SACPCMP

The South African Council for the Project and Construction Management Professions

— CONSTRUCTING NEW PERSPECTIVES —

2024 / 2025 ANNUAL REPORT

Table of Contents

PART A: GENERAL INFORMATION 4

1. GENERAL INFORMATION 5
2. LIST OF ABBREVIATIONS/ACRONYMS 6
3. FOREWORD BY THE SACPCMP PRESIDENT 8
4. MESSAGE FROM THE REGISTRAR 11
5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY 14
6. STRATEGIC OVERVIEW 15
7. LEGISLATIVE AND OTHER MANDATES 17
8. SACPCMP ORGANISATIONAL STRUCTURE 18

PART B: PERFORMANCE INFORMATION 22

1. SITUATIONAL ANALYSIS 23
2. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES 28
   - 2.1 Institutional Programme Performance Information 28
     - 2.1.1 PROGRAMME 1: ADMINISTRATION 28
     - 2.1.2 PROGRAMME 2: MANDATE COMPLIANCE 34
     - 2.1.3 PROGRAMME 3: SUSTAINABILITY 46
     - 2.1.4 PROGRAMME 4: PROGRAMME AND INSTITUTIONAL GOVERNANCE 50
   - 2.2 Linking Performance with Budget 53
   - 2.3 Revenue Collection 54
   - 2.4 Capital Investment 55

PART C: GOVERNANCE 56

1. INTRODUCTION 57
2. PORTFOLIO COMMITTEES 59
3. RISK MANAGEMENT 65
4. INTERNAL CONTROL UNIT 68
5. INTERNAL AUDIT AND AUDIT COMMITTEES 68
6. COMPLIANCE WITH LAWS AND REGULATION 69
7. FRAUD AND CORRUPTION 69

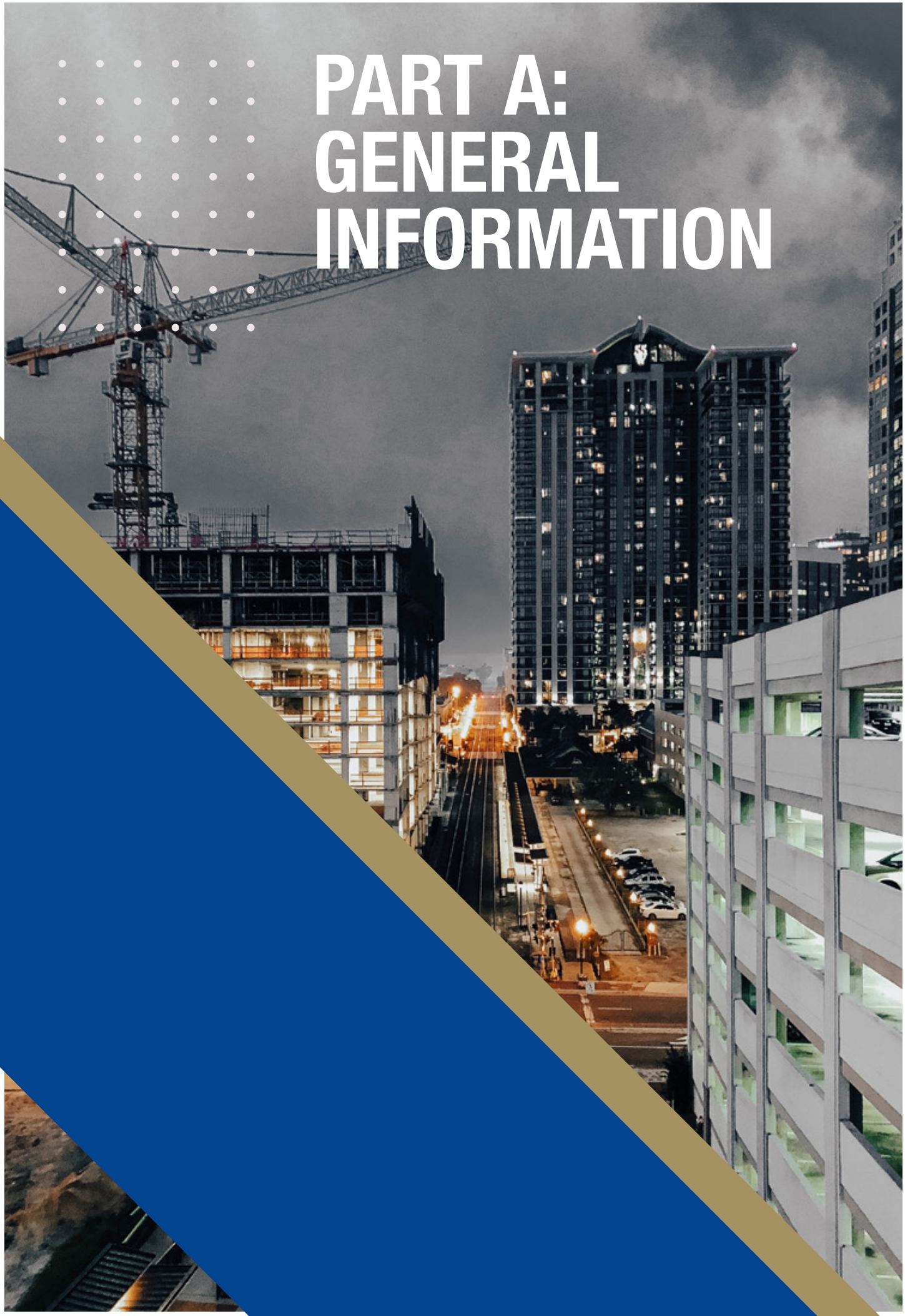
8. MINIMISING CONFLICT OF INTEREST 70
9. CODE OF CONDUCT 70
10. COMPANY SECRETARY 70
11. SOCIAL RESPONSIBILITY 70
12. B-BBEE COMPLIANCE PERFORMANCE INFORMATION 71
13. REPORT OF THE AUDIT AND RISK COMMITTEE 72

PART D: HUMAN RESOURCE MANAGEMENT 76

1. INTRODUCTION AND OVERVIEW 77
2. HUMAN RESOURCES PRIORITIES 78
3. WORKFORCE PLANNING AND STRATEGIC INITIATIVES 78
4. PERFORMANCE MANAGEMENT FRAMEWORK 78
5. POLICY DEVELOPMENT 78
6. HUMAN RESOURCE STATISTICS 79

PART E: FINANCIAL INFORMATION 84

PART A: GENERAL INFORMATION



1. 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	Rigel Office Park 446 Rigel Avenue South Erasmusrand Pretoria 0181
POSTAL ADDRESS	PO Box 6286 Halfway House Midrand 1685
TELEPHONE NUMBERS	+27 (0)11 318 3402/3/4
EMAIL ADDRESS	admin@sacpcmp.org.za
WEBSITE	www.sacpcmp.org.za
EXTERNAL AUDITORS	RAiN Chartered Accountants Johannesburg Office 34 Fricker Road, Illovo, Johannesburg, South Africa Postal address: PO Box 1006, Saxonwold, 2196
BANKERS	Nedbank Limited Investec Bank
COUNCIL SECRETARY	IKB Secretaries

2. LIST OF ABBREVIATIONS / ACRONYMS

ACHASM	Association of Construction Health and Safety Management
ACPM	Association of Construction Project Managers
AFS	Annual Financial Statements
APP	Annual Performance Plan
ARC	Audit and Risk Committee
ASAQS	Association of South African Quantity Surveyors
ASOCSA	Association of Schools of Construction of Southern Africa
B-BBEE	Broad-Based Black Economic Empowerment
BCP	Business Continuity Plan
BE	Built Environment
BEPC	Built Environment Professional Councils
BI	Building Inspectors
BP	Business Processes
CanCHSA	Candidate Construction Health and Safety Agent
CanCHSM	Candidate Construction Health and Safety Manager
CanCHSO	Candidate Construction Health and Safety Officer
CBE	Council for the Built Environment
CBEP	Councils for the Built Environment Professions
CC	Competition Commission
CBInsp	Certified Building Inspector
CCM	Candidate Construction Manager
CCPM	Candidate Construction Project Manager
CEA	Career Excel Academy
CESA	Consulting Engineers South Africa
CETA	Construction Education and Training Authority
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
CPD	Continuing Professional Development
CPM	Construction Project Management
DOA	Delegation of Authority
DoE&L	Department of Employment and Labour
DPWI	Department of Public Works and Infrastructure
ECSA	Engineering Council of South Africa
EDMS	Electronic Document Management System
ERM	Enterprise Risk Management
EXCO	Executive Committee
FY	Financial Year
HDI	Historically Disadvantaged Individuals
HOD	Head of Department
HR	Human Resources
HSE CP	HSE Connection Point
ICT	Information and Communications Technology
IDoW	Identification of Work
IHL	Institutions of Higher Learning
IoSM	The Institute of Safety Management
LRA	Labour Relations Act
LGSETA	Local Government Sector Education and Training Authority
MARKOR	Market Orientation (scale)
MBA KZN	Master Builders Association KwaZulu-Natal

MBA WC	Master Builders Association Western Cape
MBSA	Master Builders South Africa
MM	My Management (system)
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MTEF	Medium-Term Expenditure Framework
NHBRC	National Home Builders Registration Council
NQF	National Qualifications Framework
OHS	Occupational Health and Safety
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PCMP	Project and Construction Management Professions
PCM	Project and Construction Management
PFMA	Public Finance Management Act
PMI	Project Management Institute
POPIA	Protection of Personal Information Act
PPPFA	Preferential Procurement Policy Framework Act
PrBInsp	Professional Building Inspectors
PrCHSA	Professional Construction Health and Safety Agent
PrCM	Professional Construction Manager
PrCMentor	Professional Construction Mentor
PrCPM	Professional Construction Project Manager
RICS	Royal Institution of Chartered Surveyors
RP	Registered Person
RPL	Recognition of Prior Learning

SACAP	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	South African Council for the Quantity Surveying Profession
SAFCEC	South African Forum of Civil Engineering Contractors
SAIA	South African Institute of Architects
SAICE	South African Institution of Civil Engineering
SAIOSH	South African Institute for Occupational Health and Safety
SAQA	South African Qualifications Authority
SARF	South African Road Federation
SCM	Supply Chain Management
SETA	Sector Education and Training Authority
SGB	Standards Generating Body
SIDSSA	Sustainable Infrastructure Development Symposium South Africa
SLA	Service Level Agreement
SOEs	State-Owned Entities
SOP	Standard Operating Procedure
SRC	Stakeholder Relations and Communications
SWOT	Strengths, Weaknesses, Opportunities and Threats
VA	Voluntary Association

3. FOREWORD BY THE SACPCMP PRESIDENT

Mr Lufuno Ratsiku
SACPCMP President

The SACPCMP's 2020-2025 Strategic Plan charted a critical path of change for the entity, responsive to its legislative mandate and government priorities. It established the required business policies and processes to address all 13 mandates of the organisation, while building on the SACPCMP vision, mission and values. The plan articulated the entity's value proposition, framed a business model for its implementation, and changed the SACPCMP's trajectory, enabling its recalibration.

The 2024/25 financial year marked the final year of the Strategic Plan with excitement for what lies ahead!

The Construction Industry in 2024/25
In the year under review, the South African Built Environment - and particularly the construction industry - remained under pressure. Construction activity was constrained, with output contracting by roughly five percent during 2024 and contributing virtually nothing to GDP growth by early 2025. This was a clear signal that construction activity had yet to recover to pre-pandemic levels.

There were, however, glimmers of hope. The sector added about 176 000 jobs, and several stalled projects cautiously resumed. At the same time, construction costs climbed steadily, with the average construction materials price index rising around six percent, reflecting persistent inflation in inputs such as cement and steel. These rising costs, alongside higher interest rates, squeezed profit margins and dampened new project starts, keeping the industry's performance subdued. Private capital began to cautiously step in, especially where clear opportunities, such as renewable power or logistics facilities aligned with national needs. Nonetheless, private construction demand remained modest, unable to fully offset the slowdown in public sector activity over the period.

Looking ahead, the outlook for the next financial year is cautiously optimistic. If planned reforms and infrastructure developments are realised, industry projections envisage an annual growth between three and four percent, and South Africa's construction industry can gradually regain momentum in the years ahead.

The SACPCMP Taking Action
In recognising these sector challenges, the SACPCMP, through its Strategic Plan, responded with a focus on governance and risk management, improving Council infrastructure systems, as well as finalising business processes, policies and engagement opportunities to support stakeholders.

As the President of the SACPCMP, I and my fellow Council Members are ultimately accountable for the performance of the organisation, which includes guiding the SACPCMP strategy through the establishment of policies and objectives, understanding the key risks faced by the organisation, and determining the risk appetite, tolerance and preferences of the organisation as well as the processes in operation to mitigate these.

I am pleased to report that the SACPCMP has, despite facing significant challenges, made notable progress, achieving 71% of its strategic objectives while laying the foundation for continued improvements. Simply put, the SACPCMP completed a five-year strategy within just three years, and in doing so, addressed the following four focus areas:

Administration - The SACPCMP aimed to establish a fit-for-purpose regulatory structure with clear roles and responsibilities, ensuring the right people in the right positions to fulfil its mandate. Strong leadership and employee engagement were promoted to build a collaborative culture that drives the organisation's transformation and achievement of objectives.

> “The Council also reached a foundational milestone by developing competency standards for all designations, encompassing 123 competencies with several hundred standards mapped across nine frameworks.”

Mandate Compliance - Ensuring the SACPCMP fulfils its regulatory and social mandates through clearly defined processes and performance standards, while strengthening its intellectual capital via effective knowledge management to support transparency and social justice in the Built Environment.

Sustainability - Ensuring long-term delivery of the value proposition by optimising the SACPCMP business model to reduce operating costs, improve productivity and diversify revenue streams.

Institutional Governance - Ensuring that the SACPCMP has formal business decision-making frameworks to drive effective governance and operational efficiency.

To date, the SACPCMP has reviewed, designed and approved its new Organisational Structure as well as developed a ‘one version of the truth’ document of its mandates. Business processes have been approved to cater to all 13 mandates, alongside 10 mandate-specific policies. The SACPCMP has also enabled more effective cost management and explored revenue diversification opportunities, and implemented a pricing protocol to address pricing gaps, optimise cost management, reduce operating costs and improve productivity.

In addition, the Council formalised its core business processes to support effective governance and operational efficiency, while enhancing decision-making processes and governance structures to streamline operations. Furthermore, the entity has looked to enhancing employee engagement to establish the SACPCMP as an employer of choice, completed a skills audit and implemented a skills utilisation plan, as well as commenced with a culture change project to foster an improved organisational culture.

The Council further considered strategy projects and objectives that were not achievable in the 2024/25 financial year and will carry these objectives forward to the next cycle.

Improvement of ‘the business of the Council’ was also a focal point that has seen the following key strategic improvements:

1. **Organisational Structure -** Established dedicated units for Registration, Education, Professions Governance, and Operations Coordination to ensure compliance and quality assurance.
2. **Policy Development -** Developed policies, standards, and business processes for all 13 mandates, ensuring consistency and clarity in operations.
3. **Governance -** Formed properly constituted Committees to oversee mandates and ensure the independent handling of investigations and disciplinary matters.
4. **Online Examinations & Interviews -** Shifted assessments online, improving accessibility and reducing logistical costs while significantly increasing participation.
5. **Quality Assurance -** Standardised assessment criteria, implemented moderation systems, and trained assessors, leading to fewer appeals and improved transparency.
6. **Competency Standards Development -** Created a competency framework which included ‘world-first’ competency and introduced competency-based interviews to reduce bias.
7. **SAQA Review & Recognition -** Achieved positive recognition by SAQA, reflecting successful implementation of structured governance and standardised processes.

The Council has transitioned from an unstructured governance framework to effective execution of its legislative mandates with improved governance, transparency, and operational efficiency.

Financially, it remains a going concern with sufficient resources and strategic capacity to continue operating for the foreseeable future. A low-risk investment strategy was adopted, and cost management was optimised. The entity strengthened cost management and operational efficiency by implementing a cost-reflective pricing protocol, leveraging external service providers, aligning internal competencies, and establishing formal decision-making frameworks to support effective governance.

Efforts during the year focused on enhancing internal efficiencies, identifying outsourcing opportunities, aligning resources with strategic goals, and developing a communications plan to reinforce the SACPCMP's relevance.

While the Council is satisfied with the increase in registrations, the slow pace of transformation within the industry endures. Regardless, the entity continued to utilise areas such as continuing professional development (CPD), mentorship, candidacy programmes, stakeholder engagement and corporate social investment to support its efforts in transformation and the development of the sector pipeline.

The SACPCMP will look to information communications technology (ITC) as a pivotal enabler for performance excellence, stakeholder engagement, and regulatory agility, enabling a greater commitment to delivering secure, user-centric, and scalable services that support professionalisation in the built environment sector.

The Council also looks forward to the development of the entity in terms of Social Facilitation and Facilities Management, moving into the space of professionalisation, providing greater credibility to these professions.

We were pleased to make progress in the development of a Disciplinary Tribunal and the appeals process. Nevertheless, the CPD-related suspensions, as well as slow progress experienced regarding the pending finalisation of the Built Environment Councils' Identification of Works (IDOW) and Scope of Works mandates, remain items that Council Members keep under close attention.

Risk Management and Governance

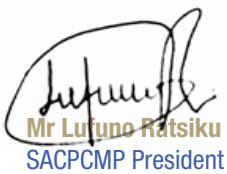
The SACPCMP aligns its risk management with King IV corporate governance principles through a comprehensive framework that embeds risk practices across all business units to ensure effective identification, monitoring, and management of material risks. Strategic risks and opportunities are regularly identified, evaluated, and prioritised, with mitigation strategies incorporated into a formal Strategic Risk Register.

In 2024/25, the Council developed and approved a compliance policy to guide how compliance risk will be managed within the Council, established a compliance universe, which includes applicable fines, penalties, and sanctions for non-compliance per legislation, and developed a compliance plan detailing a structured approach for monitoring compliance.

Looking ahead, the SACPCMP will focus on embedding risk management into its culture and operations by conducting training, enhancing risk registers, implementing its Risk Appetite Framework, reviewing ERM maturity, and ensuring clear accountability through its governance structures. Key focus areas will be strengthening the entity's compliance culture by appointing compliance officers, establishing a compliance committee, and developing supporting plans and frameworks. Regular reviews and reporting will help assess and improve compliance maturity, guided by a formal risk management plan.

Conclusion

The foundational work completed over the past five-years has positioned the organisation to confidently enter the next strategic cycle. Having delivered on its mandates, the Council is well placed to sustain its operations, support transformation, and advance infrastructure-led growth through professional excellence in the Built Environment. The next five years present an opportunity to build on these achievements and to better serve stakeholders and the sector.



Mr Lufuno Ratsiku
SACPCMP President

4. MESSAGE FROM THE REGISTRAR

Mr Butcher Matutle
SACPCMP Registrar

In 2020, the SACPCMP began developing its 2020-2025 strategy, towards a more creative and innovative space with the goal of addressing inefficiencies and implementing realistic ways to deliver value to stakeholders. Activating the Strategic Plan has been a transformative journey, focusing on strengthening governance, improving operational efficiency, and ensuring long-term sustainability.

Key accomplishments include enhanced governance structures, streamlined business processes, digital transition, and financial sustainability initiatives. In short, the Council was recalibrated to deliver the strategy and processes necessary to achieve its full mandate and deliver on the theme of "making the SACPCMP work".

The Implementation of the Strategic Plan occurred largely during the pandemic, posing significant human and financial resource constraints on implementation. As a result, the five-year Strategic Plan was completed in just three years. Despite these constraints, the year under review saw a significant improvement in executing strategic projects.

The SACPCMP successfully achieved eight of its 13 strategic objectives. By grouping the mandates into four key areas - legal, education, registration and professions governance - the Council successfully mapped 12 of the 13 legislated functions.

For projects and objectives that could not be achieved within the current strategic cycle, the Council proposed that these be carried forward to ensure their successful implementation. These projects are critical for advancing collaboration, digital transformation and innovation within the SACPCMP and with external stakeholders.

Financially, the Council recorded a surplus of R 24 616 126 in 2024/25. This surplus, however, should be viewed as an anomaly resulting from low employee costs, with the entity operating at 66% of its staff capacity and critical vacant positions filled by internal staff members on an acting basis. Consequently, remuneration did not fully reflect the salary bill required for the Council to operate at full capacity.

In 2024/25 revenue fees increased, driven by higher application, reinstatement, registration, and annual fee collections, with the registration database growing by 15.7%. Operations were primarily sustained by registration fees, which accounted for 82% of total revenue.

During the reporting period, the SACPCMP met all key financial performance indicators, reflecting strong financial health, prudent management, and effective operational execution. This success reinforces confidence in the Council's long-term sustainability and its ability to deliver value to stakeholders.

Professional Registration
The Database of Registered Persons grew by 1 515 registrations to 14 011, compared to 12 496 the previous year. The SACPCMP continued to improve its registration assessment process and implement a system for quality assurance. Adopted malpractice guidelines began to find expression as part of a continuous improvement drive, emphasising better service quality and advancing ethical conduct in the application stage. In addition, a review of the Registration Policy was completed, approved, and gazetted.

Regarding transformation in registration, the SACPCMP has made progress towards its targets in terms of race and gender between 2018 and 2024, with a 91.3% increase in the number of registered African professionals and a doubling of female representation. Despite these improvements, gender imbalance remains a key concern.

The SACPCMP investigated opportunities to assist Candidates in progressing to professional registration, through the inclusion of mentorship into the CPD requirement, as well as hosting mentor-support programs. This is supported by the new Rules of Reregistration, which require individuals seeking reinstatement to mentor candidates.

Continuing Professional Development (CPD)
Due to persistent non-compliance with CPD requirements, 2,180 individuals were suspended and scheduled for deregistration on 1 April 2025. However, under the new registration rules, suspended persons were given an opportunity for reinstatement. As a result, 332 suspended individuals began the reinstatement process during the final two quarters of the financial year.

Addressing the Council's Mandates
In addressing the Programme Accreditation mandate, the Council processed two higher education applications for endorsement, with one university completing its programme accreditation visit.

Regarding new categories of registration, Social Facilitation and Facilities Management were investigated. Additionally, the SACPCMP made progress in developing competency standards for registration, completing stakeholder consultations for Constriction Health and Safety (CHS) and Building Inspectors (BI), and advancing the development of assessment frameworks and tools for both BI and CHS.

The SACPCMP continued to collaborate with Built Environment entities on the Identification of Work (IDoW) and will continue engaging in the new financial year until the matter is resolved. The Council will also look to resolve the need for developing scopes of work for other designations, which post-date the scope of work published in the 2019 Gazette.

Protection of the Public
The SACPCMP approved criteria for the appointment of a panel of investigators, commenced with the constitution of an investigating committee, and established a Disciplinary Tribunal to hear cases of misconduct by Registered Persons. Three complaints were registered on the grounds of the Code of Conduct. To reduce the number of appeals, the Council introduced an option for internal review in its Appeal and Tribunal Policy. All appeals in the 2024/25 financial year were registration related.

Information and Communications Technology (ICT)
In 2024/2025, enhancing the organisation's digital maturity and operational resilience was a key focus. The SACPCMP laid the foundations for digital transformation, governance modernisation, and improved service delivery, as well as strengthening ICT governance and cybersecurity. Some infrastructure improvements were also undertaken to ensure stable system performance.

Governance and Risk Management
The SACPCMP made significant strides in strengthening its efficiency by formalising key business decision-making frameworks. Four core processes were approved and embedded into operations to enhance decision-making and streamline governance structures.

Additionally, the Council reviewed and approved its delegation of authority, further reinforcing its commitment to effective oversight and accountability.

The SACPCMP successfully implemented all planned activities under its Risk Management Plan. The Council's risk maturity level was self-assessed as 'Emerging', supported by a documented and consistently applied risk management framework. The 2024/25 Strategic Risk Register was reviewed and approved, and the Council endorsed a risk tolerance and appetite framework, enabling a proactive approach to risk management. Most risks were rated medium, with two rated high; management committed to implementing action plans to reduce these risks to acceptable levels.

To further embed ethical governance, the SACPCMP conducted training on risk and ethics management and aligned its practices with the King IV Report through a Governance Framework and Implementation Plan, completing 94% of planned initiatives.

The Council maintained a zero-tolerance stance on fraud and corruption, implementing 85% of its anti-fraud activities and with the remainder targeted for 2025/26. A toll-free whistle-blowing hotline facilitated reporting of unethical conduct, with ten cases received - six resolved, two in progress, and two under administrative review - demonstrating the Council's active response to fraud and misconduct.

Developing the SACPCMP Internally
The SACPCMP prioritised human capital management, focusing on attracting, developing, and retaining high-performing staff. Talent management initiatives included building a strong employer brand, fostering a performance-driven culture, and creating a work environment that encourages career growth. During the review period, the Council undertook a redesign of its organisational structure to shift towards a more functional framework aligned with its regulatory mandate. This included reprofiling critical roles and reallocating responsibilities to improve operational efficiency.

Despite ongoing constraints due to limited human resources, progress was made in capacitating the organisation. By 31 March 2025, 39 of the 58 approved roles were filled. The Council also completed a skills audit and developed a skills utilisation and personal development plan under its Employee Engagement Workstream. Employee wellness and assistance programmes were launched and integrated with existing wellness initiatives.

Stakeholder Centricity

The Council placed a strong emphasis on stakeholder engagement to boost brand recognition and promote competency and professionalism in the sector. Highlights include the inaugural Presidential Golf Day, which launched the SACPCMP Youth Bursary Fund; a National Roadshow, visiting KwaZulu-Natal, the Western Cape and Gauteng; the signing an MOU with the City of Cape Town; and meeting with the MEC of Human Settlements to discuss the Council's mandate and the importance of professional registration and competency.

The Council established several helpdesks to assist applicants and actively participated in Built Environment-related summits and conferences to encourage professional competency and engage stakeholders on policy updates and developments. The Council successfully hosted a Schools Mentorship Programme in Ulundi (KZN) to raise awareness on built environment professions. It also continued with its pipeline and youth development initiatives, including support for career days, student bootcamps, and Mentor Speed Dates.

Collaboration with the Project Management Institute (PMI), and the Charted Institute of Building (CIOB) continued, while the Council considered alternative models of collaboration within the African continent and the SADC region.

Moving forward

Immense work has gone into turning the ship around and we now need to ensure that the positive changes achieved are further elevated. We must move from working to high performance; from value proposition to value engineering; from sustainability to thriving; and from good governance to world class.

As the Council moves forward - leveraging past experiences, addressing economic uncertainties, and remaining agile in a dynamic environment - we are well-positioned to build on our successes and drive greater impact in the next strategic cycle. The commitment to continuous improvement will ensure we evolve into a high-performance organisation and create lasting value for stakeholders and the built environment sector.

We must remain forward-thinking, adaptable, and committed to positioning the SACPCMP as a trailblazer in governance, regulation, and professional development – fulfilling our mandate and ensuring the development, transformation and protection of the Built Environment.

Mr Butcher Matutle
SACPCMP Registrar

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY

To the best of our knowledge and belief, we confirm the following:

All information and amounts disclosed in the Annual Report are consistent with the Annual Financial Statements (AFS) audited by RAiN Chartered Accountants.

The Annual Report is complete, accurate and 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 controls 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 public entity for the financial year ended 31 March 2025.

Yours faithfully,

Butcher Matutle
Registrar: SACPCMP

Lufuno Ratsiku
President: SACPCMP

6. STRATEGIC OVERVIEW

Vision

To be a progressive 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.

Values

- Accountability
- Integrity
- Innovation
- Transparency
- Teamwork

Value Proposition

SACPCMP VALUE PROPOSITION

Our Value Proposition describes the benefits stakeholders can expect from our products and services.

Public

- We provide the public with confidence that persons registered with us have the necessary level of professional expertise to render applicable services.
- We provide students with the assurance that accredited institutions offer qualifications that will sufficiently equip the students to enter their chosen professions within the Built Environment.
- We provide the public with guidelines for the scope of services and recommended professional fees for services rendered by persons registered with us.
- We facilitate cross-country recognition of qualifications and registrations.
- We provide a dispute resolution mechanism to address non-commercial and contractual disputes between Registered Persons and members of the public.

Industry

- Professionals registered with the SACPCMP are recognised as capable of rendering applicable services at the necessary level of expertise. This enhances their access to local and global markets.
- We provide an avenue/channel for unregistered persons to become registered professionals.
- We facilitate the development of a human resource pool of Registered Persons in the sector, available for recruitment by service providers.
- We give Voluntary Associations (VAs) recognition and partner with them in advancing mutual interests.
- We provide thought leadership for the development of people and knowledge in our sector.

Government

- We fulfil our mandate in terms of the Act.
- We facilitate the development of a skills pipeline for professions under our jurisdiction to meet the infrastructure development needs of South Africa.
- We provide support and/or advice to government and SOEs with regard to planning and accessing the services provided by professionals under our jurisdiction.

7. LEGISLATIVE AND OTHER MANDATES

Constitutional Mandate

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. The practice of a trade, occupation or profession may be regulated by law". 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 that have a direct impact on the SACPCMP However, the Department of Public Works and Infrastructure (DPWI) has solicited comments and inputs from industry on the policy review and proposed amendments to the statutory regulatory framework of the Councils for Built Environment Professions (CBEPs). It is recognised that the SACPCMP must comply with all national and provincial legislation and regulations, and municipal by-laws applicable to its functions.

