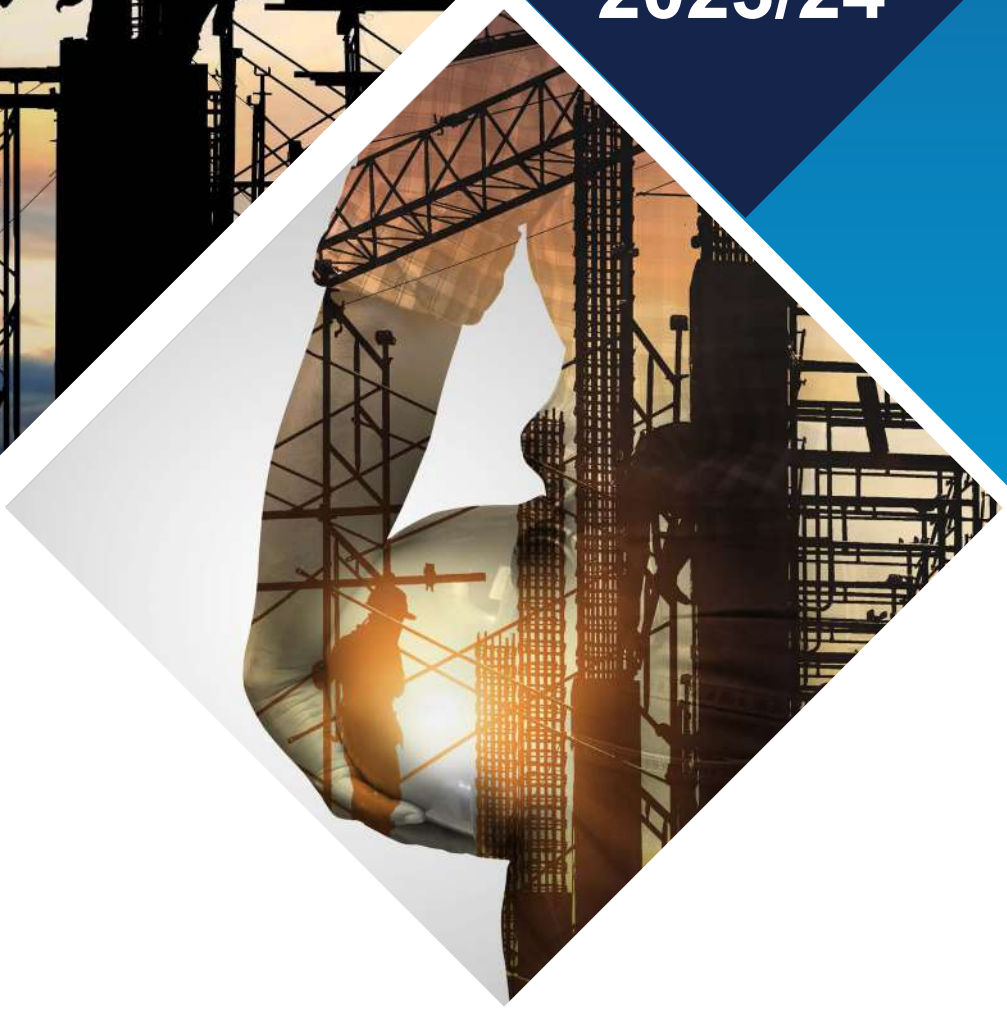
ECSA

ENGINEERING COUNCIL OF SOUTH AFRICA

2023/24



ANNUAL REPORT

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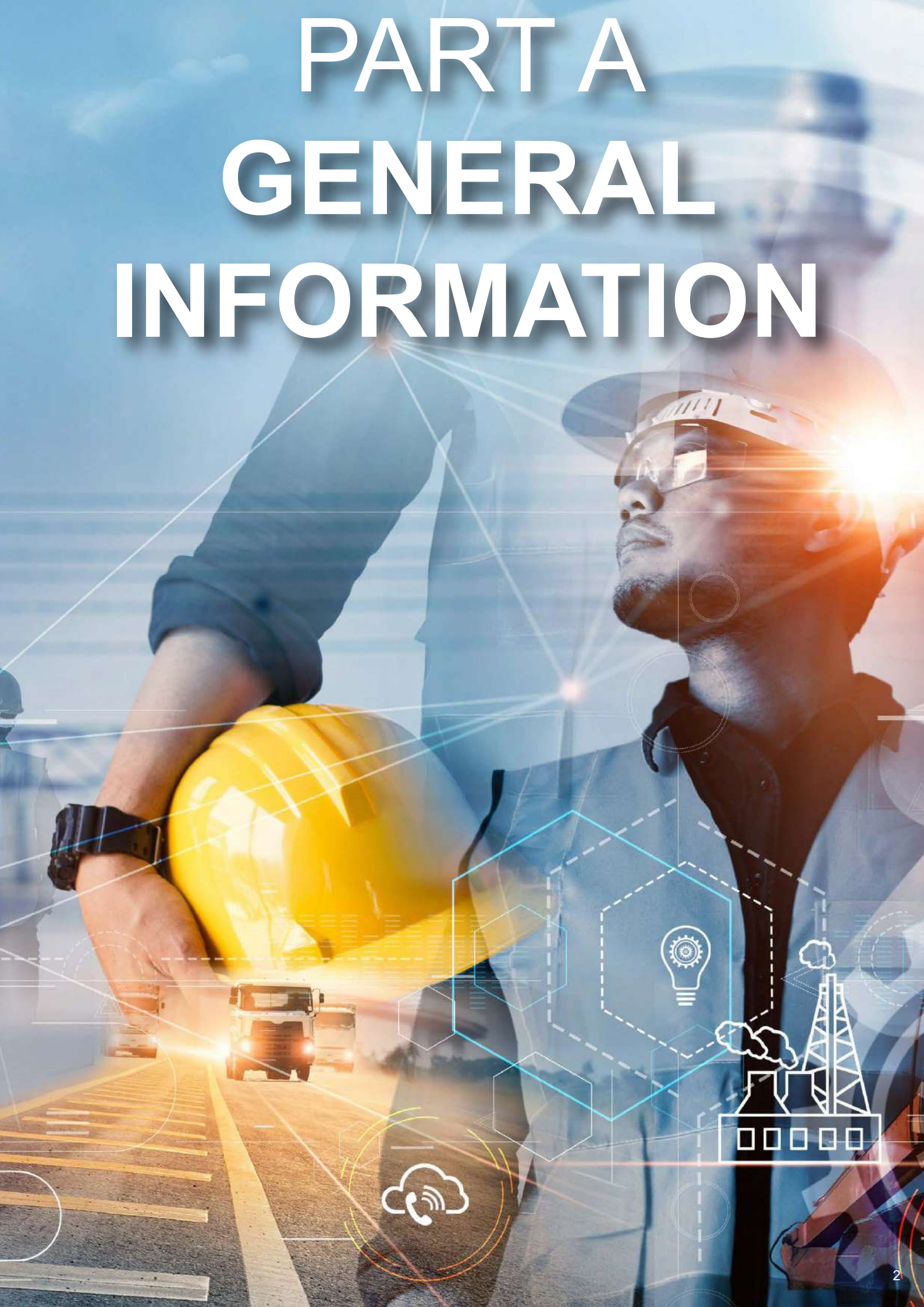
PART A
GENERAL INFORMATION



1. ECSA GENERAL INFORMATION

REGISTERED NAME	Engineering Council of South Africa
REGISTRATION NUMBER	N/A
PHYSICAL ADDRESS	1st Floor, Waterview Corner Building 2 Ernest Oppenheimer Avenue Bruma 2198
POSTAL ADDRESS:	Private Bag X691 Bruma Johannesburg 2026
TELEPHONE NUMBER	+27 11 607 9500
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E-MAIL ADDRESS	engineer@ecsa.co.za
WEBSITE	www.ecsa.co.za
EXTERNAL AUDITORS	Lunika Inc Unit 5, Lonehill Office Park Sandton 2146 www.lunika.co.za 011 465 1867
BANKERS	Standard Bank East Gate Bedfordview
COUNCIL SECRETARY	None. Function was performed by: Nkhensani Mathebula: Acting Manager: Legal: Governance, Compliance and Council Secretariat

2. LIST OF ACRONYMS

4IR	Fourth Industrial Revolution
AeSSA	Aeronautical Society of South Africa
AMEU	Association of Municipal Electricity Utilities
ATC	Accreditation and Training Committee
ARC	Audit Risk and Compliance Committee
CBE	Council for the Built Environment
CCSA	Competition Commission of South Africa
CESA	Consulting Engineers of South Africa
CEASA	Clinical Engineering Association of South Africa
CET	The Chamber of Engineering Technology
CHE	Council for Higher Education
COET	Chamber of Engineering Technology
CPD	Continuous Professional Development
COSO	Committee of Sponsoring Organisations
DaVinci	The DaVinci Institute for Technology Management
DPWI	Department of Public Works and Infrastructure
ECSA	Engineering Council of South Africa
EPA	Engineering Professions Act
ERM	Enterprise Risk Management Framework
ESGB	Engineering Standards Generating Body
FAEO	Federation of African Engineering Organisations
FAMC	Finance and Asset Management Consultants
GRAP	Generally Recognised Accounting Practice
HEI	Higher Education Institutions
IC	Investigating Committee
ICT	Information Communication Technology
IEA	International Engineering Alliance
LEEASA	Lifting Equipment Engineering Association of South Africa
IESSA	Illumination Engineering Society of South Africa
IDoEW	Identification of Engineering Work
IPET	Institute of Professional Engineering Technologists
IMESA	Institution of Municipal Engineering of Southern Africa
IPPF	International Professional Practice Framework
IRSE-SA	Institution of Railway Signal Engineers, Southern Africa Section
IQSA	Institute of Quarrying Southern Africa
ITC-SA	Institute of Timber Construction South Africa
LBs	Licensing Bodies
LPDA	Lift Professional Development Association
NQF	National Qualifications Authority
MISA	Municipal Infrastructure Support Agent
MoU	Memoranda of Understanding
NMU	Nelson Mandela University
Nom Com	Nomination Committee
NWU	North-West University
QMS	Quality Management Systems
RPS	Research Policy and Standards
RPSC	Research Policy and Standards Committee
RC	Registration Committee
SAFEO	Southern African Federation of Engineering Organisations
SAFA	South African Flameproof Association
SADC	The Southern African Development Community
SAICE	South African Institution of Civil Engineering
SAIChE	South African Institution of Chemical Engineers
SAIEE	South African Institute of Electrical Engineers
SAIIE	Southern African Institute for Industrial Engineering
SAIMC	Society of Automation, Instrumentation, Mechatronics and Control
SAIMechE	The South African Institution of Mechanical Engineering
SAIMENA	South African Institute of Marine Engineers & Naval Architects
SAIMM	Southern African Institute of Mining and Metallurgy
SAIRAC	The South African Institute of Refrigeration & Air Conditioning
SAIW	Southern African Institute of Welding
SAAMA	Southern African Asset Management Association
SANCOLD	South African National Committee on Large Dams
SAQA	South African Qualification Authority
SARF	South African Road Federation
SASTT	Southern African Society for Trenchless Technology
SAT	Society for Asphalt Technology
SERC	Social Ethics and Renumeration Committee
SPs	Service Providers
STEM	Science, Technology, Engineering and Mathematics
SU	Stellenbosch University
TA	Training Academies
TVET	Technical Vocational Education and Training
UCT	University of Cape Town
UJ	University of Johannesburg
UP	University of Pretoria
WISA	Water Institute of Southern Africa
WITS	University of the Witwatersrand
WITBE	Women in the Built Environment
WFEO	World Federation of Engineering Organisations

3. PRESIDENT'S FOREWORD

Introduction

It gives me great pleasure to present the last annual report of the 6th term Council of the Engineering Council of South Africa to our stakeholders, since the term of the current Council will lapse in November 2024. This report gives an account on the organisation vision of enabling an environment for a thriving and representative engineering profession that is respected globally by assuring engineering excellence in the public interest through effective regulation.

High Level Overview of the Public Entity's Strategy and the Performance of the Public Entity in its Respective Sector

The Engineering Council of South Africa is governed by the Engineering Professions Act (EPA) 46 of 2000. The EPA focuses on engineering as a profession to serve the interests of the engineering fraternity. Moreover, it positions ECSA as a regulatory body with a statutory mandate focused on public interest and safety with a range of functions and powers that centre on the engineering profession. To this end, ECSA is poised to contribute significantly to the growth and development of the engineering profession albeit in an environment characterised by internal and external factors.

The strategic focus for the reporting period under the theme "Renewal for Growth" was informed by the seven imperatives that stem from the mid-term review of the 2020 - 2025 ECSA Strategic Plan conducted in the previous reporting period. The review period marked the beginning of renewal of many processes within ECSA which resulted in an achievement of several milestones.

The seven programmes provided the organisation with twenty (20) strategic outcomes for the organisation to achieve.

For the reporting period ECSA recorded a total revenue of R140,666,792, which represents a significant increase from the previous year's income of R128,686,136. This reflects a positive movement of R11,980,656, equating to a 9.3% increase in revenue.

However, ECSA still remains a going concern. Furthermore, ECSA achieved an overall performance score of 81%, and the most notable achievement was the unqualified audit outcome.

ECSA remains steadfast in its duty to protect integrity of the profession and the public, standards of workmanship ensuring compliance, enforcement, monitoring and evaluation through ethical and effective governance.

In its pursuit for sound governance principles and practices, the Governing Council continued to discharge its fiduciary duties diligently, providing oversight despite the challenges faced during the fiscal year.

In this regard, the Governing Council embarked on a total overhaul of the governance processes which resulted in a multi-level governance reform aimed to improve and reorganise powers, responsibilities and resources across all levels within ECSA. Consequently, in the financial year ahead, ECSA will be driven to operate towards and within a more integrated organisational governance framework to ensure stability and a sustainable environment.

The Governing Council, through the Investigations Committee, continues to monitor improper conduct in line with the EPA. In total, 116 cases of improper conduct were received and continue to be managed through the Improper Conduct value chain. In executing its mandate, several statutory instruments to enhance the governance of improper conduct and appeals were developed. These included the Rules Concerning the Management of Improper Conduct and the Rules Concerning the Management of Appeals.

It is pleasing to report that ECSA recorded a total number of 4035 persons to the database of registered persons, with a record number of 3172 Candidates registered, during the 2023/24 financial year.

The number of professionals registered totalled 888, of which 419 were Professional Engineers, 271 Professional Engineering Technologists, 161 Professional Engineering Technicians, 13 Professional Certificated Engineers. The remaining numbers were professionals who registered in the Specified Categories.

By the end of the fiscal year, Africans accounted for 41% of persons in the database, which is a 1,7% growth from the 2022/23 financial year. There was also notable growth in females registering with ECSA, of which the % at the end of 2022/23 was at 14,23% (6 883) of the total database, and at 15,82% (8002) at the end of this reporting period.

ECSA is proud to announce the approval of the following specified categories, namely, Water-based Sprinkler Systems Specialist, Water-Based Spray Systems Specialist, Foam Water-Based Systems Specialist, Nano-engineering Specialist.

Strategic Relationships

Strategic relations with local and international partners remains a critical focus for the Engineering Council. These partnerships and collaborations enable ECSA to forge and strengthen relationships locally and internationally with an aim to grow ECSA's footprint. To this end, the partnerships and collaborations are solidified and regulated by the Memorandum of Understanding entered into between the parties.

Internationally South Africa, through ECSA, remains the only African country with full membership of the International Engineering Alliance (IEA) complying with its constituent Accords and Competency Agreements.

Additionally, ECSA has two Council members that serve on the governing group of the IEA and representation in the Accords and Competency Agreements. In this regard, the Council continues to participate in international reviews of signatories to the Accords and Agreements and for the upcoming reporting period will conduct reviews for Turkey, China, the United States as well as entities in Canada.

ECSA continues to be a member of the following international bodies:

- Southern African Federation of Africa Engineering Organisations (SAFEO);
- Federation of African Engineering Organisations (FAEO); and
- World Federation of Engineering Organizations (WFEO).

From 2025- 2026 the Engineering Council of South Africa will be represented as President of the Federation of African Engineering Organisations. ECSA`s participation and engagement with these international bodies continues to enforce ECSAs international Relations Policy and Framework.

The Department of Public Works and Infrastructure and the Council for the Built Environment remain critical stakeholders and ECSA responds to the relevant policies of government as translated by DPWI in alignment with the Council for the Built Environment (CBE) imperatives.

