CBE as required by the SACPCMP Act.

4.2 The Role of the Council Members

- Apply themselves individually to the best of their ability to the affairs of the SACPCMP at all times, act diligently and in good faith;
- Declare any interest in respect of any dealings the Council member may have with the SACPCMP, or any entity or person where such interest may conflict with the member's responsibility as a member of the Council of the SACPCMP;

- Attend meetings of the Council and any of its Committees to which the member is appointed and notify either the Chairperson or Secretariat in the event of being unable to attend any meeting;
- To keep secret and confidential any matters to which they are privy by virtue of their membership of the Council of the SACPCMP and, in particular, desist from making any commercial or other use of information derived by virtue of their Council membership;
- To the extent possible, members should refrain from being involved in operational matters; and
- Accept personal and fiduciary accountability for the acts and omissions of the Council.

4.3 Council Charter

The SACPCMP carries out the prescripts of its Charter, which requires it to evaluate its performance as well as its committees on an annual basis. Over and above this, the Council, on an annual basis, carries out an introspection for purposes of ensuring that it complies with the Charter.

| Fourth-term Council | | | | | | |
|---|---|-------------------------|-----|--|--|--|
| Name | Designation (in terms of Public Entity Board Structure) | | | | | |
| Tjamogale Eric Manchidi | Section 3 (a): Professional | April 2014 – March 2018 | One | | | |
| Isaac Nkosi | Registered Persons as per categories | April 2014 – March 2018 | One | | | |
| Douglas Michell | of the Act, excluding candidates, of | April 2014 – March 2018 | One | | | |
| Dr. Claire Deacon | whom at least four must actively practise in the professions and be | April 2014 – March 2018 | One | | | |
| Tseliso Winston Makhetha | nominated by Voluntary Associations | April 2014 – March 2018 | One | | | |
| Bonke Simelane | and any Registered Persons. | April 2014 – March 2018 | One | | | |
| Itumeleng Harry Molosi | Section 3 (b): State Professionals in | April 2014 – March 2018 | One | | | |
| Makgati Jacky Phaladi any sphere of go at least one mus | the service of the State, nominated by any sphere of government, of whom at least one must be nominated by the Department of Public Works. | April 2014 – March 2018 | One | | | |
| Rowan Mark Crowie | Members of the public nominated through an open process of public participation. | April 2014 – March 2018 | One | | | |

4.4 Composition of the Council Table C.4.4.1 Fourth-term Council

Table C.4.4.2 Fourth-term Council Meetings Scheduled

| | C | ouncil Meetings Schedule | ed | |
|---|--------------|---------------------------------|--------------------------|---|
| Performance Planned Target Indicator 2018/2019 | | Actual Achievement 2018/2019 | Deviation from Target | Remuneration per Council Member per Meeting |
| Council Meeting | 6 April 2018 | 6 April 2018 | None | R 1500.00 |

| | | Council Meetings Attended | Four | Four | Three | Four | One | Two |
|--------------------|-----------------|--|--|---|---|---|---|--|
| | | Other Committees or task teams | EXCO SACPCMP Presidential Forum Heads of Department Forum | VA Forum SACPCMP | CPD Committee | CPD Committee HR Committee Programme Accreditation Committee EXCO | | Finance Committee EXCO |
| | | Previous Board Directorship(s) or Professional Positions Held | Chairman of Council – CBE Assessor – SACPCMP Internal Corporate Governance Coach Vice-President – SACPCMP | President – Master Builders South Africa | President – SACPCMP Council (4th Term) | SACPCMP Council Member | MBA OHS Committee MBA SAFEBUILD DVD Committee MBA H&S Auditor Accreditation | CBE AssessorCBE Mentor |
| : | Icil | Areas of expertise | Pr PCM ACPM | Pr CPM CIOB Member IoDSA Member | Pr PCM | Pr CHSA ACHASM IOSH CIOB SANC SANC | CHSM SAIOSH IOSH FEM ISM MBSA | Pr CPM |
| Fifth-term Council | Fitth-term Coun | Qualifications | MSc (Project Management) Bachelor of Science (construction Management) National Diploma (Civil Engineering) | National Diploma: Building Bachelor of Technology: Construction Management | Bachelor of Science in Building MSc (Building) | PhD Construction Management Research Capacity initiative Magister Curationis BSc Medicine (Honours) Biomedical Engineering BTech (Occupational Health) Fundamental Management Programme Certificate Occupational Health Nursing Diploma in General Nursing | Risk Management Diploma SAMTRAC | Bachelor of Science in Quantity Surveying (Honours) Post Graduate Diploma in property Development Management Master of Business Administration |
| | | Date Appointed | 01 June 2018 | 01 June 2018 | 01 June 2018 | 01 June 2018 | 01 June 2018 | 01 June 2018 |
| | | Designation (in Terms of Public Entity Board Structure) | Section 3A of the Act: Registered Persons | | | | | |
| | | Name | Isaac Nkosi (President) | Bonke Simelane (Vice-President) | Eric Manchidi | Dr. Claire Deacon | Siven Naidoo | Noluthando Malao |

Table C.4.4.3 Fifth-term Council

| | es or Council Meetings Attended | E | Three | Two | Three | |
|--------------------|--|---|---|--|--|---|
| | Other Committees or task teams | Presidential Forum REGCOM EXCO | REGCOM | | Comms/Marketing & Transformation Committee REGCOM | DCC Committee |
| | Previous Board Directorship(s) or Professional Positions Held | Member of Construction Management Development Committee Construction Management Ambassador Construction Management Ambassador Board member: Construction Sector Charter Council Board Member: University of Pretoria Construction Management Advisory Board Vice-President of Association of Construction Project Managers | | | Chair: SACPCMP, CMDC | Chairperson: Legislation and Legal Matters and Consumer Protection task team Council Member: NFVF Board Member: SACAA Chairperson: SARS Council Member: AISA Vice-President: Estate Agency Affairs Board Chairperson: Estate Agency Affairs Board |
| Icil | Areas of expertise | BMF SAIBPP | Pr CPM | CHSM | BRAQS – Kenya | Attorney of High Court of SA; Conveyancer; Commissioner of High Court; Advocate of the high court |
| Fifth-term Council | Qualifications | Project Management Programme for Built Environment Construction Management Programme | National Higher Diploma: Building Surveying Contract Law & Insurance Management Development Programme | National Diploma: Building Science Bachelor of Technology: Construction Management Management Development Programme SAMTRAC | Master of Business Administration M.Sc. Construction Management BA Building Economics (Hons) | B. PROC LLB International Commercial Arbitration International Litigation Certificate in Maritime Law |
| | Date Appointed | | 01 June 2018 | 01 June 2018 | 01 June 2018 | 01 June 2018 |
| | Designation (in Terms of Public Entity Board Structure) | | Section 3B of the Act: State appointed directly | by the Minister of DPW | Section 3 C of the Act: Appointed by the public | |
| | Name | | Itumeleng Molosi | Gugu Komane | George Mbuthia | Advocate Roshan Rai Dehal |

Table C.4.4.4 Fifth-term Council Meetings Scheduled

| Council Meetings Scheduled | | | | | | |
|---------------------------------|---------------------------------|-----------------------------|--|--|--|--|
| Performance Indicator | Actual Achievement 2018/2019 | Planned Target 2018/2019 | Deviation from Planned Target to Actual Achievement for 2018/2019 | Remuneration per Council Member per Meeting | | |
| Council Meeting | 29 March 2019 | 29 March 2019 | | R1575.00 | | |
| Council Meeting | 30 January 2019 | | Special meeting | R1575.00 | | |
| Council Meeting | 30 November 2018 | 30 November 2018 | | R1500.00 | | |
| Council Meeting | 27 July 2018 | 27 July 2018 | | R1500.00 | | |
| Inauguration of Council Meeting | 25 June 2018 | 25 June 2018 | | R1500.00 | | |

Table C.4.5 Council Committees

| Committee | No. of Meetings Held | No. of Members | Name of Members |
|---|----------------------|----------------|--|
| Stakeholder Relations, Communication, Marketing and Transformation Committee (COMMS) | Five | 17 | George Mbuthia Revona Botha Manqoba Soni Brenda Ntombela Martin Mabitsela Brian Dlamini Vikash Narsai Phasha Makgolane Erhard Visser |
| Registration and Education Committee (REGCOM) | One | Nine | Bonke Bafikile Simelane George Mbuthia Itumeleng Harry Molosi Mbuyiselo Cannon Noyana Prof. Alfred Talukhaba Innocent Musonda Dr. Franco Geminiani Itumeleng Lucas Moagi Robert William Atkinson |
| Identification of Work (IDoW) and Tariff of Fees Committee | One | Six | Charles Isralite Fidelis Abumere Emuze Steven Harry Kaplan Xolisa Mnyani Anton John Krause Neil Enslin |
| Disciplinary & Code of Conduct Committee (DCCC) | One | Seven | Adv. Roshan Rai Dehal Hermann Pierre Gericke Gareth Ahier Anton John Krause Doug Michell Innocent Musonda Fred Ali Komane |

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| Committee | No. of Meetings Held | No. of Members | Name of Members |
|---|----------------------|----------------|---|
| Executive Committee (EXCO) | Four | Four | Isaac Nkosi Bonke Bafikile Simelane Noluthando Molao Dr Claire Deacon |
| Finance Committee | Four | Four | Noluthando Molao Dino Desai Gratitude Rampaka Rakesh Beekum |
| Audit and Risk Committee (ARC) | Three | Three | Siepati Bolton Rashid Patel Mmemeng Tsehla |
| Programme Accreditation Committee | Three | Six | Frank Matlala Prof Alfred Talukhaba Ferdinand Fester Dr Claire Deacon Dr Franco Geminiani Nomvula Rakolote |
| Continuing Professional Development Committee | Two | Eight | Eric Manchidi Prof Alfred Talukhaba Nomvula Rakolote Dr Claire Deacon Orapeleng Shadrack Moseneke Douw Steenkamp Stephen Leach Neil Enslin Willem Du Toit Leighton Bennett |
| Human Resource Committee | | Three | Dr Claire Deacon Shanitha Singh Nomvula Rakolote |
| Information Communication and Technology Committee | One | Six | Faizal Docrat Thomas Nyamvura Mashudu Mambani Themba Nhleko Sithembele Ndaba Nqobile Manana |
| Registration Appeals Committee | Three | Six | Prof. PD Rwelamila Osman Narker Justus Ngala Agumba Kevern Ramborosa Johann Pearson Doug Michell |

4.6 Remuneration of Board Members

The Council reviews its proposed budget on an annual basis, and allocates remuneration to its members and committees in line with available funding. Due to the current budget constraints, the Council relies on the voluntarism of its members and related committees. In light of this, the SACPCMP caters for the cost of travel by its Council and Committee members required when addressing Council matters.

Fourth-term Council Remuneration

| Name of the Councillor | Committee Meetings Allowance | Honorarium | Other re- Imbursements (Telephone) | Total |
|-----------------------------|------------------------------------|------------|--|--------|
| Mr. Eric Manchidi | 17,600 | 47,520 | 4,800 | 69,920 |
| Mr. Isaac Mzumara Nkosi | 28,600 | - | | 28,600 |
| Mr. Douglas Michell | 7,200 | | | 7,200 |
| Mr. Rowan Mark Crowie | 3,000 | | | 3,000 |
| Dr. Claire Helen Deacon | 12,700 | | | 12,700 |
| Mr. Bafikile Bonke Simelane | 8,900 | | | 8,900 |
| Mr. Itumeleng Harry Molosi | - | | | - |
| Mr. Makgati Jacky Phaladi | - | | | - |

Fifth-term Council Remuneration

| Name | Council Meetings Allowance | Honorarium | Other re- Imbursements (Telephone) | Total |
|-----------------------------|-------------------------------|------------|--|--------|
| Mr. Isaac Mzumara Nkosi | 37,600 | 35,640 | 3,600 | 76,840 |
| Mr. Bafikile Bonke Simelane | 34,700 | | | 34,700 |
| Mr. Eric Manchidi | 16,700 | 11,800 | 1,200 | 29,700 |
| Dr. Claire Helen Deacon | 24,500 | | | 24,500 |
| Mr. I Molosi | 1,800 | | | 1,800 |
| Ms. N Molao | 25,600 | | | 25,600 |
| Adv. R Dehal | 6,000 | | | 6,000 |
| Mr. G Mbuthia | 13,600 | | | 13,600 |

• Rates vary between R300 and 1500, dependent on the meeting(s) attended.