Legislative Mandate

The SACPCMP is a juristic person established by Section 2 of the Project and Construction Management Professions Act, No. 48 of 2000, "to regulate project and construction management professionals to protect the public."

The SACPCMP fulfils the following legislative mandates:

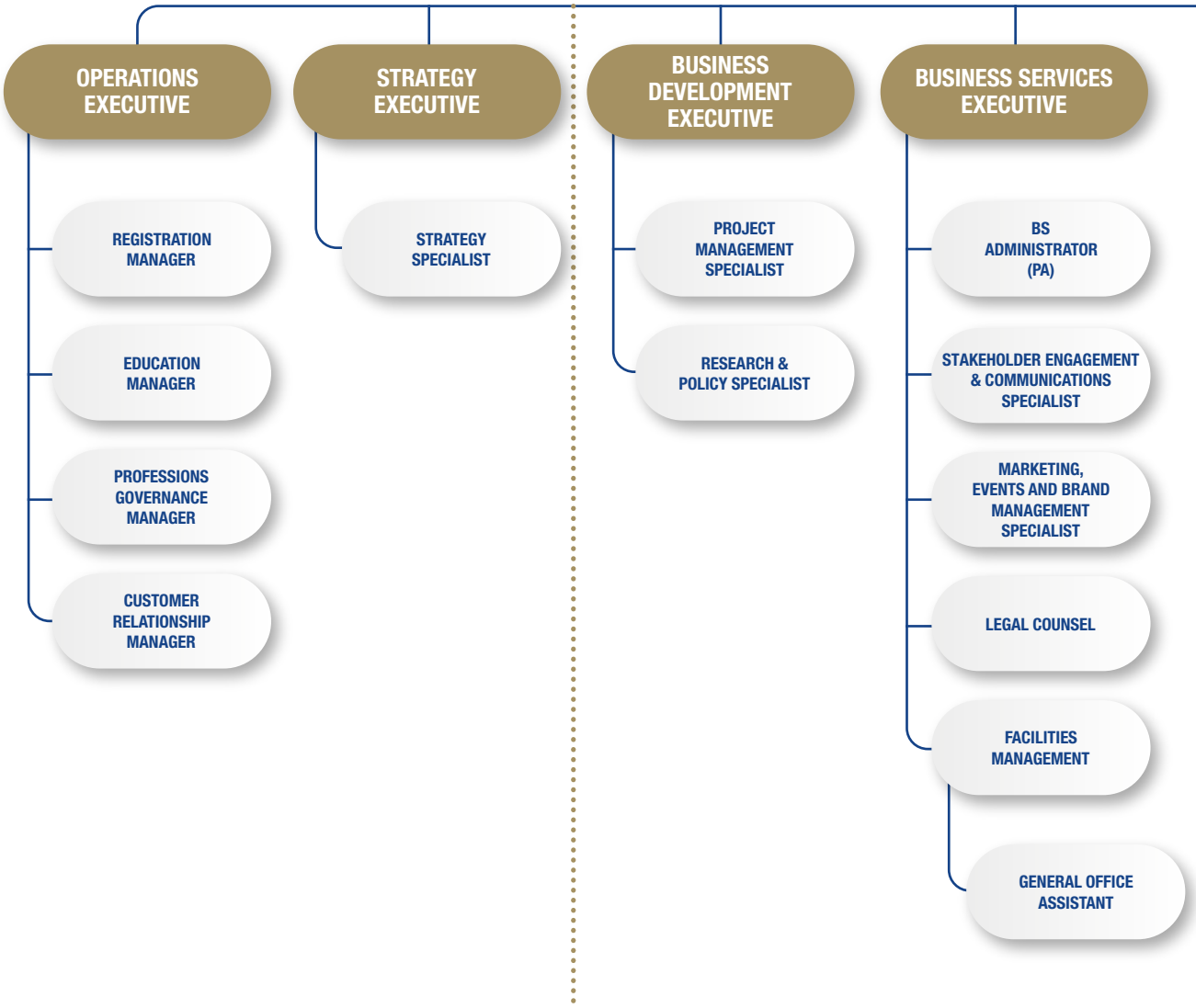
Identification of Work
Guideline Professional Fees
Continuing Professional Development
Accreditation of Built Environment Programmes
Code of Conduct for the Professions
Professional Registration
Recognition of Voluntary Associations
Recognition of New Professional Categories
International Agreements
Recognition of Prior Learning
Standard Generation Body
Appeals and Tribunals
Competency Standards for Registration

8. SACPCMP ORGANISATIONAL STRUCTURE

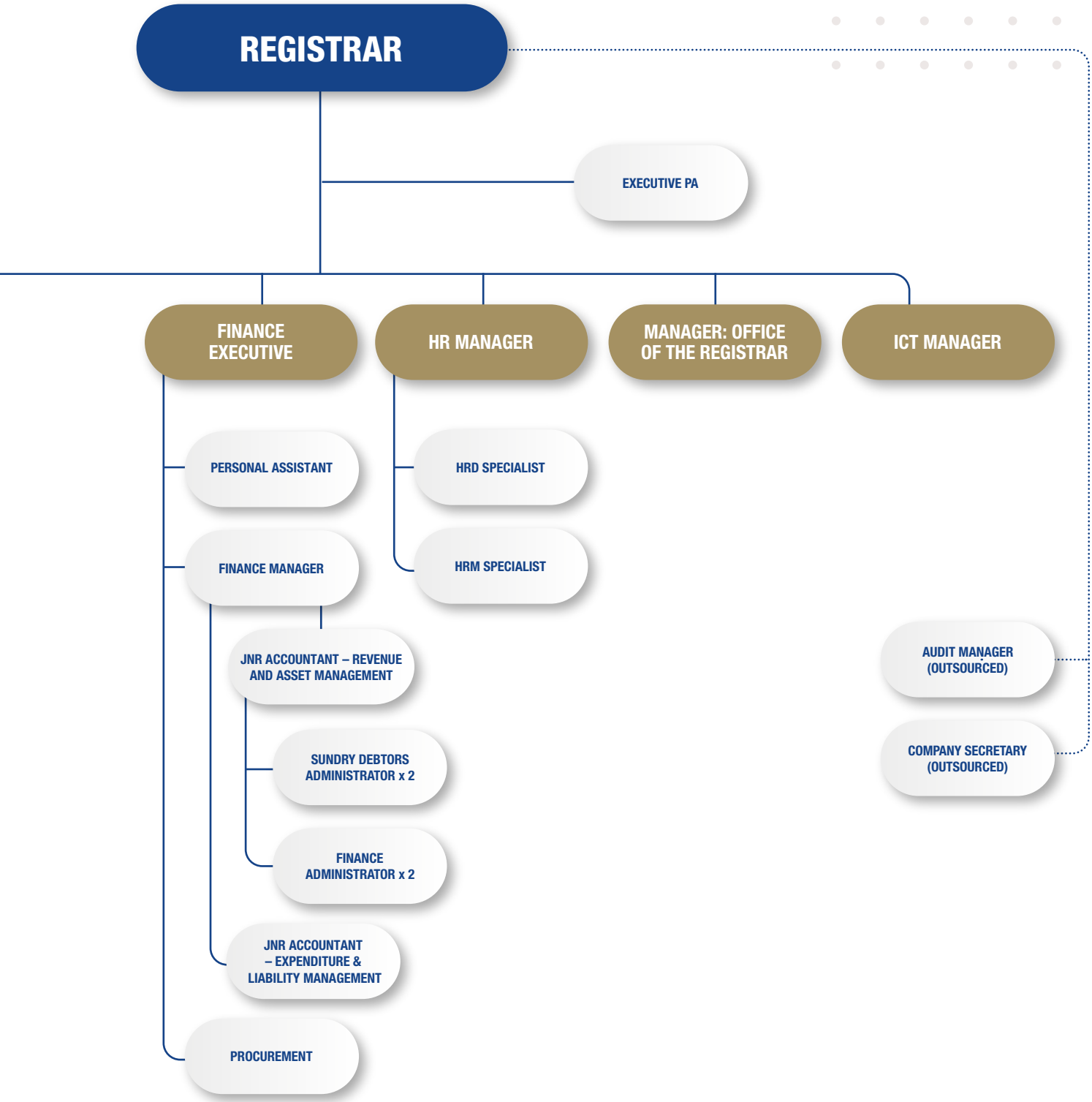
The SACPCMP's prior organisational structure placed a strong emphasis on registration, accreditation, and Continuing Professional Development (CPD), often at the expense of other equally important mandates. The SACPCMP looked to transform the structure from a transactional model to a functional one, better suited to the needs of a regulatory body. This organisational redesign was supported by a review of the Council's governance committees to ensure alignment from the top down.

Previously, the structure was largely composed of administrative roles, creating a significant gap between executive management and administrators. This gap hindered effective execution and decision-making at appropriate levels within the organisation. As a result, executive members were compelled to engage in the organisation's day-to-day operations while also being expected to fulfil their strategic responsibilities. The revised structure addresses this by introducing specialist and coordinator roles to bridge the gap and improve overall functionality.

ORGANISATIONAL STRUCTURE

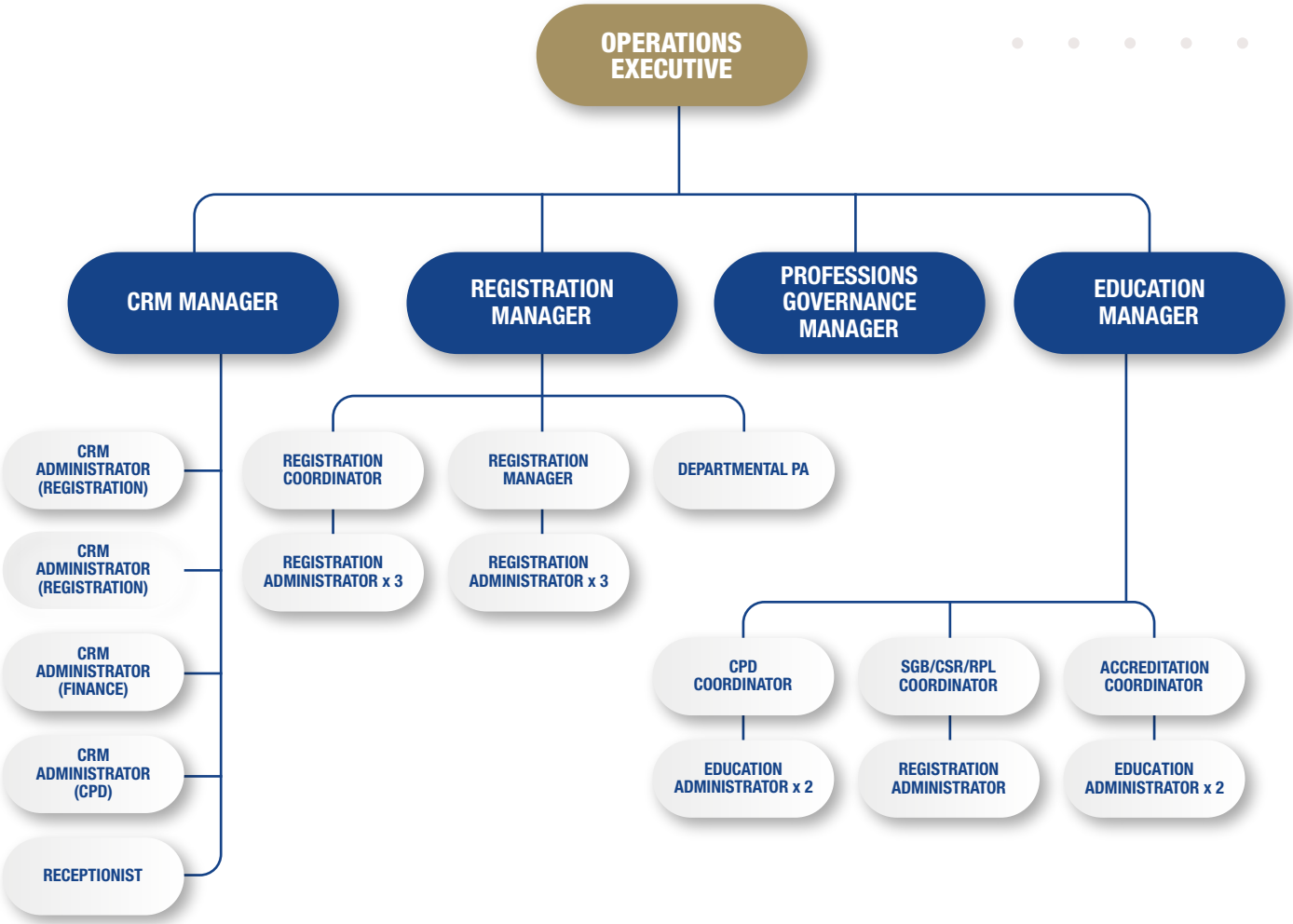


OPERATIONS


REGISTRAR
EXECUTIVE PA
FINANCE EXECUTIVE
HR MANAGER
MANAGER: OFFICE OF THE REGISTRAR
ICT MANAGER
PERSONAL ASSISTANT
FINANCE MANAGER
JNR ACCOUNTANT – REVENUE AND ASSET MANAGEMENT
SUNDRY DEBTORS ADMINISTRATOR x 2
FINANCE ADMINISTRATOR x 2
JNR ACCOUNTANT – EXPENDITURE & LIABILITY MANAGEMENT
PROCUREMENT
HRD SPECIALIST
HRM SPECIALIST
AUDIT MANAGER (OUTSOURCED)
COMPANY SECRETARY (OUTSOURCED)

FUNCTIONS

DETAILED OPERATIONAL STRUCTURE



PART B: PERFORMANCE INFORMATION

1. SITUATIONAL ANALYSIS

1.1 Service Delivery Environment

The 2024/25 financial year represented the final year for implementation of the 2020/25 Strategy. Although the performance and organisational environment continued to be in transition, the SACPCMP advanced the vision and targeted outcomes of the DPWI. This found expression through the SACPCMP's support and participation in the professionalisation of the state and the Infrastructure-led Economic Reconstruction and Recovery Plan initiatives.

The Council does not receive funding from the government, which is not unique to the SACPCMP, as all six Built Environment Councils fund their operations through annual fees. Nevertheless, the payment of registration fees has come under pressure owing to a challenging economic environment. As such, the Council reviewed its annual and registration fee increases, ensuring that these were kept to a minimum.

The SACPCMP's dependency on annual fees as its primary source of income gives rise to concentration risk in generating revenue from one revenue stream. The emergence of this risk undermines the SACPCMP's endeavour to become financially sustainable. However, it should be noted that the concentration risk is inherent in all entities like the Council. The environment in which the Council operates, governed by the Project and Construction Management Professions (PCPMP) Act, contributes to the concentration of risk on income from the Registration Mandate. The Act creates parameters in which the entity must operate.

Managing the concentration risk requires a combination of suitable revenue and cost management models to better enhance the management of cost in delivering the SACPCMP mandates. To support this, the Council approved implementation plans, which included an ideal revenue stream distribution to address the concentration risk.

The Council recorded a surplus of R24 616 126 in the 2024/25 financial year. SACPCMP operations were primarily sustained by registration fees, which accounted for 82% of total revenue. Revenue performance for the 2024/25 financial year indicates growth in other revenue streams, namely interest income, which contributed 8% (2024) to 9%, PMI 0% (2024) to 1%, CPD 1% (2024) to 5%, RPL 0% (2024) to 1%. Contribution by fees revenue and penalties remained the same at 82% and 1% respectively.

The surplus noted above is an anomaly due to low employee costs. For the duration of the period under review, the Council operated at 66% of its staff capacity with critical vacant positions filled by internal staff members in an acting capacity. Remuneration during this time was therefore not a true reflection of the salary bill required for the Council to fully operate.

The SACPCMP's financial health over the five-year period from 2021-2025 was stable, with the organisation reporting a surplus in all the financial periods at an average of 272% growth. Growth in revenue averaged 16% for the five-year period, and growth in operating expenses averaged 6% for the five-year period. There is effectively a 34% margin of safety before the SACPCMP reaches a breakeven point, which occurs when operating expenses equal revenue. As a precaution, this margin of safety needs to be evaluated in the context of the sensitivity of revenue and operational costs. The link between the margin of safety and the sensitivity of revenue and operational costs is critical, considering that revenue from fees contributes 82% percent of SACPCMP revenue.

The SACPCMP remains a going concern, with sufficient resources and strategic capacity to continue operating for the foreseeable future. All key financial performance indicators were met during the reporting period, demonstrating strong financial health, prudent management, and effective execution of operational objectives. The achievement of these targets reinforces confidence in the SACPCMP's long-term sustainability and ability to deliver on its mandates and create value to stakeholders.

Capital Management

The SACPCMP's Cash Management Policy ensures that the organisation has sufficient resources to meet its obligations and other cash flow requirements, safeguarding its ability to continue as a going concern. Capital management is optimised through the Investment Plan, which is managed by the Finance Department. The Council was able to pay for its current liabilities, with year-end creditors accounting for 0.7% of the cash resources available. A cash/cost coverage of more than 20 months, which exceeds the National Treasury norm, set between one and three months. The SACPCMP followed a low-risk approach to determine an optimal investment structure and adjusted this approach based on changes in economic conditions and the risk characteristics of underlying assets. There was an adherence to the requirements of the Cash Management Policy, which consequently maintained the levels of interest received, as well as sufficient cash reserves to settle obligations.

Professional Registration

The Council database of registered persons increased by 1 515 registrations to 14 011 in 2024/25 - compared to 12 496 the previous reporting period. In the 2024/25 FY across all categories, females constituted 31.8% of the total number of Registered Persons while males constituted 68.2%.

Amongst all professional categories, 3.2% were females and 96.2% males, while Candidate categories constituted 43% females and 57% males. Females in Specified Categories constituted 35.6% of the total number of Registered Persons, while males constituted 65.4% in 2024/25.

1.2 Organisational Environment

The SACPCMP derives its mandate from Section 22 of the Constitution of the Republic of South Africa and was established to regulate 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 and promoting and enforcing high standards of professional ethics and conduct within the Built Environment.

The Minister of Public Works and Infrastructure is the Executive Authority of the SACPCMP and communicates with the Council through the CBE, which coordinates the activities of the councils for Built Environment Professions. The Built Environment refers to the functional area within which Registered Persons practice and includes all structures that are planned and/or erected above or below ground, as well as land used for the intended purpose and supporting infrastructure.

The SACPCMP operates alongside five other CBEPs, namely:

- SACAP: South African Council for the Architectural Profession
- ECSA: Engineering Council of South Africa
- SACLAP: South African Council for the Landscape Architectural Profession
- SACQSP: The South African Council for the Quantity Surveying Profession
- SACPVP: South African Council for the Property Valuers Profession

The illustration below shows the structure of the CBE and the six Councils which fall under the organisation.

In terms of Section 3 of the SACPCMP Act No. 48 of 2000, the Council is appointed by the Minister of the DPWI. The Council consists of ten members.

The Council sought to strengthen its organisational structure and operations during the year under review through an ongoing process of organisational reform. The intent was to move towards a more innovative, people and customer-focused structure.

As part of the 2020-2025 planning process, the Council also reviewed and updated the market-environment analysis of the SACPCMP, reflected in the Council's Strategic Plan. The review focused on the following market segments:

- **Public:** Public Confidence and Assurance
- **Industry:** Professional Registration and Recognition
- **Government:** Effective Regulation and Thought Leadership

Professional Councils for the Built Environment and the Executive Authority

SACPCMP
The South African Council for the Project and Construction Management Professions

SACAP
South African Council for the Architectural Profession

ECSA
Engineering Council of South Africa

SACLAP
South African Council for the Landscape Architectural Profession

SACQSP
The South African Council for the Quantity Surveying Profession

SACPVP
South African Council for the Property Valuers Profession

The review was guided by asking: *What should be prioritised in 2020-25 planning for each of these markets?* The consolidated outcomes of the review are summarised below.

Public	
Stakeholder	***What should be prioritised in 2020 - 2025 planning?***
Students	• Provide students with assurance that accredited institutions offer qualifications that will sufficiently equip them to enter their chosen professions.
Registered Persons	• Be recognised as capable of rendering applicable services at the necessary level of expertise. This enhances their access to local and global markets. • Review existing interventions to determine if the objectives and outcomes thereof are being achieved. • Road shows appear to be successful and should be intensified. More focus should be placed on breakfast session workshops and seminars.
Cross-Country	• Facilitate cross-country recognition of qualifications and registrations.
Dispute Resolutions	• Provide dispute resolution of non-commercial and contractual disputes between Registered Persons and members of the public.

Industry	
Stakeholder	***What should be prioritised in 2020 - 2025 planning?***
Registered Persons	• Professionals registered with us are recognised as capable of rendering applicable services at the necessary level of expertise. This enhances their access to local and global markets.
Unregistered	• Provide an avenue/channel for unregistered persons to become Registered Persons.
Employers	• Facilitate the development of a human resource pool of registered professionals in the sector, available for recruitment by service providers.
Voluntary Associations	• Give Voluntary Associations recognition and partner with them in advancing mutual interests.

Government	
Stakeholder	***What should be prioritised in 2020 - 2025 planning?***
Department of Public Works and Infrastructure	• Fulfil our mandate in terms of the Act.
State-Owned Entities	• Provide support and/or advise Government and SOEs relevant to planning and accessing services provided by professionals under our jurisdiction. • Engage with SOEs to ensure that they utilise the services of registered professionals in appropriate categories.
Government Departments (Policy and Regulation)	• Engagement with all spheres of government to position the role, capability and value proposition of the SACPCMP, especially in the context of the Economic Stimulus Package and Recovery Plan, the operationalisation of the PMTE and implementation of the Government Immovable Asset Management Act and the Infrastructure Delivery Management System. • Engaging with government departments – both provincial and national – to ensure that they utilise the services of registered professionals in appropriate categories.

1.3 Legislative and Policy Mandates

The following Acts guide the SACPCMP's processes over and above the Constitution of the Republic of South Africa, Act No. 108 of 1996 and the Project and Construction Management Professions Act No. 48 of 2000.

Title of the Act	Purpose of the Act
Constitution of the Republic of South Africa,1996 (Act No. 108 of 1996)	The Constitution is the supreme law of the land. No other law or government action can supersede the provisions of the Constitution of the Republic of South Africa, 1996.
Project and Construction Management Professions Act (Act No. 48 of 2000)	To provide for the establishment of the Council for the Project and Construction Management Profession and matters incidental thereto.
Council for the Built Environment Act (Act No. 43 of 2000)	To provide for the establishment of the Council for the Built Environment and matters incidental thereto.
Public Finance Management Act (PFMA) (Act No. 1 of 1999)	To regulate financial management and to ensure that all revenue, expenditure, assets and liabilities of government departments or entities are managed efficiently and effectively.
Employment Equity Act (Act No. 55 of 1998)	Applies to all employers and workers, protecting workers and job seekers from unfair discrimination and providing a framework for the implementation of affirmative action.

Title of the Act	Purpose of the Act
Promotion of Administrative Justice Act (PAJA) (Act No. 3 of 2000)	To give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in Section 33 of the Constitution of the Republic of South Africa, 1996; and to provide for matters incidental thereto.
Occupational Health and Safety (OHS) Act (Act No. 85 of 1993), which has been further supplemented by the Construction Regulations of 2014	To provide for the health and safety of persons at work and for the health and safety of persons in connection with the activities of persons at work, and to establish an Advisory Council for occupational health and safety. The Construction Regulations of 2014 brought to the fore the need for registration of the CHS practitioner.
National Archives of South Africa Act (Act No. 43 of 1996)	To provide for the proper management and care of the records of governmental bodies; and the preservation and use of a national archival heritage.
Promotion of Access to Information Act (PAIA) (Act No. 2 of 2000)	To give effect to the constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights; and to provide for matters connected therewith.
Protection of Personal Information Act (POPIA) (Act No. 4 of 2013)	To promote the protection of personal information processed by public and private bodies, and to provide for matters connected therewith.
South African Qualifications Authority (SAQA) Act (Act No. 58 of 1995)	To provide for the development and implementation of a National Qualifications Framework and for this purpose to establish the South African Qualifications Authority; and to provide for matters connected therewith.
Higher Education Act (Act No. 101 of 1997)	To regulate higher education, provide for the establishment, composition and functions of a Council for Higher Education, and provide for matters connected therewith.
National Qualifications Framework (NQF) Act (Act No 67 of 2008)	To provide for the National Qualifications Framework and the South African Qualifications Authority and Quality Councils; and to provide for matters connected therewith.
Basic Conditions of Employment Act (Act No. 75 of 1997)	To give effect to the right to fair labour practices and to provide for matters connected therewith.
Labour Relations Act (LRA) (Act No 66 of 1995)	To promote the relations between employers, employees, unions and employer organisations.
Compensation for Occupational Injuries & Diseases Act (Act No 130 of 1993)	To provide a framework whereby employees who have suffered occupational injuries and/or diseases could be compensated.
Skills Development Act (Act No. 97 of 1998)	To provide an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce; and to provide for matters connected therewith.
Skills Development Levies Act (Act No. 9 of 1999)	To expand the knowledge and competency of the labour force to improve productivity and the employability of employees.
Unemployment Insurance Act (Act No. 63 of 2001)	To provide temporary financial relief to employees following their unemployment, illness and maternity, as well as other benefits to both employees and to those who have lost their jobs.
Employment Equity Act (Act No. 55 of 1998)	To achieve equity in the workplace by promoting equal opportunities and fair treatment in employment through the elimination of unfair discrimination and implementing affirmative action measures to redress disadvantages in the workplace.

1.4 Strategic Outcome-Oriented Goals

1.4.1. Overview

In the year under review, the SACPCMP continued to work towards the goals set out in its 2020-2025 Strategic Plan, which was adopted and approved by the Council in 2020 for implementation through the approved and aligned Annual Performance Plan (APP). The Implementation of the Strategic Plan occurred largely during the pandemic. The onset of the pandemic posed significant human and financial resource constraints for the SACPCMP, impacting its ability to execute the strategy effectively. Severe lockdown restrictions were instituted, and the 2020/21 Financial Year began under trying circumstances. The Council's focus was on ensuring that it remained a going concern while the world was plunged into economic uncertainty.

Despite these challenges, the management team demonstrated resilience and dedication in addressing the backlog of work that had accumulated between the 2021 and 2022 financial periods. It is important to note that management was tasked with completing a five-year strategy plan within a condensed timeframe of just three years.

This accelerated timeline added pressure to operations, particularly in the ICT and human resource functions. Non-performance and or delays in implementing strategic projects were identified as a direct result of the lack of capacity within these functions. New resources were only appointed during the 2023-2024 financial year, leading to a delayed response in the implementation of strategic projects. However, there was a significant improvement in executing the strategic projects in these areas, which were completed in the 2024/25 financial year.

There were 13 strategic objectives for the 2020-2025 Strategic Plan, with 10 of the objectives having been achieved, one in progress and two carried into the next strategic cycle. The SACPCMP essentially achieved 90% of the 11 objectives planned for the cycle.

1.4.2. The SACPCMP Strategic Imperatives

To ensure that the Strategic Plan would be performance-oriented and responsive to the country's strategic priorities, the SACPCMP's approach was aligned to the APP with emphasis on outcomes-oriented monitoring and evaluation. These imperatives are presented in the table below:

Programmes	Goal Statement
Administration (Organisation)	• To create the appropriate organisational design for a regulator, with the correct number of organisational layers and well-defined accountabilities and authorities to execute the SACPCMP mandate. • To ensure that the SACPCMP has the right people in the right roles, to allow them to realise their full potential. • To develop effective working relationships through leadership and employee engagement. • To foster an organisational culture where employees work together to contribute to the SACPCMP achieving its objectives.
Mandate Compliance (Business Processes)	• To ensure that the SACPCMP can fulfil its regulatory and social mandates by following a clearly defined set of processes, accountabilities and performance standards. • To grow the intellectual capital of SACPCMP through effective document and knowledge management systems.
Sustainability (Viable Funding Model)	• To ensure long-term delivery of the SACPCMP value proposition by optimising the SACPCMP business model to reduce operating costs, improve productivity and diversify revenue streams.
Institutional Governance (Capability of Administration)	• To ensure that the SACPCMP has formal business decision-making frameworks to ensure effective governance and operational efficiency.

1.4.3. Strategic Objectives

Administration (Organisation)
This programme is a key enabler of SACPCMP organisational transformation. It consists of the following projects:

A1. Change the organisational culture from a hierarchy focus to a more innovative, people and customer-focused culture
A2. Design an organisational structure that is fit-for-purpose (for a regulator)
A3. Optimise employee contribution and productivity (skills utilisation)

Mandate Compliance (Business Processes)
This programme consists of the following sub-programmes and projects:

BP 1. Implement "one version of the truth" regarding SACPCMP mandates
BP 2. Formalise business processes for mandate compliance
BP 3. Implement a formal document management system
BP 4. Implement a knowledge management system

Sustainability (Viable Funding Model)
The Sustainability Programme consists of the following sub-programmes and projects:

S1. Diversify revenue streams
S2. Implement a pricing protocol that is cost-reflective
S3. Optimise the use of external service providers

Institutional Governance (Capability of Administration)
The Institutional Governance Programme consists of the following sub-programmes and projects:

G1. Formalise core business processes
  G1 a. Planning
  G1 b. Performance management
  G1 c. Project management
  G1 d. Risk management
G2. Review decision-making processes and authority levels

2. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The SACPCMP's five-year strategy focused on "making the SACPCMP work". Emphasis was placed on sustainability via a resource-led strategy to drive the Council's corporate objectives through its APP.