Voluntary Associations are stakeholders that remain engaged at a strategic level bi-annually through the VA Presidents Forum which provides a platform for collaboration on key strategic initiatives.

The Strategic Focus Over the Medium to Long Term Period

The strategic focus for ECSA over the medium to long term period will be geared towards effective regulation of the profession through the interrelated key performance areas that entail growing the depth and breadth of the engineering profession through the enforcement of the Identification of Engineering Work and professionalisation of the public sector to grow the engineering pipeline.

The objective is to undertake a thorough review of the Rules concerning the Code of Conduct for Registered Persons and to develop the Rules Concerning Enforcement. These refined instruments are expected to significantly advance compliance and the efficient execution of ECSA's mandate, ensuring that ECSA's regulatory functions are carried out with efficacy and integrity.

In addition, ECSA will enact the relevant national policy imperatives within ECSA's mandated purpose and functions. Furthermore, the continuous focus will be to ensure ECSA's compliance, accountability and sustainability. Moreover, the renovation and development of ECSA's internal process platforms for a better service across the value chain will be prioritised.

With the advent of the 4th Industrial Revolution, ECSA has resolved to optimise its ICT Systems in line with the revised organisational strategy to support the vision of a digitised services offering. The first phase of the project will be focused on renovating the Microsoft Dynamics CRM to digitise the functions carried out by the Registration Business Unit which would improve ICT Platforms and Skills to support ECSA Systems. Phase 2 will focus more on digitalisation of the entire ECSA value chain to effect a fundamental transformation of the ECSA business model. Phase 3 will deal with transformation of ICT/digital skills, process, and technology across the organisation.

The renewal of ECSA's service promise to our stakeholders will be enforced through the developed service charter to determine the service turn-around times required and enhancement of stakeholder engagements.

Lastly, the development of the 2025-2030 ECSA Strategic Plan to be led by the incoming Council which will take office in December 2024 to continue in the efforts of safeguarding the profession in the interest of public safety, will take precedence.

Acknowledgements

I wish to express my sincere gratitude to the Vice President, Eng TC Madikane, who has served alongside me and provided strategic leadership to the Council. I am also grateful to my colleagues who serve on the Council and have made valuable contributions to the engineering profession. The dedication and expertise of the Council have been instrumental in driving positive change.

I further extend my appreciation to the senior management at ECSA, who under the leadership of the Chief Executive Officer (CEO), Dr Bridget Ssamula have tirelessly worked towards identifying areas of opportunity and growth to enhance the regulation of the profession and meet the evolving needs of the profession in terms of emerging disciplines in the engineering fraternity. To our Registered Persons and the broader spectrum of ECSA stakeholders, I want to express my heartfelt gratitude for your continuous support. Your collaboration, feedback, and commitment to engineering excellence have been invaluable in shaping the success of ECSA.

Conclusion

In conclusion, I hereby endorse the 2023/2024 ECSA Annual Report, which reflects our collective efforts and achievements in advancing the profession. Together, let us continue to strive for excellence and drive positive change for the betterment of our profession and society as a whole.

Ms Buthelezi RSM, Pr. Eng
President

4. CHIEF EXECUTIVE'S OVERVIEW

OVERVIEW OF STRATEGY AND PERFORMANCE

The Engineering Council of South Africa has a statutory mandate to regulate the engineering profession. For the year under review our key focus has been to drive the renewal of our processes and systems as well as focus on building a high performance culture with our people to become a more customer centric organisation, to grow the depth of our mandate and coverage of the profession, to improve the Engineering Council's compliance, credibility, sustainability and accountability whilst prioritising the relevant national policy imperatives that are within the Council's mandated purpose and function.

The delivery of these key imperatives which stem from the revised five-year ECSA Strategy hinges on the adoption of an inward/outward approach by ECSA to re-build the organisation.

The Council approved a revised organisational structure to close governance gaps at a leadership level and revise the operations in such a way that effective controls and accountability can be established. The structure ensures that ECSA will focus on serving the fraternity better, enhancing employee productivity and satisfaction, whilst creating effective support structures to support the divisions and staff that deliver ECSA's mandate. The updated leadership structure is displayed on Figure 2 on page 15.

This approach has demonstrated enhanced performance by the organisation achieving 81% against the organisational targets for FY23/24, a 29% improvement against the 63% achievement recorded in the previous financial year.

Some of the achievements in FY23/24 are provided below:

- The development and implementation of the Candidate Application Portal which reduces our turnaround times from 7 days to 48 hours and increased access grew our candidate applications by 26459 as compared to the previous year.
- The introduction of the Application Cycle Calendar for Registration in Professional and Specified Categories resulted in a significant increase in professional applications allowing candidates the ability to plan their career development and hold ECSA accountable to service standards.
- Innovative partnerships with key stakeholders to assist in the digitisation of ECSA through a Hackathon project that was opened up to Higher Education Institutions to assist in the renovation of the website that was awarded to Nelson Mandela University. This project will be finalised in the new financial year
- To penetrate the fraternity further and grow the skills pipeline, we investigated TVET programmes that are aligned and feed directly into the engineering profession and for the new financial year we will move into the pilot phase of accrediting engineering programmes from two TVET colleges offering NQF level 5 and 6 programs.
- Following robust stakeholder engagements, the effective date for the Identification of Engineering Work moved out by one-year to 1st April 2025, allowing the Engineering Council to engage with key stakeholders from the public and private sectors. The engagements have also focused on major engineering employers as well as areas where engineering skills impact infrastructure project delivery for government at municipal level. Furthermore, MOUs with some entities have been and implemented to ensure an understanding of the fraternity's expectations come 1st April 2025. For the new financial year, ECSA will embark on robust consultations through provincial road shows across the country.
- Aligned to the IDoEW effective implementation, an enforcement framework has been developed internally and the drafts will be shared with the sector in FY24/25 and legally tested to attain stakeholder buy-in for the enforcement tools to ensure common understanding of the IDoEW.
- With regards to our international engagements, we have developed a framework and policy that aligns ECSA's international agenda to government priorities, whilst ensuring that ECSA's involvement in the leadership structures of these organisations allows South Africa to participate and engage where decisions that would impact South African engineers are considered.
- Strategic engagements with stakeholders like the Council for Higher Education (CHE), Higher Education Institutions through the Deans Forum, Voluntary Associations through the President's Forum, Regulatory agencies, law enforcement agencies like SAPS, HAWKS, which allow ECSA to perform its functions more efficiently, have been reignited, signed and action plans and outcomes developed.

Looking ahead, the incoming reporting period will be our final year of implementation for the revised 2023-2025 ECSA Strategic Plan which will end in March 2025. This Strategy is premised on the organisation's objective of renewal to achieve growth, upholding the organisations values and will provide a sound platform for the 2025-2030 Strategy to be led by the incoming 7th Term ECSA Council.

The trajectory of growth will be maintained with the new Strategy particularly as IDoEW is enforced and on further strides towards digitising our processes, retaining our members through the market benefit proposal and various initiatives. Our membership and participation in the governing structures of international engineering bodies such the International Engineering Alliance and broader stakeholder engagements will be prioritised, and the engagement efforts strengthened.

The improved performance can be attributed to the leadership, direction and support provided by the 6th term Council and High Impact Committees underpinning the intent of ensuring ECSA remains an effective regulator whilst upholding the organisations values of professionalism in everything that we do, allowing ourselves to be held accountable and responsive to our stakeholders and mandate, enforcing strategic collaboration with all our stakeholders, displaying transparency and being open to scrutiny as well as responding to the evolving digital landscape through innovation efforts as we strive to bring the Engineering Council on par with the rest of the engineering fraternity.

To the executive leadership and ECSA staff that serve alongside me, your contributions and efforts as we fulfil our mandate is highly valued and appreciated. I can truly only go as far as my team and we have worked hard with passion and dedication, your valuable efforts are recognised and appreciated with thanks.

Lastly, I also wish to extend my gratitude to various stakeholders in the fraternity but not limited to the Department of Public Works and Infrastructure, the Council for the Built Environment, fellow Councils in the Built Environment, our Registered Persons, Voluntary Associations, Higher Education Institutions, government departments, public entities, broader fraternity and public. The support and patience has also assisted ECSA in repositioning the organisation strategically to diversify and transform our pipeline as we look to providing and feeding the engineering skills pipeline that will support South Africa's infrastructure growth and regulate the engineering fraternity that is grappling with designing, delivering, maintaining and operating more resilient infrastructure as climate change and digital technology bring a complexity in engineering that has to be responded to with agility for our economy.

In conclusion, I call upon all our stakeholders to continue supporting our efforts and to join us as we make strides towards the professionalisation of the public sector and enforcement of the Identification of the Engineering Work to produce a fraternity that is professional, accountable and serves in the interest of public safety.

Dr Ssamula BCB, Pr. Eng
Chief Executive Officer

5. STATEMENT OF RESPONSIBILITY

STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

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

All information and amounts disclosed in the Annual Report are consistent with the Annual Financial Statements audited by Lunika Inc.

The Annual Report is complete, accurate and free from any omissions.

The Annual Report has been prepared in accordance with the guidelines on the Annual Report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the South African standards of Generally Recognised Accounting Practice (GRAP) applicable to a public entity.

The accounting authority is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.

The accounting authority is responsible for establishing and implementing a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the performance information, the Human Capital information, and the Annual Financial Statements.

The external auditors have been engaged to express an independent opinion on the Annual Financial Statements.

In our opinion, the Annual Report fairly reflects the operations, performance information, Human Resources information, and financial affairs of the entity for the financial year ended 31 March 2024.

6. STRATEGIC OVERVIEW

The Engineering Council of South Africa is a statutory regulatory body established in terms of Section 2 of the Engineering Profession of South Africa Act, 46 of 2000. ECSA`s primary role is the regulation of the engineering profession in terms of this Act. The Engineering Council`s core functions are the accreditation of engineering programmes, registration of persons as professionals in specified categories and the regulation of the practice of registered persons.

Vision

A thriving and representative engineering profession that is respected globally.

Mission

ECSA seeks to achieve this vision by:

- Assuring engineering excellence in the public interest through effective regulation.

Values

Professional

- Conduct beyond reproach to the highest ethical standards underpinned by integrity, quality, timeliness, trust and respect.

Accountable

- Doing what we commit to doing in an environment of trust and respect and being answerable for our failures in pursuit of our committed obligations.

Collaborative

- Working as a team to achieve exceptional results

Transparent

- Honest and open communication and sharing of information among stakeholders.

Innovative

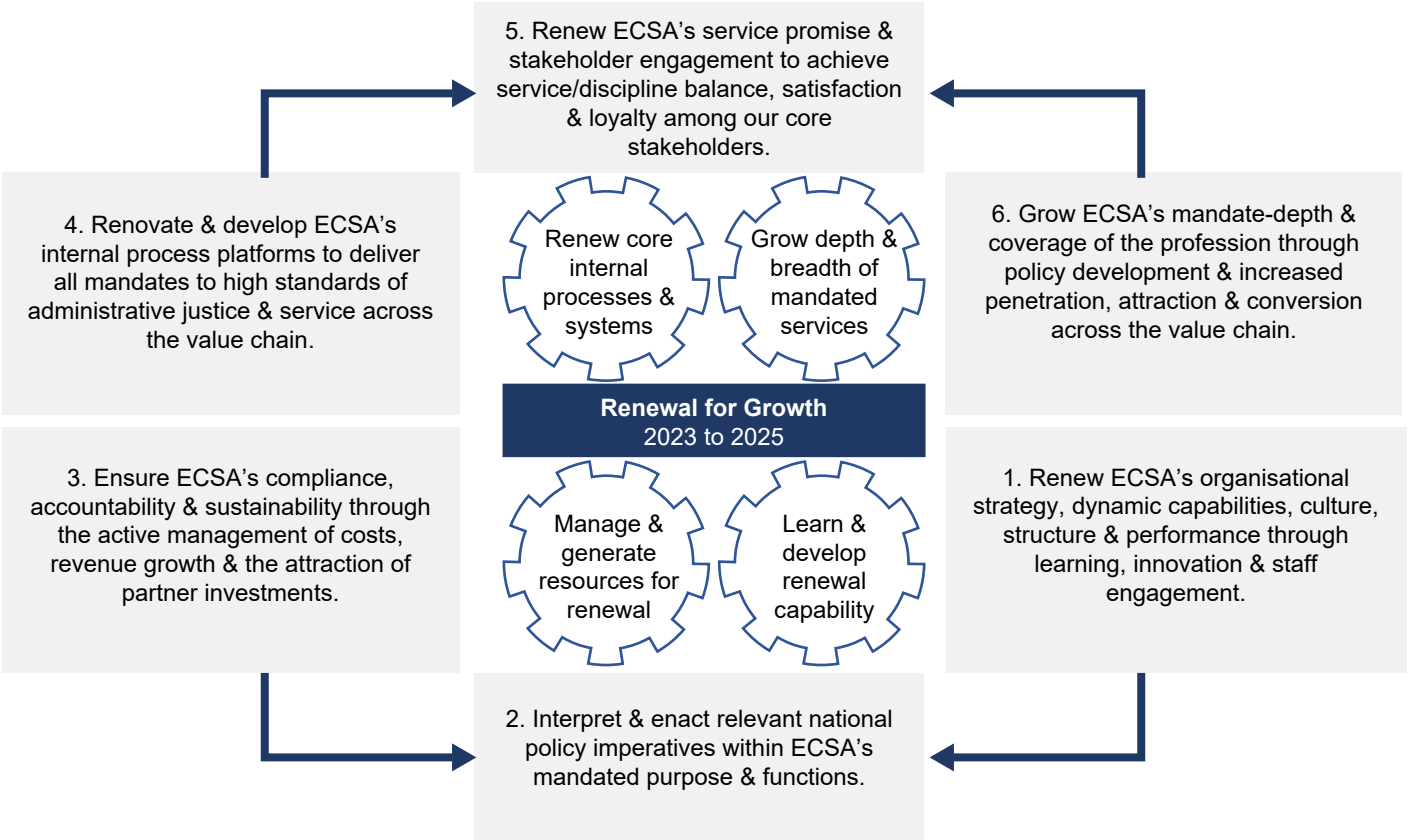
- Utilising creative energies in collaboration with ECSA stakeholders to identify improved, enhanced and more cost-efficient engineering practice solutions.

6. STRATEGIC OVERVIEW (Continued)

The revised ECSA 2023-2025 Strategy is premised on renewal and expresses a mission-driven cycle of renewal to bolster ECSA's longer-term sustainability. This theme of renewal and growth is centred on six key performance areas to achieve the desired goal of renewal including:

- Developing and improving internal capabilities through learning and staff engagement.
- Understanding and endorsing relevant national policy imperatives that align with ECSA's mandate.
- Ensuring ECSA's compliance, accountability, and sustainability through the active management of costs, revenue growth and the attraction of investment partners.
- Building and renovating internal processes and systems to deliver excellent service standards.
- Enhancing stakeholder relations through engagement and renewed service promise to build stakeholder loyalty.
- Growing ECSA's mandate-depth and coverage of the profession.

Figure 1: Six Interrelated Key Performance Areas



7. LEGISLATIVE AND OTHER MANDATES

ECSA is a statutory Body established as a result of Section 2 of the Engineering Profession Act 46 of 2000. The EPA superseded the 1990 and 1968 Acts, progressively extending ECSA's scope beyond the original purpose, namely, to regulate professional engineers. ECSA and its predecessor have thus regulated the engineering practice for more than forty (40) years.

In accordance with the EPA, ECSA is mandated to regulate the engineering profession because it has recognised that, while engineering activity is essential and beneficial to society and the economy, it also poses substantial risks to health, safety, and the environment, which must effectively be managed by competent professionals. In addition, engineering services must be of adequate quality in the interest of the economy and eliminate waste.

With these objectives in mind, the EPA requires and empowers ECSA to perform the following functions:

- Establish an Engineering Standards Generating Body (ESGB) and develop standards for engineering education and professional competency;
- Visit education providers to evaluate programmes and accredit educational programmes that meet the educational requirements towards registration in each of the categories;
- Register persons in professional categories who demonstrate competency against the standards for the categories;
- Evaluate educational qualifications that are not already accredited or recognised;
- Register persons who meet educational requirements in candidate categories;
- Establish specified categories of registration to meet specific health and safety licensing requirements and register persons in these categories;
- Require registered persons to renew registration at intervals and under conditions that the Council prescribes;
- Enter into international agreements for the recognition of educational programmes and registration;
- Develop and maintain a code of conduct, supported where necessary by codes of practice;
- Investigate complaints of improper conduct against Registered Persons and conduct enquiries and impose sanctions as each case requires;
- Publish guidelines on professional fees and scope of work on an annual basis;
- Recognise VAs;
- Recommend ECSA's identification of the type of engineering work that may be performed by persons registered in any category to CBE.