5. RISK MANAGEMENT

The Fifth-term Council continued to strengthen its governance functions during the year under review. This resulted in the review and approval of the Annual Performance Plan for 2019/20. This report was submitted to the Minister of Public Works under the guidance of the CBE.

The Audit and Risk Committee (ARC) continued to advise the SACPCMP on risk management as well as the prevention of fraud. The committee reviewed and endorsed the following policies to the Council which were approved accordingly:

- Risk Management Framework;
- Risk Management Policy;
- Fraud and Corruption Prevention Policy;
- Fraud and Corruption Prevention Plan; and
- Whistleblowing Policy.

The Council assessed strategic risk using the organisation's Enterprise Risk Management (ERM) framework, which is geared to ensuring achievement of all SACPCMP's objectives. The risk management practices adopted are aligned with best practice as advocated by the King Code of Corporate Governance in South Africa (King IV). In terms of this, it is recommended that, at least once a year, the Council should ensure that Management performs a strategic risk assessment and set specific limits for the levels of risk the organisation is able to tolerate in the pursuit of its objectives.

6. INTERNAL CONTROL UNIT

The Internal Control Unit promoted efficiency and reduced the impact and likelihood of identified risks. Significant strides were made in ensuring compliance with laws and regulations by introducing preventative and corrective internal control measures to address and report noncompliance. Further, the SACPCMP maintained an Audit Findings Register as a tool to monitor progress and updated the Audit and Risk Committee on the status of these findings.

7. INTERNAL AUDIT AND AUDIT RISK COMMITTEE

The Audit and Risk Committee (ARC) assisted the Council in implementing key controls, not only in the areas of finance but in the overall operations of the organisation.



The following is a summary of the key initiatives undertaken by the ARC during the year under review:

- Oversaw the tender process for the appointment of the external auditors;
- Approved the establishment of the internal audit function;
- Approved the risk-based internal audit plan for the financial year;
- Reviewed and approved the internal audit reports as presented;
- Approved the external audit plan for the year and monitored the feedback and reports presented;
- Approved external audit fees;
- Developed a strategic risk register; and
- Reviewed risk analysis as well as the reports as presented.

Internal Audit

The SACPCMP continued to be reviewed and supported by its internal audit function, which was outsourced and performed by Nexia SAB-T.

In consultation with the internal auditors, the ARC developed an audit plan that is used as a guide to the internal audit approach.

The plan focused on the following areas:

- Management of the core operations of the Council;
- Review of predetermined objectives; and
- Information technology.

Further to this, the internal auditors assisted Management to assess its strategic risk and develop a response register to manage identified risks. A review of the compliance environment was also provided to Management to assess its applicable environment.

| Name | Date Appointed | Date Resigned | No. of Meetings Attended |
|-----------------------|----------------|---------------|--------------------------|
| Ms. Seipati Boulton | 31/07/2018 | NA | 6 |
| Mr. Rashid Patel | 01/12/2018 | NA | 3 |
| Ms. Mmemeng Tsehla | 01/12/2018 | NA | 3 |
| Mr. Eric Manchidi | 31/07/2018 | 30/11/2018 | 3 |
| Mr. Itumeleng Molotsi | 31/07/2018 | 30/11/2018 | 3 |

Table C.7.1 Audit and Risk Committee (ARC)

8. COMPLIANCE WITH LAWS AND REGULATIONS

The SACPCMP exists as a regulatory body for the project and construction management professions, as well as for those other specified categories it deems appropriate to introduce from time to time. It is also equally empowered to render advice to Government and other relevant stakeholders on the necessary steps to be taken for the protection of the public interest, health and safety, continuous improvement on the standards of the professions it regulates, and protection of the environment, among others. With this in mind, the Project and Construction Management Professions Act No. 48 of 2000 requires and mandates the SACPCMP also to perform the below-listed legislative and regulatory functions:

- Accreditation of programmes offered by educational institutions leading to the awarding of construction management and project management qualifications (section 13);
- General matters, including public health and safety, research, protection of the public in their dealing with Registered Persons, protection of the environment

and improving the standards of services rendered by Registered Persons (section 14);

- Financial matters (section 15);
- Reporting to the Council for the Built Environment (section 16);
- Appointment of committees (section 17);
- Enacting of rules through notices in the Government Gazette (section 36);
- Registration of persons (sections 11, 18, 19, 20, 21, 22, 23, 24 and 37);
- Recognition of Voluntary Associations (sections 14d and 25);
- Identification of work to be performed by Registered Persons;
- Professional conduct and disciplinary hearings (sections 27, 28, 29, 30, 31, 32, 33, 35 and 41); and
- Recommendation of fees for professional services (section 34).

The organisation endeavours at all times to comply with applicable laws and regulations that are enforced. In addition to this, it also encourages all its Registered Persons in the course of executing their work to abide and adhere to applicable laws and regulations.

9. FRAUD AND CORRUPTION

The SACPCMP has an approved risk management framework, policy and strategy, which includes a fraud and corruption prevention strategy. The framework lays the foundation for integrating effective risk management into the organisation and establishes an organisation-wide approach to risk management oversight, accountability and process execution.

SACPCMP is exploring opening channels up with the South African Police Services (SAPS) and the Prosecuting Authority for the criminal investigation and prosecution of cases regarding fraudulent registration. There have been instances where the SACPCMP has reported fraudulent registrations to employer bodies (DPW), which culminated in one employee being dismissed from work.

Zero tolerance and corruption are also DPW priority areas identified for the period under review. The impact of these areas on the SACPCMP is an internal one, the most notable aspect being the development of a Fraud and Anti-Corruption Policy and associated internal governance processes that are linked to consequence management. Any case of fraud or corruption uncovered is to be reported to the DPW and to the SAPS. The establishment of a shared services fraud hotline is also under discussion with the CBE.

10. CODE OF CONDUCT

The regulatory function performed in accordance with the Act is also through adherence and conformance to the prescribed Code of Professional Conduct for Registered Persons. This requires that Registered Persons must carry out their work with due care, skill, competency and integrity. It thus ensures the protection of the public from Registered Persons who contravene the Code of Conduct as well as the Act, thus maintaining the integrity, standing, reputation and the status of Registered Persons.

The Disciplinary and Code of Conduct (DCC) Committee is tasked by the Council to investigate and make recommendations when complaints of improper conduct are lodged against Registered Persons. These would emanate from members of the public through an affidavit under oath or by affirmation. In addition to this, the Committee is also empowered to investigate any incidence of project and construction-related work activities that may indicate improper conduct on the part of a Registered Person. Essentially, the decision to take disciplinary action therefore determines a Registered Person's ability to practice, and more importantly, to present oneself with pride as a Registered Person.

11. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The SACPCMP strives to comply with the Occupational Health and Safety Act. The entity continues to create a safe and conducive working environment. An analysis of the requirements of health and safety has been undertaken, and Management has further introduced Health and Safety awareness as a standard item in each and every meeting with all stakeholders.

12. SOCIAL RESPONSIBILITY

On 18 July 2018, in marking the Nelson Mandela Centenary Celebrations, and as part of its commitment to involvement in projects of social responsibility, the SACPCMP visited the Lebone Aids Care Project based in Thembisa. The Council donated non-perishable supplies and other items collected by the SACPCMP staff to the Aids Care Project, and staff enjoyed an afternoon of playing games with the youngsters, reading and interacting with them.

The Council's project for the year ahead will again look to supporting the less fortunate in the surrounding communities, as well as work with its accredited institutions to support students and the youth in their career development and growth.





Figure C.12.2 SACPCMP Marking the Nelson Mandela Centenary Celebrations with Lebone Aids Care Project.



Figure C.12.1 SACPCMP Marking the Nelson Mandela Centenary Celebrations with Lebone Aids Care Project.

13. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2019.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 51 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 27.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit and Risk Committee Charter has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein, except that it has not reviewed changes in accounting policies and practices.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the Council revealed certain weaknesses, which were then raised with the Council management.

The following internal audit work was completed during the year under review:

| ٠ | Operations: | IT Governance Framework Development |
|---|-----------------------|--|
| | | Construction Health and Safety |
| | | Registration Policy and Procedures |
| • | Assets: | Policies and Procedures for Asset Management |
| • | Financial Management: | Policies and Procedures |
| | | Supply Chain Management |

The following were areas of concern:

- On all areas audited in the year under review, the Policies and Procedures drafted have not been finalised or submitted to the Council for approval hence the adoption delayed,
- Financial system integration canned,
- Internal Audit plan not finalised due to finance function inefficiencies.

In-Year Management and Monthly/Quarterly Report

The Council reports its audited financial statements annually to the Minister and CBE as is required by the PCMP Act.

In the year under review, the Committee noted the content of the reports that have been prepared and issued during the year. The quality of reports submitted to the committee is concerning. Equally so is the lack of timely submission for review by the Committee, a matter which is monitored to ensure it is appropriately addressed.

Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the Council for the year ended 31 March 2019 and duly recommended them for the Council's approval prior to being submitted to the Auditors for an audit.

Subsequently, the Committee reviewed the Auditors' Management and Audit reports, and agrees with the conclusion expressed.



Auditor's Report

We have reviewed the entity's implementation plan for audit issues raised in the prior year and we are satisfied that the matters have been resolved, although strict mergers of focus are required. The following exceptions are highlighted for remediation since these are repeat findings:

- Asset Register inaccurate and incomplete;
- The Debtors balance per the Your Member (YM) system does not agree with the Debtors Control Account as per the General Ledger;
- Account reconciliations in all spheres are not performed.

The Audit and Risk Committee concurs and accepts the conclusions of Ngubane & Co. Auditors on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor.

Seipati Y. Boulton Chairperson of the Audit and Risk Committee SACPCMP 27 August 2019



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PART D HUMAN RESOURCE MANAGEMENT

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I. INTRODUCTION

OVERVIEW OF SACPCMP HUMAN RESOURCE MANAGEMENT

The management of human capital is critical within the SACPCMP. The world of business is fast changing with the Fourth Industrial Revolution (4IR) gaining momentum and all these new developments seek to improve the way we do business.

In the past year, talent management became a central feature in the Council's efforts to ensure effective and efficient people management practices. The economic conditions, high staffing costs and other challenges contributed to the SACPCMP having to review its plans.

In its commitment to attract, develop and retain talent, the SACPCMP was able to develop the capacity of employees to deliver on its legislative mandate. This was achieved amidst structural and functional challenges in different occupational levels and categories of staff.

1.1 Set HR Priorities and the Impact of These

During the period under review, the Council approved the key people priorities that were necessary to bring immediate change and improvement in the area of management of human capital.

These set priorities were:

 Value Proposition: Implementing the revised organisational architecture to ensure that the SACPCMP was responsive to internal business requirements and external stakeholder expectations.