2.1. Institutional Programme Performance Information

2.1.1. PROGRAMME 1: ADMINISTRATION

The purpose of the Administration Programme is to establish an appropriate organisational design for the SACPCMP, featuring the correct number of organisational layers and clearly defined accountabilities and authorities to fulfil its regulatory mandate. The Programme also aims to ensure that the SACPCMP has the right individuals in the right roles, enabling them to realise their full potential—both for personal fulfilment and to meaningfully contribute to the Council's overall success. In addition, the Programme promotes the development of effective working relationships through strong leadership and employee engagement, cultivating a culture in which employees collaborate to achieve the SACPCMP's objectives.

As a key enabler of the SACPCMP's organisational transformation, the Administration Programme comprises the following projects:

A1. Shift the organisational culture from a hierarchical focus to one that is more innovative, people-centred, and customer-oriented.

A2. Develop a fit-for-purpose organisational structure appropriate for a regulatory body.

A3. Enhancing employee contribution and productivity through effective skills utilisation.

2.1.1.1. Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

PROGRAMME 1: ADMINISTRATION								
Outcome	**Output**	**Output Indicators**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from Planned Target to Actual Achievement for 2024/2025**	**Comment on Deviations**	**Reasons for Revisions to the Output/Output Indicators/ Annual Targets**
Culture Change the organisational culture from a hierarchy-focused perspective to a more innovative, people- and customer-focused culture	Foster a culture of excellence, collaboration, inclusivity and flexibility Improve customer focus Culture Change Implementation Plan Conduct a Culture Survey Achieve 50% overall improvement in the Culture Survey result	100% Improvement in the drive to achieve the desired culture, leading to increased customer focus Present a culture campaign (communicate the 'as is' and 'to be' status)	Not Achieved: Culture Campaign (as is' and 'to be' are still to be communicated.)	Culture Change Plan approved by Management	Achieved: Culture Change Programme developed, approved and communicated	N/A	N/A	N/A
			Achieved: Culture Change Implementation Plan			N/A	N/A	N/A
			Not Achieved: 50% implementation of Culture Change Implementation Plan deliverables	50% Implementation of Culture Change Plan	Achieved: 50% Implementation of the Culture Change Programme	N/A	N/A	N/A
			Not Achieved: 100% implementation of Culture Change Implementation Plan deliverables	100% Implementation of Culture Change Plan	Achieved: 100% Implementation of Culture Change Implementation Plan deliverables			
			Achieved: Conduct Culture Survey	Conduct Culture Survey	Achieved: Conduct Culture Survey	N/A	N/A	N/A
			Not Achieved: 25% improvement in Culture Survey – more customer -focused	50% (move from Hierarchy to Market) Improvement in Culture Survey – more customer-focused	Achieved 50% (move from Hierarchy to Market) Improvement in Culture Survey – more customer-focused			
			In Progress: 70% of the Customer-Focused Intervention Plan has been fully implemented	100% implementation of Customer-Focused Intervention Plan	Not Achieved 83% of the Customer-Focused Intervention Plan has been fully implemented	(17%) Mapping of stakeholder-centricity goals is complete and will be communicated in 2025.	Implementation of framework still to be implemented, as well as mapping to stakeholder map.	Experience measurement framework to be implemented and mapped in Feb 2025, as well as the communication of the stakeholder-centricity goals.

PROGRAMME 1: ADMINISTRATION								
Outcome	**Output**	**Output Indicators**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from Planned Target to Actual Achievement for 2024/2025**	**Comment on Deviations**	**Reasons for Revisions to the Output/Output Indicators/ Annual Targets**
Organisation Design Design an organisational structure that is fit-for-purpose (for a regulator)	Organisational structure aligned to integrated business processes	70% Implementation of Organisational Structure Implementation Plan	Achieved: 60% Implementation of Organisational Structure Implementation Plan	70% Implementation of Organisational Structure Implementation Plan	Achieved 70.6% - 41 out of the 58 posts have been filled	N/A	N/A	N/A
Employee Engagement Optimise employee contribution and productivity (skills utilisation)	Employees contribute to greater productivity Optimal skills utilisation evident in culture survey results	Skills Utilisation Plan approved by Management 100% Implementation of Skills Utilisation Plan	Achieved: The Skills Audit has been completed	N/A	Achieved	N/A	N/A	N/A
			In Progress: People-Mapping and Placement Report	People Mapping & Placement Report approved by Management.	Achieved	N/A	N/A	N/A
			Not Achieved: Skills Utilisation Plan, approved by Management	Skills Utilisation Plan approved by Management	Achieved	N/A	N/A	N/A
			Achieved: People Development Plans	N/A	Achieved	N/A	N/A	N/A
			Not Achieved: 25% Utilisation of Skills	100% Implementation of Skills Utilisation Plan	Achieved	N/A	N/A	N/A
			N/A	Project Plan to improve employee engagement approved by Management	Achieved	N/A	N/A	N/A
			N/A	100% implementation of the Project Plan to improve employee engagement	Achieved	N/A	N/A	N/A

2.1.1.2. Comment on Projects Contributing to this Programme

Organisational Design and Culture Change Planning

Following the approval of the new organisational structure, the focus shifted towards building internal capacity. Operations continued to face constraints due to limited human capital resources. However, with the organisational design process now complete, the entity anticipates a positive expansion of its staffing complement, accompanied by adjustments based on skill sets. This will be implemented through a phased approach, in line with the approved Human Resources implementation plan, allowing for a gradual financial commitment aligned to the operational requirements of the Council.

The approved structure comprises 58 roles, with 39 posts filled as of 31 March 2025.

This strategy aims to build capacity across all levels of the organisation. With the filling of the aforementioned five vacancies, the projected vacancy rate at the end of the financial year is 25%. Although the projected vacancy rate by March 2025 was estimated to be at 25%, the process to finalise the filling of the following positions is at an advanced stage: Manager in the office of the Registrar, HR Specialist, Junior Accountant, Procurement Specialist, Finance Administrator: Invoicing and Personal Assistant: Operations Executive. These appointments will ensure that work is appropriately distributed and aligned with the correct levels of responsibility to effectively fulfil the SACPCMP's mandate.

The appointment of the Human Resource Manager has ensured that the skills audit process is completed. The skills utilisation plan and personal development plans were completed under the Employee Engagement Workstream. A similar recovery effort is projected for 2024/25 to conduct a culture survey and assess the organisation's customer and market orientation as per the new organisational strategy.

Stakeholder Engagement and Communications

The 2024/25 Financial Year saw the Council place a strong emphasis on its stakeholder engagement so as to boost brand recognition within the sector. Highlights of the entity's stakeholder engagement activities were the inaugural Presidential Golf Day, and a massive SACPCMP National Roadshow drive across South Africa.

In addition to raising funds for the development of an SACPCMP Youth Bursary Fund, the 2024 Presidential Golf Day was an incredibly well-enjoyed and key networking event.

The Council's National Roadshows visited the provinces of KwaZulu-Natal, the Western Cape and Gauteng. The KZN roadshow visited Richards Bay, Ulundi and Durban to present a series of public workshops and helpdesks to communicate information related to the new CPD Policy, present helpdesks to answer questions related to registration applications and connect with our stakeholders. The Western Cape roadshow covered two days. The first day took place at Master Builders Western Cape, and the second day was hosted in the City of Cape Town. The Gauteng roadshow was hosted by the Department of Human Settlements, and each of the roadshow days included registration and candidate presentations, as well as helpdesks that were well utilised by attendees. The positive feedback received from the roadshows and efforts made to meet with applicants and Registered Persons were very rewarding – so much so that the Council was inundated with requests for more roadshows.

In its networking efforts, the SACPCMP signed an MOU with the City of Cape Town to encourage professionalisation within the City of Cape Town. The Council also met with the MEC of Human Settlements to discuss the Council's mandate and the importance of professional registration and competency. The meeting went well, and a follow-up with the Department of Human Settlements will take place in 2025 to work on developing a partnership in terms of competency development, PMI-course updates, as well as research possibilities in partnership with the Department.

Conference Networking and Brand Boosting

The SACPCMP went out of its way to participate in Built Environment-related summits and conferences during the year. This was to encourage competency within the professions, as well as engage with stakeholders regarding Council policy updates and developments.

Conferences, events, and summits attended included:

- **The Innovation Africa @UP Growth Vision and Timber Conference and Design Competition Awards Evening.** This was an excellent opportunity to connect with construction stakeholders "beyond the concrete zone".

- **Partnering with CARINBE and the University of Johannesburg as a judge and exhibitor at the 2024 DIBETSA (Digital Built Environment Technologies Showcase & Awards) Summit.** This showcased a variety of excellent technologies utilised in the construction industry. Such partnerships are essential in supporting the Council to develop research opportunities, be a thought leader in the sector, and encourage the uptake of digitisation in the construction industry.

- **A partnership with the International Project Management Association's (IPMA) International Conference,** which was hosted in Cape Town this year. The event was attended by SACPCMP representatives and included a help desk for attendees with SACPCMP-related queries.

- **Speaker opportunities and an exhibition at the 2025 Agrément South Africa Stakeholder Engagement Forum** in an effort to develop relationships with entities focused on environmental sustainability. The SACPCMP speaker presentation was later developed into an article titled "Building a Green Future: The Path to Sustainable Development Through Professional Competence", published on the Council's social media platforms.

- **The 2024 Department of Labour and Employment Conference,** which offered the SACPCMP an opportunity to address qualms from attendees regarding registration and CPD.

- Following the success of its inaugural attendance at the **Big 5 Construction South Africa Exhibition in 2023,** the Council again participated in the 2024 event. A bigger exhibition stand attracted many stakeholders interested in SACPCMP registration, as well as seeking support in their application process. The SACPCMP's president was invited to judge in the Big 5 Excellence Awards, and all of the entity's speaker presentations were fully subscribed.

- Representation at the **International Built Environment Conference** in Zambia.

- Other events in which the SACPCMP participated as panel representatives or speakers included the JBCC 2024 Conference, BBCBE Indaba and Awards, the 2024 NAFBI Conference, the MDA 2024 Conference, and the 2024 HEFMA Conference, among others.

Government Stakeholder Engagement
The Council engaged in several meetings and discussion sessions with government departments and representatives. Key engagements included:

- A sit-down with representatives of the Department of Employment and Labour. This meeting not only resulted in a number of clarifications coming forward on items such as the DoEL MOU, but also resulted in the Council's participation in the DoEL's Conference in October.
- An engagement with the Auditor General of South Africa, in which the Municipal Finance Management Act Audit outcomes for 2022-23 were presented. The Council pledged its support to work with the AG in addressing some of the findings (those that were SACPCMP-mandate related, primarily project management and professionalisation).
- Participation in the ministerial delegation visiting the George building collapse incident, as well as participation in the development of reports and commentary regarding South Africa's construction incidents.
- Attendance of Competition Commission South Africa (CCSA) meetings and engagement to discuss moving forward with the Council's guideline Tariff of Fees.
- Attendance of the CIOB BUILD Programme Launch. During this session, as well as during the BBCBE Indaba, the SACPCMP was able to guide the CIOB in the use of mentors and promote industry mentorship efforts.

Additional engagements included, but were not limited to:

Meeting with the Department of Sports, Arts and Culture	Attendance of the Building Inspectors Network Conference	Participation in the National Stakeholder Forum (NSF)
Participation in the CIDB/SACPCMP/ CBE consultation session on the CIDB Amendment Bill	Attendance and speaker presentation – CBE Sustainability Seminar	Speaker and Panel participation in the PMI Webinar Series
Attended the Minister›s breakfast for the Launch of the Occupational Health and Safety Accord	Attendance and speaker presentation at the CBE Women Empowerment and Gender Equality session	Involvement and collaboration in the IDOW Task Team
Attendance of the CIDB consultation session on the GCC amendments	Participation in the DPWI task team (work group on climate change and sustainability) for the G20 Summit	Participation in the Asset, Contract & Project Management Seminar, presented by the University of Johannesburg
Attendance of the CBE and the Department of Human Settlements Stakeholder Engagement: White Paper for Human Settlements, attendance of the Symposium on Infrastructure Development South Africa (incl. an SACPCMP exhibition/stand)	Presented a speech at the Engineering, Project and Contract Management Forum and Excellence Awards 2025 in the Western Cape	Present the keynote address – on working together with technology and AI for the betterment of the Construction Industry – at the CIDB Postgraduate Conference in KZN

Industry Stakeholder and Voluntary Association Engagement
The SACPCMP engaged in various Voluntary Association interactions to reach Built Environment representatives far and wide. Some of these included:

- Presenting a series of construction-related podcasts in conjunction with ACPM.
- The SACPCMP attended and presented at the WBHO Construction Safety Officer's Forum – an excellent opportunity to speak with Registered Persons on a one-to-one level.
- Participating in a panel discussion at the University of Johannesburg's 30 Years of Democracy of South Africa's Civil Engineering and Built Environment Transformative event, and speaking at the SAICE Ethics Imbizo.
- SAICE PMCD Panel Discussion on Project Management and Construction Insights from a South African Landscape (speaker participation).
- The MBA North OSH Compliance Webinar.
- Attendance of the FEM Conference and Awards.

Industry engagements continued strongly throughout the year, allowing the Council to interact with business representatives on the importance and requirements of professional registration. Entities that the Council met with included Transnet, Sasol, Eskom, Sanral, Ruwacon, Concor, Cairnmead, POLASA, NTCSA, MISA and the NHBRC.

Communications
Furthermore, the SACPCMP looked to ensure that all stakeholders were kept abreast of Built Environment news. Through communication via the Council's social media and online platforms, the Council keeps the industry updated on items such as the CIDB Amendment

Bill (and article developed in collaboration with MDA Legal) and the Call for Comments on the Draft Construction Regulations. Online workshops were also regularly arranged for registration applicants on subjects including:

- Professional Interview Engagement
- Construction Project Management: New Applications
- Construction Health and Safety New Applications
- Building Inspectors: New Applications

The Council continued to communicate with stakeholders via its quarterly magazine, the SACPMP Shape Shifter. Editions published in the year under review looked at the Special Dispensation, CPD suspension and reinstatement process, the SACPCMP's mandate, as well as the Code of Conduct, comment on construction health and safety about the George building collapse, the SACPCMP inaugural Presidential Golf Day, featured pieces on women in the built Environment, and more. The magazine continued to be a strong communication tool for the organisation.

Internal Stakeholder Engagement

Internal stakeholder engagement saw the Council embarking on a staff session to discuss SACPCMP values. Internally, the Council held a staff engagement session, a Wellness Week, and a staff Valentine's Day event to facilitate internal collaboration and foster team development and connectivity.

Transformation

The Council looked to include elements of transformation in most, if not all, of its stakeholder engagement activities. The entity finalised and approved its Transformation Workplan to support its Transformation Strategy and Transformation Policy. In addition, the SACPCMP also attended the Built Environment Transformation Forum. Another notable engagement was the collaboration with the ERWIC (Empowering Women in Construction) Awards. This was done via three avenues:

- The Council's Vice President participated as a judge in the awards.
- The Council's SRC Department joined the ERWIC Awards' Development Panel.
- The Council stepped forward as a sponsor of the ERWIC Awards.

2.1.2. PROGRAMME 2: MANDATE COMPLIANCE (Business Processes)

The purpose of the Business Processes Programme is to firstly ensure that the SACPCMP can fulfil its regulatory and social mandates by ensuring that the organisation follows clearly defined processes, accountabilities and performance standards. For the year under review, the target for improved Business Processes was to have a documented, approved and implemented business process for each mandate.

Secondly, the Programme aims to grow the intellectual capital of the SACPCMP through effective document and knowledge management systems. If the SACPCMP's regulatory and social mandates are transparent and seen to advance social justice, the organisation will be positioned to play a leading role in the transformation of the Built Environment. A critical component of this is for each administrative function to:

- Have a policy that will shape organisational behaviour, entrenching the values and principles that must govern the administration of the legislative mandate.
- Document business processes for the implementation of all 13 legislative mandates of the Council.

The approved and gazetted policies for the seven prioritised mandate areas during the year under review were:

- Registration
- Recognition of Prior Learning
- Continuing Professional Development (CPD)
- Accreditation
- Competency Standards for Registration
- Recognition of Specified Categories
- Guideline Fees

In terms of mandate compliance, the Council achieved significant milestones on all 13 mandates, which underscore the Council's existence. Having successfully grouped the mandates into four key areas, legal, education, registration and professions governance, the Council successfully mapped 12 of the 13 legislated functions.

Programme 2 consists of the following sub-programmes and projects:

BP 1. Implement "one version of the truth" regarding the SACPCMP mandates
BP 2. Formalise business processes for mandate compliance
BP 3. Implement a formal document management system
BP 4. Implement a knowledge management system

2.1.2.1. Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

PROGRAMME 2: MANDATE COMPLIANCE								
Outcome	**Output**	**Output Indicators**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from Planned Target to Actual Achievement for 2024/2025**	**Comment on Deviations**	**Reasons for Revisions to the Output/ Output Indicators/ Annual Targets**
SACPCMP Mandates: Implement 'one version of the truth'	Communicate SACPCMP mandates to all stakeholders Deliver on our value proposition	Visible and known statement document of confirmed 13 mandates	Achieved: Document approved by Council	Council Approval	Achieved	N/A	N/A	N/A
			Achieved: Communication Campaign commenced on 13 mandates in line with updated Stakeholder/ Communications Strategy	100% Completion of Delivery of Communication Campaign to key stakeholders	Achieved	N/A	N/A	N/A
Mandate Business Process: Formalise business processes for mandate compliance	Ensure business continuity standardisation compliance	Documented and approved business processes for each mandate	Achieved: Business processes were developed and approved by the Council during the year under review	100% Implementation of new business processes	Not Achieved 85% (11 out of 13)	(15%)	Engagements with CCSA	Engagements with CCSA
Document Management: Implement a formal document management system	Secure a compliant and accessible document repository system for business continuity	SACPCMP electronic document repository system	Not Achieved	100% Implementation of KMS project plan	Not Achieved	Included in Programme 6 Digital Transformation in Strategy 2026-2030	Included in Programme 6 Digital Transformation in Strategy 2026-2030	Included in Programme 6 Digital Transformation in Strategy 2026-2030
Knowledge Management: Implement a knowledge management system	Research and development for organisational development	SACPCMP Knowledge Hub	Not Applicable – No targets for the 2023/24 period	Known SACPCMP electronic document repository system	Not Achieved			

2.1.2.2. Comment on Projects Contributing to this Programme

2.1.2.2.1 Professional Registration

Management continued to improve the registration assessment process and the implementation of a system for quality assurance. The adopted procedures on malpractice guidelines started to find expression, and were part of the continuous improvement drive, emphasising better service quality and advancing ethical conduct in the application stage.

The SACPCMP continued with its planning and implementation of a proctoring and plagiarism system to protect the integrity of examinations and the assessment process. A review of the Council's Registration Policy was completed, approved, and gazetted.

Breakdown of Registration Statistics

SACPCMP TOTAL NUMBER OF REGISTERED PROFESSIONALS BY RACE & GENDER					
Gender	**African**	**White**	**Indian**	**Coloured**	**TOTAL**
Male	1 052	1 426	190	150	2 818
Female	251	42	20	13	326
Total	1 303	1 468	210	163	3 144

SACPCMP TOTAL NUMBER OF REGISTERED PERSONS IN SPECIFIC CATEGORIES BY RACE & GENDER					
Gender	**African**	**White**	**Indian**	**Coloured**	**TOTAL**
Male	2 762	1 201	167	575	4 705
Female	2 066	341	48	142	2 597
Total	4 828	1 542	215	717	7 302

SACPCMP TOTAL NUMBER OF REGISTERED CANDIDATES BY RACE & GENDER					
Gender	**African**	**White**	**Indian**	**Coloured**	**TOTAL**
Male	1 450	329	101	153	2 033
Female	1 342	75	29	85	1 531
Total	2 792	404	130	238	3 564

TOTAL NUMBER OF REGISTERED PROFESSIONALS BY CATEGORY - DESIGNATION

PROFESSIONAL CONSTRUCTION MANAGER					
Gender	**African**	**White**	**Indian**	**Coloured**	**TOTAL**
Male	281	637	56	57	1 031
Female	26	2	4	2	34
Total	307	639	60	59	1 065

PROFESSIONAL CONSTRUCTION PROJECT MANAGER					
Gender	**African**	**White**	**Indian**	**Coloured**	**TOTAL**
Male	690	709	125	67	1 591
Female	201	28	14	10	253
Total	891	737	139	77	1 844

PROFESSIONAL CONSTRUCTION MENTOR					
Gender	**African**	**White**	**Indian**	**Coloured**	**TOTAL**
Male	15	14	3	3	35
Female	0	0	0	1	1
Total	15	14	3	4	36

PROFESSIONAL CONSTRUCTION HEALTH AND SAFETY AGENT					
Gender	African	White	Indian	Coloured	TOTAL
Male	48	66	6	17	137
Female	9	12	2	0	23
Total	57	78	8	17	160

PROFESSIONAL BUILDING INSPECTOR					
Gender	African	White	Indian	Coloured	TOTAL
Male	18	0	0	6	24
Female	15	0	0	0	15
Total	33	0	0	6	39

TOTAL NUMBER OF REGISTERED PERSONS BY CATEGORY

CONSTRUCTION HEALTH AND SAFETY MANAGER					
Gender	African	White	Indian	Coloured	TOTAL
Male	297	408	48	81	834
Female	152	85	4	14	255
Total	449	493	52	95	1 089

CONSTRUCTION HEALTH AND SAFETY OFFICER					
Gender	African	White	Indian	Coloured	TOTAL
Male	2 459	791	118	492	3 860
Female	1 912	256	44	127	2 339
Total	4 371	1 047	162	619	6 199

CONSTRUCTION MENTORS					
Gender	African	White	Indian	Coloured	TOTAL
Male	4	2	0	2	8
Female	1	0	0	1	2
Total	5	2	0	3	10

CERTIFIED BUILDING INSPECTOR					
Gender	African	White	Indian	Coloured	TOTAL
Male	2	0	1	0	3
Female	1	0	0	0	1
Total	**3**	0	1	0	4

TOTAL NUMBER OF CANDIDATES BY CATEGORY

CANDIDATE CONSTRUCTION HEALTH AND SAFETY AGENT					
Gender	African	White	Indian	Coloured	TOTAL
Male	62	22	4	4	92
Female	35	7	0	5	47
Total	97	29	4	9	139

CANDIDATE CONSTRUCTION HEALTH AND SAFETY MANAGER					
Gender	African	White	Indian	Coloured	TOTAL
Male	22	27	2	9	60
Female	11	3	0	3	17
Total	33	30	2	12	77

CANDIDATE CONSTRUCTION HEALTH AND SAFETY OFFICER					
Gender	**African**	**White**	**Indian**	**Coloured**	**TOTAL**
Male	540	117	24	71	752
Female	746	48	13	62	869
Total	1 286	165	37	133	1 621

CANDIDATE CONSTRUCTION MANAGERS					
Gender	**African**	**White**	**Indian**	**Coloured**	**TOTAL**
Male	198	74	25	29	326
Female	75	2	3	8	88
Total	273	76	28	37	414

CANDIDATE CONSTRUCTION PROJECT MANAGERS					
Gender	**African**	**White**	**Indian**	**Coloured**	**TOTAL**
Male	628	89	46	40	803
Female	475	15	13	7	510
Total	1 103	104	59	47	1 313

Registration Statistics over the Past Nine Years

Professional Category	2016	2017	2018	2019	2020	2021	2022	2023	2024
Professional Construction Manager	835	872	894	888	704	973	940	1 003	1 065
Professional Construction Project Manager	1 694	1 693	1 709	1 689	1 253	1 755	1 704	1 779	1 844
Professional Construction Mentor	22	26	27	28	10	17	34	33	38
Professional Building Inspectors	0	0	0	0	0	0	0	4	39
Professional Construction Health and Safety Agent	54	77	93	100	105	112	122	138	160
Specified Category/non-professionals									
Certified Building Inspector	0	0	0	0	0	0	0	3	4
Construction Mentor	2	6	5	8	6	10	8	7	10
Construction Health and Safety Officer	1 001	1 636	2 744	3 367	2 712	3 775	4 158	4 940	6 199
Construction Health and Safety Manager	328	508	778	921	697	944	916	951	1 089
Candidate Category									
Candidate Construction Manager	394	447	533	417	330	585	475	438	414
Candidate Construction Project Manager	1 608	1 646	1 815	1 945	934	1 822	1 411	1 372	1 313
Candidate Construction Health and Safety Agent	53	112	143	139	106	125	116	125	140
Candidate Construction Health and Safety Manager	25	44	69	107	67	78	64	69	77
Candidate Construction Health and Safety Officer	387	718	1 560	2 054	1 178	2 011	1 476	1 634	1 621
Grand Total	**6 403**	**7 785**	**10 370**	**11 663**	**8 102**	**12 207**	**11 424**	**12 496**	**14 011**

2.1.2.2.2. Recognition of Prior Learning (RPL) – Statistics

RPL Process Stage	Total
Eligibility Applications Received	94
Portfolios of Evidence Submitted	17
Oral Assessments (Approved)	7
Oral Assessments (Provisionally Approved)	8
Oral Assessments (Not Approved)	3

2.1.2.2.3. Continuing Professional Development (CPD) – Compliance Statistics

Category	Cycle	Total RPs	RPs Submitted	Never Submitted	Compliant RPs	Non-Compliant RPs
Project and Construction Management (PCM)	1 Apr 2024 – 31 Mar 2025	1 963	510	1 453	0	1 961
Construction Health and Safety (CHS)	1 Apr 2024 – 31 Mar 2025	4 042	1 112	2 930	0	4 040
TOTAL	-	6 005	1 622	4 383	0	6 001

CPD Suspension Update
Due to persistent non-compliance with CPD requirements, 2 180 individuals were suspended. Their CPD cycles ranged from:

- 1 April 2015 – 31 March 2020
- 1 April 2016 – 31 March 2021
- 1 April 2017 – 31 March 2022
- 1 April 2018 – 31 March 2023
- 1 April 2013 – 31 March 2024

These individuals were due for deregistration effective 1 April 2025. However, under the new registration rules, suspended persons were given an opportunity for reinstatement. As a result, 332 suspended individuals began the reinstatement process during Q3 and Q4 of the 2024/25 financial year.

2.1.2.2.4. Programme Accreditation

Head of Department Meetings
The Council held two HOD Forum Meetings on the following dates:

- 8th HOD Forum Meeting: 5 March 2024
- 9th HOD Forum Meeting: 3 October 2024

The 10th HOD Forum meeting is scheduled to take place in the 2025/2026 financial year.

Programme Accreditation – Annual Reports
The following universities submitted their annual reports for assessments:

ITEM	INSTITUTION	ACCREDITED PROGRAMMES	ACCREDITATION STATUS (as at 2023)
1.	University of Johannesburg (UJ)	• Bachelor of Science in Construction • Bachelor of Science (Hons) in Construction Management • Bachelor of Science (Hons) in Construction Project Management • Bachelor of Science (Hons) in Construction Health and Safety	To maintain the full five years of accreditation.
2.	University of Pretoria (UP)	• Bachelor of Science: Construction Management • Bachelor of Science: (Hons) Construction Management	To maintain the full five years of accreditation.
		• Master of Science in Project Management	To maintain the full five years of accreditation.

ITEM	INSTITUTION	ACCREDITED PROGRAMMES	ACCREDITATION STATUS (as at 2023)
3.	University of the Free State (UFS)	• Bachelor of Science: Construction Management (Residential and Compact learning) • Bachelor of Science: Construction Economics and Management (Residential Learning) • Bachelor of Science: (Hons) Construction Management • Master of Land and Property Management (MLPM)	To maintain the full five years of accreditation.
4.	Nelson Mandela Metropolitan University (NMMU)	BHSD • National Diploma: Building • Bachelor of Technology: Construction Management	To maintain the full five years of accreditation.
5.	Nelson Mandela Metropolitan University (NMMU)	CM • 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	To maintain the full five years of accreditation.
6.	University of Cape Town (UCT)	• Bachelor of Science: Construction Studies • Bachelor of Science: (Hons) Construction Management	To maintain the full five years of accreditation.
7.	Cape Peninsula University of Technology (CPUT)	• Advanced Diploma in Construction Health and Safety • Advanced Diploma in Construction Management • Diploma in Construction	To maintain the full five years of accreditation.
8.	Durban University of Technology (DUT)	• Bachelor of Built Environment in Construction • Bachelor of Built Environment in Construction	To maintain the full five years of accreditation.
9.	Central University of Technology (CUT)	• Higher Certificate in Construction • Bachelor of Construction Management • Bachelor of Construction Health and Safety • Post Graduate Diploma in Construction in Urban Development • Post Graduate Diploma in Health and Safety Management	To maintain the full five years of accreditation.
10..	Walter Sisulu University (WSU)	• National Diploma in Building Technology	Provisional accreditation for one year.