In addition, ECSA is empowered to advise government and other parties and to take the necessary steps to protect the public interest, health and safety, improve standards of engineering services, create awareness of the need to protect the environment, and conduct research.

The Act allows for ECSA to register persons in the following Council Approved categories:

- Professional Engineer;
- Professional Engineering Technologist;
- Professional Certificated Engineer;
- Professional Engineering Technician:
- Candidate Engineer;
- Candidate Engineering Technologist;
- Candidate Certificated Engineer; or
- Candidate Engineering Technician

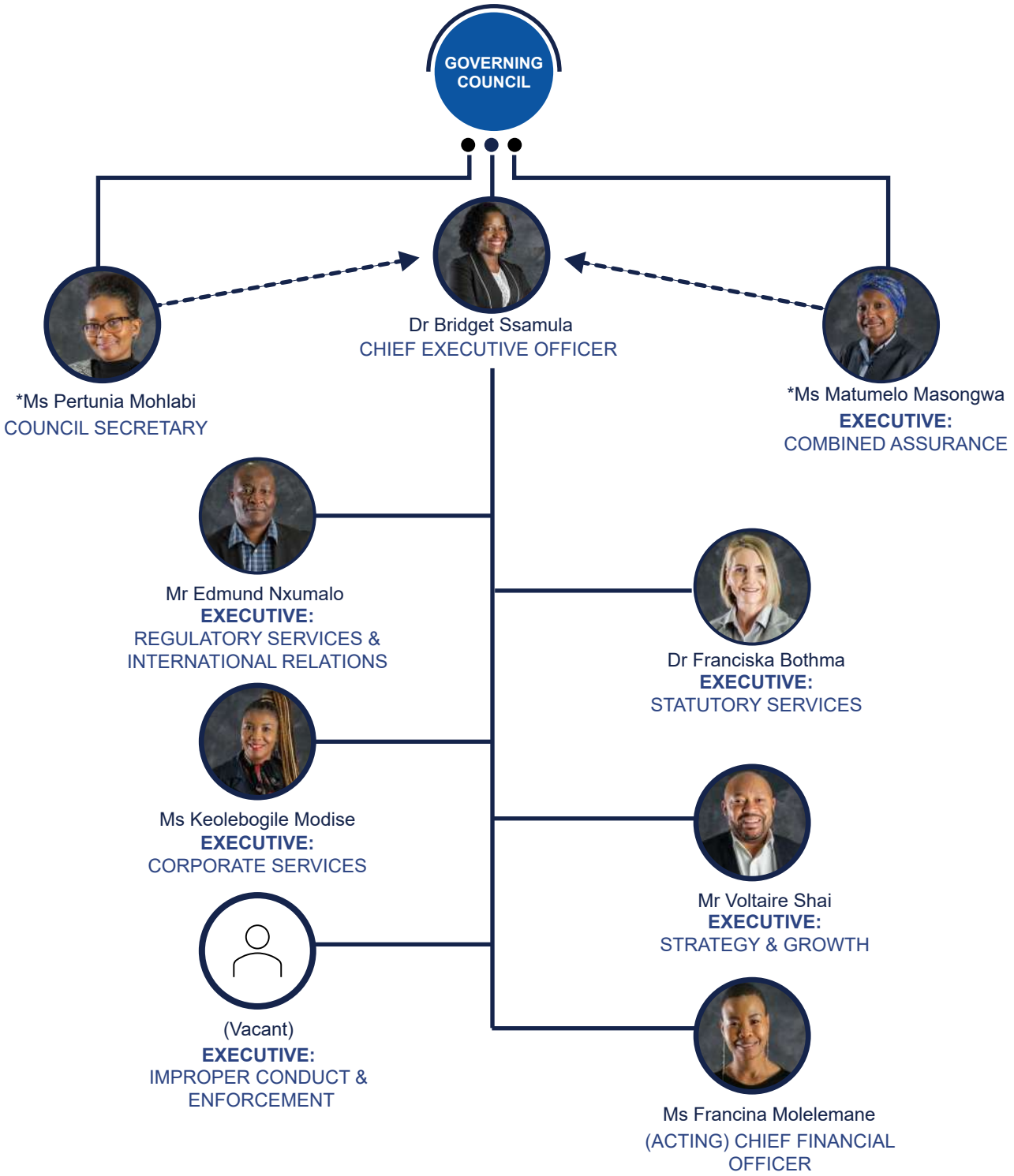
Moreover, ECSA registers persons in the 15 specified categories approved by Council.

ECSA executes its mandate from the EPA, the ECSA Organisational Governance Framework and notes the following key legislations, regulations, policies, and best practices guidelines to exercise good governance, ethical leadership and corporate citizenship:

- Republic of South Africa Constitution Act, 108 of 1996
- Labour Relations Act, 66 of 1995
- Occupational Health and Safety Act, 85 of 1993
- Skills Development Act, 97 of 1998
- Employment Equity Act, 55 of 1998
- All other (relevant/applicable) Human Resources and Industrial Relations Acts
- Promotion of Administrative Justice Act, 3 of 2000
- Promotion of Access to Information Act, 2 of 2000
- Protection of Personal Information Act, 4 of 2013
- Council for the Built Environment Act, 43 of 2000
- Acts, Policies and Regulatory Frameworks that govern the Engineering Fraternity.

8. ORGANISATIONAL EXECUTIVE STRUCTURE

Figure 2: Organisational Structure



Note:

*Executive Combined Assurance: Assumed Duty 15th May 2024
*Council Secretary: Assumed Duty 15th July 2024

PART B
PERFORMANCE INFORMATION

PERFORMANCE INFORMATION

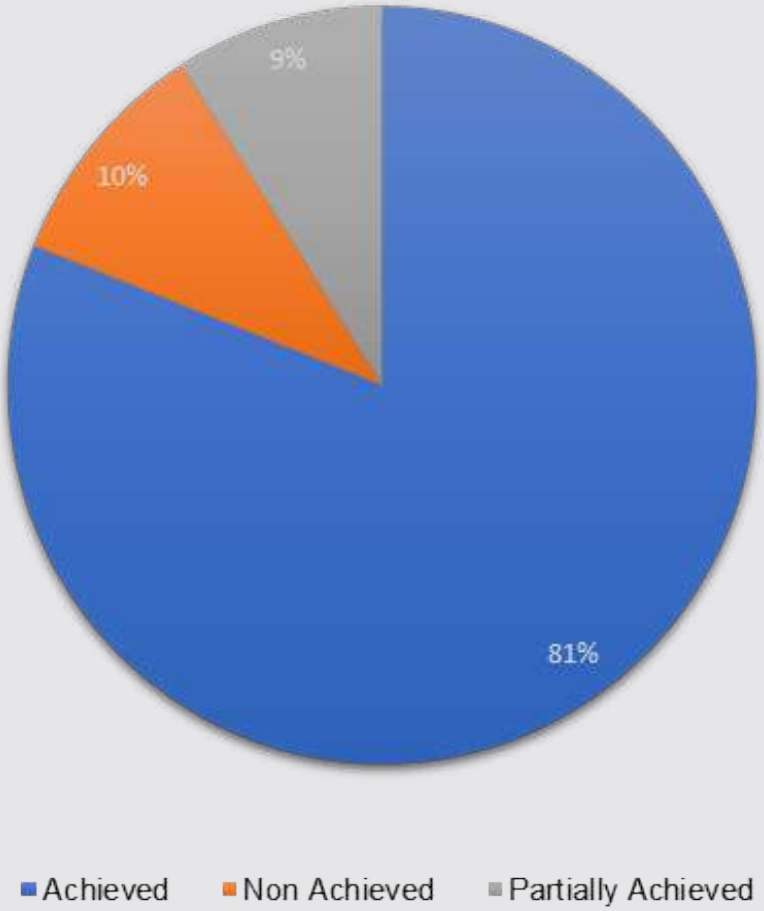
In the effort to improve the internal operations and fulfil the organisational external outcomes, in FY21/22 ECSA adopted the balanced scorecard strategy performance metrics and in FY22/23, the organisation achieved 63% overall performance.

The Engineering Council has met 81% of its organisational goals this year after implementing additional performance-enhancing measures such as better accountability, internal system and process revisions, and governance structure implementation. 10% of the targets were reported as unachieved, while 9% of the targets were only partially met.

As a result, the Council is dedicated to enhancing its systems and procedures to support a high-performance culture as it moves forward with its path of expansion and renewal.

The performance information is depicted in Figure 3 below:

Figure 3: 2023/2024 PERFORMANCE INFORMATION



1. PROGRAMME ONE

1.1 Assess & Accredit PSET In Engineering HEI & International Bodies

This programme serves to assist eligible Registered Persons with all educational requirements leading up to registration. This entails the endorsement and accreditation of engineering programmes, education evaluation of applicants with foreign or non-accredited local qualifications, and establishment and certification of training academies.

The endorsement of new engineering programmes, and accreditation of existing programmes, ensures that the quality of the programmes being offered to engineering students, and the competence acquired by graduates, can be benchmarked against similar qualifications globally. Graduates from accredited programmes have direct access to register as Candidates in related Categories.

Training Academies (TA) offer engineering graduates who have registered with ECSA as Candidates, the opportunity to enhance their practical engineering competency to ultimately meet ECSA's requirements to apply for professional registration.

Practice of the engineering profession in South Africa requires evidence of an appropriate level of education and practical experience, hence candidates with qualifications obtained outside South Africa, from Higher Education Institutions whose programmes have not been accredited by ECSA, or qualifications that are not recognised through the International Engineering Alliance Accords, are required to undergo certain evaluation processes, and adhere to specific criteria, before they are eligible to apply to register as a professional. These individuals must have their qualifications verified through the South African Qualifications Authority or Managed Integrity Evaluation (MIE) to locate same on the National Qualifications Authority (NQF)`. Subsequent to such a verification, the individual will then be subject to an Education Evaluation Process to determine substantial equivalence to the competency standards of an engineering qualification at the level determined through the NQF verification.

There are four (4) sub-programmes that fall under Programme 1:

- Endorsement of new Higher Education Institution engineering programmes
- Accreditation of engineering programmes offered at Higher Education Institutions
- Education Evaluation of foreign and non-accredited local engineering qualifications
- Certification of Training Academies and accreditation of their candidacy and mentoring programmes

The sub programmes seek to achieve the following:

Endorsement - HEIs planning to offer a new Engineering Programmes require formal ECSA endorsement before submission to the Council for Higher Education for its particular programme accreditation (not to be confused with the ECSA accreditation).

Accreditation - Formal ECSA recognition awarded to an Engineering Programme offered by a registered HEI through a rigorous cyclical quality assurance procedure that ensures it meets the criteria laid down for the type of programme.

Education Evaluation - A process to determine the equivalence of a non-accredited and/or foreign qualification to the standards of an ECSA accredited qualification as a first step towards an application for registration.

Training Academies - The formal certification of a public or private entity as an ECSA Training Academy and the accreditation of the candidacy training and mentoring programmes offered by the TA.`

As part of its statutory mandate, ECSA regulates, through policies, standards and operational processes, all matters related to engineering education and qualifications in the higher education context.

All four (4) sub-programmes listed above, address ECSA's obligation of providing services to external stakeholders that will ultimately lead to a sustainable pipeline of engineering practitioners and the professionalisation of the sector.

The external stakeholders in this context are Higher Education Institutions, and specifically the Engineering Faculties with programmes requiring ECSA accreditation, public and private organisations interested in being certified as Training Academies to offer Candidacy Mentoring and Training programmes, and individuals who have an interest in registering with ECSA but hold foreign and/or local non-accredited qualifications that do not provide direct access to applying to register as a professional.

1.2 Endorsement

The process of Endorsement entails a high-level professional assessment of a proposed engineering programme to determine whether it has the potential, in the fullness of time, to become an ECSA accredited qualification. After ECSA endorsement follows the CHE accreditation and SAQA registration of the programme on the National Qualifications Framework, whereafter the ECSA accreditation cycle commences.

There is no specific target set for this sub programme as ECSA cannot anticipate which HEIs will be submitting endorsement applications and for the number of higher education programmes.

It must be noted that there was a 50% growth in Endorsements granted from the previous financial year i.e. from twelve (12) programmes endorsed in 2022/2023 to eighteen (18) programmes in 2023/2024.

During the 2023-24 financial year, ECSA endorsed the following eighteen (18) programmes:

Table 1: Education Programmes Endorsed

NAME OF HE INSTITUTION	NUMBER OF PROGRAMMES	NAME OF ENGINEERING QUALIFICATION
Engineering College of Science and Technology	1	1. Bachelor in Engineering Technology in Industrial Automation Engineering
Durban University of Technology	5	1. Diploma in Engineering in Civil Engineering 2. Diploma in Engineering in Chemical Engineering 3. Diploma in Engineering in Electrical Engineering 4. Diploma in Engineering in Industrial Engineering 5. Diploma in Engineering in Mechanical Engineering
Tshwane University of Technology	3	1. Advanced Diploma in Civil Engineering 2. Bachelor of Engineering in Civil Engineering 3. Master of Engineering in Civil Engineering
Berea College of Technology	3	1. Higher Certificate in Engineering in Mechanical Engineering 2. Higher Certificate in Engineering in Chemical Engineering 3. Higher Certificate in Engineering in Electrical Engineering
Academic Institute of Excellence	2	1. Diploma in Engineering in Electrical Engineering in Renewable Energy Engineering 2. Diploma in Engineering in Mechatronic and Robotics Engineering
Mangosuthu University of Technology	2	1. Advanced Diploma in Electrical Power Engineering 2. Advanced Diploma in Electrical Engineering in Process Automation and Control
UNISA	1	1. Bachelor of Engineering Technology Honours in Civil Engineering in Transportation Engineering
Engineering College of Science and Technology	1	1. Bachelor of Engineering Technology in Mechanical Engineering

1.3 Accreditation

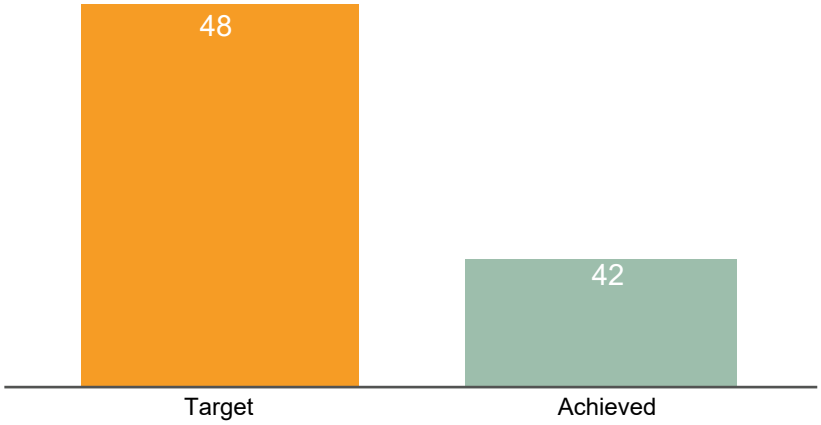
Accreditations were conducted through a rigorous peer-review and policy-directed process, and fell into one of four types of accreditation visit categories i.e. Provisional, Regular, Interim or Final accreditation visit. The target set for the 2023-24 financial year was 48 programmes to be accredited. Eighty-eight (88) percent of the target was achieved, i.e. 42 programmes were accredited.

The 12% underachievement can be largely attributed to visits that were cancelled due to the Education Committee (EC) approval of the temporary suspension of the accreditation of Post Graduate Diplomas in Engineering, and the Bachelor of Technology Honours programmes. This decision was taken after considering that neither of these qualification types at NQF level 8 makes provision for ECSA registration. The level 8 qualifications can only allow for ECSA registration if a Professional Master's Degree has also been completed with success. Going forward, ECSA will therefore accredit a suite of qualifications, one at NQF level 8 and the other at NQF level 9, providing to the graduate from both qualifications the option to apply for registration in the Candidate Professional Engineer Category. The programme suspension took effect in Quarter three (3) of the fiscal.