- People Skills Renewal: Ensuring that people's skills sets and competency levels improved. Analysing the impact that the SACPCMP derived from the improved competency levels and addressing the gaps between people's skills and competencies versus the inherent job requirements. In achieving this, critical vacancies were filled.
- Develop and Implement Adequate Controls: The Council developed and implemented adequate people management policies, improved systems and control measures to ensure that the SACPCMP mandate was fully delivered.

These priorities were approved and implemented and therefore they are yielding positive results. Additional work in the area of impact measurement and analysis still needs to be conducted to ensure continuous improvement.

1.2 Workforce Planning Framework and Key Strategies

The strategic framework for human resource planning within the SACPCMP seeks to give assurance that with the current human capital, the organisation is dynamic and capable to deliver on its legislative mandate. The approved human capital planning framework covers:

 Analysis of the current versus future demand and supply of talent.





- Analysis of gaps and overlaps in all jobs to identify critical areas that need to be addressed and to ensure that all jobs have essential elements to help position the SACPCMP as an organisation for the future.
- Environmental scanning to understand the strategic and operational direction of the organisation.
- Reviewing, developing and implementing new people management strategies and measuring the impact thereof.

During the period under review, activities connected to the human capital planning took place. These activities provided clarity in terms of how management should fill the different roles that were funded yet vacant and address the demographic representation at different occupational levels. The following activities were undertaken:

- Assessment of the required talent (both current and future) necessary to perform various functions.
- Assessment of employees by race, gender, physical abilities, occupational categories, organisational components and job grades.
- Planning within the available budget for talent acquisition, development, retention and deployment.
- Addressing the needs of employees affected by the job reprofiling.

During the period under review, the following key strategies aimed at attracting and acquiring a skilled and capable workforce were undertaken:

- Key roles were reprofiled to address the identified gaps that were caused by the transfer of functions and responsibilities.
- While jobs were reprofiled, the specifications for the reprofiled jobs were also adjusted accordingly with the aim of attracting suitably qualified and experienced persons.

1.3 Employee Performance Management Framework

The SACPCMP employee performance management framework is crafted in a way that allows its Strategic Plans as well as the Annual Performance Plans to link with the performance targets for employees. All employees are assessed twice a year to ascertain that their performance targets have been met or not. Furthermore, the performance management system is linked to the remuneration and reward systems of the SACPCMP.

The SACPCMP philosophy in which its performance management framework is embedded is one that

encourages and rewards excellent performance as well as assisting poor performers to improve. The components of the SACPCMP performance management framework include planning and goal setting, performance monitoring and evaluation as well as communication.

1.4 Employee Wellness Programmes

The employee wellness and employee assistance programmes are at exploratory phase, with more work to be done in the next financial year.

1.5 Policy Development

Based on the results of the Human Resource audit that was conducted, the gap analysis into the completeness of different human capital management policies indicated the areas where improvements needed to be made. All human capital management policies were looked at and new policies were developed to cover areas of risk.

People management policies continue to be developed, especially in areas where alignment between policies and employment laws is required.

1.6 Achievements

The SACPCMP was able to register positive achievements in the area of human capital management as well as dispute handling. The following were achieved during the period under review:

- Successful handling of all labour disputes involving the organisation and some of its staff.
- Filling of critical positions, thus improving on the organisation's vacancy rate.
- A reduction in the use of recruitment agencies, thus saving on staff acquisition-related costs.
- Insourcing of certain people-management functions that were previously outsourced.

1.7 Challenges Faced by the SACPCMP

During the period under review, eight vacant positions were advertised. Due to the economic conditions that warranted the revision of the 2018/19 budget and leading to the commissioning of the austerity measures, all the vacant positions could not be filled as planned. Furthermore, the biggest challenge in talent acquisition was the organisation's inability to attract suitably qualified and skilled people due to its inability to offer better salaries at senior management levels.

| Programme/Activity/ Objective | Total Expenditure for the Entity | No. of Employees | Average Personnel Cost per Employee |
|----------------------------------|-------------------------------------|------------------|--|
| Registrar's Office | 1 697 779,87 | 4 | 424 444,97 |
| PCM | 3 007 196,67 | 9 | 334 132,96 |
| CHS | 2 560 803,35 | 8 | 320 100,42 |
| CSR | 2 048 788,35 | 7 | 292 684,05 |
| Finance | 2 513 851,81 | 8 | 314 231,48 |
| HR | 1 050 681,91 | 2 | 525 340,95 |
| ICT | 1 037 774,05 | 3 | 342 126,49 |

Table D.2.1 Personnel Cost by Programme/Activity/Objective

Table D.2.2 Personnel Cost by Salary Band

| Level | Personnel Expenditure | % of Personnel Expenditure to Total Personnel Cost | No. of Employees | Average Personnel Cost per Employee |
|------------------------|--------------------------|---|---------------------|--|
| Top Management | 1 225 692,00 | 8,81% | 2 | 612 846,00 |
| Senior Management | 4 182 807,76 | 30,06% | 4 | 1 045 701,94 |
| Professional qualified | 1 996 860,88 | 14,35% | 4 | 499 215,22 |
| Skilled | 2 189 348,56 | 15,73% | 6 | 364 891,43 |
| Semi-skilled | 4 193 200,20 | 30,13% | 24 | 174 716,68 |
| Unskilled | 128 966,61 | 0,93% | 1 | 128 966,61 |
| TOTAL | 13 916 876,01 | | 41 | 339 436,00 |

Table D.2.3 Performance Rewards

| Programme/Activity/Objective | Performance Rewards | Personnel Expenditure | % of Performance Rewards to Total Personnel Cost |
|------------------------------|------------------------|-----------------------|---|
| Top Management | 0 | - | 0 |
| Senior Management | 4 | 154 014,80 | 23,48 |
| Professional qualified | 3 | 77 987,92 | 11,87 |
| Skilled | 4 | 105 546,60 | 16,1 |
| Semi-skilled | 21 | 309 320,20 | 47,11 |
| Unskilled | 1 | 9 553,08 | 1,44 |
| TOTAL | 33 | R656 422,60 | 100 |

Table D.2.4 Training Costs

| Programme/Activity/Objective | Training Expenditure | No. of Employees Trained | Average Training Cost per Employee |
|------------------------------|-------------------------|-----------------------------|--|
| Registrar's Office | 14 547,50 | 1 | 14 547,50 |



| Programme/Activity/Objective | 2018/2019 No. of Employees | 2018/2019 Approved Posts | 2018/2019 Vacancies | % of Vacancies |
|------------------------------|-------------------------------|-----------------------------|------------------------|----------------|
| Registrar's Office | 3 | 4 | 2 | 18,2 |
| PCM | 9 | 12 | 3 | 27,2 |
| CHS | 8 | 11 | 3 | 27,2 |
| CSR | 7 | 8 | 1 | 9 |
| Finance | 7 | 8 | 1 | 9 |
| HR | 2 | 2 | 0 | 0 |
| ICT | 2 | 3 | 1 | 9 |
| Top Management | 1 | 1 | 0 | 9 |
| Senior Management | 4 | 4 | 0 | 0 |
| Professional qualified | 2 | 2 | 0 | 0 |
| Skilled | 7 | 13 | 6 | 54,4 |
| Semi-skilled | 21 | 26 | 5 | 45,4 |
| Unskilled | 1 | 1 | 0 | 0 |
| TOTAL | 35 | 46 | 11 | 23,9% |

Table D.2.5 Employment and Vacancies

- The vacancy rate during the period under review was high, following non-activity in staff recruitment. This was due to the austerity measures that were commissioned by the Council.
- Secondly, attraction of good calibre staff was very low due to the organisation not being able to offer attractive packages to candidates.
- The turnaround time in conducting the selection

process was less than 30 working days. This included the advertising of posts, response handling and selection processes, including making an offer to successful candidates.

• Measures to attract and retain staff included the introduction of retirement funds such as a provident fund. The process of establishing a fund has commenced and will be concluded in the next financial year.

| Salary Band | Employment at Beginning of Period | Appointments | Terminations | Employment at End of Period |
|------------------------|--------------------------------------|--------------|--------------|--------------------------------|
| Top Management | 1 | 1 | 1 | 1 |
| Senior Management | 4 | 0 | 0 | 4 |
| Professional qualified | 1 | 2 | 0 | 3 |
| Skilled | 5 | 3 | 2 | 6 |
| Semi-skilled | 16 | 7 | 2 | 21 |
| Unskilled | 1 | 0 | 0 | 1 |
| Total | 28 | 13 | 5 | 36 |

Table D.2.6 Employment Changes

Table D.2.7 Reasons for Staff Leaving

| Reason | Number | % of Total No. of Staff Leaving |
|--------------------|--------|---------------------------------|
| Death | 0 | 0 |
| Resignation | 3 | 60 |
| Dismissal | 1 | 20 |
| Retirement | 0 | 0 |
| III health | 0 | 0 |
| Expiry of contract | 1 | 20 |
| Other | 0 | 0 |
| Total | 5 | 100 |

Resignations

Three resignations were received. All resigning employees cited personal circumstances as reasons for terminating their contracts. One of the resignations, by a top-management ranking employee, was filled by a replacement employee.

A position that became vacant when an incumbent resigned was temporarily filled by an internal resource.

The third vacated position remained vacant and the job is subject for re-evaluation.

Dismissals

Only one employee was dismissed during the period under review. The position remains vacant pending the outcome of a labour dispute.

Expiry of Contract

One fixed-term contract expired and was not renewed.

Table D.2.8 Labour Relations: Misconduct and Disciplinary Action

| Nature of Disciplinary Action | Number |
|-------------------------------|--------|
| Verbal warning | 2 |
| Written warning | 2 |
| Final Written warning | 0 |
| Dismissal | 1 |
| TOTAL | 5 |

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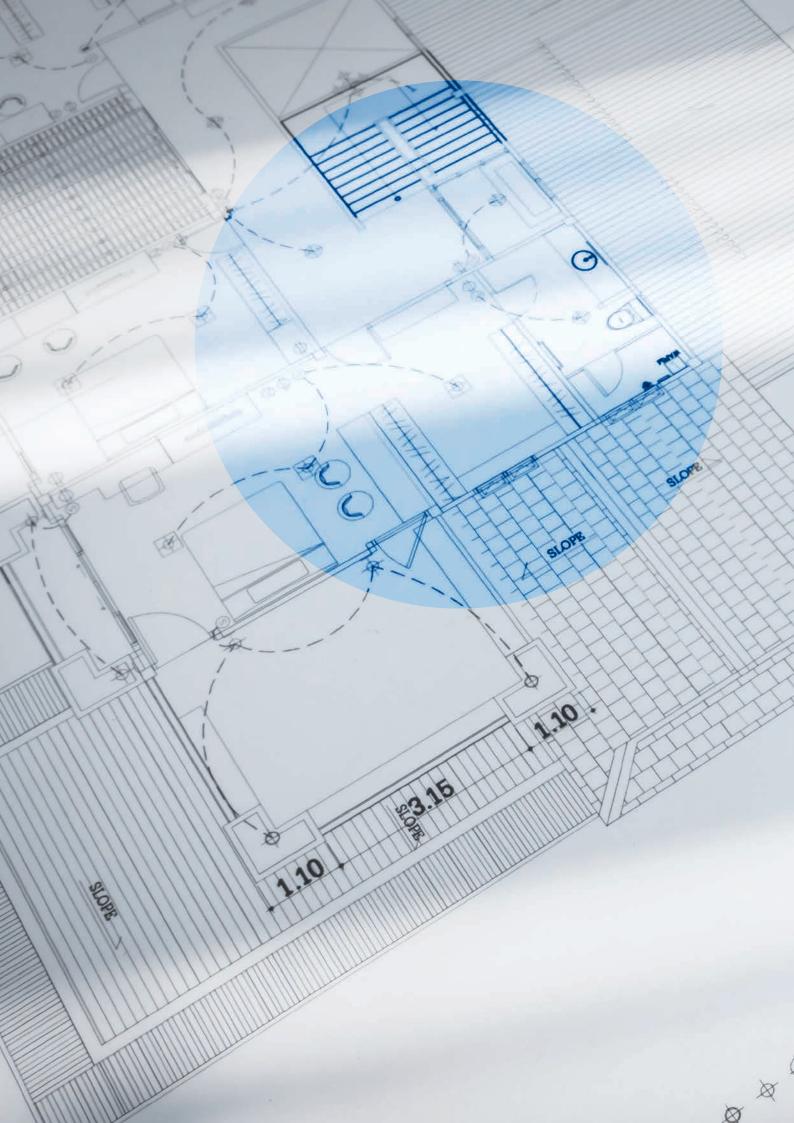


| Levels | MALE | | | | | | | |
|------------------------|-------------------------------|--------|---------|--------|---------|--------|---------|--------|
| | African Coloured Indian White | | | | | | | |
| | Current | Target | Current | Target | Current | Target | Current | Target |
| Top Management | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Management | 1 | 0 | 0 | 0 | 1 | 0 | 1 | 0 |
| Professional qualified | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Skilled | 4 | 1 | 0 | 0 | 0 | 0 | 0 | 0 |
| Semi-skilled | 3 | 0 | 0 | 1 | 1 | 0 | 0 | 0 |
| Unskilled | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 11 | 2 | 0 | 1 | 2 | 0 | 1 | 0 |