Programme Accreditation Visits

The Tshwane University of Technology (TUT) had a programme accreditation visit on the 05th and 6th of August 2024.

The programme was recommended for accreditation by the panel and approved by the Council.

1.	Tshwane University of Technology (TUT)	• National Diploma in Building • Advanced Diploma in Construction Management	Approved for five-year accreditation.

Endorsement of New Educational Programmes
The Council processed two applications for endorsement in the 2024/25 financial year, namely:

- The Career Excel Academy (CEA) applied for endorsement of the Programme in Construction Project Management at NQF Level 5, which was approved by the Council.
- The Durban University of Technology (DUT) applied for the endorsement of a Diploma in Built Environment in Construction Studies at NQF Level 6, which was approved by the Council.

2.1.2.2.5. Identification of Work (IDoW)
The SACPCMP continued to collaborate with the CBE on the Identificaton of Work (IDoW) under the oversight of the CBE's Built Environment Matters Committee. The approval of competency standards for all categories of Registration by the SACPCMP will pave the way in drafting a detailed policy on IDoW, which will align with the policy framework on IDoW developed by CBE. Outcomes will be derived once the CBE determines a policy based on recommendations from the Councils. The demarcation of work between categories of registration in the Construction and Project Management (CPM), Construction Health and Safety (CHS) and Building Inspectorate (BI) designations is critical to Government's planned infrastructure rollout programme and other Built Environment issues. Policy outcomes will be derived once the CBE determines policy based on recommendations from the Councils.

At present, the SACPCMP views the IDoW process as a challenge, as the roles and responsibilities of the CBE relative to the CBEPs appear unclear. The SACPCMP deliberated on the current process and will, in the new financial period, consult the CBE and the DPWI on the best way forward. This work will be completed in the 2025/26 financial year. Another challenge the Council will look to resolve is the need to develop scopes of work for other designations registered by the SACPCMP, which post-date the scope of work published in the 2019 Gazette.

2.1.2.2.6. International Agreements
International agreements guide how the SACPCMP regulates the recognition of foreign qualifications, promotes the recognition of its own professionals abroad, and collaborates with international partners regarding the mandate of the SACPCMP within the Built Environment.

In the year under review, the SACPCMP continued its agreement and collaboration with the Project Management Institute, the world's leading Project Management community. A highlight of this partnership is a collaboration on the Construction Professional in Built Environment Projects (PMI-CP) certification.

This collaboration has enabled international recognition for SACPCMP Registered Persons who have benefited from undertaking learning and development that is not only construction focused, but also recognised internationally; supports the mandate of the SACPCMP to advance learning and continuing professional development in the construction sector; and creates an avenue for those registered under the Council to engage in globally recognised learning at affordable rates, over a three-year period. A highlight of this partnership is a collaboration on the Construction Professional in Built Environment Projects (PMI-CP) certification.

The SACPCMP continued its partnership with the Charted Institute of Building (CIOB). The SACPCMP also considered alternative models of collaboration within the African continent and the SADC region and was in communication and with The Engineering Institution of Zambia. An MOU was drafted for inputs from Council and EIZ Zambia.

2.1.2.2.7. Recognition of Voluntary Associations (VAs)
The SACPCMP continued engagement on key issues of strategic concern with VAs in the period under review. This included discussions on transforming the professions, collaborating on a skills pipeline strategy, and deliberating on strategic risks that must be mitigated to ensure contribution of the SACPCMP and its Registered Persons to the National Infrastructure Plan 2050.

The SACPCMP had 10 recognised VAs in the period under review:

	ORGANISATION	WEBSITE
1.	The Association of Construction Health and Safety Management (ACHASM)	www.achasm.co.za
2.	Association of Construction Project Managers (ACPM)	www.acpm.co.za
3.	Consulting Engineers South African (CESA)	www.cesa.co.za
4.	Master Builders Association: KwaZulu-Natal (MBA-KZN)	www.masterbuilders.co.za
5.	Master Builders South Africa (MBA-SA)	www.mbsa.org.za
6.	Master Builders Association Western Cape (MBA WC)	www.mbawc.org.za
7.	South African Institute of Civil Engineering (SAICE)	www.saice.org.za
8.	The South African Institute for Occupational Health and Safety (SAIOSH)	www.saiosh.co.za
9.	South African Roads Federation (SARF)	www.sarf.org.za
10.	NCEDA SA	www.ncedasa.co.za

The non-recognised Voluntary Associations were also engaged by the SACPCMP:

	ORGANISATION	WEBSITE
11.	The Chartered Institute for Building (CIOB)	www.ciob.org.za

2.1.2.2.8. Recognition of New Categories
In the period under review, the following professions were in the process of being recognised:

- Social Facilitation
- Facilities Management

2.1.2.2.9. Appeals and Tribunals

All appeals were registration-related. To reduce the number of appeals, the Council introduced an option for internal review in its Appeal and Tribunal Policy. The review process is conducted on the application to ensure that the assessment or interview was conducted fairly and transparently. This is done through the moderation process by independent moderators. This process enhances the Assessments of Professional Competency.

Following the internal review process, should the applicants feel aggrieved by the outcome, they are empowered to appeal.

During the year under review, one appeal to assessment outcomes was processed within the required timeframe of 60 days. The Council adopted the appeals procedure, which complies with Section 40(2) of the Act and clearly dictates that the appeals must be heard by the Council. The procedure allows appellants to present their case or to appoint a legal representative.

The Disciplinary Tribunal has been established in accordance with Section 30 of the Act, which stipulates that the Council must appoint a Disciplinary Tribunal to hear a charge of improper conduct if a person charged denies the charge or fails to comply with Section 29(3)(b).

During the year under review, Council appointed a Disciplinary Tribunal to hear cases referred to it. One case of misconduct by a Registered Person has been finalised, wherein the person was found guilty of misconduct. Thereafter, a sanction was imposed in accordance with Section 32(3) of the Act.

2.1.2.2.10. Code of Conduct for the Professions

The SACPCMP received three complaints in terms of the Code of Conduct during the period under review. The Code requires that Registered Persons carry out their work with due care, skill, competency and integrity. This ensures that the public is protected from Registered Persons who contravene the Code of Conduct as well as the Act, thus maintaining the integrity, standing, reputation and status of Registered Persons.

2.1.2.2.11. Standard Generating

The process of Standard Generating is one of 13 mandates of the SACPCMP. However, unlike the other 12 mandates, the Council determined that it was not necessary to map the business process for Standard Generating, as this was determined to be outside the control of the Council. Furthermore, this process is already regulated and well-documented in the SAQA Policy on the National Qualifications Framework and Standards Setting with the SACPCMP providing inputs.

2.1.2.2.12. Competency Standards for Registrations

The SACPCMP made progress towards the development of competency standards for registrations during the year under review. The Council completed stakeholder consultations for CHS and BI, and Assessment Frameworks and tools for both BI and CHS.

INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT)

In 2024/2025, the SACPCMP's ICT function played a critical role in enhancing the organisation's digital maturity and operational resilience. Building on key lessons from previous audit findings and aligning with the SACPCMP Strategic Plan (2026–2030), the Council has laid strong foundations for digital transformation, governance modernisation, and improved service delivery.

Strengthening ICT Governance and Cybersecurity

During the year under review, the Council approved several key ICT governance policies, including:

- Information Security Policy,
- IT Governance Framework,
- Data Protection Policy, and
- Acceptable Use Policy.

These are aligned with POPIA, ISO/IEC 27001, and DPSA IT Governance requirements, supporting a robust cybersecurity posture. Cybersecurity enhancements focused on endpoint protection, phishing mitigation, patch management, and implementation of AI-driven controls.

In support of continuity and resilience, structured incident response and monitoring systems were embedded across the ICT environment. No security incidents were reported in 2024/2025, and infrastructure performance remained stable with an average uptime exceeding 99.75% across key systems.

Digital Transformation Enablement

The 2024/2025 period focused on laying the groundwork for the Council's Digital Transformation Programme. Procurement processes for the Document Management System (DMS), Knowledge Management System (KMS), and ICT Services progressed significantly, with vendor evaluations nearing completion. These systems are critical enablers of knowledge retention, automation, and scalable collaboration.

Additionally, infrastructure projects were prioritised to support cloud-readiness and modern digital services:

- **Telephony System Modernisation:** Successfully implemented to replace the legacy PABX system.
- **Wi-Fi Infrastructure Upgrade:** Underway, expected to be completed in the second quarter of the 2025/26 financial year.
- **Network Infrastructure Upgrade:** Planning finalised to support higher bandwidth, improved security, and future cloud adoption.

These initiatives serve as a foundation for scalable, secure, and citizen-focused digital services.

System Performance: MyMembership
The MyMembership system remained a mission-critical platform for SACPCMP operations. Notable highlights for 2024/2025 include:

- Continued portal uptime of over 99.75%,
- First-contact resolution improvements and average support resolution times under 48 hours,
- Introduction of proactive monitoring tools, enabling simulated user experience diagnostics,
- Launch of the Turnitin integration to combat academic dishonesty during registrations,
- Power BI implementation to support strategic reporting, particularly in registration workflows.

While incidents were effectively managed, infrastructure enhancements remain necessary to support the system's growth in line with the Council's expanding membership base. A strategic review of third-party system integration and modular upgrades is underway to ensure long-term scalability and performance.

TRANSFORMATION

During the period from 2018 to 2024, the SACPCMP has seen an improvement regarding its transformation targets, in terms of the race and gender of the registrants.

Registered Professionals
In 2018, there were 2 732 registered professionals. Of these, 681 were African (24.9%), 1 769 were White (64.8%), 162 were Indian (5.9%), and 112 were Coloured (4.1%). By 2024, the total had increased to 3 144, with the following demographic breakdown: 1 303 African (41.4%), 1 468 White (46.7%), 210 Indian (6.7%), and 163 Coloured (5.2%).

In terms of gender, 2018 figures show that 2 584 (94.6%) of registered professionals were male, while only 139 (5.1%) were female. By 2024, male professionals numbered 2 818 (89.7%) and female professionals 326 (10.3%). These figures highlight a 91.3% increase in the number of registered African professionals, along with a doubling of female representation. While progress has been made, gender imbalance remains a key concern.

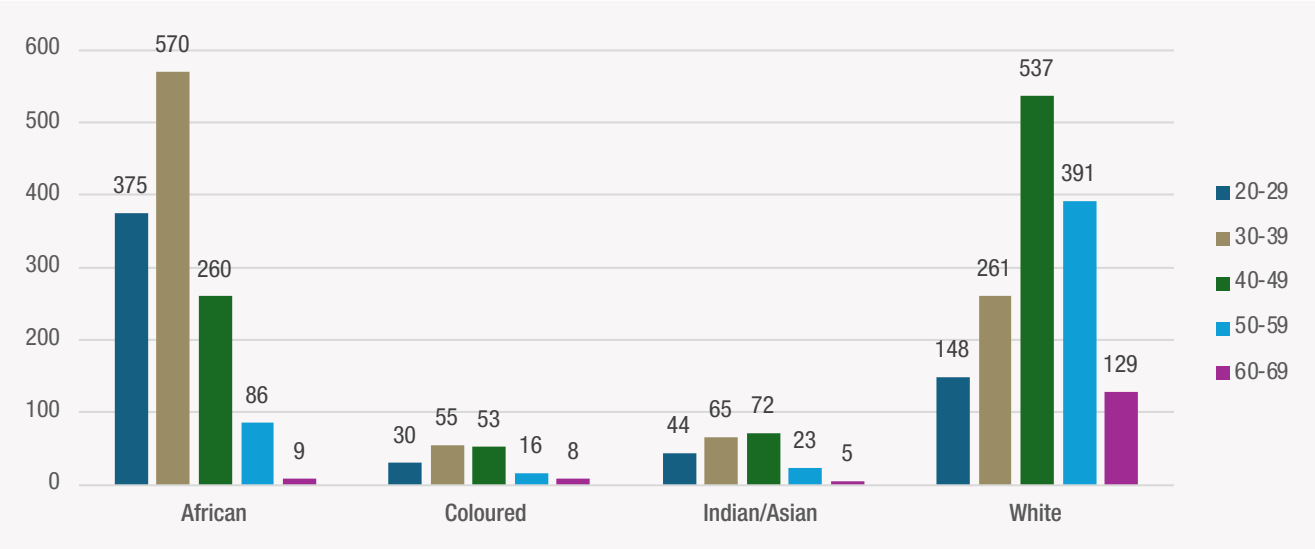
Registered Persons Within Specific Categories
In 2018, the total number of Registered Persons stood at 3 527, comprising 1 689 (47.9%) African, 1 305 (37%) White, 159 (4.5%) Indian, and 375 (10.6%) Coloured individuals. By 2024, this number had more than doubled to 7 302, with the demographic distribution shifting to 4 828 (66.1%) African, 1 542 (21.1%) White, 215 (2.9%) Indian, and 717 (9.8%) Coloured individuals.

In terms of gender, 2018 saw 2 665 (75.6%) male and 862 (24.4%) female registered professionals. By 2024, the gender composition had evolved to 4 705 (64.4%) male and 2 597 (35.6%) female registrants. This period reflects a significant 185.8% increase in the number of registered African professionals and a 66% rise in female registrations, marking a positive trend toward greater demographic inclusivity and representation in the profession.

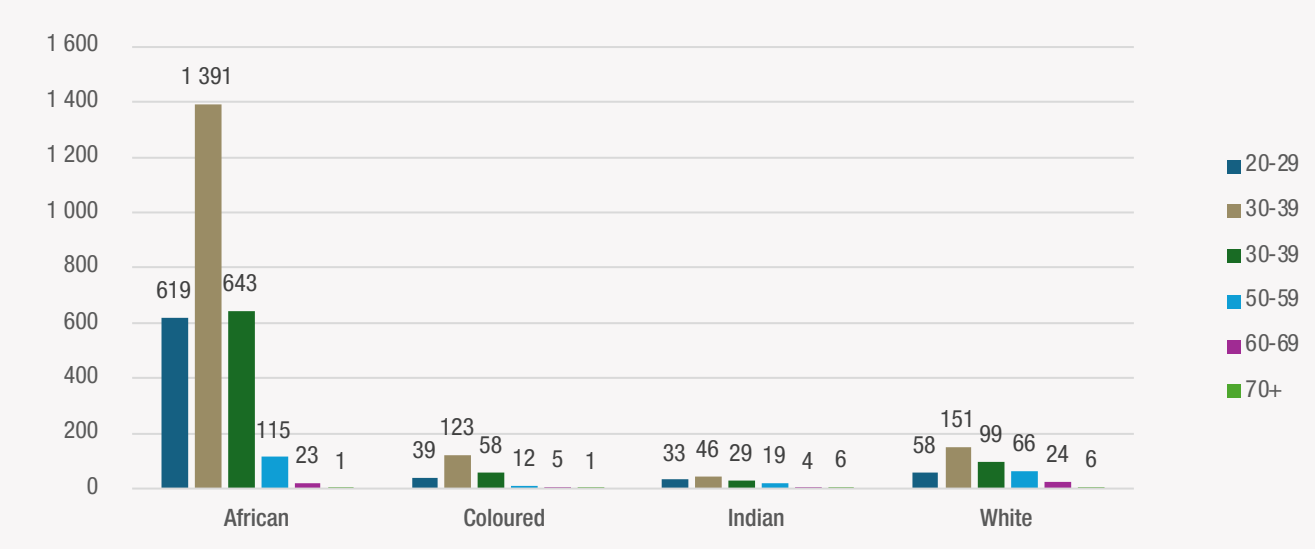
Registered Candidates
In 2018, the total number of registered candidates was 4 120, comprising 3 007 African (73%), 715 White (17.4%), 149 Indian (3.6%), and 249 Coloured (6%) individuals. By 2024, the total had slightly decreased to 3 564, with the demographic distribution shifting to 2 792 African (78.3%), 404 White (11.3%), 130 Indian (3.6%), and 238 Coloured (6.7%) individuals.

With regard to gender, in 2018, 2 759 registered candidates (67%) were male and 1 361 (33%) were female. By 2024, the gender distribution had shifted to 2 033 male candidates (57%) and 1 531 female candidates (43%). Over this period, there was a 4.1% increase in the proportion of African candidates and a 10% rise in female representation, indicating a steady trend toward greater inclusivity at the candidate level.

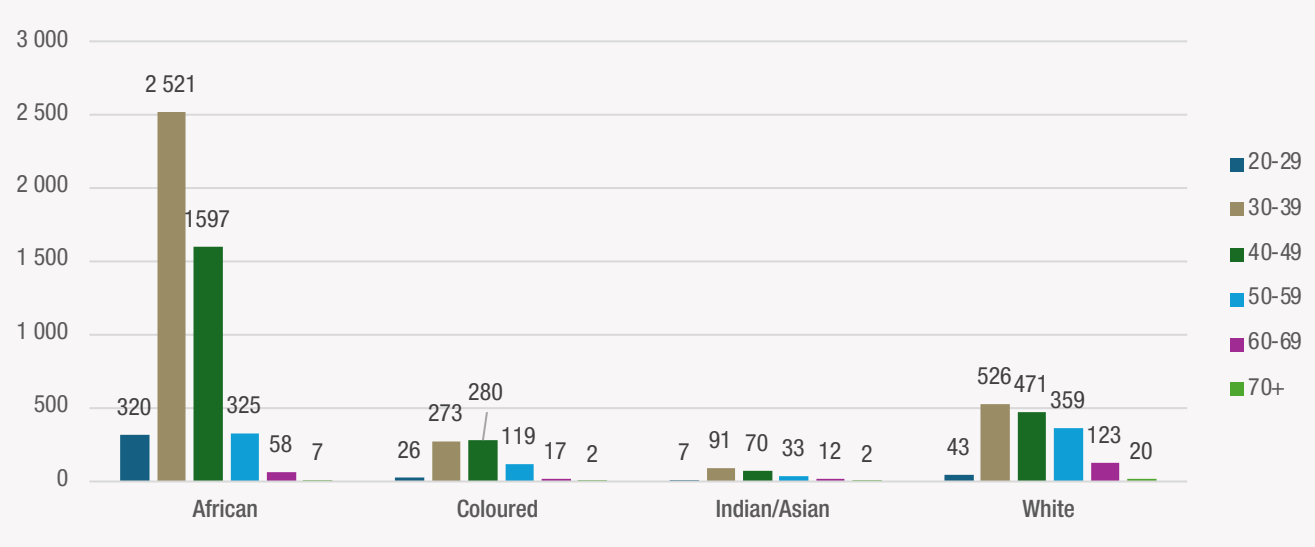
Professional Category Age Analysis



Candidate Category Age-Analysis



Specified Category Analysis



Young people are predominantly represented in the Candidate categories within registration, while the majority are African. Candidates are challenged and face extended durations when migrating to professional status, which could be attributed to the lack of training or opportunities within the industry. The SACPCMP is actively investigating opportunities to assist Candidates in progressing to professional registration, through the requirements of mentorship agreements as part of Professional CPD requirements, in addition to the hosting of mentor-support programs.

Student and Candidate Mentorship
The Stakeholder Relations and Communications Department, in collaboration with the Education Department, successfully hosted the first KwaZulu-Natal Schools Mentorship Programme in Ulundi.

The event drew participation from over five schools in and around Ulundi, with more than 300 learners in attendance. The initiative aimed to raise awareness about built environment professions and provide mentorship guidance to aspiring professionals.

Mentorship Activities – Reinstatement Support
In line with the new Rules of Reregistration, individuals seeking reinstatement after deregistration are now required to mentor SACPCMP-registered candidates. This provision is intended to support the professional development of candidates who have struggled to access mentorship opportunities. Through this initiative, a total of 332 candidates were successfully mentored, improving their chances of registration and compliance.

2.1.3. PROGRAMME 3: SUSTAINABILITY (Viable Funding Model)

The purpose of the Sustainability Programme is to ensure long-term delivery of the SACPCMP value proposition by optimising the SACPCMP business model to reduce operating costs, improve productivity and diversify revenue streams.

This programme comprises the following sub-programmes and projects:

S1. Diversify revenue streams
S2. Implement a pricing protocol that is cost-reflective
S3. Optimise the use of external service providers

2.1.3.1. Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

PROGRAMME 3: SUSTAINABILITY								
Outcome	**Output**	**Output Indicators**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from Planned Target to Actual Achievement for 2024/2025**	**Comment on Deviations**	**Reasons for Revisions to the Output/ Output Indicators/ Annual Targets**
Revenue Diversify revenue streams	Focus on revenue-generating mandates, including education and CPD Develop international programmes	Desired revenue streams split achieved Fees revenue - 80% Penalty income - 1% Recognition of prior learning fees - 3% Continuing Professional Development - 3% Government grants/ sponsorships/donations - 6% Events/conferences/ webinars - 1% Investment income- 6% 100% implementation of initiatives to diversify revenue plan	Achieved: Design initiatives to increase revenue reports	N/A	N/A	N/A	N/A	N/A
			Achieved: % of desired revenue streams split established	% of desired revenue streams split established				
				Fees revenue - 80%	Not Achieved 82%			
				Penalty income - 1%	Achieved 1%			
				Recognition of prior learning fees - 3%	Not Achieved			
				Continuing professional development - 3%	Achieved 5%			
				Government grants/ sponsorships/ donations - 6%	Not Achieved			
				Events/conferences/ webinars - 1%	Not Achieved			
				Investment income - 6%	Achieved -9%	N/A	N/A	N/A

PROGRAMME 3: SUSTAINABILITY								
Outcome	**Output**	**Output Indicators**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from Planned Target to Actual Achievement for 2024/2025**	**Comment on Deviations**	**Reasons for Revisions to the Output/ Output Indicators/ Annual Targets**
			Achieved: Developed and signed off initiatives to increase revenue implementation plan by Management	N/A	N/A	N/A	N/A	N/A
			Achieved: 25% Implementation of initiatives to increase revenue plan	N/A	N/A	N/A	N/A	N/A
			Achieved: 50% Implementation of the initiatives to increase revenue plan	100% implementation of initiatives to diversify revenue plan	Not Achieved – 88% 23 of the 27 have been implemented, which is 88%			
Pricing Protocol Implement a pricing protocol that is cost-reflective.	Increased profits Self-funding projects Reduce over-reliance on annual fees to cover council overheads	100 % implementation of the pricing protocol plan	Achieved: Developed and approved Draft Pricing Protocol Proposal Implementation Plan by Management	N/A	N/A	N/A	N/A	N/A
			Achieved: Developed and approved Pricing Policy by Management	N/A	N/A	N/A	N/A	N/A
			Achieved: Approved pricing Policy by the Council	N/A	N/A	N/A	N/A	N/A
			Achieved: Approved Pricing Protocol Implementation Plan by the Council	N/A	N/A	N/A	N/A	N/A
			Achieved: 25 % Implementation of the Pricing Protocol Proposal Plan	100% Implementation of the Pricing Protocol Proposal Plan	Achieved 100% Implementation of the Pricing Protocol Proposal Plan	N/A	N/A	N/A

PROGRAMME 3: SUSTAINABILITY								
Outcome	**Output**	**Output Indicators**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from Planned Target to Actual Achievement for 2024/2025**	**Comment on Deviations**	**Reasons for Revisions to the Output/ Output Indicators/ Annual Targets**
External Service Providers Optimise the use of external service providers	Review registration process life cycle Map internal competencies ''New nuggets" to give intelligence on pipeline projects	100% Implementation of the Use of External Service Providers Plan	Achieved: Developed and approved Implementation Plan by Management.	N/A	N/A	N/A	N/A	N/A
			Achieved: Draft Outsourcing Policy and Procedures document reviewed by Exco	N/A	N/A	N/A	N/A	N/A
			Achieved: Approval of Outsourcing Policy by the Council	N/A	N/A	N/A	N/A	N/A
			Achieved: 25% Implementation of the Use of External Service Providers Plan	100% implementation of the Use of External Service Providers Plan	Achieved 100% Implementation of the Use of External Service Providers Plan	N/A	N/A	N/A

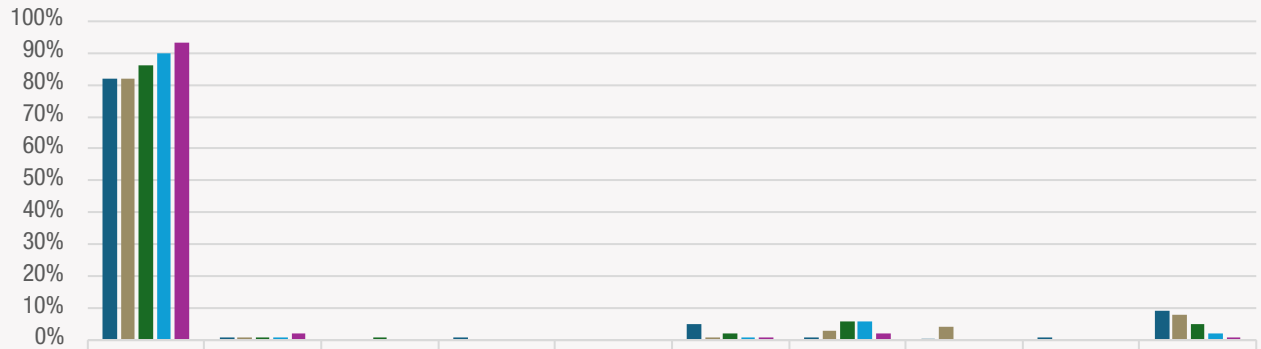
2.1.3.2. Comment on Projects Contributing to this Programme

Programme 3 encompasses three projects, namely, diversify revenue streams, implement a pricing protocol that is cost-reflective, and optimise the use of external service providers.

The Revenue Streams Diversification workstream will see the Council look to provide financial stability and reduce over-reliance on Registration revenue by ensuring that SOPs are documented and provide links to cost and revenue per process, where applicable. Furthermore, the SACPCMP aims to diversify revenue streams by focusing not only on Registration but also on CPD, International Agreements (registration), Appeals, Programme Accreditation, RPL, and the potential registration revenue from the Recognition of New Categories mandate. The SACPCMP enhanced its understanding of revenue streams and cost drivers, enabling effective cost management and exploration of revenue diversification opportunities

The following graph provides a financial analysis of SACPCMP revenue per stream from 2021 to 2025 (FYs), indicating a decrease in fees as a proportion of total revenue over time.

Revenue by Streams: Five-Year Trend



	Fees Revenue	Penalty Income	Accreditation Visits	Recognition of Prior Learning Fees	Other Revenue	Continuing Professional Development	Government Grants/ Sponsorships	Events	PMI Revenue	Net Investment Income
2025	82%	1%	0%	1%	0%	5%	1%	0%	1%	9%
2024	82%	1%	0%	0%	0%	1%	3%	4%	0%	8%
2023	86%	1%	1%	0%	0%	2%	6%	0%	0%	5%
2022	90%	1%	0%	0%	0%	1%	6%	0%	0%	2%
2021	93%	2%	0%	0%	0%	1%	2%	0%	0%	1%

Performance for the 2024/25 financial year indicates growth in other revenue streams, namely interest income (8% to 9%), PMI (0% to 1%), CPD (1% to 5%) and RPL (0% to 1%). Contribution by fees revenue and penalties remains the same at 82% and 1% respectively. The performance for the strategic period 2020-2025 indicates a reduction of the contribution by fees revenue from 93% (2021) to 82% (2025), indicating successful implementation of the plan to diversify revenue streams.

For the Pricing Protocol workstream, the SACPCMP implemented a pricing protocol that is cost-effective, to ensure that the prices charged are reflective of costs and that services and projects are self-funded. The SACPCMP has developed a plan to address gaps identified over time.

Finally, work conducted during the year under review will enable SACPCMP to optimise the use of external service providers and map out internal competencies to facilitate the following:

- Realisation of efficiencies,
- Identification of areas for outsourcing,
- Creation of a development plan to align with critical resources, and
- Development of a communications plan to highlight the SACPCMP's relevance.