Table 2: Number of Programmes Accredited

NAME OF HIGHER EDUCATION INSTITUTION	NUMBER OF PROGRAMMES ACCREDITED
University of South Africa	8
University of Zululand	2
University of Johannesburg	1
University of Stellenbosch	6
Walter Sisulu University	8
Vaal University of Technology	14
Cape Peninsula University of Technology	3

Figure 4: Number of Programmes Accredited vs Annual Target



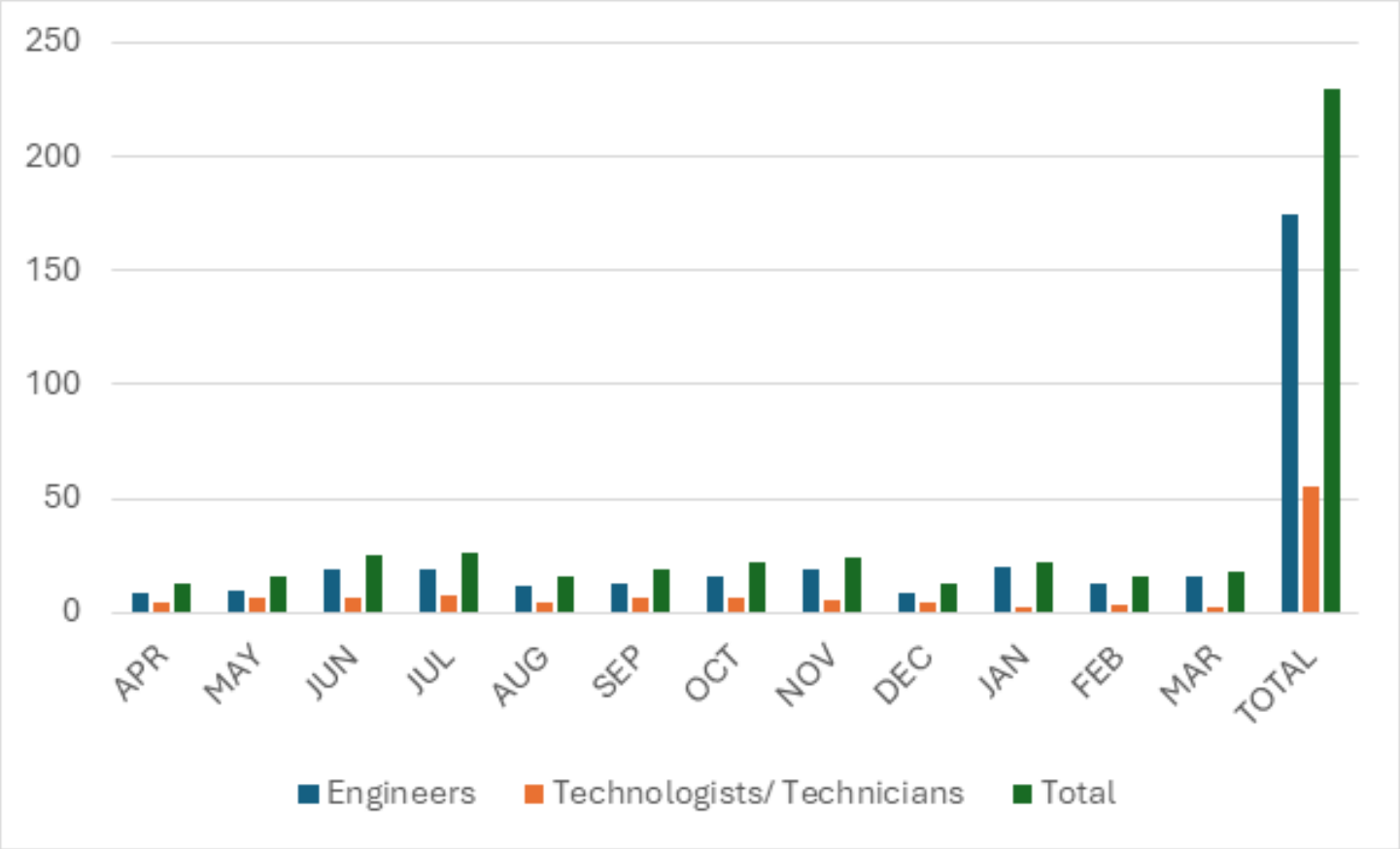
1.4 Education Evaluation

Individuals seeking registration with ECSA as engineering practitioners while they are in possession of non-accredited local or foreign engineering qualification(s), or those not recognised by ECSA through the International Engineering Alliance (IEA) accords, that is, the Washington Accord, Dublin Accord and Sydney Accord, may request ECSA to evaluate such qualification(s) so as to determine substantial equivalence to determine eligibility towards application for registration with ECSA in one of its Categories.

There is no specific target set for this subprogramme as ECSA cannot anticipate how many applications for Education Evaluation will be submitted.

It must be noted that there was a 15% growth in Education Evaluation applications processed from the previous financial year i.e. from two hundred (200) applications processed in 2022/2023 to two hundred and thirty (230) in 2023/2024, this is depicted in Figure 4 below.

Figure 5: Education Evaluation Applications Processed



1.5 Training Academies

Flowing from its mandate, ECSA aims to take active steps to reduce the number of engineering graduates being lost to the engineering skills pipeline, and to promote the conversion rate from candidacy to professional status in all of the Council-approved Categories of registration. One of the initiatives to achieve this is the establishment and certification of ECSA Training Academies, and concomitant accreditation of appropriate high quality structured Candidacy Training and Mentoring programmes.

The Certification of a Training Academy is directly associated with substantiated proof of the ability of a public or private entity to offer high quality structured engineering Candidacy Mentoring and Training programmes, which will train and prepare Candidate Engineers along their journey towards Professional Registration.

Ultimately, the certification award of Training Academies aims to grow the number of entities that are well-equipped and capacitated to train Engineering Candidates in the Council-approved Categories and ECSA approved Disciplines, and thereby enhance conversion rates of candidacy to professional status. If this initiative grows exponentially, it will add great benefit to growing the critical engineering skills pipeline and professionalising the engineering sector to alleviate the scarcity and/or critical shortages of the various engineering skills in the country.

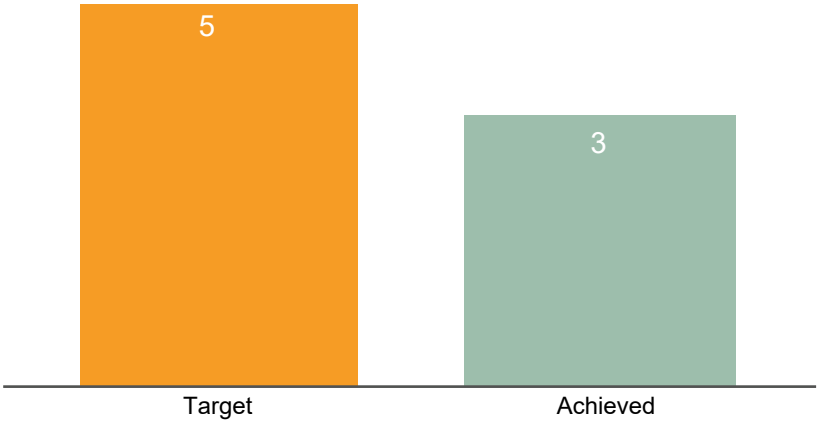
The target set for the 2023-24 financial year was the certification of five (5) workplace academies and two (2) HEI academies.

Sixty (60) percent of the workplace academies target was achieved, i.e. 3 entities were certified as training academies.

One of the challenges that are hindering the growth of the training academies, is the cost involved with certification, and with candidacy programme accreditation. There is extensive interest from the sector, evident in the number of MoUs signed with ECSA, but an evident lack of funding to pursue certification. The 40% underachievement is directly attributed to this challenge.

The Higher Education Institution academies is a fairly new initiative. The team spent time over the year engaging with some HEIs on what certification would mean. The cost was also a hindrance in this instance which led to no HEIs being certified in this financial year.

Figure 6: Number of Workplace Training Academies Certified



Strategies to improve efficiencies

Experience has shown that in some areas, under-performance is related to unforeseen circumstances e.g. necessary decisions taken by High Impact Committees of Council.

However, the following mitigating plans have been put into motion to avoid similar under achievement in the 2024/2025 financial year.

- The Training Academy cost model for certification and programme accreditation is being reviewed as a priority. The reduction in the associated costs for these two processes, together with a robust marketing plan, should increase opportunities for attaining growth within this subprogramme.
- Accreditation related decisions which affect the annual targets will be considered more carefully, and as far as is possible, be presented to the High Impact Committee before the mid-year review of the budget.

2. PROGRAMME TWO

2.1 Assess And Register Competent Engineering Candidates And Professionals

The EPA empowers Council to consider and decide on any application for registration as well as to enter into an agreement with any person or body of persons, within or outside of the Republic, regarding the recognition of any examination or qualification for the purposes of the Act.

Council may take any measures it considers necessary for the proper performance and exercise of its functions, duties, or powers to achieve its objectives in terms of the EPA. In this regard, Council must register an applicant in the relevant category and issue a registration certificate to the successful applicant if, after consideration of the application, Council is satisfied that, inter alia, the applicant has demonstrated competence as measured against standards determined by Council.

The purpose of this programme is to grow the database of Registered Persons and to build a more sustainable engineering pipeline for the country. This programme consists of three (3) sub-programmes namely:

- Graduate attraction to ECSA: Engineering graduates who register as Candidates within 12-months of graduating.
- Candidate registration: Persons who register with ECSA 12 months+ after graduating, or those who come through the alternative route and education evaluation.
- Conversion rate: The number of persons who register with ECSA in a professional category per annum.

The objectives of all three (3) sub-programmes listed above relates closely to growing the database of registered persons. Ultimately the country needs professionals in all categories to enhance the maintenance and sustainability of South Africa's infrastructure, but the growth of Candidate numbers are also important to ensure a skills pipeline-in-training towards professional registration.

Also important to note is that the growth of professionals also ensures a sustainable pipeline of panel members who can undertake the peer review processes related to the accreditation of HEI programmes and the registration of new professionals in all categories.

2.1.1 Registrations Vs Number of Persons in the database

While ECSA recognised 50 745 people registered with the Council by 31 March 2024, it is important to note that a person can have more than one category of registration. The number of registrations at the end of the same period, was 57 696. The figures below depict the total number of registrations in the candidate, professional and specified categories.

26459
Number of Candidate Registrations

Figure 7: Number of Candidate Registrations In the Database by 31 March 2024

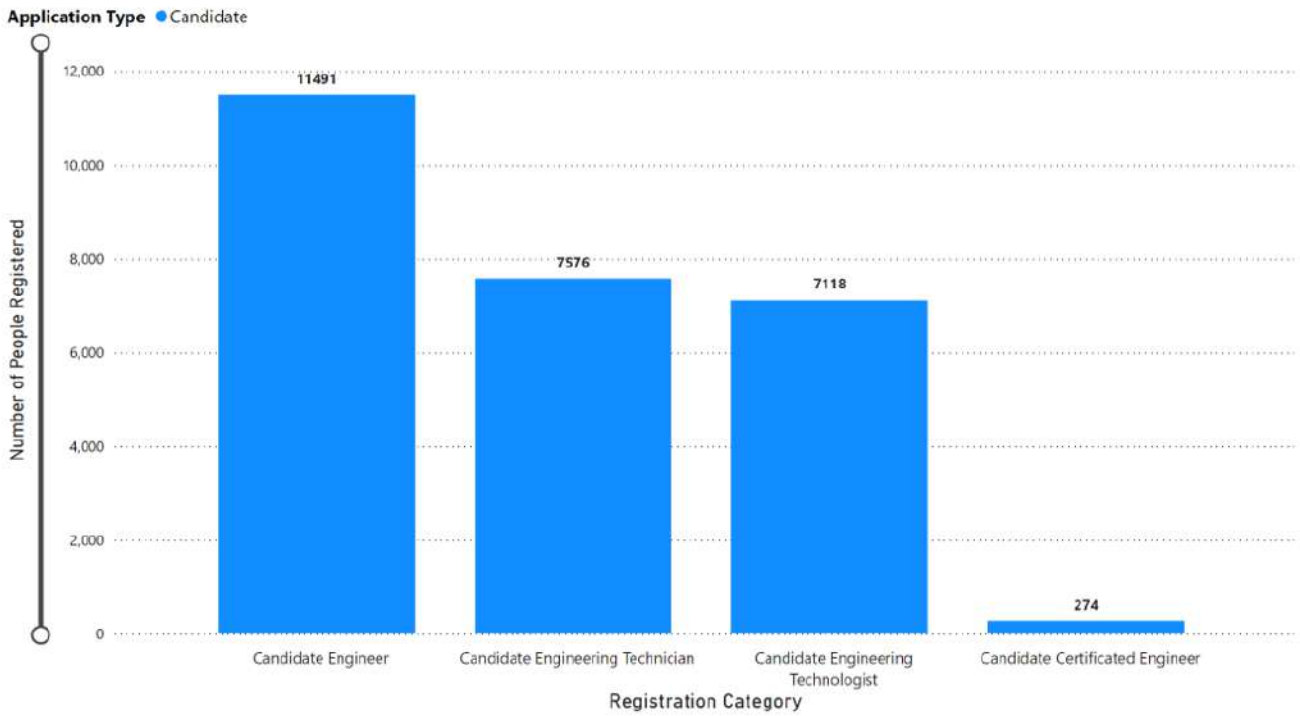


Figure 6 above is a depiction of the total number of registrations in Candidate categories according to the ECSA database at end of March 2024. Of the 57 696 persons registered in total, 26 459 are registered as Candidates in the various Council-approved Categories.

For the reporting period 29247 professional registered persons were in the database in the different Council-Approved Categories as per the Figure 7 below.

29247
Number of Professional Registrations

Figure 8: Number of Professionals Registrations In the Database by 31 March 2024

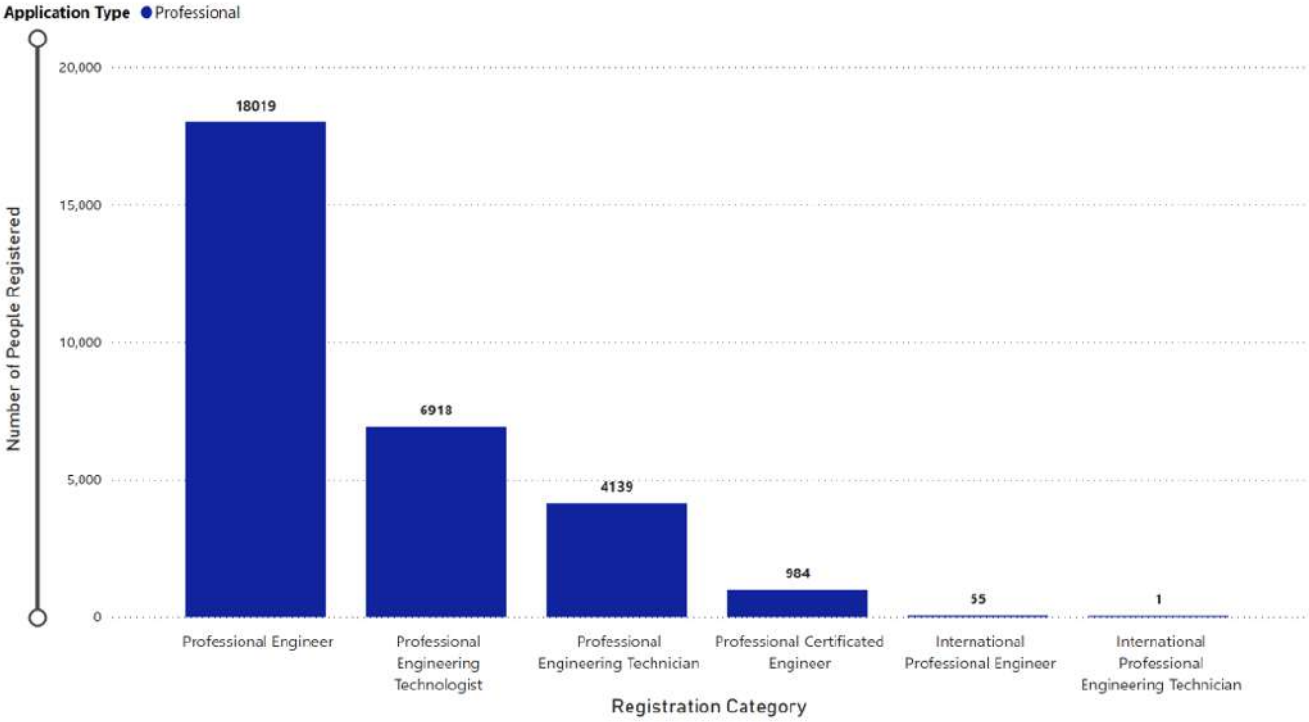
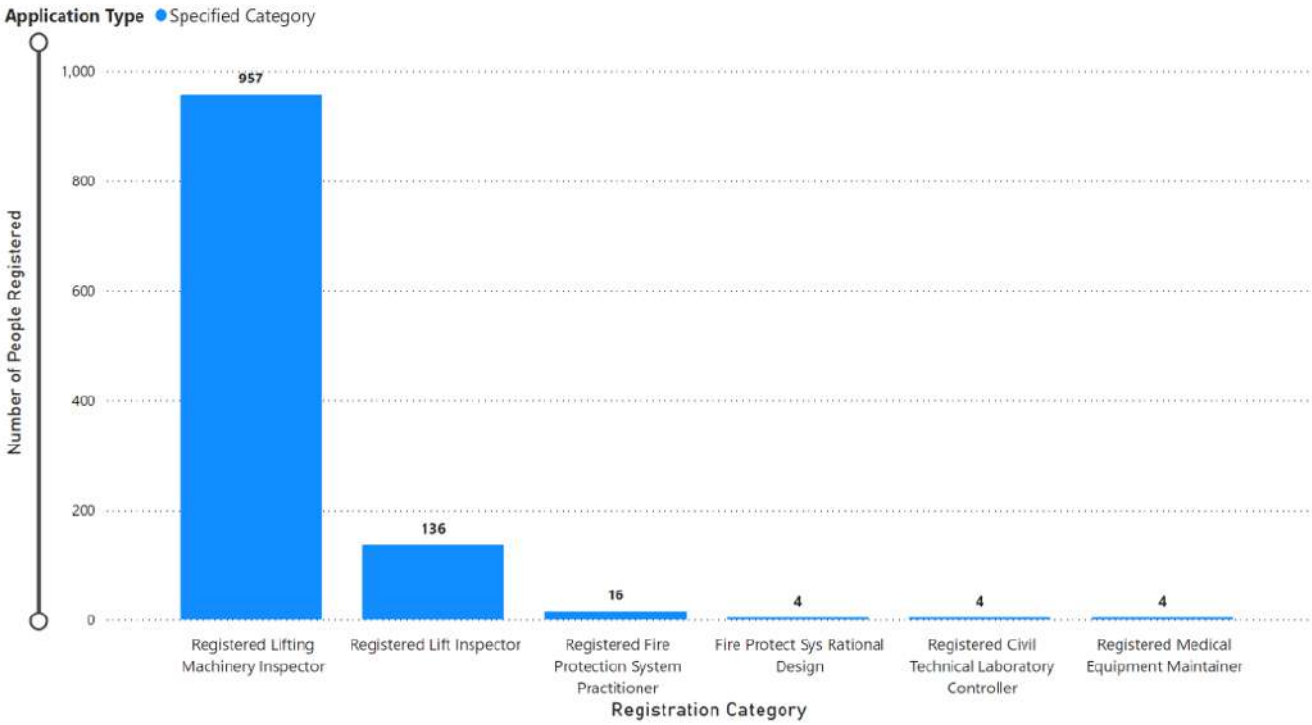