Table D.2.9 Equity Target and Employment Equity Status

| Levels | FEMALE | | | | | | | | |
|------------------------|---------|-------------------------------|---------|--------|---------|--------|---------|--------|--|
| | AFR | AFRICAN COLOURED INDIAN WHITE | | | | | | | |
| | Current | Target | Current | Target | Current | Target | Current | Target | |
| Top Management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Senior Management | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Professional qualified | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | |
| Skilled | 3 | 2 | 0 | 0 | 0 | 1 | 3 | 0 | |
| Semi-skilled | 13 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | |
| Unskilled | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| TOTAL | 18 | 2 | 0 | 1 | 0 | 1 | 4 | 0 | |

| Levels | Disabled Staff | | | | | |
|------------------------|----------------|------|---------|--------|--|--|
| | M | lale | Female | | | |
| | Current Target | | Current | Target | | |
| Top Management | 0 | 0 | 0 | 0 | | |
| Senior Management | 0 | 0 | 0 | 0 | | |
| Professional qualified | 0 | 0 | 0 | 0 | | |
| Skilled | 0 | 0 | 0 | 0 | | |
| Semi-skilled | 0 | 0 | 0 | 1 | | |
| Unskilled | 0 | 0 | 0 | 0 | | |
| TOTAL | 0 | 0 | 0 | 1 | | |



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PART E FINANCIAL INFORMATION

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- CONSTRUCTING NEW PERSPECTIVES -

The South African Council for the Project and Construction Management Professions (Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019



(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

General Information

| Country of incorporation and domicile | South Africa |
|---|---|
| Nature of business and principal activities | Council for the Project and Construction Management Professions |
| Directors | Mr. IM Nkosi (President) Mr. B Simelane (Vice-President) Dr. C Deacon (Council Member) Ms. N Molao (Council Member) Mr. E Manchidi (Council Member) Adv. R Dehal (Council Member) Mr. G Mbuthia (Council Member) Mr. I Molosi (Council Member) Mr. S Naidoo (Council Member) Ms. G Komane (Council Member) Mr. MIB Matutle (Registrar) |
| Registered office | International Business Gateway, 1st Floor Gateway Creek Corner New road and 6th Road Midrand Gauteng 1685 |
| Business address | International Business Gateway, 1st Floor Gateway Creek Corner New road and 6th Road Midrand Gauteng 1685 |
| Postal address | PO Box 6286 Halfway House Midrand Gauteng 1685 |
| Bankers | Nedbank Investec |
| Secretary | Company secretary is not required in terms of the Project and Construction Management Act 48 of 2000 |
| Preparer | The financial statements were internally compiled by: SACPCMP Management |

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

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Preparer

SACPCMP Management



NGUBANE & CO. (JOHANNESBURG) INC.

Ngubane House 1 Superior Road MIDRAND | 1685

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Independent Auditor's Report

To the Councillors of South African Council for Project and Construction Management Professions

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of South African Council for Project and Construction Management Professions (SACPCMP) set out on pages 82 to 109, which comprise the statement of financial position as at 31 March 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of SACPCMP as at 31 March 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Project and Construction Management Professions Act No. 48 of 2000.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018), parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities, as applicable, in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits for Professional Accountants and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

Without qualifying our opinion, we draw attention to note 22 to the financial statements which indicates that the council had accumulated losses of R 1 215 281 (2018: R1 401 307) and that the council's total liabilities exceed its assets by R1 215 281 (2018: R1 401 307. Our opinion is not modified in respect of this matter.

Directors: TB Nkomozephi, N Ravele, M Ndlovu, D Msomi, R Kuutsi SM Jogee, ET Chapanduka, N Ashom, J Mgiba, J Gondo, S Vilakati

Reg.No. 2010/016757/21

Other Matter

The financial statements of South African Council for the Project and Construction Management Professions for the year ended 31 March 2018, were audited by another auditor who expressed an unmodified opinion on those statements on 30 August 2018.

Other Information

The Councillors are responsible for the other information. The other information comprises the information included in the document titled SACPCMP Annual Financial Statements for the year ended 31 March 2019, which includes the Councillors Report as required by the Project and Construction Management Professions Act No. 48 of 2000. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Councillors for the Financial Statements

The Councilors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Project and Construction Management Professions Act No. 48 of 2000, and for such internal control as the Councillors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Councillors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design
 and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to
 provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one
 resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of
 internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors.
- Conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

Audit Tenure

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Ngubane & Co. (Jhb) Inc. has been appointed as the auditors of SACPCMP in the current year and this is the first year of audit.

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Ngubane & Co (JHB) Inc. Director: Rangarirai Kuutsi Registered Auditor Midrand

12 September 2019

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Councillors' Responsibilities and Approval

The councillors are required in terms of the Project and Construction Management Professions Act No. 48 of 2000 to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the Council as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards.

The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

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

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

The councillors have reviewed the Council's budget for the year to March 31 2020 and, in light of this review and the current financial position, they are satisfied that the Council has or had access to adequate resources to continue in operational existence for the foreseeable future. The budget is to be reviewed in the upcoming financial year.

The financial statements set out on pages 82 to 109, which have been prepared on the going concern basis, were approved by the councillors and were signed on their behalf by:

Approval of financial statements

Mr. IM Nkosi (President)

Michahulle

Mr. MIB Matutle (Registrar)

Mr. B Simelane (Vice-President)



(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Councillors' Report

The councillors have pleasure in submitting their report on the financial statements of The South African Council for the Project and Construction Management Professions for the year ended 31 March 2019.

1. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Project and Construction Management Professions Act No. 48 of 2000. The accounting policies have been applied consistently compared to the prior year, except for the adoption of IFRS 15 Revenue from Contracts with Customers as well as IFRS 9 Financial Instruments, which has resulted in a change to the policies.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

2. Councillors

The councillors in office at the date of this report are as follows:

| Councillors | Office | Designation |
|---------------------------------|----------------|---------------|
| Mr. IM Nkosi (President) | President | Non-executive |
| Mr. B Simelane (Vice-President) | Vice-President | Non-executive |
| Dr. C Deacon (Council Member) | Council Member | Non-executive |
| Ms. N Molao (Council Member) | Council Member | Non-executive |
| Mr. E Manchidi (Council Member) | Council Member | Non-executive |
| Adv. R Dehal (Council Member) | Council Member | Non-executive |
| Mr. G Mbuthia (Council Member) | Council Member | Non-executive |
| Mr. I Molosi (Council Member) | Council Member | Non-executive |
| Mr. S Naidoo (Council Member) | Council Member | Non-executive |
| Ms. G Komane (Council Member) | Council Member | Non-executive |
| Mr. MIB Matutle (Registrar) | Registrar | Executive |

3. Events after the reporting period

The councillors are not aware of any material event which occurred after the reporting date and up to the date of this report.

4. Going concern

The councillors believe that the Council has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The councillors have satisfied themselves that the Council is in a sound financial position and despite the accumulated loss as recorded there is sufficient cash resources to meet current liabilities. The councillors are not aware of any new material changes that may adversely impact the Council. The councillors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Council.

5. Auditors

A2A Kopano Incorporated's contract as external auditors for the Council ended and Ngubane & Co (Johannesburg) Inc were appointed as auditors for the Council for year ending 2019.

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Statement of Financial Position as at 31 March 2019

| Figures in Rand | Note(s) | 2019 | 2018 Destated |
|------------------------------|---------|-------------|------------------|
| | | | Restated* |
| Assets | | | |
| Non-current assets | | | |
| Property and equipment | 4 | 1,493,814 | 1,522,537 |
| Intangible assets | 5 | 357,614 | - |
| | | 1,851,428 | 1,522,537 |
| Current Assets | | | |
| Trade and other receivables | 7 | 1,515,079 | 12,149,379 |
| Cash and cash equivalents | 8 | 12,101,612 | 6,381,583 |
| | | 13,616,691 | 18,530,962 |
| Total assets | | 15,468,119 | 20,053,499 |
| | | | |
| Equity and liabilities | | | |
| Equity | | | |
| Accumulated loss | | (1,215,281) | (1,401,307) |
| Liabilities | | | |
| Non-Current liabilities | | | |
| Finance lease liabilities | 9 | 516,002 | 711,252 |
| Current liabilities | | | |
| Trade and other payables | 11 | 2,907,244 | 4,941,979 |
| Finance lease liabilities | 9 | 402,590 | 267,443 |
| Operating lease liability | 6 | 219,145 | 180,737 |
| Income received in advance | 10 | 12,638,419 | 15,353,395 |
| | - | 16,167,398 | 20,743,554 |
| Total liabilities | | 16,683,400 | 21,454,806 |
| Total equity and liabilities | | 15,468,119 | 20,053,499 |



(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Statement of Profit or Loss and Other Comprehensive Income

| Figures in Rand | Note(s) | 2019 | 2018 Restated* |
|--|---------|--------------|-------------------|
| Revenue | 12 | 38,676,944 | 30,614,406 |
| Other operating income | 13 | 18,619 | - |
| Other operating expenses | | (38,606,703) | (33,699,726) |
| Operating profit (loss) | | 88,860 | (3,085,320) |
| Investment income | | 248,944 | 105,595 |
| Finance costs | 14 | (151,779) | (140,656) |
| Profit (loss) for the year | | 186,025 | (3,120,381) |
| Other comprehensive income | | - | - |
| Total comprehensive income (loss) for the year | | 186,025 | (3,120,381) |

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Statement of Changes in Equity

| Figures in Rand | Accumulated Loss | Total Equity |
|---|------------------|--------------|
| Restated* balance at 01 April 2017 | 1,780,409 | 1,780,409 |
| Loss for the year | (3,120,381) | (3,120,381) |
| Other comprehensive income | - | - |
| Total comprehensive loss for the year | (3,120,381) | (3,120,381) |
| Re-assessment of useful lives | 45,279 | 45,279 |
| Prior Period Error | (106,614) | (106,614) |
| Total changes | (61,335) | (61,335) |
| Balance at 01 April 2018 | (1,401,306) | (1,401,306) |
| Profit for the year | 186,025 | 186,025 |
| Other comprehensive income | - | - |
| Total comprehensive income for the year | 186,025 | 186,025 |
| Balance at 31 March 2019 | (1,215,281) | (1,215,281) |



(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Statement of Cash Flows

| Figures in Rand | Note(s) | 2019 | 2018 Restated* |
|---|---------|------------|-------------------|
| Cash flows from operating activities | | | |
| | 15 | 6 904 019 | 0 0 / 0 1 0 0 |
| Cash generated from operations Interest income | 10 | 6,804,018 | 2,843,138 |
| | | 248,944 | 105,595 |
| Finance costs | | (151,779) | (140,656) |
| Net cash from operating activities | | 6,901,183 | 2,808,077 |
| | | | |
| Cash flows from investing activities | | | |
| Purchase of property and equipment | 4 | (456,562) | (244,410) |
| Purchase of other intangible assets | 5 | (473,091) | - |
| Net cash from investing activities | | (929,653) | (244,410) |
| | | | |
| Cash flows from financing activities | | | |
| Finance lease payments | | (251,501) | (143,728) |
| | | | |
| Total cash movement for the year | | 5,720,029 | 2,419,939 |
| Cash at the beginning of the year | | 6,381,583 | 3,961,644 |
| Total cash at end of the year | 8 | 12,101,612 | 6,381,583 |

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Accounting Policies

1. Significant accounting policies

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

1.1 Basis of preparation

The financial statements have been prepared accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and the Project and Construction Management Professions Act No. 48 of 2000 of South Africa including any interpretation, guidelines and directives issued by the Accounting standards Board.

The financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

These accounting policies are consistent with the previous period, except for the changes set out in note 2 regarding new International Financial Reporting Standards.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. The basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent liabilities and commitments will occur in the ordinary course of business.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Key sources of estimation uncertainty

Useful lives of property and equipment

The useful life of assets are based on management's estimates. Management considers the impact of technology, service requirements and the required return on assets to determine the optimum useful life expectation, where appropriate. The estimated residual value of assets is also based on management's judgment which takes into account the condition of assets at the end of their useful lives.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

Impairment of Property and equipment

The Council assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Council then estimate the recoverable service amount of the asset. The recoverable amounts of cash-generating units and individual assets are determined based on the higher of value in use and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the fair value assumption may change which may have an impact on estimates and may then require a material adjustment to the carrying value of cash-generating units and individual assets. The excess of the carrying amounts over the recoverable amount is recognised as impairment loss in the statement of profit or loss and other comprehensive income.

Provisions

Management's judgment is required when recognising and measuring provisions. Provisions are raised based on current information available to management. A provision is recognised when the Council has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.



(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Accounting Policies

1.2 Significant judgements and sources of estimation uncertainty (continued)

Expected credit loss

The expected credit loss represents loss allowances of trade receivables and contract assets at an amount equal to lifetime expected credit losses, which is calculated using a provision matrix. The Council has adopted the simplified model. As the Council's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on future expected loss. This is performed at each category of debtors across all debtors classes.

1.3 Property and equipment

Property and equipment are tangible non-current assets that are held for use in the production or supply of goods or services, for administrative purposes, and are expected to be used during more than one period.

An item of property and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Council, and the cost of the item can be measured reliably.

Property and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

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

| Item | Depreciation method | Average useful life |
|--|---------------------|---------------------------|
| Furniture and fixtures | Straight line | 5 reassessed to 10 years |
| Office equipment | Straight line | 5 reassessed to 10 years |
| IT equipment | Straight line | 3 reassessed to 8 years |
| Leasehold improvements | Straight line | Based on lease term |
| Finance leased equipment Straight line 3-5 (lower of lea | | 3-5 (lower of lease term |
| | | and expected useful life) |

PE are shown at cost less accumulated depreciation and any accumulated impairment.

Assets held under finance leases are depreciated based on the lower of lease term or expected useful life. When it is reasonably certain that ownership will be transferred to the lessee at end of lease term, the leased asset will be depreciated over the useful life of the asset. Depreciation is recognised in the statement of profit or loss and other comprehensive.

Subsequent expenditure is included in the cost of the asset when incurred, if it is probable that such expenditure will result in future economic benefits associated with the item flowing to the Council and the cost can be measured reliably.

The Council assesses at each reporting date whether there is any indication that its expectation about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such exists, the Council will revise the expected useful life and/or residual value accordingly. The change will be accounted for as a change in an accounting estimate in accordance with the relevant IFRS standard. In assessing whether there is any indication that the expected useful life of an asset has changed, the Council considers; the composition of the asset change during the reporting period and the factors influencing the change in the use of the asset. In assessing any indications pertaining to the residual value, the Council considers any changes regarding the expected timing of disposal of the asset.

The Council shall assess at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, it shall estimate the recoverable service amount of the asset.

Derecognition

The gain or loss arising from the disposal or retirement of an item of property and equipment is the difference between the sales proceeds and the carrying value, and is recognised in the statement of profit or loss and other comprehensive income.

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Accounting Policies

1.3 Property and equipment (continued)

The Council derecognises property and equipment on disposal, or when no future economic benefits or service potential are expected from its use or disposal. The gain or loss arising from derecognition of property, plant and equipment is the difference between the net disposal proceeds, if any, and the carrying amount of the property and equipment. Such difference is recognised in the statement of profit or loss and other comprehensive income.

1.4 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

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

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

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

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

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

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

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

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

| Item | Useful life |
|-------------------|-------------|
| Computer software | 3 |

1.5 Financial instruments

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

Financial assets

A financial asset is a) cash; b) a residual interest of another entity; or (c) a contractual right to:

- Receive cash or another financial asset from another entity; or
- Exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

Financial assets consist of cash and cash equivalent, deposits, and receivables.



(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Accounting Policies

1.5 Financial instruments (continued)

Financial liabilities are measured at amortised cost refer to Note 21 Financial instruments and risk management presents the financial instruments held by the council based on their specific classifications.

Trade and other receivables

Classification

A receivable is recognised when the company's right to consideration is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the company has an unconditional right to consideration, the amount is presented as a contract asset. Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

A contract liability is recognised when the customer pays consideration, or has an unconditional right to consideration (in such case, a corresponding receivable is recognised), before the company recognises the related revenue.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the deficit is recognised in the statement of profit or loss and other comprehensive income under operating expenses. When receivables are uncollectible, it is written off against the allowance account for receivables once council approval is obtained. Subsequent recoveries of amounts previously written off are credited in the statement of profit or loss and other comprehensive income. All receivables are on accrual basis except for VAT which is on a cash basis.

Assets classified at amortised costs are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Entity's amortised cost assets comprise trade and other receivables, and cash and cash equivalents in the statement of financial position. Impairment of financial assets is measured at amortised cost. The Council's business model for realising the assets is collecting through cash flows.

For comparative figures before 2018, at the end of each reporting period, the company assesses whether there is any objective evidence that a receivable or group of receivables is impaired. Impairment losses on trade and other receivables are recognised in profit or loss when there is objective evidence that an impairment loss has been incurred and are measured as the difference between the receivable's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at its original effective interest rate, i.e. the effective interest rate computed at initial recognition. The impairment loss is reversed if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised.

Trade and other payables

Classification

Trade and other payables are initially measured at fair value and, after initial recognition, at amortised cost, except for payables with no stated interest rate and the effect of discounting being immaterial that are measured at their original invoice amount.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Investments - Investments are recognised and derecognised on the trade date when the company becomes party to the contractual provisions of the investments and are initially measured at amortised cost.

Investment in non-equity instruments - After adoption of IFRS 9

Investments are recognised and derecognised on the trade date when the company becomes party to the contractual provisions of the investments and are initially measured at amortised cost.

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Accounting Policies

1.6 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

Finance leases – lessee

The Council recognises assets and liabilities acquired under finance leases as assets and the associated obligation as liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments.

The finance lease assets are depreciated at the same rates as owned property unless the Council will not obtain ownership. Where there is no reasonable certainty that Council will obtain ownership by the end of lease term, the leased assets are depreciated over the shorter of the lease term and its useful life. Minimum lease payments are apportioned between the finance charge and the outstanding capital portion, using the effective interest rate method. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of return on the remaining balance of the liability. Any contingent rents are expensed in the period in which they are incurred.

Operating leases – lessee

Operating lease payments are recognised as an expense on the straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

Any contingent rents are expensed in the period they are incurred.

1.7 Impairment of assets

The Council assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the council estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the Council also:

 Tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

1.8 Provisions and contingencies

Provisions are recognised when:

- the Council has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.



(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Accounting Policies

1.8 Provisions and contingencies (continued)

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

Contingent assets and contingent liabilities are not recognised.

1.9 Revenue from contracts with customers

For comparative figures before the adoption of IFRS 15, revenue is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts and volume rebates allowed by the company. Provided that it is probable that the economic benefits associated with the revenue transaction will flow to the company and the revenue and the costs, if any, in respect of the transaction can be measured reliably, revenue is recognised as follows.

Sales of goods

Revenue from the sales of goods is recognised when the company has delivered the goods to the customers and the customer has accepted the goods together with the risks and rewards of ownership of the goods.

Revenue is measured based on the consideration specified in the contract with a customer and excludes amount collected on behalf of third.

The following is a description of principal activities from which the entity generates its revenue. The entity principally generates revenue from providing professional affiliation certificates to its registered members. The typical length of the certificate is 12 months. The entity also provides other services through the form of interviews, exams and as well as assessment of log books to name a few.

Annual fees

The entity recognises revenue from annual fees on a straight-line basis over the period of the validity of certificate when services are rendered. The certificates are valid for a period of 12 months ending in December every year. The annual fees are billed on an annual basis for a period of 12 months.

Application fees

The entity recognises revenue when application process requirements are met. The entity obligations are met when the application is assessed.

Exam fees

The entity recognises revenue upon providing the service relating to examinations. Exams are scheduled on a weekly basis. Exams are billed upon results from the assessment.

Registration fees

Registration fees are recognised upon acceptance of the registered person to be a member. Registrations are performed throughout the year upon completion of the relevant professional requirements. Registration fees are billed after a successful exam, or interview results and assessment.

Continuing Professional Development (CPD)

Revenue is recognised when the registered member accepts the proposed continuing Professional Development invoice as the basis of acceptance of the contract. CDP is billed throughout the year on the basis of demand.

CPD validation

Companies are expected to apply for CDP. Validation invoices are raised upon sign off of the quotation. Revenue is recognised upon receipt of payment as the performance obligation will be fulfilled when the training course is assessed.

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Accounting Policies

1.9 Revenue from contracts with customers (continued)

Conference and Summit

Revenue is recognised upon hosting of the Conference and Summit. The entity hosts these events on an annual basis. Conference fees are billed upon acceptance of attendance.

After the adoption of IFRS 15, the company recognises revenue from contracts with customers when (or as) the council satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the company recognises as revenue the amount of the transaction price (which excludes estimates of variable consideration that are constrained in accordance with IFRS 15) that is allocated to that performance obligation. Further details of the company's revenue and other income recognition policies are as follows:

Sale of goods

Revenue from the sale of goods is recognised when the customer takes possession of and accepts the products. If the products are a partial fulfilment of a contract covering other goods and/or services, then the amount of revenue recognised is an appropriate proportion of the total transaction price under the contract, allocated between all the goods and services promised under the contract on a relative stand-alone selling price basis.

1.10 Interest Income

Interest income is recognised as other income as it accrues using the effective interest method.

1.11 Related Parties

A related party is a person or an entity with the ability to control or jointly control the other party or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Management are those persons responsible for planning, directing and controlling the activities of the entity, including those charged with the governance of the entity in accordance with legislation, in instances where they are required to perform such functions.