The SACPCMP optimised cost management through in-depth financial performance analysis and utilisation of external service providers to reduce operating costs and improve productivity

2.1.4. PROGRAMME 4: INSTITUTIONAL GOVERNANCE (Capability of Administration)

The purpose of the Institutional Governance Programme is to ensure that the SACPCMP has formal business decision-making frameworks to deliver effective governance and operational efficiency. It consists of the following sub-programmes and projects:

G1. Formalise Core Business Processes
- G1 a. Planning
- G1 b. Performance Management
- G1 c. Project Management
- G1 d. Risk Management

G2. Review of the Delegations of Authority (DOA)

2.1.4.1. Outcomes, Outputs, Output Indicators, Targets and Actual Achievements Table

Programme/sub-programme								
Outcome	**Output**	**Output Indicators**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from Planned Target to Actual Achievement for 2024/2025**	**Comment on Deviations**	**Reasons for Revisions to the Output/ Output Indicators/ Annual Targets**
Formalise core business processes (planning, performance, projects, risk)	Documented policies and procedures approved by Council	Adherence to Core Business Process Framework	Achieved: 25% Implementation of the Core Business Processes	N/A	N/A	N/A	N/A	N/A
			Achieved: 50% Implementation of the Core Business Processes	N/A	N/A	N/A	N/A	N/A
			Achieved: 75% Implementation of the Core Business Processes	N/A	N/A	N/A	N/A	N/A
			In Progress: Implementation of the compliance to Core Business Processes	100% adherence to Core Business Process Framework	75% Implementation of the compliance has been achieved to date	Project Frameworks: These will be developed in the 2025/26 financial year	The only core business process not implemented is the project business process (the full implementation of this process requires the development of related policies and frameworks)	

Programme/sub-programme								
Outcome	**Output**	**Output Indicators**	**Audited Actual Performance 2023/2024**	**Planned Annual Target 2024/2025**	**Actual Achievement 2024/2025**	**Deviation from Planned Target to Actual Achievement for 2024/2025**	**Comment on Deviations**	**Reasons for Revisions to the Output/ Output Indicators/ Annual Targets**
Review decision-making process and authority levels	Current delegations of Authority: TORs and Charters	Competing time and process efficiencies	Achieved: Draft Report on Review of Current Council	100% Review Report on DOA by EXCO	Achieved	N/A	N/A	N/A
			Achieved: Report on Designed Ideal Governance Process (fit for regulator)	N/A	N/A	N/A	N/A	N/A
			Achieved: Review Report on DOA	N/A	N/A	N/A	N/A	N/A
			Not Achieved: Approved DOA by Council	Approved DOA by Council	Achieved	N/A	N/A	N/A
			N/A	50% Implementation of King VI project plan	Achieved	N/A	N/A	N/A
			N/A	100% Implementation of King VI project plan	94%	(6%)	100% Implementation of the King VI plan 94% (32 of 34 planned) initiatives have been completed Two initiatives are outstanding: Business Continuity Plan and Succession Planning These initiatives are included in the 2026/30 strategic cycle	Resource constraints

Comment on Projects Contributing to this Programme

Programme 4 ensures that the SACPCMP has formal business decision-making frameworks to ensure effective governance and operational efficiency. This was organised into two projects, namely:

- Formalising Core Business Processes for (a) Planning, (b) Performance, (c) Projects and (d) Risk Management, and,
- Review of the Delegations of Authority (DOA).

The four core processes for planning management, performance management, project management and risk management were approved by the Council. These business processes were developed and formalised to ensure that the SACPCMP has formal business decision-making frameworks for effective governance and operational efficiency. The SACPCMP reviewed and enhanced decision-making processes and governance structures to streamline operations, resulting in a reduction in the number of committees from 21 to six. Finally, the delegation of authority was reviewed and approved by the Council.

2.2. Linking Performance with Budget

PROGRAMME 1: ADMINISTRATION

Programme 1: Administration	2023/2024			2024/2025		
	Budget	Actual	(Over)/Under	Budget	Actual	(Over)/Under
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	8 063	9 088	(1 025)	5 773	4 302	1 471
Goods and services including Capex	0	0	0	0	0	0
Culture	195	0	195	300	368	(68)
Organisation design	0	0	0	0	0	0
Employee engagement	0	0	0	0	0	0
Other goods and services	6 986	2 361	4 628	5 771	2 913	2 858
Total	**15 244**	**11 449**	**3 798**	**11 844**	**7 583**	**4 261**

PROGRAMME 2: MANDATE COMPLIANCE

Programme 2: Mandate Compliance	2023/2024			2024/2025		
	Budget	Actual	(Over)/Under	Budget	Actual	(Over)/Under
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	8 063	9 088	(1 025)	9 845	8 468	1 377
Goods and services including Capex	0	0	0	0	0	0
Implement one version of the truth	150	0	150	0	0	0
Formalise business processes for mandate compliance	0	0	0	150	0	150
Implement a formal document management system	0	0	0	0	0	0
Implement a knowledge management system	0	0	0	0	0	0
Other goods and services	6 708	8 889	(2 181)	12 720	8 617	4 103
Total	**14 921**	**17 977**	**(3 056)**	**22 715**	**17 085**	**5 630**

PROGRAMME 3: SUSTAINABILITY

Programme 3: Sustainability	2023/2024			2024/2025		
	Budget	Actual	(Over)/Under	Budget	Actual	(Over)/Under
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	5 102	4 689	413	5 249	5 187	62
Goods and services including Capex	0	0	0	0	0	0
Diversify revenue streams	100	0	100	100	185	(85)
Pricing protocol implementation	0	0	0	100	0	100
External service provider optimisation	0	0	0	100	0	100
Other goods and services	9 192	9 292	(100)	10 981	8 404	2 577
Total	**14 394**	**13 981**	**413**	**16 530**	**13 776**	**2 754**

PROGRAMME 4: INSTITUTIONAL GOVERNANCE

Programme 4: Institutional Governance	2023/2024			2024/2025		
	Budget	Actual	(Over)/Under	Budget	Actual	(Over)/Under
	R'000	R'000	R'000	R'000	R'000	R'000
Compensation of employees	6 487	6 474	13	5 749	3 790	1 959
Goods and services including Capex	0	0	0	0	0	0
Formalise Core Business Processes	100	0	100	0	0	0
Review decision levels	0	0	0	150	68	82
Other goods and services	1 627	1 518	109	3 471	4 829	(1 358)
Total	**8 214**	**7 992**	**(222)**	**9 370**	**8 678**	**692**

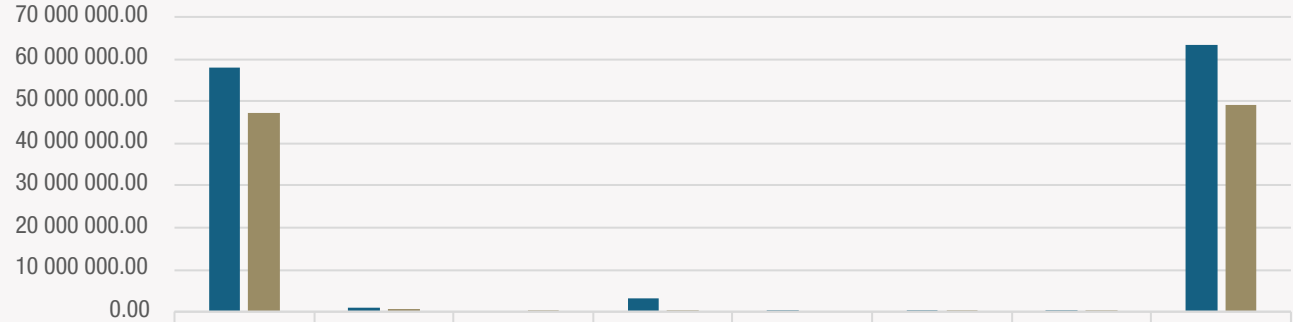
2.3. Revenue Collection

Sources of Revenue	2023/2024			2024/2025		
	Budget	Actual	(Over)/Under	Budget	Actual	(Over)/Under
	R'000	R'000	R'000	R'000	R'000	R'000
Fee revenue	40 899	47 416	(6 527)	60 702	57 996	2 706
Penalty income	536	737	(201)	820	814	6
Recognition of Prior Learning	803	247	556	716	827	(111)
Continuing Professional Development	931	621	310	3 808	3 233	575
Programme Accreditation	586	0	586	85	85	0
PMI Vouchers	127	34	93	1 386	423	963
Other revenue				1	5	(4)
Total revenue from fees	**43 670**	**49 059**	**(5 389)**	**67 528**	**63 387**	**4 141**
Investment income	2 337	4 744	(2 407)	6 930	6 591	339
Other operating income						
Webinar income	89	89	0	0	0	0
Grant revenue	1 466	1 466	0	297	297	0
Proceeds from insurance claim	23	35	(47)	0	0	0
Proceeds from assets disposal	0	0	0	7	6	1
Unallocated receipts past prescription	0	1 694	(1 694)	184	188	(4)
Credit balance past prescription	0	0	0	447	558	(111)
Conference, masterclasses and sponsorship	1 553	2 169	(616)	0	0	0
Sponsorships	0	0	0	569	262	307
Events	0	0	0	160	120	40
Foreign Gains	0	56	(56)			
Reversal of provision	0	0	0	0	206	(206)
Total other operating income	**3 134**	**5 513**	**(2 379)**	**1 669**	**1 643**	**26**
Total	**56 121**	**59 316**	**(3 195)**	**76 127**	**7 121**	**4 506**

The SACPCMP'S operations are sustained by annual fees paid by Registered Persons, raised in terms of Section 15(1), (2)(a) of Act number 48 of 2000, and does not receive any form of funding from the fiscus. To enhance the organisation's sustainability, the Council's APP includes a programme relating to the diversification of revenue streams. Further, the 2025 fee increase for Registered Persons took into consideration the economic challenges facing the country.

The following is a summary of the SACPCMP for the 2024/2025 financial year.

- Revenue for the year ending 31 March 2025 is R63.3 million, a 22% increase from the R49 million reported in 2024/25. This amount is 94% of the R67 million budgeted for the 2024/25 financial year.
- The other income of R1.6 million fully meets the annual budgeted amount.
- Investment income of R6.5 million constitutes 94% of the budgeted figure for the financial year, which was set at R6.4 million.



	Fees Revenue	Penalty Income	Recognition of Prior Learning	Continuous Professional Development	Accreditation Visits	PMI Revenue	Other Revenue	Total
2024/25	57 996 503.00	814 903.00	0.00	3 233 106.50	85 832.48	423 669.00	5 629.00	63 387 497.00
2023/24	47 316 902.00	737 104.00	247 179.00	621.13	0.00	34 792.00	2 491.00	49 059 559.00

In the 2024/2025 financial year, the SACPCMP saw an increase in fees revenue driven by higher application, reinstatement, registration, and annual fee collections, with the registration database growing by 15.7% to 14 458 registrants.

Penalty-fee revenue also rose due to more Registered Persons failing to settle annual invoices, while RPL revenue reflected the assessment of previously paid invoices. Growth in CPD and PMI revenue was mainly attributed to the purchase of CPD reinstatement bundles by previously suspended Registered Persons.

2.4. Capital Investment

Assets	2023/2024			2024/2025		
	Budget	Actual	(Over)/Under	Budget	Actual	(Over)/Under
	R'000	R'000	R'000	R'000	R'000	R'000
Buildings	227	27	200	300	114	186
Office equipment	0	137	(137)			
IT equipment	708	539	169	500	190	310
IT Software	1 960	0	1 960	2 000	0	2 000
Right of use assets		64	(64)			
Rental lease payments				436	520	(84)

PART C: GOVERNANCE

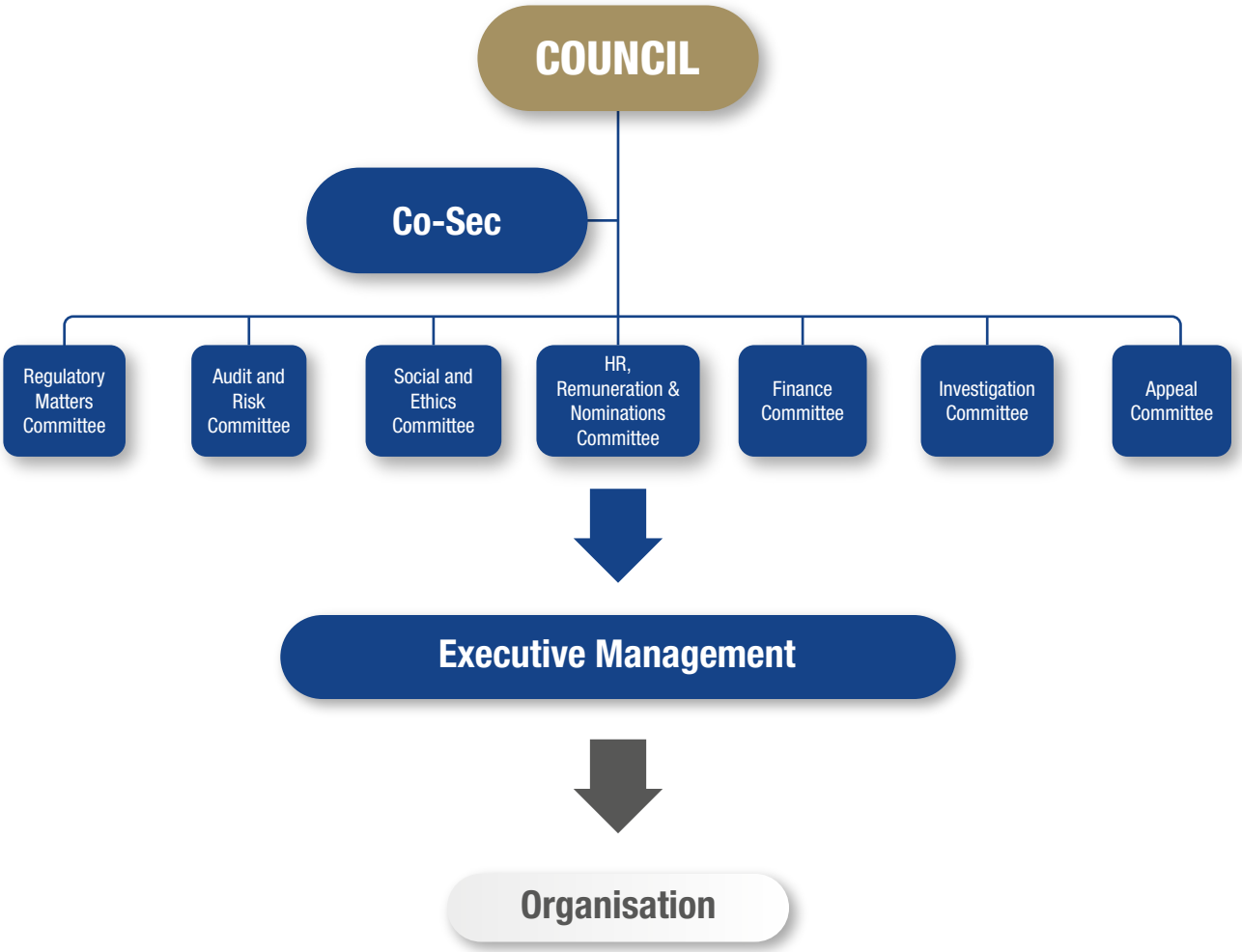
1. INTRODUCTION

EXECUTIVE AUTHORITY

The Executive Authority of the Council is the Minister of Public Works and Infrastructure. The SACPCMP submits its quarterly performance reports to the Executive Authority through the CBE.

GOVERNANCE STRUCTURE

The Executive Authority established the SACPCMP Council and appointed Councillors thereto. The Council has established appropriate Council Committees. Therefore, in support of a transparent organisational structure and these lines of responsibility, the SACPCMP has established the governance structure depicted below.



THE SACPCMP COUNCIL

The Council is constituted in terms of Section 3 of the Project and Construction Management Professions Act No. 48 of 2000. The Council is led by a President, who is assisted by a Vice President, both of whom are elected to office. The term of office for 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 various committees that are constituted to oversee the business of the Council as per their respective approved terms of reference.

The Council's ten members are comprised as follows:

- Six Registered Persons as per the categories of the Act, excluding candidates, of whom at least four must actively practice within their profession 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 DPWI; and
- Two members of the public, nominated through an open process of public participation.

The SACPCMP's Sixth-Term Council members are:

Mr Lufuno Ratsiku
Elected President

Ms Sharon Shunmugam
Elected Vice-President

Mr Douglas Affleck

Mr Thabang Mbembele

Ms Kelebogile Ethney Mohotji

Dr Matshediso Joy Ndlovu

Mr Mokgobi Andrew Ramushu

Mr Leonard Sandile Swana

Mr Conrad Steyn

Mr Mbasayoxolo Xolisa Tshombe

The Role of Council Members
Council Members are required to:

- Apply themselves individually to the affairs of the SACPCMP, and act diligently and in good faith.
- Declare any interest in or dealings with the SACPCMP, or any entity or person where there is a potential conflict of interest as a member of the Council.
- Attend meetings of the Council and any Committees to which they are appointed and notify either the Chairperson or Secretariat in the event of being unable to attend a meeting.
- Keep confidential any matters to which they are privy by virtue of their membership of the Council and desist from making any commercial or other use of information derived by virtue of Council membership.
- Refrain, to the extent possible, from being involved in operational matters.
- Accept personal and fiduciary accountability for the acts and omissions of the Council.

Governing Body Charter
The SACPCMP carries out the prescripts of its Charter, which requires it to evaluate its performance as well as that of its committees on an annual basis. The Council, on an annual basis, carries out an introspection for the purpose of ensuring compliance with the Charter.

Governing Body Responsibilities
The Council retains full and effective control of the SACPCMP and is ultimately accountable and responsible for the performance of the organisation. This includes responsibility for reviewing and guiding SACPCMP strategy, through the establishment of key policies and objectives, understanding the key risks faced by the organisation, determining the risk appetite, tolerance and preferences of the organisation and the processes in operation to mitigate these.

In discharging its responsibilities, the Council is supported by the executive and management, together with the various Council committees. These committees have specific charters or terms of reference, appropriately skilled members, senior management participation and access to specialist advice when considered necessary. Various mechanisms, such as strategies, policies, processes and documents, have been implemented and are used to drive and support good governance in practice.

The committees form an integral part of the Council's corporate governance framework and play a pivotal role in achieving and maintaining standards of governance and ethics. The committees ensure that the Council's activities are thoroughly scrutinised to maintain the highest standards of governance.

The Council Committees meet quarterly to review and make recommendations to the Council on their respective areas of work. The Committees comprise mainly Council members and, where necessary, external, qualified professionals to ensure that the Committee has the right balance of skills and knowledge to effectively process reports and submissions and make informed recommendations to the Council.

The SACPCMP Executive Management team is committed to the highest standards of good governance, underscored by the values of transparency and accountability. This includes, but is not limited to, compliance with the Council's legislative mandate. To ensure that the SACPCMP has formal business decision-making frameworks, effective governance, and operational efficiency, the Council is formalising its core business processes and procedures.

The Council acknowledges that it is responsible for the strategy, direction, leadership, governance, and performance of the SACPCMP. The scope and functioning of the organisation are governed by a Council Charter that is reviewed and updated regularly. This Charter succinctly outlines the relevant authority, responsibilities, and powers of the Council and its committees. It is a requirement of the Charter that the Council and its committees be evaluated annually, which provides an opportunity to improve the SACPCMP's effectiveness.

The SACPCMP appreciates the urgent need to have a clear demarcation of roles and a threshold of decision authority within the organisation and reviewed and approved the Delegation of Authority Framework during the fourth quarter of the 2024/2025 Financial Year. These efforts are part of Programme 4 in the APP.

In strengthening the Council's capacity to deliver on its mandate, the entity ensures that staff are required to take part in annual performance management, including contracting and quarterly assessments using approved performance measurement instruments. Individual performance goals for the 2024/2025 financial year were signed off by the 30th of April 2024.

The Council reviewed and approved the 2024/2025 Strategic Risk Register. The Council locates risk management at the centre of the organisation by ensuring that each division has a risk mitigation plan in response to the risk register. Furthermore, the Council approved the SACPCMP risk tolerance and appetite framework. This framework will ensure that the Council takes a proactive role in the management of risk. As part of continuous development, council members and committee members attended the risk management and ethics training to strengthen the council's oversight on risk and ethics management. The Audit and Risk Committee (ARC) of the SACPCMP is a fully functional, independent oversight structure and has significantly improved the risk management, control and governance aspects of the Council.

The SACPCMP, in its effort to align with the King IV Report, developed and approved the Governance Framework, including a King IV Alignment Implementation Plan. To date, 94% (32) initiatives have been completed out of the 34 planned initiatives. Two initiatives are outstanding, which relate to the approval of a Business Continuity Plan and Succession Planning. These initiatives are included in the 2025/2026 work plan.

2. PORTFOLIO COMMITTEES

The SACPCMP engages with the CBE, which in turn provides the DPWI and the Portfolio Committee on Public Works and Infrastructure with a sectoral account on the fulfilment of the organisation's 13 legislated mandates across the BEPCs. The SACPCMP remains accountable as an independent statutory body and juristic person to the Portfolio Committee, through the Executive Authority in the Minister of Public Works and Infrastructure.

SACPCMP Council Composition: Sixth-Term Council Members

Name	Designation (in terms of the Public Entity Board structure)	Date Appointed	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No. of Council Meetings Attended
Mr Lufuno Ratsiku (President)	Section 3A of the Act: Registered Persons	14 December 2022	PhD Construction Management: University of Johannesburg (In Progress) Master of Technology – Construction Management: Tshwane University of Technology Bachelor of Technology – Project Management: Tshwane University of Technology Bachelor of Technology – Quantity Surveying: Tshwane University of Technology	Registered at SACPCMP as a Professional Construction Project Manager (PrCPM) as SACPCMP Registered with Project Management South Africa as a Professional Project Manager Registered with IODSA	President of the SACPCMP (Sixth-Term) Non-Executive Director/ Trustee Chairperson of the Human Resources and Renumerations Committee (ESKOM)	Member of the Audit and Risk Committee (ESKOM)	20
Sharon Shunmugam (Vice-President)		14 December 2022	B.Tech Civil Engineering (Structural): Durban Institute of Technology Master's in Business Leadership: UNISA Entrepreneurship Programme: GIBS	Registered at SACPCMP as a Professional Construction Project Manager (PrCPM) Project Management Professional (Project Management Institute) Registered at ECSA as a Professional Technologist	Vice-President of the SACPCMP (Sixth-Term) Former Branch Chairperson at SAICE Former Chairperson at Circle of Global Business Women		18
Douglas Affleck		14 December 2022	Registration Certificate (Professional Auditor): South African Auditor and Training Authority SHEM Consulting and Training: Certificate in ISO 45001:2018, Occupational Health and Safety Management Systems LEAD Auditor Advantage A.C.T: Integrated SHEQ Lead Auditors Course ICCSA: Construction Management Systems Lead Auditors Course SHEM Consulting and Training: Certificate in Guidelines for Auditing Management Systems Nebosh International: Certificate in Occupational Health and Safety Risk ZA: Certificate in Internal and Supplier Auditor LexisNexis: Certificate in Contractor Management Nebosh International: Certificate in Control of International Workplace Hazards IRCA: Certificate in Root Cause Analysis Techniques NOSA: SAMTRAC Certificate	Registered as a Construction Health and Safety Manager (CHSM) at SACPCMP			21

Name	Designation (in terms of the Public Entity Board structure)	Date Appointed	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No. of Council Meetings Attended
Conrad Steyn		14 December 2022	MBA – Health and Safety Leadership: University of Fredericton, Canada Btech Degree – Safety Management: UNISA Diploma – Safety Management: UNISA	Registered as a Professional Construction Health and Safety Agent (PrCHSA) at SACPCMP Certified Health and Safety Consultant-(CSSE) Principal Designer (CDM Solutions Ltd) Registered as Accredited Assessor and Moderator (CETA) Safety Practitioner (IOSM)			18
Leonard Sandile Swana		14 December 2022	Master's in Business Administration: Nelson Mandela University Bachelor of Technology Degree: Nelson Mandela University National Diploma in Civil Engineering: Cape Peninsula University of Technology Diploma in Christian Ministry: Transkei Bible College under FGCC	Registered as a Professional Construction Project Manager (PrCMP) at SACPCMP Member of the Institutional Forum		Member of the Executive Management Committee Chairperson of the Infrastructure Project Steering Committee Chairperson of the Campus Infrastructure Masterplan Task Team Member of the Finance and Infrastructure Committee Chairperson of the Biosafety COVID-19 Task Team	18
Thabang Mbembele		14 December 2022	Bachelor of Science (Quantity Surveying): University of Pretoria Facilities Management Programme: University of Free State Intensive Project Management: University of the Free State Programme in Project Management: University of Pretoria Master of Business Administration: Monash University	Registered as a Professional Construction Project Manager (PrCMP) at SACPCMP			15

Name	Designation (in terms of the Public Entity Board structure)	Date Appointed	Qualifications	Area of Expertise	Board Directorships	Other Committees or Task Teams	No. of Council Meetings Attended
Mokgobi Andrew Ramushu	Section 3B of the Act: State appointed directly by the Minister of DPWI	14 December 2022	MBA: Gordon Institute of Business Science (In Progress) Bachelor of Laws (LLB): University of South Africa MSc Engineering University of the Witwatersrand BSc Engineering (Civil): University of the Witwatersrand	Registered at ECSA as Professional Engineer Member of SAICE		Member of the Variation Order Committee – National Department of Public Works	22
Mbasayoxolo Xolisa Tshombe		14 December 2022	Master of Architecture: University of Pretoria Bachelor of Architecture: University of Witwatersrand Bachelor of Architectural Studies: University of the Witwatersrand	Registered with the South African Council for the Architectural Profession as a Professional Architect External Examiner- Tshwane University of Technology			21
Kelegogile Ethney Mohotji	Section 3C of the Act: appointed by the public	14 December 2022	B Com: University of North West	South African Institute of Professional Accountants (SAIPA) Institute of Internal Auditors South Africa (IIASA) South African Institute of Chartered Accountants (SAICA)			25
Dr Matshediso Joy Ndlovu		14 December 2022	Doctor of Business Administration: University of KwaZulu-Natal Master of Business Administration: University of KwaZulu-Natal Bachelor's Degree: Human Resources Management Technikon SA National Diploma: Transport Management: Rand Afrikaans University National Diploma: Human Resources Management Technikon Natal (now DUT) Leadership Programmes from various institutions		Chairperson: SEDA KZN Social Cohesion and Moral Regeneration Council Deputy Chairperson: SA State Theatre Nine (9) past/ previous Board Memberships	SA State Theatre: Chairperson: Human Resources and Remuneration Small Enterprise Development Agency (SEDA) Chairperson: Umhlatuze Municipality: Performance Audit Committee Attorney Fidelity Fund, Governance and Policy Committee Audit and Risk Committee - SA State Theater Audit & Risk Committee: Umhlatuze Local Municipality Involvement in 23 past/ previous Committees	20

Remuneration of Board Members

On an annual basis, the Council reviews its proposed budget and allocates remuneration to its members and committees in line with available funding. Due to the current budget constraints, the Council relies on the volunteerism of its members and related committees. The SACPCMP does, however, provide for the cost of travel by its Council and committee members to address Council matters. The approved fee for the Council allowance was R2,974.00.

Sixth-Term Council Remuneration

Names	Council Allowances (R)	Honorarium (R)	Telephone Allowance (R)	Total (R)	Number of Meetings and engagements attended*
Mr Lufuno Ratsiku	322 671	59 256	5 916	387 843	95
Ms Sharon Shunmugam	270 409			270 409	90
Dr Joy Ndlovu	98 819			98 819	32
Mr Andrew Ramushu	108 836			108 836	30
Mr Thabang Mbembele	85 210			85 210	28
Ms Kelebogile Mohotji	114 798			114 798	33
Mr Mbasayoxolo Tshombe	82 260			82 260	26
Mr Leonard Swana	51 923			51 923	23
Mr Conrad Steyn	36 733			36 733	12
Mr Douglas Affleck	70 699			70 699	27

*The SACPCMP's Council Members are often deployed to stakeholder engagements, such as conferences, summits, student career days etc, to assist in the representation of the entity. Such deployment happens when specific representation of the entity is required, such as the SACPCMP President delivering a keynote address of a conference, or the Vice President engaging in a mentorship event. Because the entity has looked to increase its brand awareness within the Built Environment, these deployments have increased dramatically following the pandemic, and as such, assists in keeping the SACPCMP brand alive within the Construction Industry.

SACPCMP Committees

The Council significantly improved governance and operations during the year under review. To support these efforts, the Council has established the following operational Committees:

- Regulatory Matters Committee
- Human Resource, Remuneration and Nominations Committee
- Social and Ethics Committee
- Finance Committee
- Audit and Risk Committee

The following table provides details on the SACPCMP Committees Meeting held during the 2024/2025 Financial Year:

Committee	No. of Meetings Held in the Period Under Review	No. of Members	Names of Members
Regulatory Matters Committee	4 Meetings	5	Ms S Shunmugam – (Chairperson) Mr L Swana Mr T Mbembele Mr C Steyn Mr D Affleck
Social and Ethics Committee	4 Meetings	5	Mr T Mbembele – (Chairperson) Mr L Ratsiku Ms S Shunmugam Dr M Ndlovu
Human Resource, Nomination and Remuneration Committee	6 Meetings	4 (with one resignation – Ms. Mbane)	Dr M Ndlovu – (Chairperson) Mr L Ratsiku Mr L Swana Mr C Steyn
Finance Committee	9 Meetings	5	Ms K Mzozoyana Ms K Mohotji Mr D Affleck Mr M Tshombe Mr T Phaka
Audit and Risk Committee	8 Meetings	5	Ms S Boulton Ms K Mohotji Mr A Ramushu Ms N Majola Mr C Ramaleba
Investigation Committee	4 Meetings	5	Adv O Josie (Chairperson) Adv. S Masemola Mr M Menye Mr M Tshombe Mr A Ramushu

VA Forum and Presidents' Forum

The SACPCMP, as the registration body for the projects and construction management professions, recognises that Voluntary Associations (VAs) have an important role to play in promoting and growing the project and construction management professions within the Built Environment. In terms of the Project and Construction Management Professions Act of 2000, the following sections of the Act make it mandatory for the SACPCMP to engage and/or consult with Voluntary Associations:

Section 3(a)(i) and Section 4(1): Nominations by VAs to Council
Section 13(d): Competency Standards for Purposes of Registration
Section 13(i): Collaborative Training and Development for Purposes of Registration
Section 13(k): Continuous Professional Development
Section 14(d) and Transitional Provisions
Section 42(2): Recognition of Voluntary Associations

The SACPCMP has a tradition of hosting a Voluntary Association (VA) Forum and a Presidents Forum. These forums were established for the sole purpose of engaging VAs and the industry at large on matters of statutory and mutual interest concerning the professions and other strategic and transformational issues that characterise professional growth and development in the construction and project management professions.