Figure 8 below indicates the number of persons registered in the Specified Categories, with the Lifting Machinery Inspector numbers having climbed to above 950 in total:

1121
Number of Registrations in Specified Categories

Figure 9: Number of Registrations for Specified Category in the Database by 31 March 2024



It is important to understand that ECSA automatically cancels the registration status of persons who had not paid annual fees for a period of two consecutive financial years, at the end of March of a fiscal. This practice will change during the 2024/25 financial year with the Policy on Cancellations, Reinstatements and Associated Fees currently in revision. ECSA will no longer allow for persons to build up an arrear account going forward.

In view of the above and in the spirit of full transparency, ECSA had to cancel the registration status of 4 279 persons from the database at the end of March 2023. Cancellation of registered status due to non-payment of annual fees is a challenge related to the economic uncertainties continuing to plague our country, the exodus of engineers to other countries, and a lack of employment opportunities for both Candidate and Professionals who practice engineering. Due to the efforts by the organisation, a substantial number of these persons whose registration status was cancelled at the end of March 2023, paid their annual fees within 60 days after cancellation and was reinstated to their previous status.

One of the initiatives implemented during the fiscal was the Council-approved reinstatement project. Through this project, persons whose registration status was cancelled since the 2019/2020 fiscal, could apply to ECSA for reinstatement without the necessity to follow the reregistration process. Council approved the further request for the arrear amount of Candidates who requested reinstatement, to be cleared and for these Candidates to only pay the prorated annual fee for 2023/24.

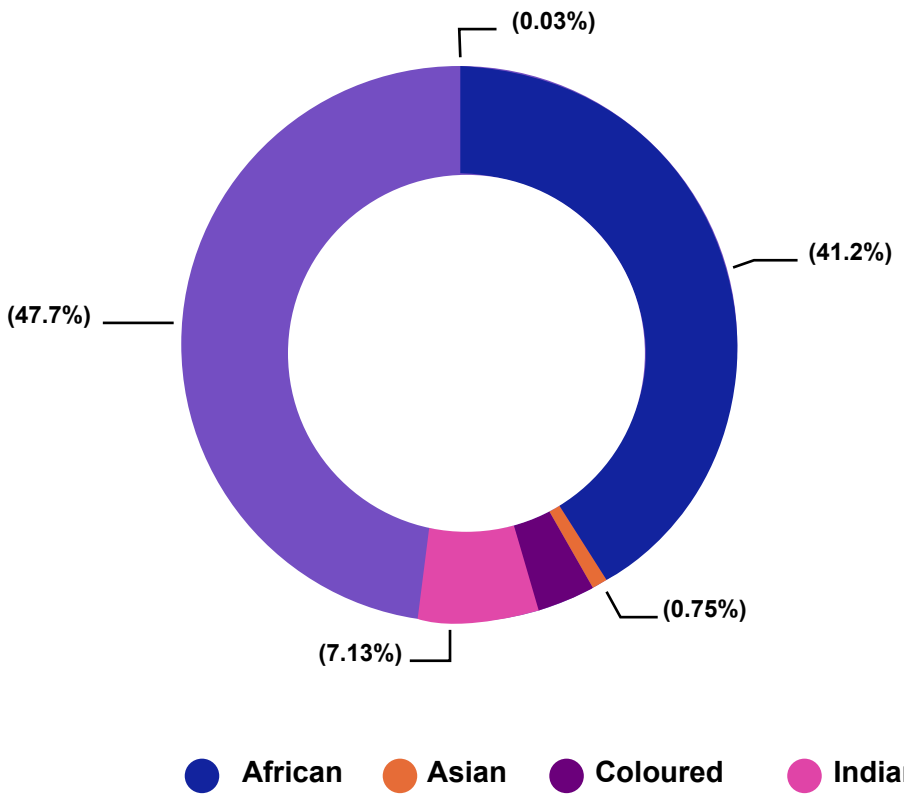
Professionals requesting reinstatement through this project, still had to pay their arrear fees before the reinstatement could be affected. The number of persons reinstated through the project during the 2023/24 fiscal, came to 500 Candidates and 278 Professionals.

The reinstatement project will still be in affect during the 2023/24 fiscal year and will be concluded by the end of November 2024. ECSA took a decision to extend the opportunity for reinstatement so as to allow for reinstatement before the implementation date of the IDoEW regulations, which is the 1st of April 2025. From this date onwards, registration with the Council will be mandatory to persons who perform engineering work within the borders of South Africa.

The remainder of this report is indicative of the demographical spread of Candidates and Professionals registered with ECSA.

At the end of the 2023/24 fiscal, Africans accounted for 41,2% of persons in the database, White persons for 47,7%, and the remaining 12% a split between the other races. At the end of the fiscal, the database did not yet reflect the demographics of the country, but Africans who registered with ECSA over the 12-month period, grew by 3 393 persons while the database recorded negative growth in the number of White persons. The database still reflected a low number of females registered with ECSA, but there was still notable growth in that by the end of the 2022/23 fiscal females accounted for 14,23% of the database, while by the end of 2023/24, the numbers had grown to account for 15,82% of the registered persons. The figure 9 below depicts these numbers:

Figure 10: People Registered by Race

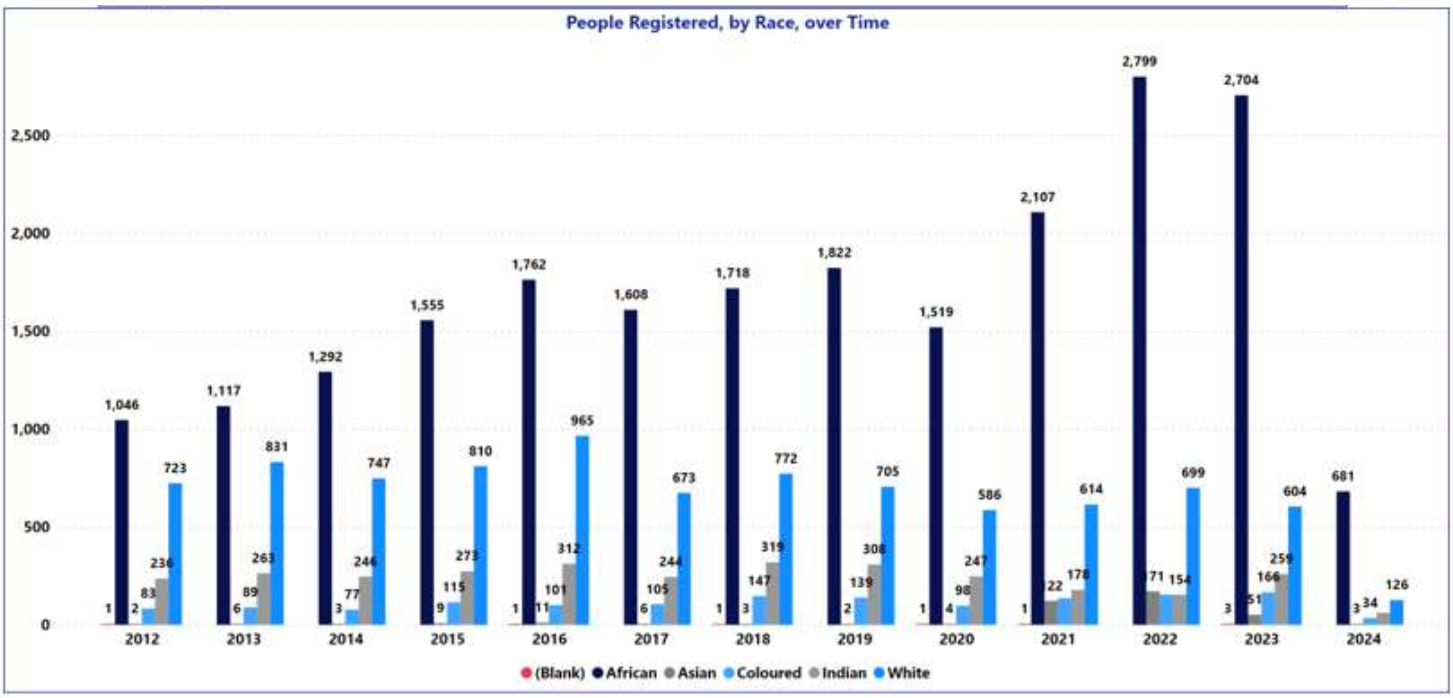


RACE	#
	17
African	20,844
Asian	377
Coloured	1,609
Indian	3,608
White	24,133
Total	**50,588**

A strong sign of transformation is evident when the data is further analysed. From Figure 10 below it is evident that over the past 10 years, the numbers of registered African persons had been rising steadily . This is also indicative of the higher numbers of African students graduating from HEIs and the transformation that is occurring in the higher education sector .

50 588
Number of
Total Registrations

Figure 11: Number of Total Registrations by Race in The Database by 31 March 2024

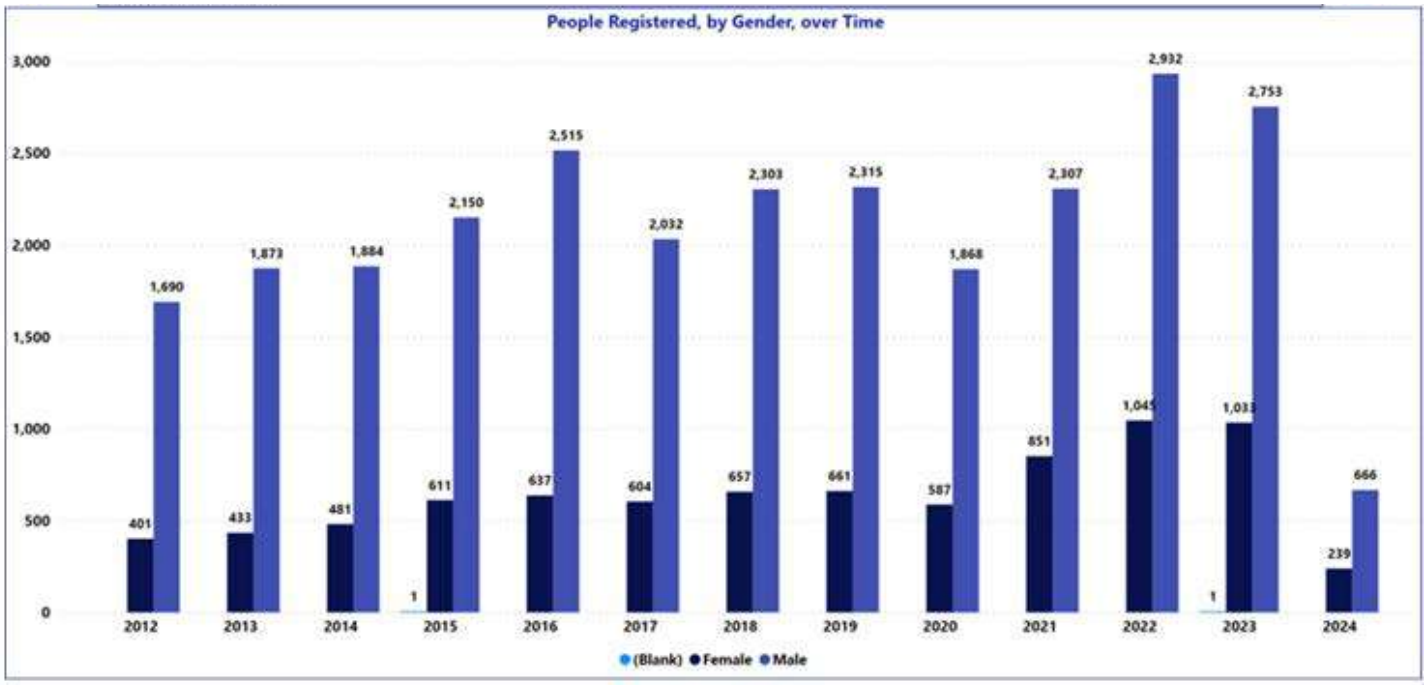


Note: The graph for 2024 only shows data from January to the end of March.

The Figure 11 below illustrates that males are still dominating the ECSA database in terms of numbers, but at the same time, the number of females is steadily increasing. ECSA has been engaging with a number of Voluntary Associations and with Knowledge Mentoring 4 Success and their highly successful Woman in the Built Environment (WITBE) project, on initiatives to boost the attraction of females to the Engineering profession. At present there are 8002 females registered with ECSA, which is a significant increase from the 6 883 who were registered across the different Categories by the end of the 2022/23 financial year.