Management is considered a related party, and comprises of Council members, the President, the Registrar, Executives and Council Committee members.

Close family members of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the Council.

Related party relationships where control exists are disclosed. The Council discloses the nature of the related party relationship as well as information about those transactions and outstanding balances as a note to the financial statements.

1.12 Events after reporting date

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- Those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

Reporting date means the last day of the reporting period to which the financial statements relate. The Council adjusts the amounts recognised in its financial statements to reflect adjusting events after the reporting date.

The Council will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The Council will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.



(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

2. Changes in accounting policy

In 2018, the Council initially applied the new and revised IFRSs issued by the International Accounting Standards Board (IASB) that are first effective for accounting periods beginning on or after 1 January 2018 and are relevant to the Council's financial statements, including:

- IFRS 9, Financial Instruments
- IFRS 15, Revenue from contracts with customers

The effects of the application of these IFRSs are summarised below.

Application of IFRS 9 Financial Instruments

For comparative figures before 2018, the Council applied IAS 39, Financial Instruments: Recognition and measurement of its financial assets (cash and cash equivalent, deposits and receivables) were classified at amortised cost, and impairment losses on financial assets were recognised in profit or loss when there was objective evidence that an impairment loss had been incurred at the end of each reporting period.

For impairment losses on trade and other receivables, IFRS 9 introduces a new "expected credit loss" model that replaces the "incurred loss" impairment model in IAS 39, with the result that a loss event will no longer need to occur before an impairment allowance is recognised. Under the new "expected credit loss" model, it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, the company always accounts for expected credit losses, and changes in those expected credit losses. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition and, consequently, more timely information is provided about expected credit losses.

The adoption of IFRS 9 has resulted in changes in accounting policies. The Council has applied IFRS 9 retrospectively and taken the transitional provisions in IFRS 9 not to restate comparative information with respect to classification and measurement (including impairment) requirements. The adoption of IFRS 9 does not have any material effects on the company's financial performance and positions.

Application of IFRS 15 Revenue from contracts with customers

Before 2018, the entity applied IAS 18 Revenue. Its revenue was measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts and volume rebates allowed by the Council and, provided that it was probable that the economic benefits associated with the revenue transaction would flow to the Council and the revenue and the costs, if any, in respect of the transaction could be measured reliably. Revenue was recognised when the entity had delivered the goods to customers and the customer had accepted the goods together with the risks and rewards of ownership of the goods.

From 2018, after the adoption of IFRS 15, which replaces IAS 18, the Council recognises revenue from contracts with customers when (or as) the company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Council recognises as revenue the amount of the transaction price (which excludes estimates of variable consideration that are constrained in accordance with IFRS 15) that is allocated to that performance obligation.

The adoption of IFRS 15 has resulted in changes in accounting policies. The entity has applied IFRS 15 retrospectively with the cumulative effect of initially applying IFRS 15 recognised at the date of initial application and taken the transitional provisions in IFRS 15 not to restate comparative information. The adoption of IFRS 15 does have any material effects on the entity's financial performance and positions.

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

3. New Standards and Interpretations

3.1 Standards and interpretations not yet effective

The Council has chosen not to adopt the following standards and interpretations, which have been published and are mandatory for the Council's accounting periods beginning on or after 01 April 2019 or later periods:

| IFRS 16: | Leases |
|------------------------------|------------------------------|
| Standard Effective date: | 01 January 2019 |
| Adopted in the current year: | No |
| Future Adpoption: | Year, 2019/20 Financial Year |
| Impact: | Material |
| | |

IFRS 16 specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides for a single lessee accounting model, requiring lesses to recognise assets and liablities for all leases unless the lease term is less than 12 months or less or the underlying asser has a low value. Lessors continue to classify leases as operating or finance lease, with IFRS 16's approach to lessor accounting sunstatially unchanged from its predecessor IAS 17.

Company as lessee:

- Lessees are required to recognise a right-of-use asset and a lease liability for all leases, except short term leases or leases where the underlying asset has a low value, which are expensed on a straight line or other systematic basis.

- The cost of the right-of-use asset includes, where appropriate, the initial amount of the lease liability; lease payments made prior to commencement of the lease less incentives received; initial direct costs of the lessee; and an estimate for any provision for dismantling, restoration and removal related to the underlying asset.

- The lease liability takes into consideration, where appropriate, fixed and variable lease payments; residual value guarantees to be made by the lessee; exercise price of purchase options; and payments of penalties for terminating the lease.

- The right-of-use asset is subsequently measured on the cost model at cost less accumulated depreciation and impairment and adjusted for any re-measurement of the lease liability. However, right-of-use assets are measured at fair value when they meet the definition of investment property and all other investment property is accounted for on the fair value model. If a right-of-use asset relates to a class of property, plant and equipment which is measured on the revaluation model, then that right-of-use asset may be measured on the revaluation model.

- The lease liability is subsequently increased by interest, reduced by lease payments and re-measured for reassessments or modifications.

- Re-measurements of lease liabilities are affected against right-of-use assets, unless the assets have been reduced to nil, in which case further adjustments are recognised in profit or loss.

- The lease liability is re-measured by discounting revised payments at a revised rate when there is a change in the lease term or a change in the assessment of an option to purchase the underlying asset.

- The lease liability is re-measured by discounting revised lease payments at the original discount rate when there is a change in the amounts expected to be paid in a residual value guarantee or when there is a change in future payments because of a change in index or rate used to determine those payments.

- Certain lease modifications are accounted for as separate leases. When lease modifications which decrease the scope of the lease are not required to be accounted for as separate leases, then the lessee re-measures the lease liability by decreasing the carrying amount of the right of lease asset to reflect the full or partial termination of the lease. Any gain or loss relating to the full or partial termination of the lease is recognised in profit or loss. For all other lease modifications which are not required to be accounted for as separate leases, the lease re-measures the lease liability by making a corresponding adjustment to the right-of-use asset.

- Right-of-use assets and lease liabilities should be presented separately from other assets and liabilities. If not, then the line item in which they are included must be disclosed. This does not apply to right-of-use assets meeting the definition of investment property which must be presented within investment property. IFRS 16 contains different disclosure requirements compared to IAS 17 leases.



(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

3. New Standards and Interpretations (continued)

The Council charged the operating leases payments to the statements of profit or loss and other comprehensive income on a straight-line basis over the lease term. With the adoption of IFRS 16, all leases with a term or a remaining term of more than 12 months, unless the underlying asset is of low value, are recognised as right-of-use assets and lease liabilities. The entity estimates that its adoption of IFRS 16 may recognise right-of-use assets and the corresponding lease liabilities of approximately.

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

| Figures in Rand | 2019 | 2018 |
|-----------------|------|------|

4. Property and equipment

| | 2019 | | | 2018 | | |
|------------------------|---------------------|--------------------------|-------------------|---------------------|--------------------------|-------------------|
| | Cost or revaluation | Accumulated depreciation | Carrying value | Cost or revaluation | Accumulated depreciation | Carrying value |
| Furniture and fixtures | 449,388 | (333,030) | 116,358 | 435,268 | (286,535) | 148,733 |
| Office equipment | 339,831 | (213,954) | 125,877 | 339,831 | (152,040) | 187,791 |
| IT equipment | 2,381,125 | (1,208,218) | 1,172,907 | 1,676,901 | (590,039) | 1,086,862 |
| Leasehold improvements | 102,396 | (23,724) | 78,672 | 102,396 | (3,245) | 99,151 |
| Total | 3,272,740 | (1,778,926) | 1,493,814 | 2,554,396 | (1,031,859) | 1,522,537 |

Reconciliation of property and equipment - 2019

| | Opening balance | Additions | Depreciation | Total |
|------------------------|--------------------|-----------|--------------|-----------|
| Furniture and fixtures | 148,733 | 14,120 | (46,495) | 116,358 |
| Office equipment | 187,791 | - | (61,914) | 125,877 |
| IT equipment | 1,086,862 | 704,224 | (618,179) | 1,172,907 |
| Leasehold improvements | 99,151 | - | (20,479) | 78,672 |
| | 1,522,537 | 718,344 | (747,067) | 1,493,814 |

Reconciliation of property and equipment - 2018

| | Opening balance | Additions | Disposals | Re- assessment of usefullives | Depreciation | Total |
|------------------------|--------------------|-----------|-----------|--|--------------|-----------|
| Furniture and fixtures | 210,377 | 13,856 | (8,613) | 4,247 | (71,134) | 148,733 |
| Office equipment | 205,804 | 31,134 | - | 12,024 | (61,171) | 187,791 |
| IT equipment | 207,581 | 1,219,447 | - | 29,008 | (369,174) | 1,086,862 |
| Leasehold improvements | - | 102,396 | - | - | (3,245) | 99,151 |
| | 623,762 | 1,366,833 | (8,613) | 45,279 | (504,724) | 1,522,537 |

| Figures in Rand | 2019 | 2018 |
|---------------------------------------|---------|---------|
| Net carrying amounts of leased assets | | |
| Leased IT equipment | 727,337 | 897,816 |



(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

| | Figures | s in Rand | | | 2019 | 2018 |
|----------------------|---------------------|--------------------------|-------------------|---------------------|--------------------------|-------------------|
| 5. Intangible assets | | 2019 | | | 2018 | |
| | Cost / Valuation | Accumulated amortisation | Carrying value | Cost / Valuation | Accumulated amortisation | Carrying value |
| Computer software | 473,091 | (115,477) | 357,614 | - | - | |

Reconciliation of intangible assets - 2019

| | Opening balance | Additions | Amortisation | lotal | |
|-------------------|--------------------|-----------|--------------|---------|--|
| Computer software | - | 473,091 | (115,477) | 357,614 | |

(180,737)

6. Operating lease asset (accrual)

Operating lease payments are recognised as an expense on a straight line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payment are recognised as an operating lease assets/(liability)

Current liability (219,145)

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

| Figures in Rand | 2019 | 2018 |
|-------------------------------------|-------------|-------------|
| 7. Trade and other receivables | | |
| Financial instruments: | | |
| Trade receivables | 3,613,100 | 15,003,750 |
| Allowance for impairment | (3,026,785) | (3,085,681) |
| Trade receivables at amortised cost | 586,315 | 11,918,069 |
| Prepayments | 19,201 | 149,649 |
| Stipend advance | 10,000 | 28,000 |
| Salary advances | 47,237 | 53,661 |
| Non-financial instruments: | | |
| VAT | 852,326 | - |
| Total trade and other receivables | 1,515,079 | 12,149,379 |
| | | |

Categorisation of trade and other receivables

Trade and other receivables are categorised as follows in accordance with IFRS 9: Financial Instruments:

| At amortised cost | 662,753 | 12,149,379 |
|---------------------------|-----------|------------|
| Non-financial instruments | 852,326 | - |
| | 1,515,079 | 12,149,379 |

Trade and other receivable expected credit loss

As of 31 March 2019, trade and other receivables of R 3 613 100 were assessed for credit loss. The amount for the assessed loss was R 3 026 785. This is as a result of debtors older than 15 months.

Exposure to credit risk

Trade receivables inherently expose the Council to credit risk, being the risk that the Council will incur financial loss if customers fail to make payments as they fall due.

Trade and other receivables consists of registered members across the construction, health and safety related industries. On-going credit evaluation is performed on the financial condition of trade and other receivables.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

The carrying amount of financial assets recognised in the financial statements which is net of impairment losses representing the Council's maximum exposure to credit risk. A loss allowance is recognised for all trade receivables in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor is deregistered. Trade receivables which have been written off are not subject to enforcement activities.