The VA Forum brings together the VA's Chief Executive Officers (CEOs) and/or their nominated representatives to engage with management of the SACPCMP. The Presidents Forum brings together Board Chairpersons (or their equivalents) and/or nominated representatives to engage with the President of the Council of the SACPCMP.

Both forums present a platform to discuss a broad range of issues of strategic priority, cooperation, and consultation in project and construction management professions and related industry matters; information-sharing; and industry-related issues that influence the effective discharge of the broad mandate of the SACPCMP in promoting the growth of the Professions in South Africa.

VA Forum and Presidents' Forum Meetings as of 31 March 2025

Performance Indicator	Planned Target 2024/25	Actual Achievement 2024/25	Deviation from Planned Target to Actual Achievement for 2024/25	Comment on Deviations
VA Forum Meeting	Four (4)	Four (4)	0	N/A
Presidents Forum Meeting	One (1)	One (1)	0	N/A

3. RISK MANAGEMENT

The SACPCMP continues to align its risk management with the Code of Corporate Governance practices as outlined in the King IV Report. The Audit and Risk Committee was delegated by the Council to advise on matters relating to the management of risk, as well as the overall prevention of fraud within the SACPCMP.

SACPCMP's risk management system includes the establishment of various policies, strategies, processes, procedures, and tools for identifying, measuring, monitoring, managing, and reporting of all material risks to which the SACPCMP is exposed. The Enterprise Risk Management (ERM) Framework sets out the key principles that guide the implementation of risk at all levels. It provides the necessary foundations and organisational arrangements for managing risk within the SACPCMP and illustrates how risk management should be embedded in all business units to ensure effective risk management strategies are integrated.

The SACPCMP Strategic Review includes the review of the risk associated with the implementation of the planned strategy. Best practice recommends that the Council should ensure that a strategic risk assessment is performed at least annually and should set specific limits for the levels of risk the organisation is able to tolerate in the pursuit of its objectives. The SACPCMP continues to implement its Risk Management Policy and Framework as approved by the Council.

Emerging Risks

Management considered both strategic risks and opportunities owing to the King IV definition of risks, which includes events that are both positive and negative. The facilitation of the strategic risk assessment considered the following:

- Identification and prioritisation of strategic risks with the highest potential to impact the achievement of objectives;
- The evaluation and assessment of identified strategic risks;
- The identification of current and future strategies and controls to mitigate risk exposure and improve risk management;
- The generation of a strategic risk register and risk profile; and
- Recommendation of possible actions and control measures that can be implemented.

Documents used for the preparation of the assessment included the following:

- SACPCMP APP 2024/2025;
- SACPCMP ERM Framework and Policy;
- SWOT analysis to identify the organisation's risks, coupled with inputs sourced from the subject-matter experts; and
- 2023/2024 Strategic Risk Register.

The review of the 2024/25 risk register can be summarised as follows:

- The risk profile of SACPCMP is medium (Moderate)
- Most risks (11) were rated medium, and two risks were rated high
- The control effectiveness for most of the risks was rated satisfactory (eight); four were rated as weak, and one was rated as unsatisfactory.
- Management has identified mitigating plans to supplement the weak controls and will make a concerted effort to implement the action plans to reduce the risks to an acceptable level and within the risk appetite of the entity.
- Decrease in relevant risk drivers from 61 (2023/2024 FY) to 60 (2024/2025 FY);
- Reduction in the number of identified mitigation plans from 59 (2023/2024 FY) to 49 (2024/2025 FY);
- The inherent risk profile across the 13 strategic risks did not change.
- Assessment of effectiveness of Controls in the Control environment, saw a marginal positive shift in the 2024/2025 Financial Year rating to:
  - Six rated as high in 2023/2024 FY to the rating shift to two in 2024/2025 FY
  - Seven rated as medium in 2023/2024 FY to the rating shift to 11 in 2024/2025

The four that moved from high to moderate are as follows:

- Fraud/corruption & bribery
- Diminished protection of the public
- Ineffective governance and non-compliance
- Diminishing registration numbers/registration renewals

The figure below depicts the 13 strategic risks identified. The inner circle depicts the control effectiveness, with the outer circle representing residual risk exposure.

RESIDUAL RISK EXPOSURE

The Mitigation Strategies/Plans progress reflects the following:

- 17 (35%) fully implemented
- 19 (39%) partially implemented
- 13 (27%) not implemented/not started

RISK MANAGEMENT PLAN

Management has implemented 100% (nine out of the nine activities) of the planned risk management activities. Initiatives achieved were as follows:

- Refinement, review and approval of the current ERM Policy and framework by the Council
- Standardisation of the risk registers / Strategic and operational risk registered
- ERM workshops and training for all staff, council and management
- Development and implementation of the Risk Appetite and Tolerance Framework
- Strategic risk review and reporting
- Linking risk management and performance management systems and aligning risk monitoring with quarterly performance report outcomes to enhance effective monitoring of residual risks

RISK MATURITY MODEL

The overall level of risk maturity has been self-assessed at a proactive Level 3 (Emerging) with the following characteristics:

- A risk management framework exists with defined and documented risk management principles;
- Risk management is applied consistently throughout the organisation; and
- Not all processes have been fully implemented.

The SACPCMP undertook key initiatives during the 2024/2025 FY to improve and enhance the ERM maturity level through:

- Regular review and updating of the strategic risk register
- Development and approval of risk tolerance and appetite framework
- Reviewed risk management policies, framework and strategies
- Development of standard operating risk registers
- Developed and reviewed financial risk registers, Fraud registers and operational risk registers
- Risk and ethics training for staff, management and Council
- Integrating risk management as part of performance management

KEY FOCUS AREAS FOR 2025/2026

Management will continue to prioritise a process of embedding risk management in the organisation's processes and culture. The following are some of the initiatives to be undertaken:

- ERM training for Managers and staff members
- Including key risk indicators for major risks in the strategic risk register
- Development of operational risk register for all business units
- Development of Compliance risk register
- Full implementation of the Risk Appetite and Tolerance Framework
- Independent review to determine ERM maturity level – Establish baseline
- Establish and approve the desired ERM maturity level
- Development and approval of a risk management plan to improve maturity level rating
- 10% implementation of the risk management plan
- Strategic risk review and reporting

RISK GOVERNANCE

Risk management and opportunity identification are realised in executive committee meetings, ARC, and Council subcommittee meetings. Strategic risks are reported on and considered at quarterly Audit and Risk Committee meetings. The Internal Audit provides independent assurance to assist management and the Council in ensuring that the control environment improves, and objectives are achieved. There is clear accountability and ownership of risk through the SACPCMP's governance structures depicted below:

RISK MANAGEMENT OFFICE	The Risk Management Office is the second line of defence in the risk management process and is responsible for establishing processes, tools, and advice to facilitate effective risk management across the SACPCMP and for creating an awareness of potential risks and cultural risk awareness.
MANAGEMENT	Management is responsible for executing their responsibilities outlined in the Risk Management Strategy and for integrating risk management into the operational routines. Management actively addresses risk in pursuit of its performance targets.
RISK OWNERS	Risk Owners are responsible for the management and control of all aspects of the risks assigned to them, including the implementation of risk response actions to address threats and maximise opportunities.
INTERNAL AUDIT	The Internal Audit in risk management provides an independent, objective assurance on the effectiveness of the SACPCMP's system of risk management and of the control environment established to mitigate risk.
EXTERNAL AUDIT	External auditors provide an additional line of assurance. Their role is to provide reasonable independent assurance on the integrity of financial statements as well as the effectiveness of internal controls in mitigating risks.
ARC	The Audit and Risk Committee provides an independent and objective review of the SACPCMP's risk management effectiveness, and reviews the risk management progress and maturity of the SACPCMP.
REGISTRAR	The Registrar is accountable for ensuring that a Risk Management Strategy and Risk Management Plan are in place and that policies are communicated to all staff, relevant stakeholders, and third parties to ensure that the risk strategy is incorporated into the culture of the SACPCMP.

4. INTERNAL CONTROL UNIT

The Internal Control Unit promotes efficiency and reduces the impact and likelihood of identified risks. Progress continues towards ensuring compliance with laws and regulations by introducing preventative and corrective control measures to address and report non-compliance. Further, the SACPCMP has maintained an Audit Findings Register as a tool to monitor progress and regularly update the ARC on the status of these findings. The Council's control environment has improved significantly in recent years.

INTERNAL CONTROL SYSTEM

The internal control system acts as an enabler for the delivery of effective governance and demonstrates that adequate internal controls are in place and operating satisfactorily. The SACPCMP internal control system outlines the various elements influencing and contributing to a sound internal control environment to ensure adequate control over operations, compliance, and financial reporting. The system is designed to assist the Council, management, and employees within the SACPCMP, and provides reasonable assurance from a control perspective that the business is operated consistently within the:

- Strategy
- Agreed business objectives
- Approved policies and processes
- Laws and regulations

The SACPCMP's internal control environment includes the following control functions:

- Risk Management
- Internal Audit

The SACPCMP has an internal audit function that provides independent, objective assurance to the Council in respect of the effectiveness of its governance, risk management and internal controls.

5. INTERNAL AUDIT AND AUDIT COMMITTEES

The ARC is a fully functional, independent oversight structure and provides quarterly oversight on the review of the Council's strategic risk assessment process and the continuation of an outsourced internal audit function. The ARC also oversees the output of the external audit process and ensures that the Council's integrated report appropriately presents the Council's state of affairs and is of good quality. The Committee continued to support the Council in fulfilling the management of its ICT risk exposure and optimising the benefits of technology.

The Internal Audit Function (IAF) plays a key role in providing an objective view and continuous assessment of the adequacy and effectiveness of the internal control systems. This is based on the testing of controls observed from completing a selection of audit reviews as documented in the Annual Audit Plan. The IAF was outsourced to Morar Inc., which was responsible for:

- assisting management in maintaining an effective internal control environment by evaluating those controls continuously to determine whether they are adequately designed and operating efficiently and effectively, and recommending improvements; and
- assisting the ARC and management in monitoring the adequacy and effectiveness of the SACPCMP's risk management process.

The internal controls review addressed strategic, operating, financial reporting, and compliance controls relating to:

- the information management environment;
- the reliability and integrity of financial and operating information;
- the safeguarding of assets; and
- the effective and efficient use of the SACPCMP's resources.

Management remains responsible for the establishment and maintenance of an effective system of internal control, risk management, and governance processes. Corporate governance best practice requires that the IAF report functionally to the ARC. This reporting is ensured by the ARC mandate to:

- review and approve the internal audit charter;
- review and approve the internal audit plans;
- evaluate the effectiveness of internal controls;
- review significant internal audit findings and the adequacy of corrective action taken;
- assess the performance of the IAF and the adequacy of available internal audit resources;
- review significant differences of opinion between management and the IAF; and consider the appointment, dismissal, or reassignment of the internal audit service provider

The Charter of the IAF provides that it reports administratively to the Registrar and functionally to the ARC. The IAF was actively operational during the 2024/2025 Financial Year. The following table lists the meetings of the ARC during the year under review.

Audit and Risk Committee Meetings

Name	Date Appointed	Date Resigned	No. of Meetings Attended
Ms Seipati Boulton	February 2022	N/A	Eight (8)
Ms Nomathemba Majola	February 2022	N/A	Eight (8)
Ms K Mohotji	February 2022	N/A	Seven (7)
Mr A Ramushu	February 2022	N/A	Six (6)
Mr C Ramaleba	February 2022	N/A	Eight (8)

6. COMPLIANCE WITH LAWS AND REGULATIONS

The SACPCMP exists as a regulatory body for the project and construction management professions, as well as for other specified categories in line with its mandate.

The organisation is also empowered to render advice to the 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. As such, the Act requires and mandates the SACPCMP to perform the following legislative and regulatory functions:

- Accreditation of programmes offered by educational institutions leading to the awarding of construction management and project management qualification (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 14(d) 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. In addition, it encourages all Registered Persons to abide by and adhere to applicable laws and regulations during the execution of their work. Management reports to the ARC on a quarterly basis on all compliance-related matters. The following has been achieved in the 2024/2025 Financial Year:

- The SACPCMP developed and approved a compliance policy, which provides guidelines on how compliance risk will be managed within the Council.
- The compliance universe was established, which includes applicable fines, penalties, and sanctions for non-compliance per legislation.
- The development of a compliance plan, detailing a structured approach for which a compliance checklist will be completed.

COMPLIANCE MANAGEMENT PLAN

Management implemented 50% (four out of the eight activities) of the planned compliance management activities.

KEY FOCUS AREAS FOR 2025/26

Management will continue to prioritise the process of embedding compliance culture. The following are some of the initiatives to be undertaken:

- Appointment of compliance officers
- Establishment of a compliance committee
- Development of compliance committee TORs as informed by the compliance policy
- Development of a compliance plan
- Report quarterly
- Conduct regular independent compliance reviews
- Independent review to determine compliance maturity level – Establish baseline
- Establish and approve the desired compliance maturity level
- Development and approval of a risk management plan to improve maturity level rating

7. FRAUD AND CORRUPTION

The SACPCMP has approved a 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. In managing fraud in the organisation, the following policies are in place:

- Fraud Policy
- Fraud Prevention Plan
- Code of Ethics and Conduct Policy
- Whistle-Blowing Policy
- Financial Misconduct Policy

The SACPCMP, in line with the approved fraud and corruption frameworks and strategies, continued to uphold its stance on zero tolerance for fraud and corruption. It continued with work to improve fraud management processes for the period under review. Management implemented 85% (23 out of the 27 activities) of the planned anti-fraud activities, and the remaining 15% was carried over to the next financial year.

KEY FOCUS AREAS FOR 2025/2026

Management will continue to prioritise the process of fostering an ethical and zero-tolerance- for-fraud culture. The following are some of the initiatives to be undertaken:

- Conduct 2025/26 fraud assessment
- Development of an Ethics Management Strategy/Plan
- Workshop on the Ethics Management Strategy/Plan
- Annual workshop on the Code of Ethics and Conduct Policy for staff
- Annual workshop on the policy for staff
- Conduct a policy workshop for staff
- 2025 Annual Declaration of Interest forms should be completed by all employees, and a system to assist with the confirmation of data submitted should be procured

The ARC provides oversight of the fraud and corruption prevention controls and mechanisms within the Council. A toll-free whistle-blowing hotline operated by Advance Call is currently operational. Council stakeholders and employees are encouraged to report any suspected corrupt, fraudulent, criminal, or unethical practices. Hotline channels are published on the Council website and in the SACPCMP magazine, Shape Shifter.

ETHICS & FRAUD HOTLINE REPORTING CHANNELS	
HOTLINE DETAILS	
Hotline Name:	SACPCMP Ethics & Fraud Hotline
Contact Number:	0800 745 746
WhatsApp Number:	0960 004 004
Dedicated Email Address:l	sacpcmp@behonest.co.za
SMS Number:	49691
Free Post	BNT165, Brooklyn Square, 0075l
Website Link	www.behonest.co.za
Chat	www.behonest.co.za

Fraud and corruption matters reported through the hotline included:

- Ten cases were reported through the hotline channel from 1 April 2024 to 31 March 2025;
- Eight cases reported related to alleged misconduct by Registered Persons, and reports regarding unregistered persons;
- Six cases have been resolved, and feedback has been provided to the whistleblower through the hotline; and
- Two cases are in progress;
- Two cases were at the Administrator-Review Stage;

8. MINIMISING CONFLICT OF INTEREST

The SACPCMP ensures that conflicts of interest are declared by all committee members as protocol for Council Committee meetings. A record of this is maintained by the Company Secretariat. Council members have also signed an annual conflict of interest declaration form. The SACPCMP also developed a Conflict-of-Interest Policy.

9. CODE OF CONDUCT

This regulatory function, performed in accordance with the Act, is guided by adherence to and conformance with the prescribed Code of Professional Conduct for Registered Persons. The Code requires that Registered Persons must carry out their work with due care, skill, competency and integrity. This 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 status of Registered Persons.

The observation and application of the Professions Disciplinary and Code of Conduct mandate is underscored by the established Disciplinary Tribunal Committee, an Investigating Committee, and an operational panel of investigators. These entities are tasked by the Council to investigate and make recommendations when complaints of improper conduct are lodged against Registered Persons. Such complaints emanate from members of the public through an affidavit under oath or by affirmation. In addition, the Committees are empowered to investigate any incident of project and construction-related work activities that may indicate improper conduct on the part of a Registered Person.

In the year under review, the Council approved criteria for the appointment of a panel of investigators, commenced with the constitution of an investigating committee, and approved criteria for the constitution of the Disciplinary Tribunal. The SACPCMP has registered three complaints on the grounds of the 'code of conduct', which are being processed.

10. COMPANY SECRETARY

IKB Secretaries were appointed during the year under review to manage the portfolio of the Company Secretary for the period under review.

11. SOCIAL RESPONSIBILITY

CSI and Youth Development

During its June roadshow, the Council introduced a schools' initiative in Ulundi to engage with grade 7 to 10 learners interested in STEM careers and promote the construction industry. The SACPCMP team worked with Zululand District Municipality, which helped coordinate event services.

The Council also attended the two-day Mangaung STEAM Career Expo in the Free State, as well as provided registration-related guidance to students as part of the ACPM's Bootcamp and its Foundations of Excellence Mentorship Hour. It further supported the DPWI Director-General's Schools Programme Outreach in the Emandabeni area in KwaZulu-Natal and again participated in its annual CIOB/SACPCMP Mentor Speed Date events.

12. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

Has the Public entity applied any relevant Code of Good Practice (B-BBEE Certificate 1-8) with regard to the following:		
Criteria	**Response**	**Discussion**
Determining qualifications criteria for issuing of licenses, concessions or other authorisations in respect of economic activity in terms of any law?	Yes	The Council has an approved Supply Chain Management (SCM) Policy, which sets out relevant criteria.
Developing and implementing a preferential procurement policy?	Yes	This is included within the SCM Policy.
Determining qualification criteria for the sale of state-owned enterprises?	No	The SCM and Asset Management Policy does not include a provision for qualification criteria for the sale of state-owned enterprises. The policies do, however, make provision for the sale of state-owned assets.
Determining criteria for entering into partnerships with the private sector?	No	The SCM and Asset Management policies do not include a provision for criteria for entering into partnerships with the private sector.
Determining criteria for awarding incentives, grants and investment schemes in support of broad-based black empowerment?	Yes	This is included in the SCM Policy.

13. REPORT OF THE AUDIT AND RISK COMMITTEE

We are pleased to present our report for the financial year ended 31 March 2025.

BACKGROUND

The Audit and Risk Committee ("the Committee") as established by section 17 of the Project and Construction Management Professions Act (Act No.48 of 2000) reports that it has complied with its responsibilities arising from the Council approved terms of reference and as an aspiration to be PFMA compliant with Sections 51(1)(a)(ii) of the Public Finance Management Act 1 of 1999 (as amended) and Treasury Regulation 27.1.

Membership and Attendance

- The Committee is comprised of three (3) independent non-executive members with extensive experience serving in the Committee, and two (2) Council members.
- The Committee met eight (8) times during the year. There were four (4) Ordinary Meetings and four (4) Special Meetings,
- The first Special Meeting dealt with the review and approval of unaudited annual financial statements whilst the second meeting dealt with the external auditor's draft audit report and the audited annual financial statements,
- The names and attendance of the members serving on the Committee are detailed on page 68 under the Internal Audit and Audit Committee section of the Annual Report.

Audit and Risk Committee Responsibility

The report also maps the oversight function against the specific responsibilities of the ARC, providing oversight on the following functions:

- Financial and Performance Reporting
- Integrated annual reporting
- Combined assurance
- Information, communication technology
- Risk management
- Compliance with laws, regulation and good ethics
- Reporting practices.

EFFECTIVENESS OF INTERNAL CONTROL

The Committee reviewed all reports submitted by various assurance providers, including internal and external auditors, which highlighted several moderate control weaknesses. Management›s actions to address these weaknesses were noted, and the Committee acknowledges management's commitment to respond promptly to all findings and in implementing remedial measures in a timely manner. The Committee also observes ongoing improvements in the internal control system during the period under review.

The control environment of the South African Council for the Project and Construction Management Professions (SACPCMP) for the financial year ended 31 March 2025 was assessed as requiring "Some Improvement". Below is a summary of the findings:

Auditable Area	Opinion
Governance	Some Improvement Needed
Risk Management	Some Improvement Needed
Controls	Some Improvement Needed

1. Governance:

- Governance structures and Terms of Reference (TORs) are established but have significant deficiencies, such as outdated TORs, lack of conflict-of-interest provisions, and gaps in the Governance Plan.
- IT Governance review identified high-priority issues, including outdated ICT Strategy and lack of business representation on the ICT Steering Committee.

2. Risk Management:

- Foundational risk governance elements are in place, including a Risk Strategy, Risk Management Framework, and Risk Policy.
- Improvements are needed in aligning risk responses with risk appetite and embedding risk culture across the organisation.

3. Controls:

- While progress has been noted, improvements are still required in specific areas, particularly within Supply Chain Management (SCM), Continuing Professional Development (CPD), and the Recognition of Prior Learning (RPL) processes, performance information and Appeals. A significant improvement has been identified in the Financial Management.

The table below depicts the auditable areas considered with their resultant ratings:

Auditable Area	Opinion
Financial Management	Effective
IT Governance	Some Improvement Needed
Supply Chain Management	Some Improvement Needed
Audit of Performance Information Review	Some Improvement Needed
Follow Up Reviews	Some Improvement Needed
Management of Operations: Appeals	Some Improvement Needed
Management of Operations: Recognition of Prior Learning	Major improvement needed

THE EFFECTIVENESS OF INTERNAL AUDIT

The Committee approved a three-year risk-based Strategic Internal Audit Plan and an Annual Audit Coverage Plan for the period 1 April 2024 to 31 March 2025.

The Committee was therefore of the opinion that the Internal Audit was independent, and provided objective assurance activities that were designed to add value and improve the organisation's operations. Through Internal Audit, the Committee commits the combined assurance drive to ensure an effective coordinated approach applied in obtaining assurance that risks are being managed effectively.

Management has developed an implementation plan to enhance current processes and to address all deficiencies noted by internal auditors. Management still maintains an audit matrix, since developed prior, for all areas audited during the financial period. Quarterly monitoring is exercised by the ARC on the remedial progress.

The Committee reviewed all the internal audit reports and was satisfied with the activities of the internal audit function, including its annual work programme, co-ordination with the external auditors and the responses of management to specific recommendations. The Committee also acknowledged the Internal Auditors' ability to complete the audit coverage for 2024/25 financial period as planned.

RISK MANAGEMENT

As in previous years, the Audit and Risk Committee has embedded in its Charter as part of its terms of reference the monitoring of effective Risk Management across the board. The Committee highlighted the following on monitoring risks within the Council, that:

- Management is responsible for the establishment and maintenance of an effective system of governance, risk management, the prevention and detection of fraud and internal controls.
- The Councils Risk Management activity reports its function to the Audit and Risk Committee.
- A risk assessment is conducted annually and subsequently the risk register is updated to ensure that all the major risks, including emerging risks facing the entity, are effectively managed.
- The risk appetite and tolerance levels were set and monitored throughout the year.

The organisation maintains comprehensive strategic and operational risk registers that are regularly monitored and presented to the Audit and Risk Committee. Nonetheless, opportunities exist to improve the alignment of risk responses with the specified risk appetite and to more effectively leverage risk insights in supporting strategic and operational decision-making. Moreover, while risk awareness is evident among the leadership team, the risk culture is not yet fully integrated throughout the organisation, and there is limited ownership of risk at the operational level. Although a dedicated risk management review has not been undertaken in either the current or previous financial years, the SACPCMP has established key elements of risk governance. These include:

- An approved Risk Strategy,
- Risk Management Framework,
- Risk Policy, and a Risk Appetite and
- Tolerance Framework, all of which are overseen by the Executive committee (EXCO) and the Audit and Risk Committee.

Relevant risks associated with auditable areas identified in the 2024/2025 Internal Audit Plan have been reviewed and incorporated within the respective audit reports. Additionally, progress on action plans is reported on a quarterly basis.

Management has successfully implemented 100% of the planned nine risk management activities. Management will continue to prioritise a process of embedding risk management in the organisations processes and culture with key focus on full implementation of the Risk appetite and tolerance framework and an independent review to determine ERM maturity level.

Risk Management Matters Flagged for Council and Management

The Council approved the 2024/25 financial year Strategic Risk Register. The inherent risk profile of the SACPCMP remains high and residual risk profile of the SACPCMP saw a significant shift from high to moderate in 2024/25 financial year. Management continued to make progress towards its various risk mitigation matrixes in relation to risk mitigation plans related to the Strategic Risk Register.

Management has on-going dialogues on ways to address risks which cannot be avoided or mitigated through internal controls or procedures. The monitoring and review of risks is done on an on-going basis to address emerging risks and the adequacy of mitigating strategies.

FRAUD AND CORRUPTION

The Committee also provides oversight over the fraud and corruption prevention controls and mechanisms within the council. A toll-free whistle-blowing hotline operated by "Advance Call" is still operational. All Council stakeholders and employees are encouraged to report any suspected corrupt, fraudulent, criminal or unethical practices.

The Chairperson of the ARC, together with the President and the Registrar of the Council, are recipients of matters or cases reported on the system. Every quarter, these cases are analysed and assessed for further investigation or processing by management. Our observation was that, on average, minimal cases were reported since we dealt with eight (8) cases in the year under review. So far, six (6) cases have been fully resolved whilst two remained open and subject to further investigation.

GOOD GOVERNANCE

Auditable Area	Opinion
Governance	Some Improvement Needed

The SACPCMP is committed to implementing and maintaining sound corporate governance practices, as set out in the PCPM Act 48, Companies Act and King IV. The Council commenced with the process of assessing compliance against the King IV principles to gain the status quo perspective on Governance. This step was imperative to undertake since it would be in support of the already-established terms of reference on the composition of committees of Council. In identifying current gaps, establishing a baseline status quo in the SACPCMP's governance processes for effective governance, and to inform the DOA review, the Report considered the status of adherence to the seventeen (17) King IV principles.

The Council developed and approved a governance framework in 2023/24 financial year. The purpose of the Framework is to provide for prudent management and oversight of the business within the SACPCMP and to adequately protect the interests of all stakeholders. The report describes the governance structure and decision-making processes applicable to SACPCMP. To date, 80% of the plan has been implemented.

The most recent governance assessment was completed in the 2023 financial year, resulting in four observations. A subsequent follow-up in 2024 confirmed that two issues had been resolved, while two remained only partially addressed, alongside the identification of two additional governance-related concerns.

A further review conducted in April 2025 indicated that, although the SACPCMP has implemented governance structures and approved Terms of Reference (TORs), several substantive deficiencies persist. These include:

- outdated or incomplete TORs lacking appropriate version control and comprehensive conflict-of-interest provisions;
- no formal process to verify conflict-of-interest declarations; annual declarations that have either not been submitted or remain unacknowledged by the Company Secretary; and
- major gaps in the Governance Plan, such as unclear approval mechanisms, undefined review cycles, and the absence of a reporting framework.

MANAGEMENT OF QUARTERLY FINANCIAL AND PERFORMANCE INFORMATION

The Committee was satisfied with the content of the finance reports that had been prepared and issued during the year. The management reports were supported by a financial viability assessment which allowed the Committee to note areas of concern around the following:

- Revenue and debtors' management
- Expenditure and credit management
- Asset and liability management
- Cash management

Based on the financial viability assessment performed the conclusions can be made on the financial health of the Council:

- A surplus for the quarter was realised – This indicates that the SACPCMP appropriately managed its operating activities, such that operational costs do not exceed its appropriated funds and revenue generated from goods and/or services being delivered.
- The SACPCMP is not experiencing difficulties paying creditors and is not experiencing cash flow difficulties
- The operational cash flow clearly shows the way the SACPCMP creates and manages its revenue provides the entity with sufficient cash to cover all operational expenses and is able to generate sufficient positive cash flows to maintain and grow its operations.
- There are no threats to the entity's going concern for the period under review.

The annual plan of the Internal Audit was approved ensuring that the review of effectiveness of controls around the financial information would be constantly assessed. We therefore report with confidence that the financial statements and other supporting useful information is credible and can be relied upon by the relevant users and stakeholders. During our monitoring process, the Committee noted that Management collated all the internal and external audit findings into a findings matrix to ensure a coherent and consistent repository to manage progress on the remedial action engaged in.

Nonetheless, the Committee was confident of progressive and diligent financial management reporting as demonstrated in current and previous years.