50 588
Number of
Total Registrations

Figure 12: Total Registrations by Gender in the Database By 31 March 2024



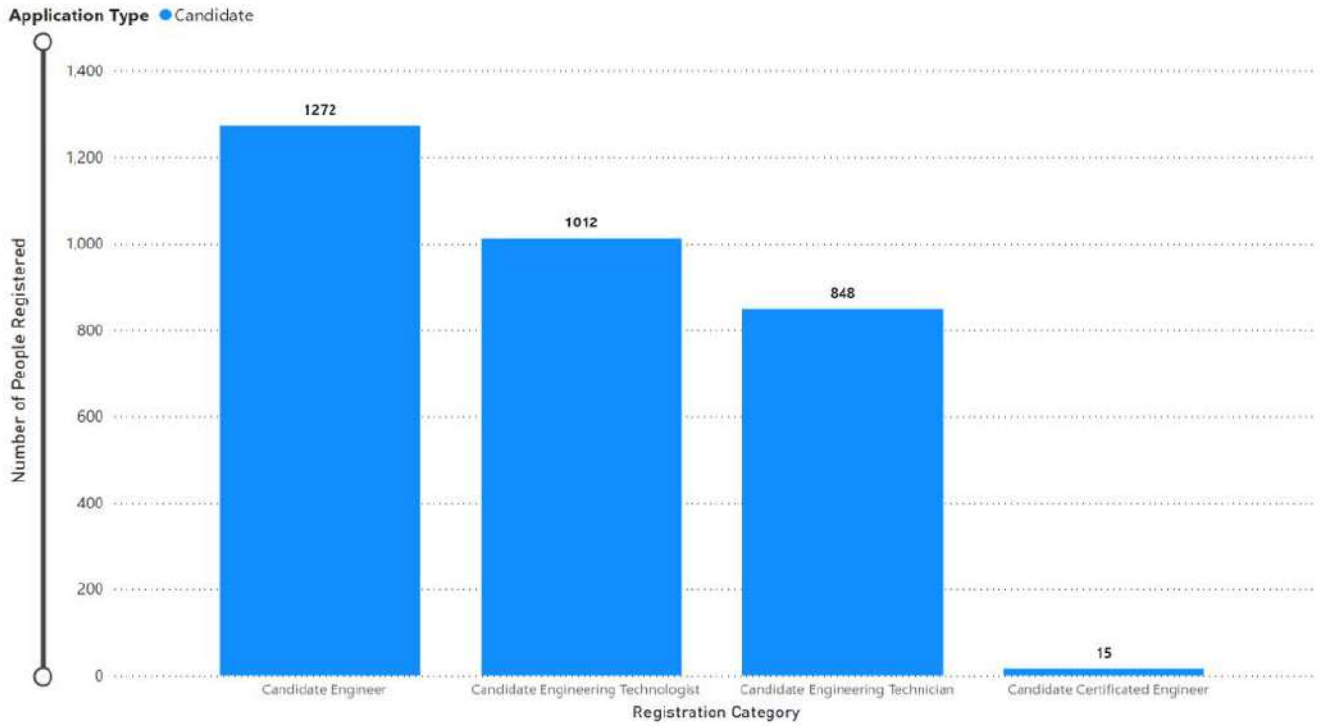
Note: The graph for 2024 only shows data from January to the end of March.

2.2 Candidate Registrations: Number of New Candidates in the Database

Of the total number of Candidates registered in 2023/24, 3 417 are new candidate registrations.

3147
Number of New Candidate Registrations

Figure 13: New Candidate Registrations In The Database By 31 March 2024

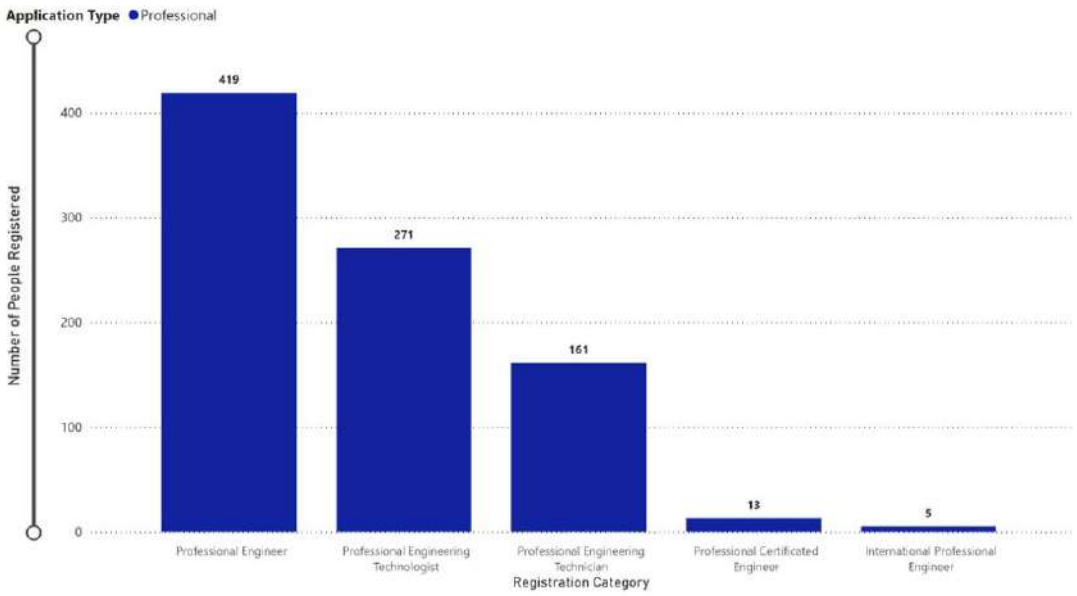


2.3 New Professionals Registered During the 2023/24 Fiscal Year

During the fiscal, a total of 888 new registrations were recorded in the database of registered persons. A total number of 869 new registrations in Professional Categories and 19 new registrations in Specified Categories indicated competence through the Registration Peer Review Process and were registered with ECSA. These numbers are depicted in the figures below

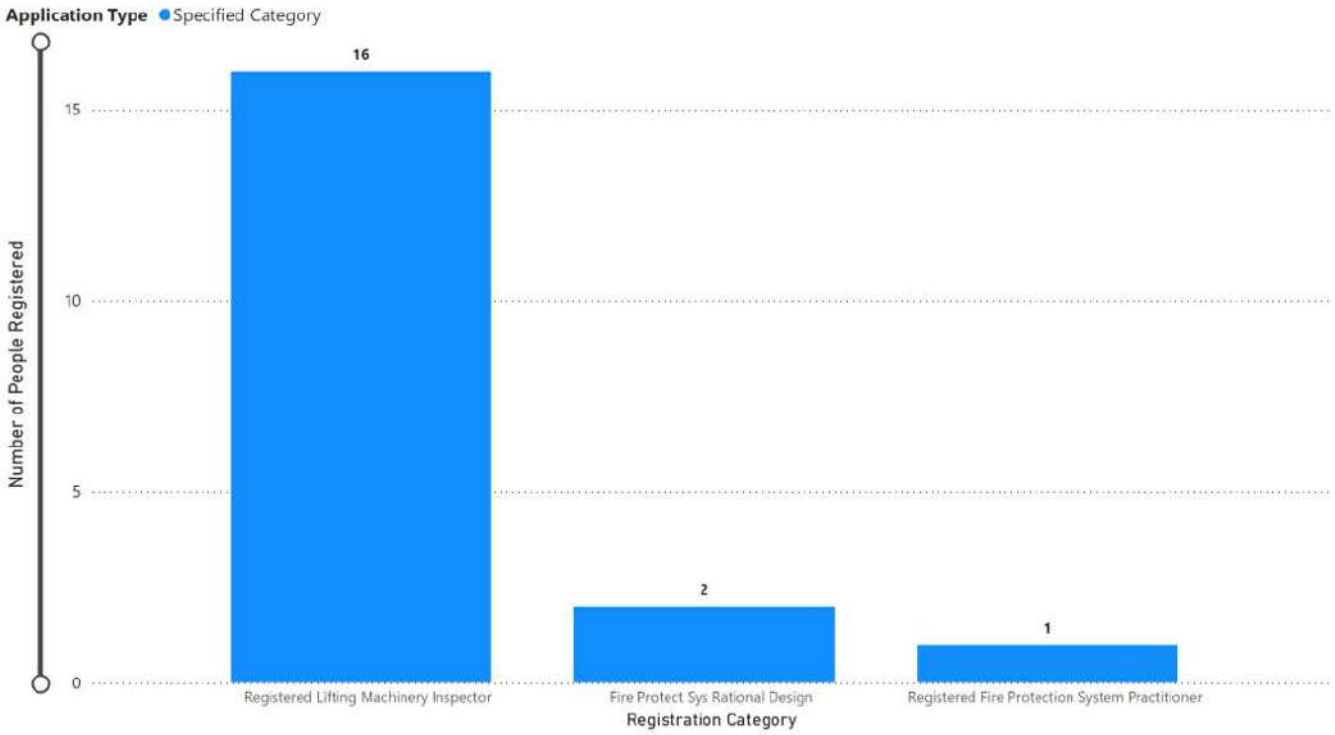
869
Number of New Professional Registrations

Figure 14: New Professional Registrations In the Database by 31 March 2024



19
Number of New Registrations in Specied Category

Figure 15: New Registrations Specified Categories In the Database by 31 March 2024



Strategies To Improve Efficiencies

One of the usual the organisation experiences year-on-year, is the low number of available virtual panel members in the smaller disciplines (Aeronautical, Agricultural, Mining, Industrial and Metallurgy). During this financial year, ECSA initiated closer collaboration with the relevant Voluntary Associations to increase the pools of assessors and reviewers to process these applications. This initiative has been bearing fruit and the numbers have mostly been sufficient to address the challenge throughout the year. A number of the Specified Categories present with the same issue, and related VAs have also been requested to assist ECSA to build its assessor pools.

This was the last year that the December Office Shutdown from 15 December to 15 January, and the unavailability of assessors and reviewers over the same period, would have affected the 4-month turnaround time for professional applications. ECSA implemented its first application cycle calendar in January 2024, with a clear window of opportunity for applicants to submit their documentation for review. The calendar makes provision for two application windows (January to end February; 15 June to 15 August), ensuring that application outcomes are available respectively in June and in December. The response from the sector on the first applications window had been heartening, with a total of 968 applications received and vetted. 792 were subsequently captured as administratively complete. Those applicants whose applications were not complete, were sent communication to close gaps on outstanding information. As no outcomes or applications will be accepted during the December holiday period, the 4-month turnaround time for the process can be honoured.

While ECSA has embarked on the process of automating the registration process through the system renovation project with an external collaborative development partner, during the 2023/24 financial year applications were still captured manually. This placed exceptional strain on the capacity within the Registration Business Unit. ECSA developed and launched the Candidate Applications Portal in September 2023, of the 3147 Candidates approved, 1725 were received through the portal.

The last challenge that was addressed, related to necessary changes to the registration process and policy, specifically the number of assessors, reviewers and moderators that had been required for a single application. The original number of registered persons required to process an application and provide for a registration outcome, was decreased from eleven (11) to eight (8), which assists with the logistical arrangements to ensure that an applicant can receive an outcome within the 4-month turnaround period.

3. PROGRAMME THREE

3.1 Regulate, Verify And Validate

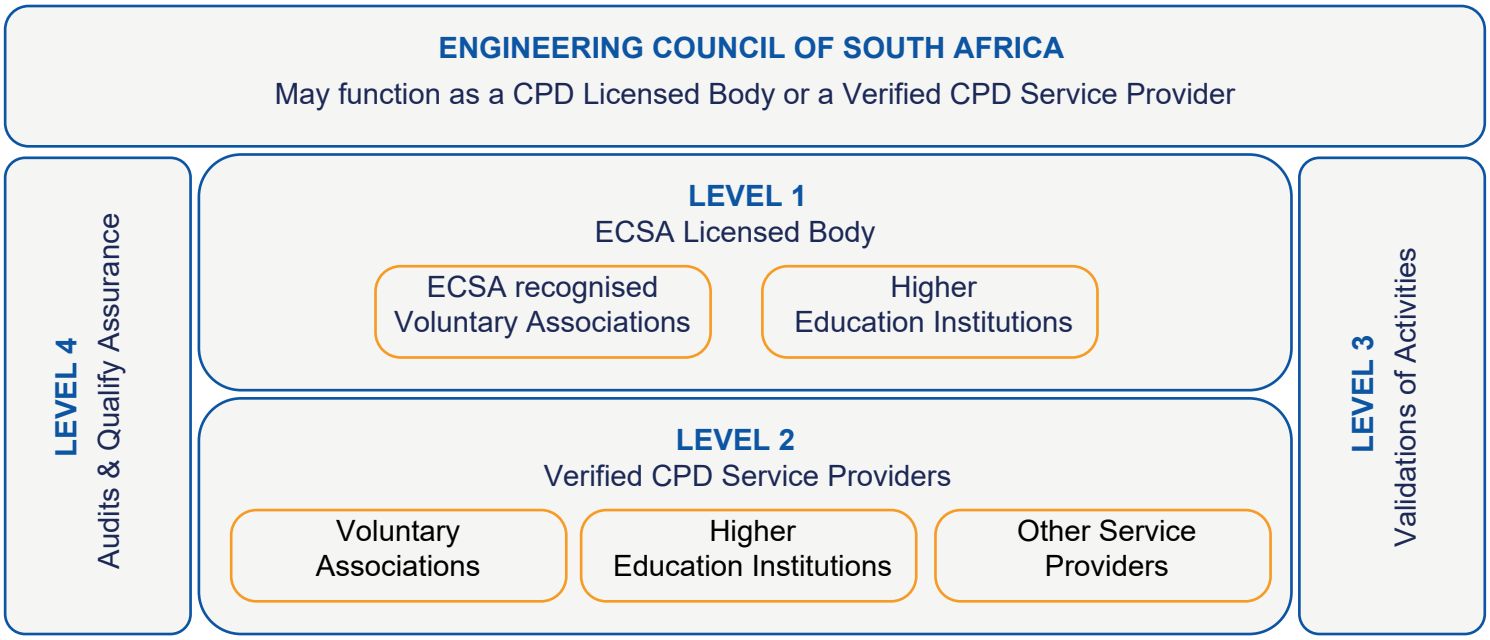
Since 2006, ECSA continues to monitor implementation and professional compliance to the CPD Framework in accordance with the EPA (No. 46 of 2000), and through the Rules related to CPD and Renewal of Registration (gazetted in May 2017), as well as the CPD Standard that was implemented in 2021.

ECSA is designated as the sole custodian of CPD in the Standard, with other key role players such as Voluntary Associations, Higher Education Institutions, and CPD Service Providers performing critical functions that are delegated and monitored by ECSA. The purpose of the CPD Standard is to provide additional clarification on the implementation of the CPD provisions in the EPA and the CPD Rules.

Conceptual Structure of Continuing Professional Development

Figure 15 below shows the conceptual framework of CPD in terms of the CPD Rules and also illustrates the various levels and criteria, as well as the roles and responsibilities of the abovementioned key stakeholders.

Figure 16: The Conceptual framework of CPD in terms of the Rules



The purpose of this programme is regulate continuing professional development of the practicing engineering professional through compliance with registration requirements as per the Engineering Profession Act.

This programme consists of two (2) sub-programmes:

- Annual CPD compliance by registered persons.
- Engaged and leveraged upstream stakeholders (CPD Licensing bodies, VAs, CPD Service Providers).

The purpose of the CPD Rules and Standard is to (i) ensure a high compliance rate by the practicing engineering professional, (ii) establishing an environment that will support the compliance of the registered engineering professional.

3.1.1 **Sub-programme: Annual CPD compliance by registered persons**

The five-year cycle of each registered person registered in the professional and specified categories commences on the anniversary date on which such a registered person initially became registered with the Council. This date appears on the registered person's certificate of registration, which also constitutes the expiration or expiry of his or her registration.

The Council must notify the registered person at least five (5) months prior to the relevant expiry date of their registration, as the registered person is required in terms of these CPD Rules to apply for their renewal of registration at least three (3) months prior to the expiry date.

The following are the three fundamental rules of the CPD system that each registered person must comply with to qualify for the registration renewal.

- During each five-year cycle, every registered person must accumulate a minimum of twenty-five (25) credits to qualify for the renewal of registration.
- CPD credits must be obtained in at least two of the three categories listed over the five-year cycle. A minimum total of three (3) CPD credits must be obtained across any two of the three CPD categories per year.
- The registered person must accumulate at least five (5) credits per five-year cycle from Category 1(a) Developmental Activities.
- Every registered person must ensure that Category 1(a)activities attended are validated in accordance with the ECSA requirements for validated activities. Activities that do not meet the Category 1 (a) requirements will not be recognised by ECSA. The types of activities that constitute CPD are described in the CPD Rules.

In comparison to the previous financial year, the annual renewal rate for 2023-24 is significantly higher. It is important to note that completed renewals and thus the annual renewal rate, is cumulative in nature, meaning the renewal rate increases daily and annually as ECSA administration continues to process and finalise the renewal submissions received from previous years and cycles for the registered persons who are due for renewal. The increase year-on-year is a first for ECSA and can be ascribed to the revised processes brought to bear on the renewal of registration for registered persons. The planned enhancements on the ECSA CRM system through the Systems Renovation Project should see the maintenance if not improvements to this key metric for ECSA. In addition, ECSA will be addressing the matter in the upcoming financial year, project and communicating on the need for stricter discipline throughout the profession in regard to CPD compliance, especially with the Identification of Engineering Work Regulations enforcement date of April 2025 looming.