The Council measures the loss allowance for trade receivables by applying a simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime expected credit losses are estimated using a provision matrix. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward-looking information and general economic conditions of the industry as at the reporting date.

The estimation techniques explained have been applied for the first time in the current financial period as a result of the adoption of IFRS 9. Trade receivables were previously impaired only when there was objective evidence that the asset was impaired. The impairment was calculated as the difference between the carrying amount and the present value of the expected future cash flows.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.



(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

| Figures in Rand | 2019 | 2018 |
|-----------------|------|------|
| | | |

7. Trade and other receivables (continued)

The Council's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on future expected loss without disaggregating into further risk profiles.

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade and other receivables:

| Opening balance in accordance with IAS 39 Financial Instruments: Recognition and Measurement | - | (1,868,422) |
|---|-------------|-------------|
| Opening balance in accordance with IFRS 9 | (3,085,681) | (1,868,422) |
| Provision raised on new trade receivables | - | (1,217,259) |
| IFRS 9 Adjustment | 58,896 | - |
| Closing balance | (3,026,785) | (3,085,681) |

Trade receivables to the extent of R1 419 065 - have been written off.

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

8. Cash and cash equivalents

Cash and cash equivalents consist of:

| | 12,101,612 | 6,381,583 |
|---------------------|------------|-----------|
| Short-term deposits | 10,065,367 | 4,377,214 |
| Bank balances | 2,035,272 | 2,003,155 |
| Cash on hand | | |
| | 973 | 1,214 |

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

| Figures in Rand | 2019 | 2018 |
|---|-----------|-----------|
| 9. Finance lease liabilities | | |
| Minimum lease payments due | | |
| - within one year | 505,185 | 410,192 |
| - in second to fifth year inclusive | 581,848 | 865,338 |
| | 1,087,033 | 1,275,530 |
| Less: future finance charges | (168,441) | (296,886) |
| Present value of minimum lease payments | 918,592 | 978,644 |
| | | |
| Non-current liabilities | 516,002 | 711,252 |
| Current liabilities | 402,590 | 267,443 |
| | 918,592 | 978,695 |

SUNLYN

The Finance Lease liabilities relate to desktop and laptops with lease terms of three years and server with lease term of five years. There are no renewal or purchase options and no restrictions imposed by the lease agreements.

ENOVATIVE TECHNOLOGIES

The Finance Lease liabilities relate to firewall with lease terms of three years. There are no renewal or purchase options and no restrictions imposed by the lease agreements.

The Finance Lease liabilities relate to network equipment with lease terms of five years and Network equipment with a lease term of three years. There are no renewal or purchase options and no restrictions imposed by the lease agreements.

The carrying values of the finance leased assets are included under other property and equipment.

10. Income received in advance

The Council recognises revenue from annual fees on a straight-line basis over the period of the validity of certificate. The annual fees are billed on an annual basis for the period of 12 months.

Income received in advance is reported as a current liability if it is earned in one year. Where the performance obligation is not at year end and payment is received, the income is recognised as income received in advance.

| Income received in advance | (12,638,419) | (15,353,395) |
|------------------------------|--------------|--------------|
| 11. Trade and other payables | | |
| Financial instruments: | | |
| Trade payables | 631,446 | 340,202 |
| Other payables | 1,441,392 | 1,302,994 |
| PAYE, SDL and UIF | 361,383 | 290,619 |
| Leave provision | 274,338 | 193,468 |
| Accrued expense | 196,504 | 69,360 |
| Consultants/Allowances | 2,181 | 111,343 |
| Non-financial instruments: | | |
| VAT | - | 2,633,993 |
| | 2,907,244 | 4,941,979 |



(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

| Figures in Rand | 2019 | 2018 |
|--|-------------|-------------|
| 12. Revenue | | |
| Revenue from contracts with customers | | |
| Fees revenue | 33,005,824 | 25,064,034 |
| Penalty income | 1,324,804 | 1,398,972 |
| Accredidation visits | - | 480,000 |
| Summit and conference | 3,166,004 | 1,726,516 |
| Recognition of prior learning fees | 288,984 | 369,404 |
| Other revenue | 164,087 | 360,193 |
| Continuing professional development | 727,241 | 1,215,287 |
| | 38,676,944 | 30,614,406 |
| 13. Other operating income | | |
| Bad debts recovered | 7,054 | - |
| Gains/Losses from foreign exchange | 11,565 | - |
| | 18,619 | - |
| 14. Finance costs | | |
| Finance leases | 151,708 | 107,255 |
| Interest on late payments - SARS | 71 | 33,401 |
| Total finance costs | 151,779 | 140,656 |
| 15. Cash generated from operations | | |
| Profit before taxation | 186,025 | (3,120,381) |
| Adjustments for: | 100,020 | (0,120,001) |
| Depreciation and amortisation | 862,544 | 504,724 |
| Loss on disposal of assets | - | 8,612 |
| Gains on foreign exchange | (11,565) | - |
| Bad debt recovered | (7,054) | - |
| Interest income | (248,944) | (105,595) |
| Finance costs | 151,779 | 140,656 |
| Movements in operating lease assets and accruals | (13,351) | 147,133 |
| Changes in working capital: | | |
| Trade and other receivables | 10,634,300 | 2,053,592 |
| Trade and other payables | (2,034,740) | 3,214,397 |
| Income received in advance | (2,714,976) | - |
| | 6,804,018 | 2,843,138 |
| 16. Commitments | | |
| Operating leases – as lessee (expense) | | |
| Minimum lease payments due | | |
| - within one year | 1,224,618 | 1,127,677 |
| - in second to fifth year inclusive | 1,328,709 | 2,553,327 |
| | 2,553,327 | 3,681,004 |

Operating lease payments are recognised as an expense on a straight line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payment are recognised as an operating lease assets/(liability).

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

| Figures in Rand | | 2019 | 2018 |
|---|---|---|---------|
| | | 2019 | 2010 |
| 17. Contingencies | | | |
| There were no material contingencies that require disclosure | 9. | | |
| 18. Related parties | | | |
| Relationships | Council for Built Env | | |
| Co-ordinating body of Council activities Members of Council | Mr. IM Nkosi (Preside Mr. B Simelane (Vice | | |
| | Dr. C Deacon | , | |
| | Ms. N Molao Mr. E Manchidi | | |
| | Adv. R Dehal | | |
| | Mr. G Mbuthia | | |
| | Mr. I Molosi Mr. S Naidoo | | |
| | Ms. G Komane | | |
| | Mr. D Michell *Fourt | | |
| | Mr. RM Crowie *Four Mr. TW Makhetha *F | | |
| | Mr. MJ Phaladi *Fou | | |
| Related party balances | | | |
| Amounts included in trade payable regarding related pa | rties | | |
| Council for Built Enviroment (levies) | | 304,489 | 168,132 |
| Related party transactions | | | |
| Honorarium and telephone allowance paid to related part | ty | | |
| Mr. E Manchidi | | 11,800 | 47,520 |
| Mr. IM Nkosi | | 35,640 | - |
| Mr. E Manchidi -Telephone allowance Mr. IM Nkosi - Telephone allowance | | 1,200 3,600 | 4,800 |
| with the thread of the telephone and wance | | 3,000 | |
| Council member remuneration (non-executive) | | | |
| Mr. IM Nkosi (President) | | 37,600 | 28,600 |
| Mr. B Simelane (Vice-President) | | 34,700 | 8,900 |
| Dr. C Deacon Ms. N Molao | | 24,500 25,600 | 12,700 |
| Mr. E Manchidi | | 16,700 | 17,600 |
| Adv. R Dehal | | 6,000 | - |
| Mr. G Mbuthia | | 13,600 | - |
| Mr. I Molosi | | 1,800 | - |
| Mr. S Naidoo | | 4,500 | - |
| Mr. D Michell * Fourth-term Council | | - | 7,200 |
| Mr. RM Crowie *Fourth-term Council | | - | 3,000 |
| Honorarium paid to related party | | | |
| Honorarium paid to related party | | 47,520 | 47,520 |



(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

| | Figures in R | and | | 20 | 19 | 2018 |
|------------------------|------------------------|-----------------------|--|----------------|-------------------|-----------|
| 19. Registrar's emolun | nents | | | | | |
| Executive 2019 | | | | | | |
| | Annual Remuneration | Retirement Annuity | Subsistence and Travel Allowance | Medical Aid | Other Benefits | Total |
| Registrar | 1,133,600 | 32,413 | 6,040 | 30,345 | 23,294 | 1,225,692 |
| 2018 | | | | | | |
| | Annual Remuneration | Retirement Annuity | Subsistence and Travel allowance | Medical Aid | Other Benefits | Total |
| Registrar | 1,676,427 | 77,792 | 10,415 | 68,940 | 55,636 | 1,889,210 |

* The former Registrar resigned in July 2018

*New Registrar has been serving the Council since February 2019

20. Prior period errors

Operating lease liability was understated; the liability recorded accounted only for the current year liability and not the cummulative liability since inception of the operating lease.

An asset was incorrectly expensed and not capitalised.

The correction of the error(s) results in adjustments as follows:

| Figures in Rand | Restated | As Previously Reported |
|---------------------------------|-----------|------------------------------|
| Statement of financial position | | |
| Operating lease | (180,737) | (71,789) |
| Property and equipment | 1,522,537 | 1,520,204 |
| Opening accumulated loss | 1,401,306 | 1,294,692 |

Statement of financial position

| | As Previously Reported | Correction of error | Restated |
|-------------------------|------------------------------|------------------------|-----------|
| erating lease liability | (71,789) | (108,974) | (180,737) |
| y and equipment | 1,520,204 | 2,333 | 1,522,537 |
| g accumulated loss | 1,294,692 | 106,641 | 1,401,307 |
| | 2,743,107 | - | 2,743,107 |

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

| Figures in Rand | 2019 | 2018 |
|-----------------|------|------|
| | | |

21. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2019

| | Note(s) | Cost | Total | Fair value |
|-----------------------------|---------|------------|------------|------------|
| Trade and other receivables | 7 | 662,753 | 662,753 | 662,753 |
| Cash and cash equivalents | 8 | 12,101,612 | 12,101,612 | 12,101,612 |
| | | 12,764,365 | 12,764,365 | 12,764,365 |

| | Note(s) | Cost | Total | Fair value |
|-----------------------------|---------|------------|------------|------------|
| Trade and other receivables | 7 | 12,149,379 | 12,149,379 | 12,149,379 |
| Cash and cash equivalents | 8 | 6,381,583 | 6,381,583 | 6,381,583 |
| | | 18,530,962 | 18,530,962 | 18,530,962 |



The South African Council for the Project and Construction Management Professions

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

| | 2019 | 2018 | | | | | | |
|-------------------------------------|---|-----------|-----------|-----------|------------|--|--|--|
| 21. Financial instruments and risk | 21. Financial instruments and risk management (continued) | | | | | | | |
| Categories of financial liabilities | | | | | | | | |
| 2019 | | | | | | | | |
| | Note(s) | Cost | Leases | Total | Fair value | | | |
| Trade and other payables | 11 | 2,907,239 | - | 2,907,239 | - | | | |
| Finance lease obligations | 9 | - | 918,592 | 918,592 | - | | | |
| Operating lease accrual | 6 | - | 219,145 | 219,145 | - | | | |
| | - | 2,907,239 | 1,137,737 | 4,044,976 | - | | | |

| | Note(s) | Cost | Leases | Iotal | Fair value |
|---------------------------|---------|-----------|-----------|-----------|------------|
| Trade and other payables | 11 | 2,307,986 | - | 2,307,986 | - |
| Finance lease obligations | 9 | - | 978,695 | 978,695 | - |
| Operating lease accrual | 6 | - | 180,737 | 180,737 | - |
| | | 2,307,986 | 1,159,432 | 3,467,418 | - |

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

| Figures in Band 2019 2018 | | | |
|---------------------------|-----------------|------|------|
| | Figures in Rand | 2019 | 2018 |

21. Financial instruments and risk management (continued)

Financial risk management

Overview

Effective financial risk management is imperative to Council. The realisation of the Council's objectives depends on a sound management of financial risks which enable the Council to anticipate and respond to changes in the market environment as well as making informed decisions under conditions of uncertainty.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The Council only deposits cash with major banks with high quality credit standing and limit exposure to any counter party. Trade receivables comprise a widespread customer base.