EXTERNAL AUDIT

RAiN Chartered Accountants continued as the independent external auditors of the Council for the March 2025 financial year.

EVALUATION OF FINANCIAL STATEMENTS

The Committee reviewed the annual financial statements and performance information for the year ended 31 March 2025 and duly approved them for the Auditors to carry out the annual review. After the finalized audited financial statement, the Committee presented the audited financial statement to the Accounting Authority for approval prior to being submitted to the Executive Authority.

The Committee reviewed the Auditor's Management and Audit Reports and concurred with their conclusions with recommendations. The Committee therefore accepted the audit opinion and conclusion expressed.

Our appreciation is conveyed to the entire Executive Management, Internal Audit, External audit and the Council's Authority for the relentless energy and commitment shown in addressing all matters put to their attention.

Seipati Y. Boulton
Chairperson: Audit & Risk Committee
South African Council for the Project and Construction Management Professions (SACPCMP)

Date: August 2025

PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION AND OVERVIEW

The recruitment, development, and retention of high-performing staff are vital to the SACPCMP's success in achieving its strategic goals and complying with its legislative mandate. Consequently, human capital management remains a central priority within the Council.

The SACPCMP's Human Resources, Remuneration, and Nominations Committee provides governance and oversight of HR-related initiatives and functions.

Council employees act as the organisation's primary representatives to stakeholders, industry participants, and Registered Persons. As such, acquiring and nurturing talent remained a priority during the review period. To support this, efforts were concentrated on advancing a comprehensive Employee Wellness Programme, fostering staff engagement, and conducting a skills audit to inform targeted investment in workforce development.

Talent management forms a cornerstone of SACPCMP's approach to people management, emphasising the attraction, growth, and retention of top-tier professionals. Initiatives included building a compelling employer brand that resonates with high-quality candidates, nurturing a culture of performance linked to recognition and rewards, and cultivating a work environment that inspires employees to excel and progress in their careers.

The core values of the SACPCMP have been deliberately designed to foster a unified organisational identity and instill a culture of accountability across the institution. Correspondingly, employee reward and recognition schemes have been developed and implemented, contributing to a more engaged workforce that empowers staff and stimulates innovation.

Setting HR Priorities and Outcomes

The Council endorsed that 'Key People Priorities' be crafted to drive meaningful improvements in human capital management. The aims include:

- Developing an organisational structure tailored to a regulatory environment, with an optimal number of hierarchical levels, clear lines of accountability, and delegated authority to support the SACPCMP's mandate effectively;
- Ensuring that employees are placed in roles that best suit their skills and potential, enabling optimal performance;
- Fostering productive working relationships through strong leadership and active engagement of staff; and
- Creating a collaborative organisational culture where every employee contributes towards the Council's overarching objectives.

Human Capital Management Focus Areas

Cultural Change
There is an ongoing shift from a traditional, control-driven hierarchical culture towards a more innovative, agile adhocracy that prioritises:

- Excellence, collaboration, inclusivity, and adaptability;
- A customer-focused mindset; and
- Commitment to managing and embracing diversity.

Organisational Design
Key activities encompass:

- Crafting a purpose-built organisational structure fit for a regulator;
- Conducting a thorough review of the current structure;
- Mapping interdependencies and strategic priorities while aligning business processes;
- Securing approval for the redesigned organisational framework; and
- Clearly defining roles and responsibilities.

Employee Engagement
Focus has been on:

- Maximising skills utilisation, employee input, and productivity;
- Undertaking a detailed skills audit;
- Prioritising ongoing staff development;
- Implementing people mapping and strategic placement; and
- Strengthening performance management systems.

These initiatives were endorsed and executed during the 2024/2025 period, culminating in full completion within the same financial year.

SACPCMP Organisational Redesign

The process of redesigning the organisational structure continued throughout the review period. The previous structure had concentrated heavily on registration, accreditation, and CPD functions, sometimes at the expense of other critical responsibilities. The redesign sought to transition from a primarily transactional model to a functional framework more suited to the needs of a regulatory body.

This collaborative effort with key stakeholders involved:

- Aligning the new business structure and organisational architecture with levels of work and cognitive frameworks;
- Defining roles with explicit, documented responsibilities;
- Establishing an effective structure to achieve business and strategic targets; and
- Reviewing Council Committees to ensure coherence and alignment from top to bottom.

2. HUMAN RESOURCES PRIORITIES

The Council approved the redesigned organisational structure, which has now been completed. The following phase involved conducting a comprehensive skills audit, undertaken in the 2024/2025 Financial Year.

3. WORKFORCE PLANNING AND STRATEGIC INITIATIVES

The SACPCMP's human resource planning framework ensures the organisation retains the capacity to meet its legislative mandate and strategic objectives. During the review period, the Council shifted from recovery efforts of prior years to consolidation and growth.

Structural adjustments introduced earlier have now been embedded, resulting in greater stability and clearer accountability. Recruitment processes have been refined to attract candidates with the right technical skills and cultural alignment, while role redistribution across divisions has improved efficiency and collaboration. Attention has also been placed on retention, with initiatives aimed at strengthening organisational culture, employee engagement, and career development. Together, these efforts have created a more sustainable and future-ready workforce.

Remote Work Arrangements

The SACPCMP's Remote Working Policy demonstrated its effectiveness, with all HR policies adapting to the 'new normal' now formalised. Given its digital capabilities, the Council has embraced a hybrid working model that balances remote and on-site attendance at its premises.

4. PERFORMANCE MANAGEMENT FRAMEWORK

Employee performance targets align with the SACPCMP's Strategic Plan and Annual Performance Plan (APP) through the Employee Performance Management Framework, which includes:

- Planning;
- Goal setting;
- Ongoing performance monitoring;
- Formal evaluation; and
- Transparent communication.

The framework encourages recognition of outstanding performance and provides mechanisms to address underperformance, consistent with the SACPCMP's ethos.

The Council-approved formal performance management system was implemented during the 2024/2025 Financial Year.

Employee Wellness Programmes

During the review period, employee wellness and assistance programmes were developed and launched. Management also formulated an Employee Wellness Strategy focusing on both physical and mental health, designed to integrate with existing wellness activities.

This strategy prioritises:

- Establishing and maintaining an organisational culture that values health and wellness;
- Developing policies that enhance employee wellbeing and productivity;
- Creating tailored wellness programmes centred on employee needs;
- Encouraging active participation in wellness initiatives through incentives; and
- Integrating HR functions with wellness and work-life quality measures.

5. POLICY DEVELOPMENT

Policy efforts concentrated on identifying and addressing gaps within the human resource management framework. People-management policies were developed, revised, and implemented throughout the 2024/25 financial year.

Key Human Resources Achievements

SACPCMP Organisational Design Implementation
This project established an operational model that prioritises service delivery across key areas such as strategy, finance, human resources, business services, and business development.

The model promotes:

- Consistency;
- Operational simplicity;
- Clear accountability and delegated authority;
- An appropriate number of organisational levels, ensuring work is assigned to the right tier; and
- Empowering employees to fulfil SACPCMP's strategic goals.

The Executive Committee and Audit Manager serve as central pillars for governance, assurance, and organisational support, operating from the Office of the Registrar and Council Secretary.

The structure was developed collaboratively to ensure it:

- Supports the SACPCMP's strategic direction;
- Maximises human capital utilisation;
- Controls organisational costs;
- Functions within defined constraints;
- Clarifies responsibilities;
- Enhances accountability; and
- Promotes innovation and adaptability.

6. HUMAN RESOURCES STATISTICS

The phased rollout of the new organisational structure continued throughout the 2024/2025 Financial Year. This five-year plan took into account the Council's operational requirements and the critical roles needed to support its strategic objectives.

Personnel Cost by Programme/Activity/Objective

Programme/Activity Objective	Total Expenditure (R)	Percentage of Personnel Expenditure to Total Cost	No of Employees	Average Personnel Cost per Employee (R)
Registrar's Office, ICT and HR	5 411 845.11	26%	4	1 352 961.25
Registration	3 993 778.70	19.3%	8	499 222.25
Finance	4 444 498.38	21.5%	8	555 562.25
Education	2 146 465.68	10.4%	6	357 744.16
Customer Relations Management	1 892 015.53	9.1%	11	171 001.36
Business Services	1 141 250.85	5.5%	3	380 416.66
Operations	1 603 358.60	7.7%	2	801 679
Total	**20 633 212.09**	**100%**	**42**	**491 266.95**

Personnel Cost by Salary Band

Level	Total Expenditure (R)	Percentage of Personnel Expenditure to Total Cost	No of Employees	Average Personnel Cost per Employee (R)
Top Management	2 846 655.06	14%	1	2 846 655.06
Senior Management	4 721 903.96	23%	4	1 180 475.99
Professional Management	4 886 744.66	24%	7	698 106.38
Skilled	2 302 953.88	11%	6	383 825.65
Semi-Skilled	5 701 432.52	28%	23	247 888.37
Unskilled	173 522.00	1%	1	173 522.00
Total	**20 633 212.09**	**100%**	**42**	**491 266.95**

Performance Rewards

Level	Performance rewards	Personnel expenditure	Percentage of performance rewards to total cost
Top Management	215 655.69	2 695 696.08	8%
Senior Management	228 220.00	4 471 499.96	5%
Professional Management	318 372.77	4 304 659.66	7%
Skilled	138 126.17	2 180 827.54	6%
Semi-Skilled	202 380.99	3 509 048.88	6%
Unskilled	13 145.61	164 320.08	8%
Total	**1 115 901.22**	**17 326 052.20**	**6%**

Training Costs

The total related costs for Council Member training in 2024/25 amounted to R132 000.91. Council members were trained in the following areas:

- Enterprise Risk Management
- Ethics Management

The total related costs for staff member training in 2024/2025 amounted to R131 064.41. Staff members were trained in the following areas:

- Enterprise Risk Management
- Fraud and Ethics
- IT Web Security

In 2024/2025, 16 study bursaries were approved, totaling R377 932.06.

Employment and Vacancies

Programme/ Activity Objective	2024/2025 Approved Posts	2024/2025 Vacancies	Percentage of Vacancies
Registrar's Office	5	1	20%
Operations	1	0	0%
Registration	10	2	20%
Education	9	2	22%
Professions Governance	1	1	100%
CRM	6	1	16%
Strategy	2	2	100%
Business Development	3	3	100%
Business Services	7	4	57%
Human Resources	3	2	66%
Finance	10	2	20%
ICT	1	0	0%
Total	**58**	**20**	**34%**

The following table shows the number of posts and vacancies at different levels within the organisation.

Programme /Activity Objective	Approved Posts	2024/25 Vacancies	Percentage of Vacancies
Top Management	1	0	0%
Senior Management	9	3	33%
Professional Management	16	10	62.5%
Skilled	10	4	40%
Semi-Skilled	21	3	14%
Unskilled	1	0	0
Total	**58**	**20**	**34%**

Employment Changes

The following table shows the changes in employment during the year under review, from 1 April 2024 to 31 March 2025.

Salary Band	Employment at the Beginning of Period	Appointments	Terminations	Transfers	Employment at the End of the Period
Top Management	1	0	0	0	1
Senior Management	6	0	0	0	6
Professional Management	7	1	1	0	7
Skilled	9	0	3	0	6
Semi-Skilled	21	1	1	0	21
Unskilled	1	0	0	0	1
Total	**45**	**2**	**5**	**0**	**42**

Reasons for Staff Leaving

Reasons	Number
Death	0
Resignation	2
Dismissal	2
Retirement	0
Ill-health	0
Expiry of Contract	1
Other	0
Total	**5**

Labour Relations: Misconduct and Disciplinary Actions

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	0
Final Written Warning	0
Dismissal	2
Total	**2**

Dismissals

Department	Number
Registrations	1
Finance	0
Professions Governance	0
Human Resource	0
Customer Relations Management Interns	1
Total	**2**

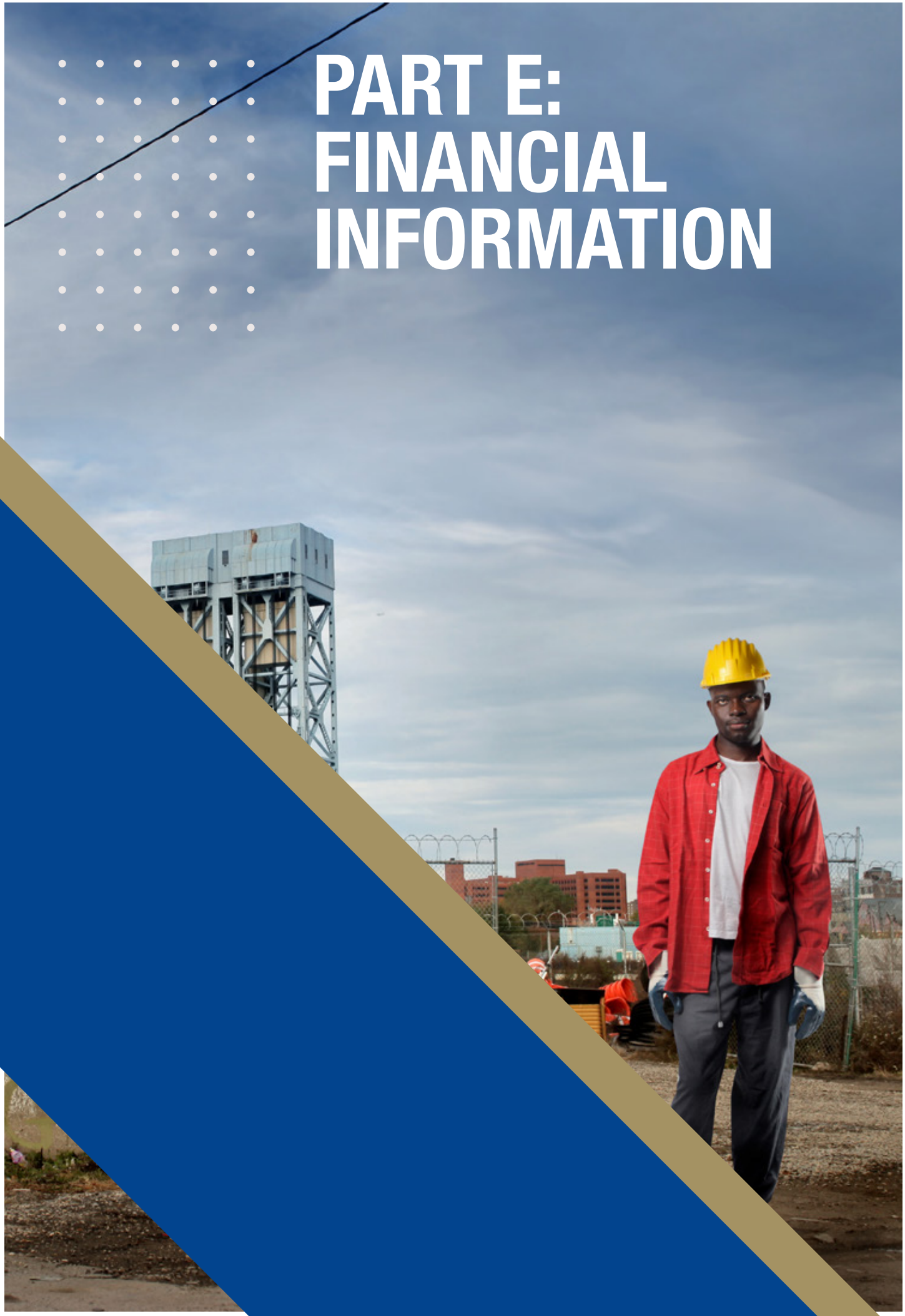
Equity Target and Employment Equity Status

Level	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	1	1	0	0	0	0	0	0
Senior Management	2	3	0	0	0	0	0	0
Professional Management	2	4	0	0	0	0	1	1
Skilled	1	2	0	1	0	1	0	0
Semi-Skilled	5	5	0	0	0	0	0	0
Unskilled	0	0	0	0	0	0	0	0
Total	**11**	**15**	**0**	**1**	**0**	**1**	**1**	**1**

Level	FEMALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	1	0	0	0	0	0	0
Senior Management	2	4	0	0	0	0	0	1
Professional Management	1	4	0	0	0	1	1	1
Skilled	5	4	0	0	0	0	0	2
Semi-Skilled	19	18	0	1	0	0	2	2
Unskilled	1	1	0	0	0	0	0	0
Total	**28**	**32**	**0**	**1**	**0**	**1**	**3**	**6**

Level	Disabled			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional Management	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**

PART E: FINANCIAL INFORMATION



GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Regulatory body incorporated under the Project and Construction Management Professions Act No 48 of 2000 for the Project and Construction Management Professions
Councillors	Mr L Ratsiku Ms S Shunmugam Dr J Ndlovu Mr A Ramushu Mr T Mbembele Ms K Mohotji Mr M Tshombe Mr L Swana Mr C Steyn Mr D Affleck
Registered office	Rigel Office Park 446 Rigel Avenue South Erasmusrand Pretoria 0181
Business address	Rigel Office Park 446 Rigel Avenue South Erasmusrand Pretoria 0181
Postal address	PO Box 6286 Halfway House Midrand Gauteng 1685
Bankers	Nedbank Investec
Secretary	A company secretary is not required in terms of the Project and Construction Management Professions Act 48 of 2000, however IKB Company Secretaries are contracted to perform secretarial services.
Preparer	The financial statements were internally compiled by: Tshidiso Lekgetho – Finance Executive
External Auditors	RAiN Chartered Accountants 34 Fricker Road Illovo Johannesburg

Contents

The reports and statements set out below comprise the annual financial statements presented to the shareholder:

	PAGE
COUNCILLORS' RESPONSIBILITIES AND APPROVAL	87
COUNCILLORS' REPORT	88
INDEPENDENT AUDITOR'S REPORT	89
STATEMENT OF FINANCIAL POSITION	91
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	92
STATEMENT OF CHANGES IN EQUITY	93
STATEMENT OF CASH FLOWS	94
MATERIAL ACCOUNTING POLICIES	95 - 99
NOTES TO THE ANNUAL FINANCIAL STATEMENTS	100 - 113

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 annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual 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.

The annual financial statements are prepared in accordance with International Financial Reporting Standards (IFRS®) Accounting Standards as issued by International Accounting Standards Boards (IASB) 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 organisation, 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 organisation is on identifying, assessing, managing, and monitoring all known forms of risk across the organisation. 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 annual 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 cash flow forecast for the year to 31 March 2026, and in light of this review and the current financial position, they are satisfied that the organisation has or will have access to adequate resources to continue in operational existence for the foreseeable future.

The independent auditors are responsible for independently auditing and expressing their audit opinion on the fair presentation of the Council's financial statements. The financial statements have been audited by the independent auditors and their report is presented on page 89.

The financial statements set out on pages 91 to 113 , which have been prepared on the going concern basis, were approved by the Councillors in August 2025 and were signed on their behalf by:

Approval of financial statements

Mr L Ratsiku
President

Ms S Shunmugam
Vice President

Mr MIB Matutle
Registrar

COUNCILLORS' REPORT

The Councillors have pleasure in submitting their report on the annual financial statements of The South African Council for the Project and Construction Management Professions for the year ended 31 March 2025.

1. Nature of business

The South African Council for the Project and Construction Management Professions (SACPCMP) is incorporated under the Project and Construction Management Professions (PCMP) Act No. 48 of 2000. The principal activity of the SACPCMP is to provide for the registration of professionals, candidates and specified categories in the project and construction management professions.

There have been no material changes to the nature of the SACPCMP's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS®) Accounting Standards issued by the International Accounting Standard Board (IASB) and the requirements of the Project and Construction Management Professions Act No. 48 of 2000. The accounting policies have been applied to all periods presented.

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

3. Councillors

The Councillors in office during the financial period and at the date of this report are as follows:

Councillors	Office	Designation
Mr L Ratsiku	President	Non-executive
Ms S Shunmugam	Vice President	Non-executive
Dr J Ndlovu	Council Member	Non-executive
Mr A Ramushu	Council Member	Non-executive
Mr T Mbembele	Council Member	Non-executive
Ms K Mohotji	Council Member	Non-executive
Mr M Tshombe	Council Member	Non-executive
Mr L Swana	Council Member	Non-executive
Mr C Steyn	Council Member	Non-executive
Mr D Affleck	Council Member	Non-executive
Mr MIB Matutle	Registrar	Executive

4. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the SACPCMP.

As at 31 March 2025 the Council's investment in property and equipment amounted to R1 355 474 (2024: R 1 767 134) of which R305 238 (2024: R 759 512) was added in the current year through additions.

5. 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.

6. Going concern

The annual 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.

The Councillors believe that the SACPCMP has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The Councillors have satisfied themselves that the SACPCMP is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Councillors are not aware of any new material changes that may adversely impact the SACPCMP. 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 SACPCMP.

7. Auditors

RAiN Chartered Accountants Incorporated continued in office as auditors for the Council for 2025.

INDEPENDENT AUDITOR'S REPORT

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

RAiN CHARTERED ACCOUNTANTS

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

Unqualified Opinion

We have audited the financial statements of the South African Council for the Project and Construction Management Professions set out on pages 91 to 113, which comprise the statement of financial position as at 31 March 2025, statement of financial performance, statement of changes in net assets, and cash flow statement and the statement of comparison of budget information with actual information 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 the South African Council for the Project and Construction Management Professions as at 31 March 2025 and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) and the requirements of the Project and Construction Management Professions Act (Act No.48 of 2000).

BASIS FOR OPINION

Final materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error, and they are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Our determination of materiality is a matter of professional judgement and is affected by our perception and understanding of the financial information needs of intended users, which are the quantitative and qualitative factors that determine the level at which relevant decisions taken by users would be affected by a misstatement.

These factors helped us to determine the scope of our audit and the nature, timing, and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate financial statements as a whole.

Based on our professional judgement, we determined final materiality for the financial statements as follows:

Final materiality amount	R 634,000.00
Basis for determining materiality	1% of Revenue

Responsibilities of the accounting authority for the financial statements

The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS and the requirements of the Project and Construction Management Professions Act (Act No.48 of 2000) and for such internal control as the accounting authority determines 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 accounting authority is responsible for assessing the South African Council for the Project and Construction Management Professions ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the accounting authority either intends to liquidate the South African Council for the Project and Construction Management Professions or to cease operations or has 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 misstatements, 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 it is not a guarantee that an audit conducted in accordance with the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

INTERNAL CONTROL DEFICIENCIES

We considered internal control relevant to our audit of the financial statements; however, our objective was not to express any form of assurance on it.

We did not identify any significant deficiencies in internal control.

AUDIT TENURE

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that RAiN Chartered Accountants Inc. has been the auditor of the South African Council for the Project and Construction Management Professions for two (2) years.

RAiN Chartered Accountants Incorporated Chartered Accountants (S.A.)
Registered Auditor
Per: I.E. Pierce
Johannesburg
7 August 2025

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

Figures in Rand	Note(s)	2025	2024
Assets			
Non-Current Assets			
Property, plant and equipment	3	1 355 474	1 767 134
Right-of-use assets	4	4 702 775	5 492 233
Intangible assets	5	401 829	457 791
		6 460 078	**7 717 158**
Current Assets			
Trade and other receivables	6	1 500 584	1 513 008
Cash and cash equivalents	7	102 916 234	73 547 977
Inventories	8	610 820	874 278
		105 027 638	**75 935 263**
Total Assets		**111 487 716**	**83 652 421**
Equity and Liabilities			
Equity			
Retained income		65 952 727	41 336 601
Liabilities			
Non-Current Liabilities			
Finance lease liabilities	4	5 954 579	6 603 447
Current Liabilities			
Finance lease liabilities	4	648 869	520 201
Trade and other payables	9	10 853 735	10 019 134
Income received in advance	10	26 054 196	23 019 922
Employee benefits	11	2 023 610	2 153 116
		39 580 410	**35 712 373**
Total Liabilities		**45 534 989**	**42 315 820**
Total Equity and Liabilities		**111 487 716**	**83 652 421**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in Rand	Note(s)	2025	2024
Revenue	12	63 387 497	49 059 595
Other operating income	13	1 643 912	5 513 087
Other operating expenses	23	(46 380 470)	(46 999 701)
Operating surplus		**18 650 939**	**7 572 981**
Interest income	14	6 591 231	4 744 196
Operating Surplus before financing		**25 242 170**	**12 317 177**
Interest paid	4	(626 044)	(953 736)
Surplus for the year		**24 616 126**	**11 363 441**

STATEMENT OF CHANGES IN EQUITY

Figures in Rand	Retained income
Balance at 01 April 2023	**29 973 160**
Surplus for the year	11 363 441
Balance at 01 April 2024	**41 336 601**
Surplus for the year	24 616 126
Balance at 31 March 2025	**65 952 727**

STATEMENT OF CASH FLOWS

Figures in Rand	Note(s)	2025	2024
Cash flows from operating activities			
Cash generated from operations	15	25 389 192	16 644 564
Interest received	6&14	5 423 748	3 561 721
Interest paid	4	(626 044)	(669 817)
Net cash inflow from operating activities		**30 186 896**	**19 536 468**
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(305 238)	(593 593)
Proceeds from insurance claims	13	-	35 960
Proceeds from disposal of assets	13	6 799	-
Net cash from investing activities		**(298 439)**	**(557 633)**
Cash flows from financing activities			
Payment on lease liabilities	4	(520 200)	(404 991)
Total cash movement for the year		**29 368 257**	**18 573 844**
Cash at the beginning of the year		73 547 977	54 974 133
Total cash at the end of the year	**7**	**102 916 234**	**73 547 977**

1. Material accounting policies

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

1.1 Basis of preparation

The annual financial statements have been prepared on a going concern basis in accordance with, and in compliance with, IFRS® Accounting Standards and the Project and Construction Management Professions Act No. 48 of 2000 of South Africa, including any interpretations issued by the IFRS interpretation Committee (IFRS IC) applicable to the Council.

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

These accounting policies are consistent with the previous period.

1.2 Material judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS® Accounting Standards 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. The judgements applied are included in the accounting policy notes.

1.2.1 Useful life of intangible assets

The Council amortises its finite useful life intangible assets over their estimated useful lives. The estimation of the useful lives of assets are based on technological innovation as period of validity. Refer to note 1.4.

1.2.2 Useful life of property and equipment

The Council depreciates its property and equipment over their estimated useful lives. The estimation of the useful lives of the right-of-use asset is based on the lease term of the underlying lease, while the useful lives of the remaining assets are based on historic performance as well as expectations about future use and therefore requires a degree of judgement to be applied by management. Refer to note 1.3.

1.2.3 Impairment testing

The Council reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determines the recoverable amount by performing value-in-use and fair value calculations. Intangible assets with indefinite useful lives are tested for impairment on an annual basis. These calculations require the use of estimates and assumptions.

1.3 Property, plant and equipment

Property and equipment owned by the Council comprise leasehold improvements, furniture and fittings, office equipment and Information Technology (IT) equipment.

Property and equipment of the Council are measured at cost less accumulated depreciation and any accumulated impairment. Depreciation is determined using the straight-line method over the useful life.

Leasehold improvements are measured at cost less accumulated depreciation and any accumulated impairment. Depreciation is determined using the straight-line method over the useful life.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Council.

Property, plant and equipment are subsequently stated at cost less accumulated depreciation and impairment losses.

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

Item	Depreciation method	Useful life
Furniture and fixtures	Straight line	5 to 10 years
Office equipment	Straight line	5 to 10 years
IT equipment	Straight line	3 to 8 years
Leasehold improvements	Straight line	Lease term 10 years

Useful lives of property and equipment

The Council reviews the useful lives, residual values and depreciation methods of its property and equipment at the end of the reporting period. The useful life of assets is based on management's estimates. Management considers the impact of technology and the required return on assets to determine the optimum useful life expectation, where appropriate. The estimated residual value of an asset is also based on management's judgment which takes into account the condition of assets at the end of their useful lives.

The Council reviewed the useful lives and depreciation methods of its property and equipment at the end of this reporting period and concluded that no adjustments were deemed necessary.

Impairment of property and equipment

The Council assesses at the end of reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount is calculated at the higher of the value-in-use and the fair value less cost of disposal, while impairment is the difference between the carrying amount and the recoverable amount. Impairment losses are recognised in profit and loss.

The Council assessed property and equipment at the end of the reporting period to determine whether there was an indication that an item of property and equipment was impaired. No impairment was noted.

Gains and losses on the disposal of property and equipment

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.

1.4 Intangible assets

Intangible assets comprise computer software and licenses. Intangible assets of the Council are initially measured at historic cost.

Computer software has a finite useful life and is subsequently measured at cost less accumulated amortisation and impairment. The amortisation amount is calculated using the straight-line method to allocate the cost of acquired software over the estimated useful lives of three years.

An intangible asset is regarded by the Council as having an indefinite useful life when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Intangible assets with an indefinite useful life are not amortised but are tested for impairment annually and whenever there is an indication the intangible asset may be impaired. Reassessing the useful life of an intangible asset as finite rather than indefinite is an indicator that the asset may be impaired.

The Council reviewed the useful lives of its intangible assets at the end of this reporting period and concluded that no adjustment was deemed necessary.

The amortisation period and the amortisation method for intangible assets are reviewed annually at year-end.