Table 3: Annual Renewal of Registration

	RENEWALS DUE	RENEWALS OUTSTANDING	RENEWAL NUMBER	RENEWAL RATE	TARGET (2023-2024)	ACTUAL ACHIEVED
2022 - 2023	3784	2184	1600	42.28%	50 - 55%	62.26%
2023 - 2024	3980	1502	2478	62.26%		

3.1.2 **Auditing of Registered Persons For CPD Compliance**

In accordance with Section 11 of the Rules on CPD, ECSA performs random audits to assess whether the registered person fulfils the requirements of these Rules. These audits include all CPD records for the renewed registered individual during a specified renewal cycle.

In each quarter of a financial year, ECSA randomly selects 25% of registered individuals in different categories who meet the criteria for renewal of registration during each quarter of the financial year. These registered persons are informed of the audit and are requested to provide documentary proof of all CPD activities completed during the five-year cycle within four weeks of the official communiqué.

For the reporting period 76% of the 100 persons audited were found to be compliant, with 26% having difficulty supplying all the relevant documentation as proof of their compliance.

ECSA is currently auditing registered persons who finalised their renewals during the 2023-24 financial year, and thus far for quarters 1, 2 and 3, the documentation of 21 (28%) out of 75 registered persons are still outstanding. For quarters 3 and 4, the request for documentation will be sent out in quarter 1 of 2024-25.

3.1.3 **Engaged and leveraged upstream stakeholders (CPD Licensing Bodies (LBs), Recognised Voluntary Associations(VAs) , Verified CPD Service Providers(SPs)**

Recognition of Licensed Bodies

ECSA recognises CPD Licensed Bodies and delegates to these Bodies the power to verify CPD Service Providers, and validate CPD Category 1(a). These Licensed Bodies ensure that the quality of CPD Activities is of an appropriate scope and standard for the target audience (registered persons) in terms of engineering discipline and category.

3.1 Regulate, Verify And Validate (Continued)

Table 4: CPD and VA Stakeholder Engagement (Recognition of Licensed Bodies)

TOTAL CPD STAKEHOLDERS (VAS & HEIS)		VERIFIED CPD SERVICE PROVIDERS		TARGET (2023-2024)	ACTUAL ACHIEVED
VAs	52	VA	36	1	3
HEIs	8	HEI	8		
TOTAL	**60**	**44**			

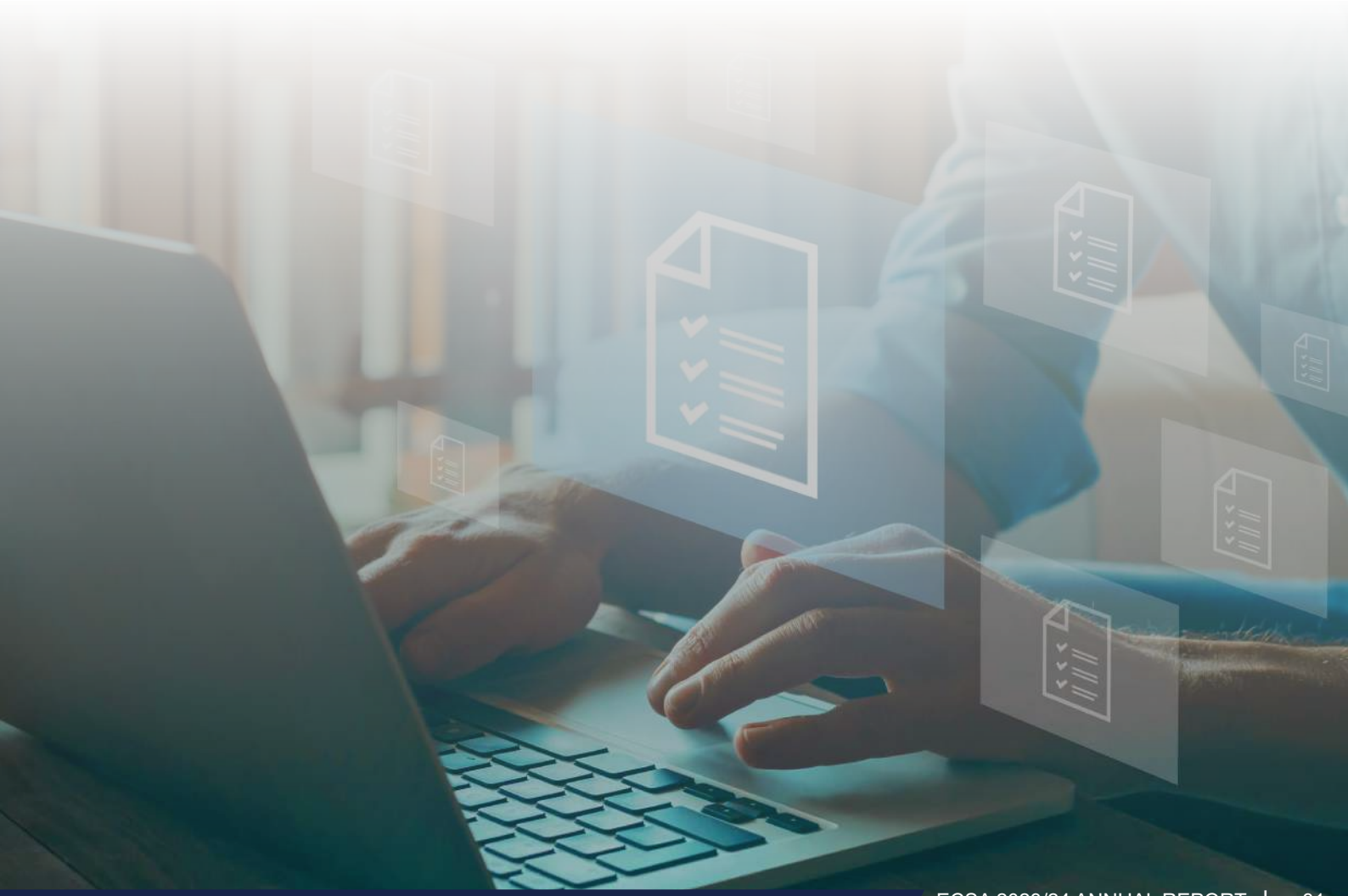


Table 5: Recognised License Bodies

RECOGNISED LICENSED BODIES WHICH WERE AUDITED AND RENEWED DURING THIS FINANCIAL YEAR:
1. Aeronautical Society of South Africa (AeSSA)
2. Chamber of Engineering Technology (COET)
3. Finance and Asset Management Consultants (FAMC)
4. Institute of Professional Engineering Technologists (IPET)
5. Institution of Municipal Engineering of Southern Africa (IMESA)
6. Lift Professional Development Association (LPDA)
7. North-West University (NWU) – new recognition
8. Society for Automation, Instrumentation, Mechatronics and (Industrial) Computer Engineering (SAIMC – NPC)
9. South African Flameproof Association (SAFA)
10. South African Fluid Power Association (SAFPA)
11. The South African Institute of Agricultural Engineers (SAIAE)
12. South African Institute of Electrical Engineers (SAIEE)
13. South African Institution of Chemical Engineers (SAIChE)
14. South African Road Federation (SARF)
15. Southern African Asset Management Association (SAAMA)
16. Southern African Institute for Industrial Engineering (SAIIE)
17. Southern African Society for Trenchless Technology (SASTT)
18. Stellenbosch University (SU)
19. The DaVinci Institute for Technology Management (DaVinci) – new recognition
20. The Institution of Certificated Mechanical and Electrical Engineers, South Africa (ICMEESA)
21. The South African Institution of Civil Engineering (SAICE)
22. The South African Institution of Mechanical Engineering (SAIMechE)
23. The Southern African Institute of Mining and Metallurgy (SAIMM)
24. Tshwane University of Technology (TUT) – new recognition
25. University of Cape Town (UCT)
26. University of Johannesburg (UJ)
27. University of Pretoria (UP)

The complete list of recognised Licensed bodies can be found at the following link:
https://www.ecsa.co.za/cpd/MaintainReg/LB%20Recognition%20list_website%20publication_6.pdf

Verified CPD Service Providers

Verified CPD Service Providers comprise of HEIs, ECSA - recognised VAs, private providers and any private educational institution approved by Council to offer appropriate learning and development in respect of the requirements for Category 1(a).

Licensed bodies cannot verify themselves as CPD Service Providers and need to apply to ECSA for verification.

CPD Service Providers are accountable for delivering validated CPD Activities and are the only authority that can apply to a recognised Licensed Body for validation of CPD Activities. The status of a verified CPD Service Provider is not transferable to a third party; the CPD Service Provider remains accountable for delivering the validated activities

Table 6: CPD and VA Stakeholder Engagement (Verified CPD Service Providers)

TOTAL CPD STAKEHOLDERS (VAS & HEIS)		VERIFIED CPD SERVICE PROVIDERS		TARGET 2023-2024	ACTUAL ACHIEVED
VAs	52	VA	36	41	43
HEIs	8	HEI	7		
TOTAL	**60**	**43**			

Table 7: Verified CPD Service Providers

CPD SERVICE PROVIDERS VERIFIED DURING THIS FINANCIAL YEAR
1. Aeronautical Society of South Africa (AeSSA)
2. Chamber of Engineering Technology (COET)
3. Finance and Asset Management Consultants (FAMC)
4. Institute of Quarrying Southern Africa (IQSA)
5. Institute of Timber Construction South Africa (ITC-SA)
6. The Institution of Certificated Mechanical and Electrical Engineers, South Africa (ICMEES)
7. Society of Automation, Instrumentation, Mechatronics and Control (SAIMC)
8. South African Flameproof Association (SAFA)
9. South African Institute of Draughting (SAID)
10. Southern African Institute for Industrial Engineers (SAIIE)
11. Stellenbosch University (SU)
12. University of Cape Town (UCT)
13. Association of Municipal Electricity Utilities (AMEU)

Table 7: Verified CPD Service Provider (Continued)

CPD SERVICE PROVIDER VERIFIED DURING THIS FINANCIAL YEAR
14. The Chamber of Engineering Technology (CET)
15. The Institute of Professional Engineering Technologists (IPET)
16. The South African Institute of Refrigeration and Airconditioning (SAIRAC)
17. The Southern African Institute of Mining and Metallurgy (SAIMM)
18. Clinical Engineering Association of South Africa (CEASA)
19. Consulting Engineers South Africa (CESA)
20. Institution of Municipal Engineering of Southern Africa (IMESA)
21. Institution of Railway Signal Engineers, Southern Africa Section (IRSE)
22. Society For Asphalt Technology (SAT)
23. Southern African Institute for Industrial Engineers (SAIIE)
24. South African Institute of Marine Engineers and Naval Architects (SAIMENA)
25. Southern African Institute of Welding (SAIW)
26. South African Institution of Chemical Engineers (SAICHE)
27. The South African Institution of Civil Engineering (SAICE)
28. South African National Committee on Large Dams (SANCOLD)
29. Southern African Asset Management Association (SAAMA)
30. Southern African Society for Trenchless Technology (SASTT)
31. The South African Institution of Mechanical Engineering (SAIMechE)
32. International Council on Systems Engineering (SA Chapter)
33. Lifting Equipment Engineering Association of South Africa (LEEASA)
34. South African Road Federation (SARF)
35. Illumination Engineering Society of South Africa (IESSA)
36. Nelson Mandela University (NMU)
37. University of the Witwatersrand (WITS)
38. Water Institute of Southern Africa (WISA)
39. University of Pretoria (UP)

4. PROGRAMME FOUR

4.1 Regulate & Assure Professional Service Standards, Conduct & Practice

The purpose of this programme is to ensure the regulation and assurance of professional service standards, conduct, and practice within the engineering profession. This programme is designed to uphold the integrity of the profession by managing improper conduct through investigations, disciplinary hearings, and appeals, ensuring that all processes are carried out with transparency and justice.

The Engineering Council of South Africa is governed by the Engineering Profession Act 46 of 2000, which establishes a robust legal framework designed to uphold the integrity of the engineering profession. This framework entrusts ECSA with broad investigative and regulatory powers aimed at safeguarding the public interest, regulating professional conduct, and managing disciplinary actions and appeals. ECSA's legislative authority is detailed in various sections of the EPA, empowering the Council to take decisive actions in areas critical to public welfare and professional standards.

Section 14(g): Mandates the Council to take necessary steps to protect the public in their interactions with Registered Persons, thereby maintaining, safeguarding, and enhancing the engineering profession's status. Section 14(j): Empowers the Council to act where public health and safety may be compromised by engineering-related activities. Section 24: Involves managing appeals related to decisions to refuse registration of an applicant. Section 28: Directs the investigation of potential improper conduct by Registered Persons. Section 29: Pertains to preferring charges against Registered Persons, provided there are sufficient grounds for such action. Section 30: Involves appointing a Disciplinary Tribunal to oversee hearings concerning charges of improper conduct. Section 31: Specifies the conducting of Disciplinary Hearings. Section 32: Covers proceedings post-hearing, including the imposition of sanctions and the publication of findings and sanctions by a Disciplinary Tribunal in the Gazette. Section 33: Deals with managing appeals concerning decisions made by the Disciplinary Tribunal. Section 35: Focuses on managing appeals against certain decisions of the Council. Section 41: Outlines the management of offenses and penalties.

The Investigating Committee: The Investigating Committee, a High Impact Committee of the Council, is established under Section 17 of the EPA. This Committee is primarily tasked with investigating any allegations of improper conduct against Registered Persons. It evaluates evidence to determine if there is a basis for charging individuals, ensuring that all actions taken are in strict accordance with the legal standards and ethical expectations outlined in the Code of Conduct for Registered Persons (Board Notice 41 of 2017) and the Overarching Code of Practice for the Performance of Engineering Work (Board Notice 20 of 2021). The Committee's work is critical in maintaining the high standards and reputation of the engineering profession.

Codes of Conduct and Practice: ECSA enforces a Code of Conduct and an Overarching Code of Practice, both of which are integral in defining the ethical and professional standards expected of Registered Persons. The Code of Conduct for Registered Persons: Mandated by Section 27(1) of the EPA and detailed in Government Gazette No. 40691, outlines ethical behaviours and professional responsibilities. The Overarching Code of Practice for the Performance of Engineering Work: Also guided by Section 27(1) of the EPA and published in Government Gazette No. 44333, it applies to all engineering disciplines, emphasising good practice in engineering work. The Code of Practice complements the Code of Conduct, setting out detailed standards and best practices in engineering. Developed in consultation with stakeholders, including the Council for the Built Environment and Voluntary Associations, this Code ensures that engineering work is performed to the highest standards.

The Engineering Council of South Africa has developed several discipline-specific Codes of Practice that set standards for professional engineering work within various engineering disciplines. These codes aim to provide guidance to engineering practitioners on the minimum standards of practice they must uphold to ensure the safety, health, and welfare of the public. The discipline-specific Codes of Practice align with ECSA's commitment to maintaining professional integrity and enhancing the competency of engineers across different sectors.

The "Rules for Inquiry into Alleged Improper Conduct" under the Engineering Profession Act, 2000, as outlined in Board Notice 42 of 2017, serve a critical function within the Engineering Council of South Africa. This document is designed to govern the procedures and protocols for investigating cases of alleged improper conduct among registered engineering professionals. Its primary purposes are:

- **Protecting Public and Environmental Safety:** The rules are implemented to safeguard the public and the environment from potential harms that may arise from the professional activities of engineers. This aligns with ECSA's mandate to uphold the integrity and enhance the status of the engineering profession.
- **Standardising Procedures:** The document provides a standardised approach to handling complaints and allegations of improper conduct. This includes detailed procedures for initiating inquiries, conducting investigations, and managing disciplinary hearings, ensuring consistency and fairness in all proceedings.
- **Facilitating Due Process:** By clearly outlining the rights and responsibilities of all parties involved, including the right to representation and the procedure for presenting evidence, the rules ensure that due process is observed, protecting the rights of the accused while ensuring accountability.
- **Enhancing Transparency and Accountability:** The document helps to maintain transparency in the handling of improper conduct allegations, thereby fostering trust in the regulatory processes of the ECSA and ensuring that engineers are held to high ethical and professional standards.

4.1 Regulate & Assure Professional Service Standards, Conduct & Practice (Continuation)

The appeal policy that regulates appeals under Sections 24, 33, and 35 of the Engineering Profession Act provides a critical mechanism for reviewing decisions made in the professional registration and disciplinary processes. The specific purposes of this policy include:

- **Providing Recourse for Grievances:** The policy offers a formal avenue for individuals to appeal decisions related to professional registration (Section 24), decisions of disciplinary tribunals (Section 33), and other appeals as specified (Section 35).
- **Ensuring Fairness in Professional Regulation:** By allowing appeals against decisions made in the initial stages of regulatory enforcement, the policy plays a vital role in ensuring fairness and impartiality within the regulatory framework of the engineering profession.
- **Upholding Professional Standards:** The appeal process helps to uphold professional standards by providing a system of checks and balances.
- **Maintaining the Integrity of the Engineering Profession:** The appeals process reinforces the integrity of the profession by ensuring that decisions are not only fair but also transparent and based on a thorough consideration of all relevant facts and standards.