Credit loss allowances for expected credit losses are recognised for all debt instruments, but excluding those measured at fair value through profit or loss. Credit loss allowances are also recognised for loan commitments and financial guarantee contracts.

In order to calculate credit loss allowances, management determine whether the loss allowances should be calculated on a 12 month or on a lifetime expected credit loss basis. This determination depends on whether there has been a significant increase in the credit risk since initial recognition. If there has been a significant increase in credit risk, then the loss allowance is calculated based on lifetime expected credit losses. If not, then the loss allowance is based on 12 month expected credit losses. This determination is made at the end of each financial period. Thus the basis of the loss allowance for a specific financial asset could change year on year.

The maximum exposure to credit risk is presented in the table below:

| | | | 2019 | | | 2018 | |
|-----------------------------|---|-----------------------------|--------------------------|-----------------------------------|-----------------------------|--------------------------|-----------------------------------|
| | | Gross carrying amount | Credit loss allowance | Amortised cost / fair value | Gross carrying amount | Credit loss allowance | Amortised cost / fair value |
| Trade and other receivables | 7 | 3,689,538 | (3,026,785) | 662,753 | 15,235,060 | (3,085,681) | 12,149,379 |
| Cash and cash equivalents | 8 | 12,101,612 | - | 12,101,612 | 6,381,583 | - | 6,381,583 |
| | | 15,791,150 | (3,026,785) | 12,764,365 | 21,616,643 | (3,085,681) | 18,530,962 |

Liquidity risk

Liquidity risk, in this instance, refers to the risk that Council may not meet its short-term obligations when they fall due. Management of liquidity risk is particularly important as it ensures that capital and operating expenditure is met.

Council manages liquidity risk through an ongoing review of future commitments and current cash investments.

| | | Carrying amount |
|---------------------------|---|--------------------|
| Non-current liabilities | | |
| Finance lease liabilities | 9 | 516,002 |



(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Notes to the Financial Statements

| Figures in Rand | 2019 | 2018 |
|---|------|-----------------|
| 21. Financial instruments and risk management (continued) | | |
| Current liabilities | | |
| Trade and other payables | 9 | 2,907,239 |
| Finance lease liabilities | 9 | 402,590 |
| | | 3,825,831 |
| 2018 | | |
| | | Carrying amount |
| Non-current liabilities | | |
| Finance lease liabilities | 9 | 711,252 |
| Current liabilities | | |
| Trade and other payables | 11 | 2,307,986 |
| Finance lease liabilities | 9 | 267,443 |
| | | 3,286,681 |

Interest rate risk

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The Council's policy with regards to financial assets is to invest cash at fixed rates of interest and to maintain cash reserves in short-term investments in order to maintain liquidity.

There have been no significant changes in the interest-rate risk management policies and processes since the prior reporting period.

22. Going concern

We draw attention to the fact that at 31 March 2019, the Council had accumulated losses of R (1,215,281) and R (1,401,307) in the 2017/18 year; however the councillors believe that the Council has adequated financial resources to continue in operation for the foreseeable future. They have satisfied themselves that the Council is in a sound financial position and will meet its foresseeable cash requirements

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

23. Events after the reporting period

The Council is not aware of any material event which occurred after the reporting date and up to the date of the financial statements.

24. Assessment of useful life

Management assessed the expected wear and tear on some of its category of property and equipment. This resulted in the revision of the expected useful life as the assets were assessed to be still in good condition for usage by the SACPCMP, future than the initial expected period.

25. Income tax

The SACPCMP is exempted from income tax in terms of section 10(1) (cA)(i)(bb) of the Income Tax Act, 1962 (Act 58 of 1962).

(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

Detailed Income Statement

| Figures in Rand | Note(s) | 2019 | 2018 Restated* |
|-------------------------------------|---------|--------------|-------------------|
| Revenue | | | |
| Fees revenue | | 33,005,824 | 25,064,034 |
| Penalty income | | 1,324,804 | 1,398,972 |
| Accreditation visits | | - | 480,000 |
| Other revenue | | 164,087 | 360,193 |
| Summit and conference income | | 3,166,004 | 1,726,516 |
| Recognition of prior learning fees | | 288,984 | 369,404 |
| Continuing Professional Development | | 727,241 | 1,215,287 |
| | 12 | 38,676,944 | 30,614,406 |
| Other operating income | | | |
| Bad debt recoveries | | 7,054 | - |
| Gain/loss from foreign exchange | | 11,565 | - |
| | 13 | 18,619 | - |
| Expenses | | (38,606,703) | (33,699,726) |
| Operating profit (loss) | | 88,860 | (3,085,320) |
| Investment income | | 248,944 | 105,595 |
| Finance costs | 14 | (151,779) | (140,656) |
| Profit (loss) for the year | | 186,025 | (3,120,381) |

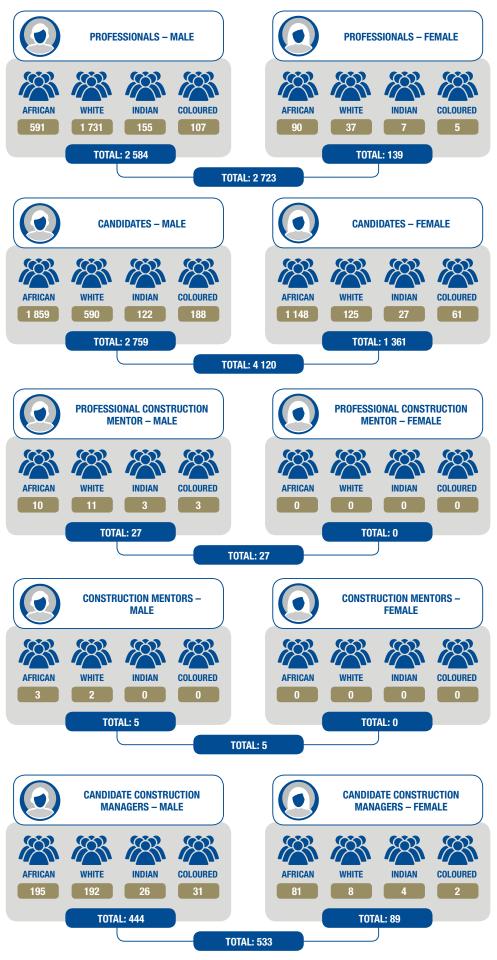


(Incorporated under the Project and Construction Management Professions Act No.48 of 2000) Financial Statements for the year ended 31 March 2019

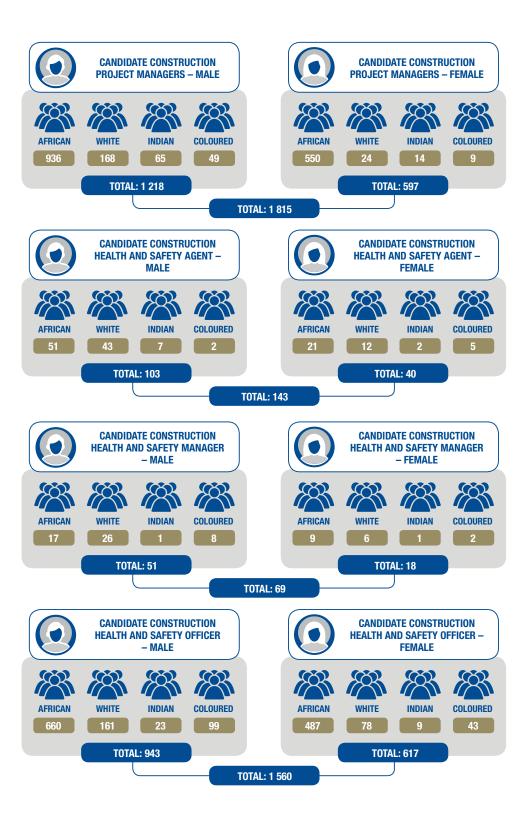
Detailed Income Statement

| Figures in Rand | Note(s) | 2019 | 2018 |
|---|---------|------------------------|--------------------------|
| | | | |
| Other operating expenses | | | |
| SARS penalty fees | | (3,152) | (128,195) |
| Amortisation | | (115,477) | - |
| Auditors remuneration - external auditors | | (125,892) | (98,068) |
| Auditors remuneration - internal audit | | (186,480) | (192,295) |
| Bad debts written off | | (1,419,064) | (2,454,574) |
| Bank charges | | (213,099) | (170,325) |
| Cleaning | | (18,950) | (18,055) |
| Consulting and professional fees - accounting | | (123,000) | (172,150) |
| Consulting fees - other | | (1,882,009) | (1,449,876) |
| Investigation of complaints | | (64,184) | (226,083) |
| Refreshments | | (77,750) | (62,766) |
| Depreciation | | (747,067) | (504,724) |
| Employee costs | | (13,916,876) | (11,928,886) |
| Entertainment | | (23,740) | (24,667) |
| Council allowances | | (284,646) | (244,700) |
| Design and printing | | (146,195) | (196,824) |
| Assessment of application | | (2,617,959) | (1,412,716) |
| Appeals | | (_,0.1,000) | (3,000) |
| Transformation programme expenses | | (372,306) | (373,926) |
| Interviews | | (681,731) | (548,592) |
| Accreditation cost - gratuity | | | (295,500) |
| Examination | | (173,187) | (70,342) |
| Grant expenditure (LG Seta) | | (157,265) | (584,374) |
| Meetings and workshop | | (293,250) | (202,790) |
| Marketing and communication | | (523,729) | (558,998) |
| Exemptions | | (020,720) | (136,434) |
| Insurance | | (273,767) | (180,026) |
| IT expenses | | (1,604,727) | (1,307,377) |
| Lease rentals on operating lease | | (1,004,727) | (324,268) |
| Provision for bad debt and cancellation | | (5,498,540) | (2,654,357) |
| Water and electricity | | (335,514) | (302,860) |
| Rental - buildings | | (1,167,087) | (1,256,321) |
| General expenses | | (126,725) | (1,200,021) |
| Recruitment | | (209,958) | (190,168) |
| Postage and courier | | (95,167) | (150,100) |
| Printing and stationery | | (204,368) | (236,933) |
| Registry expenses | | (143,789) | (230,933) (60,994) |
| Construction summit | | (143,789) (661,958) | (643,103) |
| Construction conference | | (1,406,827) | (1,440,717) |
| Low value assests/IT accessories | | (1,400,027) | |
| Security | | (007 260) | (15,424) (306,591) |
| Staff welfare | | (207,362) (12,625) | (86,448) |
| Goverment Gazette Publications | | (12,023) | |
| | | - (001 167) | (877) |
| Telephone and fax | | (824,467) | (567,262) |
| Training and development Travel - local | | (183,666) | (184,690) (1,727,334) |
| Loss on disposal of assets | | (1,183,600) | (1,727,334) (8,614) |
| 2000 011 01000001 01 000000 | | (38 606 703) | |
| | | (38,606,703) | (33,699,726) |

TOTAL NUMBER OF REGISTERED PROFESSIONALS BY CATEGORY



DEVELOP | GROW | PROSPER





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