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

Item	Amortisation method	Useful life
Computer software	Straight line	3 years
Computer License - Indefinite life	Straight line	Indefinite

1.5 Financial instruments and contract liabilities

Financial assets held by the Council comprise trade and other receivables, cash and cash equivalents.

Contract liabilities comprise of income received in advance. It is recognised when a Registered Person pays consideration or has an unconditional right to consideration before the Council recognises the related revenue.

Finance income and expected credit losses are recognised in the Statement of Profit or Loss. Any gain or loss on derecognition is recognised in the Statement of Profit or Loss.

Trade and other receivables

Trade receivables are initially recognised when the Council becomes a party to the contractual provisions of the instrument. Trade receivables are initially measured at transaction price. The trade receivables balance is disclosed net of the expected credit loss balance. The movement or change in the expected credit loss is recognised in the Statement of Profit or Loss under operating expenses. When receivables are uncollectible, they are written off against the allowance account once Council approval is obtained. Subsequent recoveries of amounts previously written off are credited in the Statement of Profit or Loss.

The Council's business model for realising the assets is collecting through cash flows. The Council 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.

Expected credit losses

The expected credit loss represents loss allowances of trade receivables 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 segments, the loss allowance is based on future expected losses. This is performed for debtors (Registered Persons and prospective applicants).

Trade and other payables

Trade payables are obligations for goods and services that have been acquired in the ordinary course of business from suppliers.

Trade and other payables are initially measured at fair value and, after initial recognition, at amortised cost.

Project Management Institute (PMI)

Purchases of bundles are recognised as an asset at initial recognition. Subsequently, the cost of PMI bundles are realised to profit or loss on sale of bundles.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, call deposits which are liquid investments and are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value, and fixed-term deposits which are not easily convertible due to the investment term, which ranges from three to 12 months. These are initially and subsequently recorded at fair value.

1.6 Leases

Council as the lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date for all lease agreements for which the Council is a lessee, except for short-term leases of 12 months or less, or leases of low-value assets that are R5 000 or less and have a useful life of one year or less. For these leases, the Council recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Council uses its incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs.

Right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the Council incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Council expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

Item	Depreciation method	Useful life
Buildings	Straight line	10 years (lower of lease term and expected useful life)
Office equipment	Straight line	3 to 5 years (lower of lease term and expected useful life)
IT equipment	Straight line	3 to 5 years (lower of lease term and expected useful life)

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period.

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and bonuses), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.8 Revenue from contracts with Registered Persons

The Council generates revenue from the rendering services from webinars, annual fees, registration fees, application fees, continuing professional development (CPD) and CPD validation. Revenue is measured based on the consideration specified in a contract with a Registered Person and excludes amounts received on behalf of third parties, like value-added tax.

The following is a description of the principal activities from which the entity generates its revenue. The entity principally generates revenue from providing professional affiliation certificates to its Registered Persons. The typical length of the certificate is 12 months, with a shorter period prorated to the start of first-time registration. The entity also provides other services in the form of interviews, examinations, and assessments 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 the certificate when services are rendered. The certificates are valid for a period of 12 months ending in March every year. The annual fees are for the period of 12 months.

Determining performance obligations over a period of time, the Council has concluded that annual fees are to be recognised over time as the Registered Persons simultaneously receive and consume the benefits that the Council provides by utilising the certificate for 12 months.

Application fees
The Council recognises revenue when application process requirements are met. The Council's obligations are met when the application is assessed.

Exam fees
The Council recognises revenue upon providing the service relating to examinations. Examinations are scheduled throughout the year on the basis of demand.

Registration fees
Registration fees are recognised upon acceptance of the Registered Person to be a Registered Person. Registrations are performed throughout the year upon completion of the relevant professional requirements.

Continuing Professional Development (CPD)
Revenue is recognised when the Registered Persons purchases CPD bundles from the membership portal. CPD bundles are available throughout the year on the basis of demand.

CPD validation
Training service providers are expected to apply for CPD validation by submitting training material to be assessed. The service provider is invoiced and pays the amount invoiced prior to any service being rendered. Revenue is recognised upon the Council fulfilling its obligation by assessing the associated training material.

Webinars and Conferences
The Council hosts webinars and conferences. Revenue is recognised at a point in time when the service is delivered to the Registered Person and delegates, such as the date of the event.

Penalty Fees
The revenue relates to a fee charged when a Registered Person has not made payment towards their annual fee within the time prescribed by Council. The penalty fees are recognised when the grace period of four months has lapsed from when the annual invoice was issued.

Accreditation visits
The revenue relates to a fee charged to universities and colleges for assessment of their programmes, facilities and resources for the university/colleges to be accredited by the SACPCMP. Subsequent to accreditation, the SACPCMP conducts accreditation visits every five years for reaccreditation. Revenue is recognised on completion of the assessment.

Recognition of prior learning
The revenue relates to a fee charged to prospective members for the assessment of their application for recognition of prior learning; this applies to applicants who do not have formal educational qualifications but have experience related to their chosen stream. Revenue is recognised on completion of the assessment.

1.9 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are translated at the end of the reporting period using the closing rate.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

1.10 Grants

Grants are recognised as revenue when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the Council; and
- the amount of the revenue can be measured reliably, and to the extent that there has been compliance with any restrictions associated with the grant. The grant funds the Candidacy programme provided to the Department of Public Works and Infrastructure employees through a collaboration between the Council and the CETA.

1.11 Interest revenue

Interest revenue is recognised as other income as it accrues using the effective interest method. Interest revenue is earned on call deposits and fixed-term deposit investments.

1.12 Related parties

Management is considered a related party, and comprises the President, Vice President, Council members, and the Registrar, and close family members.

1.13 Income tax

The Council is exempted from income tax in terms of Section 10(1) (cA)(i)(bb) of the Income Tax Act No. 58 of 1962.

2. New Standards and Interpretations

2.1 Standards and interpretations not yet effective

The Council has not applied the following new, revised or amended pronouncements issued by the IASB. The new standards, amendments, and interpretations will be adopted in annual financial statements when they become effective. The Council has assessed, where practicable, the potential impact of these new standards, amendments, and interpretations that will affect future periods.

Amendments to IFRS 9 and IFRS 7 The Classification and Measurement of Financial Instruments: Effective for year ends beginning on or after 1 January 2026
The amendments specify:

- When a financial liability settled using an electronic payment system can be deemed to be discharged before the settlement date;
- How to assess the contractual cash flow characteristics of financial assets with contingent features when the nature of the contingent event does not relate directly to changes in basic lending risks and costs; and
- New or amended disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability: For year ends beginning on or after 1 January 2025
The amendments require an entity to estimate the spot exchange rate at measurement date when a currency is not exchangeable into another currency. Additionally disclosures about the impact of the non-exchangeability of the currency are required.

IFRS 18 Presentation and Disclosure in Financial Statements: Effective for year ends beginning on or after 1 January 2027
IFRS 18 Presentation and Disclosure in Financial Statements was issued in April 2024 to replace IAS 1 Presentation of Financial Statements. IFRS 18 aims to improve financial reporting by requiring additional defined subtotals in the statement of profit or loss; requiring disclosures about management-defined performance measures; and adding new principles for the aggregation and disaggregation of items.

At the reporting date, the Councillors reviewed the standards and interpretations issued but not yet effective and noted that none of the applicable standards and interpretations will have a material impact on these financial statements of the Council.

3. Property, plant and equipment

Figures in Rand	2025			2024		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	721 388	(394 554)	326 834	679 496	(331 998)	347 498
Office equipment	1 034 771	(920 997)	113 774	1 034 922	(887 823)	147 099
IT equipment	3 633 342	(3 138 585)	494 757	3 442 744	(2 656 136)	786 608
Leasehold improvements	604 481	(184 372)	420 109	604 481	(118 552)	485 929
Total	**5 993 982**	**(4 638 508)**	**1 355 474**	**5 761 643**	**(3 994 509)**	**1 767 134**

Reconciliation of property, plant and equipment - 2025

Figures in Rand	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	347 498	114 640	(477)	(134 827)	326 834
Office equipment	147 099	-	(4)	(33 321)	113 774
IT equipment	786 608	190 598	-	(482 449)	494 757
Leasehold improvements	485 929	-	-	(65 820)	420 109
	1 767 134	**305 238**	**(481)**	**(716 417)**	**1 355 474**

Reconciliation of property, plant and equipment - 2024

Figures in Rand	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	434 098	27 145	-	(113 745)	347 498
Office equipment	25 306	137 992	-	(16 199)	147 099
IT equipment	740 144	539 377	(55 110)	(437 803)	786 608
Leasehold improvements	679 085	(78 974)	-	(114 182)	485 929
	1 878 633	**625 540**	**(55 110)**	**(681 929)**	**1 767 134**

Leasehold improvements

Improvements and alterations the Council made on the leased property shall become property of the landlord.

Fully depreciated assets

The carrying amount of fully depreciated assets amounts to R171.98

Leasehold improvement additions adjustment

The prior year additions amounts to R86 936. However, an adjustment of R165 910 has been processed to correct an overstatement of leasehold improvement additions that occurred in the 2022/2023 financial period. The error was corrected in the prior financial period as it was considered as immaterial. The above correction has resulted in the addition balance of (R78 974) as presented in note 3.

4. Leases (Council as the lessee)

The Council leases several assets including building and IT equipment. The lease terms are between three to ten years.

Details pertaining to leasing arrangements, where the Council is the lessee are presented below:

Figures in Rand	2025			2024		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Buildings	7 458 467	(2 796 925)	4 661 542	7 458 467	(2 051 078)	5 407 389
IT equipment	130 831	(89 598)	41 233	130 831	(45 987)	84 844
Total	**7 589 298**	**(2 886 523)**	**4 702 775**	**7 589 298**	**(2 097 065)**	**5 492 233**

Reconciliation of right-of-use assets - 2025

Figures in Rand	Opening balance	Additions	Termination	Transfers	Depreciation	Total
Building	5 407 389	-	-	-	(745 847)	4 661 542
IT equipment	84 844	-	-	-	(43 611)	41 233
	5 492 233	**-**	**-**	**-**	**(789 458)**	**4 702 775**

Reconciliation of right-of-use assets - 2024

Figures in Rand	Opening balance	Additions	Termination	Transfers	Depreciation	Total
Building	6 387 469	-	(283 919)	-	(696 161)	5 407 389
IT equipment	62 167	66 288	-	-	(43 611)	84 844
	6 449 636	**66 288**	**(283 919)**	**-**	**(739 772)**	**5 492 233**

Right-of-use assets: Building adjustment - 2024

Included in termination is an adjustment that relates to prior periods to correct the right of use recognition of the lease at inception of the lease. The right of use of asset: building cost has been overstated and finance cost understated with an amount of R283 919. The error further resulted to an overstatement of R49 685.91 in depreciation and accumulated depreciation.

The above error is then corrected in the prior financial period as it was considered as immaterial.

Interest expense

Figures in Rand	2025	2024
Interest expense on lease liabilities	626 044	953 736
Finance lease liabilities		
The maturity analysis of lease liabilities is as follows:		
Within one year	1 219 144	1 145 968
Two to five years	5 544 102	6 763 245
More than five years	2 052 772	2 052 772
	8 816 018	9 961 985
Less finance charges	(2 212 570)	(2 838 337)
	6 603 448	**7 123 648**
Non-current liabilities	5 954 579	6 603 447
Current liabilities	648 869	520 201
	6 603 448	**7 123 648**

5. Intangible assets

Figures in Rand	2025			2024		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Computer software	255 462	(233 633)	21 829	255 462	(177 671)	77 791
Computer license - Indefinite life	380 000	-	380 000	380 000	-	380 000
Total	**635 462**	**(233 633)**	**401 829**	**635 462**	**(177 671)**	**457 791**

Reconciliation of intangible assets - 2025

Figures in Rand	Opening balance	Amortisation	Total
Computer software	77 791	(55 962)	21 829
Computer license - Indefinite life	380 000	-	380 000
	457 791	**(55 962)**	**401 829**

Reconciliation of intangible assets - 2024

Figures in Rand	Opening balance	Amortisation	Total
Computer software	135 157	(57 366)	77 791
Computer license - Indefinite life	380 000	-	380 000
	515 157	**(57 366)**	**457 791**

Figures in Rand	2025	2024
Assets with indefinite lives My Membership license	380 000	380 000

The useful life of the My Membership license is considered indefinite. It is not bound by any expiry period as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Council.

6. Trade and other receivables

Figures in Rand	2025	2024
Financial instruments:		
Trade receivables	3 936 145	4 564 729
Allowance for impairment	(3 631 750)	(4 250 081)
Trade receivables at amortised cost	**304 395**	**314 648**
Creditors with debit balances	-	10 290
Accrued interest	1 167 483	1 182 475
Total financial instrument (note 19)	**1 471 878**	**1 507 413**
Non-financial instruments:		
SARS Receivable	8 660	-
Salary advance	20 046	-
Prepayments	-	5 595
Total trade and other receivables	**1 500 584**	**1 513 008**

Trade and other receivables expected credit loss

As of 31 March 2025, trade and other receivables of R3 936 145 were assessed for credit loss. The amount of Bad Debts written off in 2025 amount to R3 266 983 (2024: R2 317 724).

Exposure to credit risk

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

Trade receivables consist of amounts owing by Registered Persons. Credit evaluations are performed on the financial condition of trade and other receivables on an ongoing basis. 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 are net of impairment losses, represents 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 that have been written off are not subject to enforcement activities.

The Council applies a simplified approach when assessing credit losses, as our assets do not contain a significant financing component. Under the simplified approach, there is no need to monitor significant increases in credit risk, and the Council will be required to measure lifetime expected credit losses at all times. However, impairments will still be higher because historical provision rates will need to be adjusted to reflect relevant, reasonable, and supportable information about future expectations. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward- looking information. Forward-looking information includes an adverse change in the economic environment and, the assessment of the future outlook of the industry in which the debtor operates. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council's historical credit loss experience does not show significantly different loss patterns for different Registered Persons. The provision for credit losses is therefore based on future expected losses without disaggregating.

7. Cash and cash equivalents

Figures in Rand	2025	2024
Cash and cash equivalents at fair value consist of:		
Cash on hand	2 130	4 232
Bank balances	8 781 242	7 517 107
Short-term deposits	53 309 388	33 610 063
12-month fixed deposit	40 823 474	32 416 575
	102 916 234	**73 547 977**

Included in the Investec call account is the encumbrance of an amount of R296 600.37. The amount represents a bank guarantee attached to the building lease. Terms and conditions are linked to the lease agreement.

8. Inventories

Figures in Rand	2025	2024
Inventories	610 820	874 278

The SACPCMP entered into a sales agreement with PMI which allows the SACPCMP to bulk purchase PMI Course vouchers and sell the vouchers to Registered Persons. The purchases of PMI bundles are recognised as an asset at initial recognition. Subsequently, the cost of PMI bundle is realised to profit or loss on sale of bundles to Registered Person. In the current year a cost amount of R342 404 has been recognised.

9. Trade and other payables

Figures in Rand	2025	2024
Financial instruments:		
Trade payables	1 299 914	553 351
Debtors with credit balances	4 305 493	3 631 533
Consultants / Allowances	121 956	101 682
Accrued expense	638 899	5 213
Provision	675 061	-
Total financial instrument (note 19)	**7 041 323**	**4 291 779**
Non-financial instruments:		
VAT	3 812 409	5 727 353
	10 853 735	**10 019 134**

Provision

The provision relates to Bosch Ulwazi. Bosch Ulwazi was recently subjected to a ruling by SARS that all the proceeds of grant funding from CETA and SETA funding agreements were subject to VAT at Standard Rate for services rendered. Bosch Ulwazi is claiming the recovery of the VAT amounting in total R675 061.

10. Income received in advance

The Council recognises revenue from annual fees on a straight-line basis over the period of the validity of certificates. The annual fee invoice is issued at the end of the calendar year for the membership of the following financial year.

A contract liability is recognised when a Registered Person pays consideration or settles an annual fee invoice before the Council recognises the related revenue.

Reconciliation - 2025

Figures in Rand	Opening balance	Movement	Closing balance
Income received in advance	23 019 922	3 034 274	26 054 196

Reconciliation - 2024

Figures in Rand	Opening balance	Movement	Closing balance
Income received in advance	19 351 309	3 668 613	23 019 922

11. Employee Benefits

Reconciliation - 2025

Figures in Rand	Opening balance	Settled	Recognised	Total
Provision for leave pay	976 387	(976 387)	861 677	861 677
Provision for bonus	1 176 729	(1 115 901)	1 101 105	1 161 933
	2 153 116	**(2 092 288)**	**1 962 782**	**2 023 610**

The employee benefits provision is expected to be paid within 12 months after the reporting period. However, the payment of bonus provision is paid after the performance evaluations are concluded. The provision estimate is based on performance against annual performance plan.

Reconciliation - 2024

Figures in Rand	Opening balance	Settled	Recognised	Total
Provision for leave pay	601 117	(601 117)	976 387	976 387
Provision for bonus	920 631	(920 631)	1 176 729	1 176 729
	1 521 748	**(1 521 748)**	**2 153 116**	**2 153 116**

12. Revenue

Figures in Rand	2025	2024
Revenue from contracts with Registered Persons		
Fees revenue	57 996 503	47 416 902
Penalty income	814 903	737 104
Accreditation visits	85 832	-
PMI course vouchers	423 669	34 792
Recognition of prior learning fees	827 854	247 179
Other revenue	5 629	2 491
Continuing professional development	3 233 107	621 127
	63 387 497	**49 059 595**

13. Other operating income

Figures in Rand	2025	2024
Forex gains	-	56 787
Proceeds from insurance claims	-	35 960
Unallocated receipts past prescription	188 736	1 694 633
Proceeds from disposal of assets	6 799	-
Credit balance past prescription	558 543	-
Conference and masterclasses	-	1 444 295
Sponsorship received	262 087	725 217
Golf day and networking	120 326	-
Reversal of provision	209 921	-
Webinars	-	89 528
Government grants	297 500	1 466 667
	1 643 912	**5 513 087**

Government Grant

The government grant recognised in the current financial year relates to a discretionary grant issued to the SACPCMP by the Construction Education and Training Authority (CETA). The Construction Education and Training Authority (CETA) grants funds for the Candidacy programme provided to Department of Public Works and Infrastructure employees through a collaboration between the Council and the CETA.

Unallocated receipts past prescription

The unclaimed deposits write off recognised in the current year represents amounts paid into the SACPCMP's bank account without sufficient information to make accurate allocations. The SACPCMP's approved the Revenue and Debt Management Policy requires that unclaimed deposits be written off after the SACPCMP has exhausted all means to allocate the deposits to a specific account and the prescribed period of three years has lapsed.

Credit balance past prescription

The credit balance write off represents unutilised amounts that have exceeded the prescription period of three years and the write-off is in line with the approved Revenue and Debt Management Policy requirements.

14. Interest income

Figures in Rand	2025	2024
Investment in call and fixed deposits		
Interest revenue	6 591 231	4 744 196

15. Cash generated from operations

Figures in Rand	2025	2024
Surplus	24 616 126	11 363 441
Adjustments for:		
Depreciation and amortisation	1 561 837	1 479 067
Losses on disposal of assets	481	23 213
Proceeds from insurance claims	-	(35 960)
Proceeds from disposal of assets	(6 799)	-
Interest income	(5 423 748)	(3 561 721)
Finance costs	626 044	953 736
Changes in working capital:		
Inventories	263 458	(874 278)
Trade and other receivables	12 424	(400 403)
Trade and other payables	834 601	3 397 487
Income received in advance	3 034 274	3 668 614
Employee benefits	(129 506)	631 368
	25 389 192	**16 644 564**

16. Contingencies

There are no material contingencies that require disclosure.

17. Related parties

Relationships	
Members of Council	Mr L Ratsiku (President) Ms S Shunmugam (Vice President) Dr MJ Ndlovu Mr A Ramushu Mr T Mbembele Ms K Mohotji Mr M Tshombe Mr L Swana Mr C Steyn Mr D Affleck
Key Management Personnel	Mr MIB Matutle (Registrar)

Related party transactions

Figures in Rand	2025	2024
Honorarium and telephone allowance paid to the President of the Council		
Mr L Ratsiku	59 256	56 112
Mr L Ratsiku - Telephone allowance	5 916	5 712
Council Members		
Mr L Ratsiku (President)	322 671	80 672
Ms S Shunmugam (Vice President)	270 409	85 274
Dr J Ndlovu	98 819	72 653
Mr T Mbembele	85 210	27 976
Ms K Mohotji	114 798	140 102
Mr M Tshombe	82 260	77 029
Mr L Swana	51 923	56 362
Mr C Steyn	36 733	44 459
Mr D Affleck	70 699	63 133
Mr A Ramushu	108 836	107 985
Key management personnel		
Mr MIB Matutle (Registrar) - Refer to note 18	3 075 120	2 897 243
Compensation to Councillors and other key management		
Honorarium paid to the President of Council	59 256	56 112

18. Registrars' emoluments

Executive

2025

Registrars' emoluments	Basic salary	Bonus payment	Travel allowances	Other benefits	Total
Mr MIB Matutle	2 703 191	215 655	150 000	6 274	3 075 120

2024

Registrars' emoluments	Basic salary	Bonus payment	Travel allowances	Other benefits	Total
Mr MIB Matutle	2 539 422	201 547	150 000	6 274	2 897 243

Other benefits relates to the risk premiums.

19. Financial instruments and risk management

Financial risk management

Overview

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

The Council has overall responsibility for the establishment and oversight of the organisation's risk management framework. The Council has established an Audit and Risk Committee, which is responsible for monitoring the organisation's risk management policies. The Committee reports quarterly to the Council on its activities.

Credit risk

Credit risk consists mainly of cash deposits, cash and cash equivalents and trade debtors. The Council only deposits cash with major banks with high-quality credit standing.

Trade receivables comprise amounts owed by Registered Persons. Trade receivables inherently expose the Council to credit risk, being the risk that the Council will incur financial losses if a Registered Person fails to make payments as they fall due.

The Council applies a simplified approach when assessing credit losses as our assets do not contain a significant financing component. Under the simplified approach there is no need to monitor significant increases in credit risk and that the Council will be required to measure lifetime expected credit losses at all times. However, impairments will still be higher because historical provision rates will need to be adjusted to reflect relevant, reasonable, and supportable information about future expectations.

Credit loss allowances for expected credit losses are recognised for all financial instruments, excluding those measured at fair value through profit or loss

Credit risk exposure arising on cash and cash equivalents is managed by the organisation through dealing with well established financial institutions with high credit ratings.

Notes to the Annual Financial Statements

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

Figures in Rand		2025			2024		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Trade and other receivables - Amortised cost	6	5 103 628	(3 631 750)	1 471 878	5 757 494	(4 250 081)	1 507 413
Cash and cash equivalents - Fair value through profit or loss	7	102 916 234	-	102 916 234	73 547 977	-	73 547 977
		108 019 862	**(3 631 750)**	**104 388 112**	**79 305 471**	**(4 250 081)**	**75 055 390**

Credit loss allowance Reconciliation

Figures in Rand	Opening balance	Movement	Closing balance
Credit loss allowance	4 250 080	(618 330)	3 631 750

Liquidity risk

The Council is exposed to liquidity risk, which is the risk that the Council will encounter financial difficulties in meeting its obligations as they become due. The Council manages liquidity risk by maintaining adequate reserves and continuously monitoring forecast and actual cash flows. The Council's budget is supported by cashflow forecasts to ensure that it is adequately funded. Liquidity risk is measured against industry ratio norms.

2025

		Less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Current liabilities						
Trade and other payables - Amortised cost	9	7 041 323	-	-	-	7 041 323
Lease liabilities	4	648 869	1 645 061	3 899 683	409 835	6 603 448

2024

		Less than 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Current liabilities						
Trade and other payables - Amortised cost	9	4 291 779	-	-	-	4 291 779
Lease liabilities	4	520 201	1 391 060	3 278 881	1 933 506	7 123 648

Foreign currency risk

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. The SACPCMP's foreign currency risk arises from a sales agreement between PMI and the SACPCMP which allows the entity to bulk purchase PMI Course vouchers and sell the vouchers to registered persons. The purchases of PMI bundles are recognised as an asset at initial recognition. Subsequently, the cost of PMI bundle is realised to profit or loss on sale of bundles to registered person. The PMI vouchers are denominated in United States Dollar.

Foreign exchange gains or losses resulting from the settlement of foreign currency transactions were recognised in surplus or deficit. The details as follows:

Transaction date rate	R19.51
Settlement rate	R18.36

The selling prices that the SACPCMP will charge will be fixed for the duration of the agreement therefore Registered Persons will not be affected by fluctuations in the exchange rates. The SACPCMP will however be required to place new orders totalling 1875 vouchers in three separate orders of 625 voucher per order. The new orders can only be placed after consumption of the initial order, this will expose Council to exchange rate risk, the following sensitivity analysis has been performed to assess the impact the 10% increase and decrease in the Rand against the relevant foreign currency may have on the future cost and profit related to PMI voucher sales.

	Exchange rate	10% Increase	10% Decrease
31 March 2025	R18.34	R1.83	(R1.83)

The exchange rates will have an impact on the profit Council will make during the term of the agreement. For a 10% weakening of the Rand against the relevant currency, there would be a comparable impact on the projected profit and PMI cost below would be negative.

US Dollar exchange rate -increase 10%	R261,288
US Dollar exchange rate -decrease 10%	(R261,288)

Interest rate risk

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

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

20. Going concern

The annual 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. The SACPCMP has adequate financial resources to continue in operation for the foreseeable future, and accordingly, the annual financial statements have been prepared on a going concern basis. The Councillors have satisfied themselves that the SACPCMP is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

21. Events after the reporting period

There were no events after reporting date which may materially impact these financial statements.

22. Capital Management

The SACPCMP's operations are sustained largely by annual fees paid by Registered Persons.The SACPCMP's objectives when managing capital are to safeguard its ability to continue as a going concern.

The SACPCMP's cash management policy ensures that the organisation has sufficient resources to meet its obligations and other cash flow requirements.

The SACPCMP optimises the management of its capital through the Investment Plan managed by the Finance Department. The organisation follows a low-risk approach to determine the optimal investment structure and makes adjustments to it based on changes in economic conditions and the risk characteristics of the underlying assets.

The SACPCMP has adhered to the requirements of the cash management policy and this has therefore translated into the organisation maintaining levels of interest received as well as sufficient cash reserves in order to settle obligations.

23. Other operating expenses

Figures in Rand	2025	2024
SARS interest and penalty fees	-	(32 456)
Amortisation	(55 962)	(57 366)
Auditor's remuneration - external audit	(226 374)	(472 293)
Auditor's remuneration - internal audit	(667 566)	(413 202)
Bad debts written off	(3 266 983)	(2 317 724)
Bank charges	(818 124)	(664 128)
Cleaning	(20 122)	(20 057)
Forex loss	(671)	-
Consulting fees - other	(1 783 728)	(74 746)
Investigation of complaints	(549 728)	(103 254)
Refreshments	(16 437)	(15 492)
Depreciation	(1 505 875)	(1 421 701)
Employee costs	(21 738 463)	(24 597 385)
Council allowances and expenses	(1 700 361)	(1 189 986)
Design and printing	(185 779)	(304 023)
Assessment of application	(2 302 743)	(1 847 601)
Conference expenses	-	(1 399 330)
Transformation programmes	(80 262)	(68 368)
Interviews	(1 230 281)	(750 633)
PMI realised costs	(342 404)	(43 336)
Examinations	(161 809)	(427 265)
Grant expenditure (CETA)	(258 696)	(1 224 560)
Meetings and workshops	(24 631)	(17 193)
Marketing and communication	(580 691)	(570 394)
Insurance	(547 116)	(476 052)
IT expenses	(3 120 898)	(2 550 093)
Provision for bad debt and cancellation	-	(2 279 575)
Water and electricity	(269 205)	(217 291)
Assessor training	(28 434)	(265 839)
General expenses	(2 249)	(47 111)
Employee Bursary	(352 682)	-
CPD related costs	(327 706)	-
Golf day expenses	(503 744)	-
Legal	(36 050)	(566 902)
Recruitment costs	(61 340)	(80 533)
Postage	(11 576)	(21 483)
Printing and stationery	(64 794)	(79 623)
Registry expenses	(108 591)	(120 854)
Webinar costs	-	(59 650)
Policy development costs	-	(62 500)
Company secretarial fees	(368 122)	(209 020)
Security	(53 500)	(7 150)

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
Staff welfare	(328 909)	(138 536)
Government gazette publications	(29 825)	(122 927)
Research and development	(108 050)	(230 000)
Telecommunication	(718 519)	(743 830)
Training	(293 735)	(127 730)
Sponsorship	(43 000)	(22 629)
Travel and accomodation	(1 484 254)	(514 667)
Loss on disposal of assets	(481)	(23 213)
	(46 380 470)	**(46 999 701)**

SACPCMP

The South African Council for the Project and Construction Management Professions

CONSTRUCTING NEW PERSPECTIVES

SACPCMP Office

Rigel Office Park,
446 Rigel Avenue South
Erasmusrand
Pretoria
0181

T +27 11 318 3402/3/4
E admin@sacpcmp.org.za

www.sacpcmp.org.za

RP262/2023
ISBN: 978-0-621-51397-4