The primary outcomes aimed at enhancing the integrity and effectiveness of the processes for managing improper conduct within the engineering profession included:

Institutional Outcomes

- Effective Regulation of Professional Standards: Ensuring that all Registered Persons adhere to the established ethical and professional standards.
- Efficient Management of Improper Conduct Investigations and Appeals: Streamlining the processes to handle complaints, investigations, disciplinary hearings, and appeals effectively.

Outputs and Output Indicators

Outputs for the year included the development and implementation of various strategic documents and procedural improvements:

- **Annual Evaluation of the Business Unit Functions:** The successful development and implementation of evaluation templates that assess interactions between the Business Unit and stakeholders, such as internal business units and service providers. This was completed with a 100% achievement rate as the evaluations were developed, approved, and distributed within the stipulated timeline.
- **Operational Plan Development and Implementation:** Achieved full implementation by quarter 4 with a rating of 5, indicating a level of completion and effectiveness.
- **Development of the Service Charter and Method of Inquiry:** The Service Charter and Standard Operating Procedure for investigations, disciplinary, and appeals processes were developed and received approval from the Investigating Committee.

Output Indicators included:

Completion Rate: Achieving a 100% completion rate in developing and circulating the necessary operational and evaluative templates.

Approval Rate: Successful approval from the Investigating Committee on all new methods and procedural documents.

- **Annual Evaluation:** Achieved with the successful deployment and utilisation of evaluation templates.
- **Operational Plan Implementation:** The Business Unit fully implemented its operational plan by quarter 4, meeting a high-performance tier.
- **Service Charter, Rules for management of Improper Conduct Matters, Rules for management of Appeals, Standard Operating Procedure Development:** Not only achieved but overachieved, with all developed instruments approved by the Investigating Committee ahead of schedule.

Strategies To Improve Efficiencies

Despite the overall strong performance, areas requiring further improvement through strategic interventions include focusing on timely and efficient handling of investigations and appeals to boost efficiency and accuracy in procedural adherence. Streamlining documentation processes, aimed at reducing the time from draft to approval of critical documents, ensuring quicker turnaround times for procedural updates, and strengthening stakeholder engagement through increased interaction with internal and external stakeholders to gather comprehensive feedback and make necessary adjustments to operational plans and strategies.

In conclusion, the Improper Conduct Business Unit has effectively met its goals for the 2023/2024 financial year, achieving significant milestones in enhancing the regulatory framework and ensuring that professional standards are maintained across the engineering profession. The strategies implemented to address any underperformance have further solidified the foundation for ongoing improvements and sustained success in future operational periods.

4.1 Regulate & Assure Professional Service Standards, Conduct & Practice (Continued)

Table 8: Improper Conduct Matters

MATTER DESCRIPTION	APRIL 2023 - MARCH 2024
Improper conduct matters received and managed	116
Current cases carried forward from 2022/2023	8
Cases closed	23
Section 24 appeal matters set down	15
Disciplinary hearings set down, part heard or finalised	12
Current public interest concern matters	14
Overdue cases	8

4.2 Regulatory Instruments Development

4.2.1 Codes of Practice

In terms of Section 27(1) of the EPA Act, Council must draw up a Code of Conduct for Registered Persons and may draw up a Code of Practice in consultation with the Council for the Built Environment, Voluntary Associations, and registered persons. An "Overarching Code of Practice for the Performance of Engineering Work" was, consequently, developed and published in the Government Gazette dated 26 March 2021. After the gazette, ECSA has been developing discipline-specific codes of practice, and the last four Discipline-Specific Codes of Practice were developed in the 2023/2024 financial year. To this end, ECSA has codes of practice for all eleven Council- approved disciplines.

4.2.2 Sub Discipline-Specific Training Guide for Registration as a Glazing Practitioner in Specified Category

Section 18 (c) of the EPA empowers ECSA to introduce new specified categories. In the previous financial year, ECSA introduced a specified category for Rational Designer (Glazing Specialist) for persons registered as Professional Engineers and Professional Engineering Technologists. Subsequently a need was identified to introduce a Glazing Practitioner for those who could not register as above.

The list of regulatory instruments developed during the 2023/2024 financial year is shown in Table 9 below:

Table 9: New Regulatory Instruments Developed

CODES OF PRACTICE	DISCIPLINE SPECIFIC TRAINING GUIDE
• Code of Practice for the Performance of Aeronautical Engineering • Code of Practice for the Performance of Computer Engineering • Code of Practice for the Performance of Mining Engineering • Code of Practice for the Performance of Mechatronic Engineering	• Sub Discipline-Specific Training Guide for Registration as a Glazing Practitioner in Specified Category

4.2.3 Regulatory Instruments Review

The Engineering Council of South Africa has been unrelenting in ensuring that the engineering profession is effectively regulated and in ensuring that all necessary regulatory instruments are researched, developed, reviewed and are up to date. All this has been carried out within the broader parameters of the enabling legislative framework i.e., the Constitution of the Republic of South Africa, 1996, CBE Act of 2000, EPA of 2000 and international standards.

4.1 Regulate & Assure Professional Service Standards, Conduct & Practice (Continued)

Table 10: Regulatory Instruments Reviewed

E-SERIES	R-SERIES	CPD
• E-02-PE: Qualification Standard for Bachelor of Science in Engineering (BSc(Eng))/ Bachelors of Engineering (BEng): NQF Level 8 • E-02-PT: Qualification Standard for Bachelor of Engineering Technology (BEng Tech); NQF Level 7 • E-02-PN: Qualification Standard for Diploma in Engineering: NQF Level 6 • E-05-PT: Qualification Standard for Advanced Diploma in Engineering: NQF Level 7 • E-06-PN: Qualification Standard for the Advanced Certificate in Engineering: NQF Level 6 • E-07-SC: Qualification Standard for the Higher Certificate in Engineering: NQF Level 5 • E-08-PN: Qualification Standard for Diploma in Engineering Technology: NQF Level 6 • E-09-PT: Qualification Standard for Bachelor of Engineering Technology Honours: NQF Level 8 • E-09-PGDip: Qualification Standard for Postgraduate Diploma in Engineering Technology: NQF Level 8 • E-21-PN: Qualification Standard for Advanced Certificate in Engineering Practice: NQF Level 6 • E-22-PE: Qualification Standard for Master of Engineering: NQF Level 9 • E-03-CRI-P: Criteria for Accreditation of Engineering Programmes	• R-01-POL-PC: Policy on Registration in Professional Categories • R-02-STA-PE/PT/PN: Competency Standard • R-04-T&M-GUIDE-PC: Training and Mentoring Guide for Professional Categories • R-08-CS-GUIDE-PE/PT/PN: Guide to the Competency Standards for Registration in Professional Categories • R-05-ELE-PE/PT/PN: Discipline Specific Training Guide for Registration as a Professional Engineer, Technologist and Technician in Electrical Engineering • R-05-EIP-SC: Sub Discipline-specific Training Guide for Registration as Enterprise Integration Practitioners • R-05-LMI-SC: Sub Discipline-Specific Training Guide for Registration as Lifting Machinery Inspectors	• Rules for Continuing Professional Development and Renewal of Registration

4.3 Research

Since, the Engineering Profession Act mandates ECSA to promote and conduct research under section 14(f) into matters relating to the engineering profession, ECSA has undertaken research to introduce additional engineering disciplines to be responsive to the evolution of the engineering sector. The other research activities that ECSA has undertaken to respond to such developments are, among others, "How can ECSA encourage and promote STEM, Introduction of the ECSA diaspora chapter, The effectiveness of the current ECSA registration model" and feasibility studies.

4.3.1 **Research Reports**

4.3.1.1 Research Report on the Effectiveness of the Current ECSA Registration Model

The registration process of engineering professionals in South Africa is pivotal in the management and retention of engineering professionals. The efficiency and seamlessness of this determines determine the perception of new entrants in the field about registering with ECSA. For this reason, research was conducted to examine the effectiveness of the current ECSA Registration Model. The research approach considered the review of the literature and document analysis in which ECSA's documents and policies, journal articles, and internal ECSA research documents were reviewed, and benchmarking with other registration models in the Washington Accord and stakeholder engagements through surveys were conducted.

After a comprehensive analysis of various sources, including literature review, document review, stakeholder surveys, and international benchmarking, it was observed that the current registration system is undergoing changes and improvements. However, several performance parameters still need further improvement, and some new parameters need to be introduced for the system to operate at its optimum level.

The overall impression of the registration model from professionals is about 66.4%, but higher with the Virtual Panel Member, which is 82%. Several specific conclusions and recommendations are given in this document that will help improve the current Registration Model including but not limited to:

- Improving the web portal application system to enable applicants to log in and see the status of their applications,
- Streamlining and tracking the administration by regularly communicating with the candidates to lessen anxiety and increase the system's credibility,
- Establishing a mechanism for candidates to give feedback on the performance of the assessors, reviewers, and moderators to ensure consistency and adherence to the prescribed ECSA minimum requirements.

4.3.1.2 Feasibility Study for the Introduction of an Examination System

In response to the evolving landscape of engineering and the increasing demand for skilled professionals, ECSA commissioned this research to explore the feasibility and benefits of transitioning to an examination-based assessment system. The study drew insights from engagements with three local professional bodies and two international counterparts to inform recommendations for ECSA's registration process.

The research highlighted the importance of adopting an enhanced examination system to ensure standardised evaluation criteria across ECSA's diverse professional categories. By leveraging technological advancements, such as online exam platforms and electronic proctoring systems, ECSA can streamline administrative processes, reduce bias in registration evaluations and enhance the integrity of the assessment process.

Key findings underscored the feasibility of implementing an examination system, with recommendations suggesting a phased approach to implementation to mitigate potential challenges and ensure successful adoption. This approach included investing in technological infrastructure, establishing multidisciplinary teams for exam development and integrating external evaluation mechanisms to ensure objectivity and quality assurance.

Furthermore, the transition to online examinations offers opportunities for cost savings, environmental sustainability and increased accessibility for applicants. By embracing these recommendations, ECSA can modernise its registration process, strengthen the credibility of registered professionals and uphold competency and integrity within the engineering profession.

This research provided valuable insights and actionable recommendations that will contribute to the advancement of engineering applicants' professional competencies assessment in South Africa.

4.3.1.3 How ECSA can encourage and promote STEM?

The shortage of skills in the fields of science, technology, engineering and mathematics (STEM) has become a major issue in South Africa and many other developing countries. It is crucial to promote and nurture interest in STEM fields to ensure socio-economic growth and technological advancement. This study proposed strategies that can be implemented to encourage and promote STEM in South Africa. The study assumes that increased uptake of STEM learning areas will produce a greater number of engineering professionals.

4.3.1.3 **How ECSA can encourage and promote STEM? (Continued)**

Some of the recommendations highlighted were as follows:

STEM is an all-encompassing educational approach that incorporates multiple disciplines into one set of educational practices. This approach helps students learn new abilities and improve their knowledge in relation to the rapidly developing economy influenced by the Fourth Industrial Revolution (4IR). STEM education aims to improve students' critical thinking abilities so they can become innovators in a changing world and tackle problems related to the 4IR.

The literature review for this research revealed many challenges to the success of STEM education. However, the benefits noted far outweigh the challenges. Identifying and determining the challenges and gaps in the current educational system is crucial to fully meet the country's needs in terms of STEM education.

- The Department of Basic Education should strengthen STEM at all levels by providing well-trained teachers, modern teaching resources and an updated curriculum emphasising practical applications and real-world problem-solving.
- ECSA should establish mentorship networks connecting students with STEM professionals, providing guidance, advice and career insights.
- ECSA should partner with industry and SETAs to promote STEM by creating opportunities and scholarships for the disadvantaged including women and marginalised communities.
- ECSA should organise and support national and regional STEM competitions.
- ECSA should raise public awareness about the importance of STEM education and its impact on South Africa's development and global competitiveness.

4.3.1.4 **The Introduction of the ECSA Diaspora Chapter**

This research delved into the experiences of ECSA-registered persons working beyond South Africa's borders, aiming to identify gaps in ECSA's support for international professional recognition and mobility. Additionally, it sought to create a platform for the immigration of professional engineering practitioners to South Africa through existing international agreements.

The research methodology encompassed a literature survey, stakeholder engagement through virtual interviews, a desktop online survey and international benchmarking to uncover key factors influencing ECSA-registered persons practising outside South Africa. The findings spotlight civil, electrical and mechanical engineering as the dominant disciplines within the Diaspora Chapter. Among the respondent categories, candidate engineers predominated, followed by engineering technologist and engineering technician candidates.

Based on the findings of this study, the following recommendations are proposed:

- ECSA should establish an ECSA Diaspora Chapter.
- ECSA should conduct quarterly presentations or information sessions targeting diaspora-based registered persons to enhance awareness of maintaining CPD and renewing professional registrations.
- ECSA should improve its perceived impact on professional growth and career advancement opportunities for registered persons in the diaspora.
- The Diaspora Chapter should focus on expanding awareness among the most significant disciplines identified in this research, ultimately strengthening ECSA's engagement with this community.

4.3.2 **Feasibility Studies**

Due to the sectoral demands, the following feasibility studies have been conducted:

a)Feasibility study for the introduction of a new specified category: Water-Based Sprinkler Systems Specialist

A Water-Based Sprinkler Systems Specialist is a person who is competent in water-based systems described prescriptively by the NFPA 13 Standard for the Installation of Sprinkler Systems.

A water-based sprinkler system is designed to control or extinguish fires by discharging water when heat from a fire is detected. These systems are typically used in commercial, industrial, and residential buildings to provide an automatic response to fire, potentially minimising property damage and saving lives.

b) Feasibility study for the introduction of a new specified category: Water-Based Spray Systems Specialist

A water spray systems specialist is a person who is competent in Water-Based Spray Systems described prescriptively in NFPA 15 Standard for the Installation of Water Spray Fixed Systems for Fire Protection. They are responsible for design, installation, maintenance, and inspection of water spray fire protection systems.

A Water Spray System is a specialised type of fire protection system designed to provide rapid and extensive coverage of water over a large surface area or specific equipment. It is often used to protect high-hazard areas and critical equipment where quick suppression of fire is essential.

4.3.2 **Feasibility Studies (Continued)**

c) Feasibility study for the introduction of a new specified category: Foam Water-Based Systems Specialist

A Foam Water-Based Systems Specialist is a person who is competent in foam-water systems described prescriptively in NFPA 16 Standard for the Installation of Foam-Water Sprinkler and Foam-Water Spray Systems as well as NFPA 11 Standard for Low, Medium, and High-Expansion Foam. They focus on the design, installation, maintenance, and inspection of foam water fire protection systems.

A Foam Water System is a specialised fire protection system that combines water with a foam concentrate to create a foam solution, which is then used to suppress fires. This type of system is particularly effective for fighting fires involving flammable and combustible liquids, as well as certain other high-risk fire scenarios.

d) Feasibility study for the introduction of a new specified category: Nano-Engineering Specialist

Nanoengineering is a field that integrates science, engineering, and technology on micrometre and nanometre scales. Fundamentally, this engineering field specialises in nanoscale science, engineering, and technology and blends physical and biological scientific fields with computational and multiple engineering fields.

Nano-Engineering incorporates principles from physics, chemistry, biology, and engineering to design and fabricate novel materials, devices, and systems with unique properties and functionalities that are not achievable at larger scales.

e) Feasibility Study for the Introduction of a New Discipline: Clinical/Biomedical Engineering

Clinical engineering is a speciality within biomedical engineering that is responsible for using medical technology to optimise healthcare delivery.

A Clinical Engineer is a professional who supports and advances patient care by applying engineering and management skills to healthcare technology.

As clinical medicine has become increasingly dependent on more sophisticated technologies and the complex equipment associated with it, the clinical engineer, as the name implies, has become the bridge between modern medicine and equally modern engineering.

Practitioners use their specialised engineering knowledge in implementing healthcare technologies and strategies in hospitals and other healthcare settings. The selection, installation and ongoing support of appropriate technologies and associated equipment used by healthcare professionals are critical to delivering safe and effective healthcare.

5. PROGRAMME FIVE

5.1 Regulate & Assure Definitions & Fees For Engineering Work

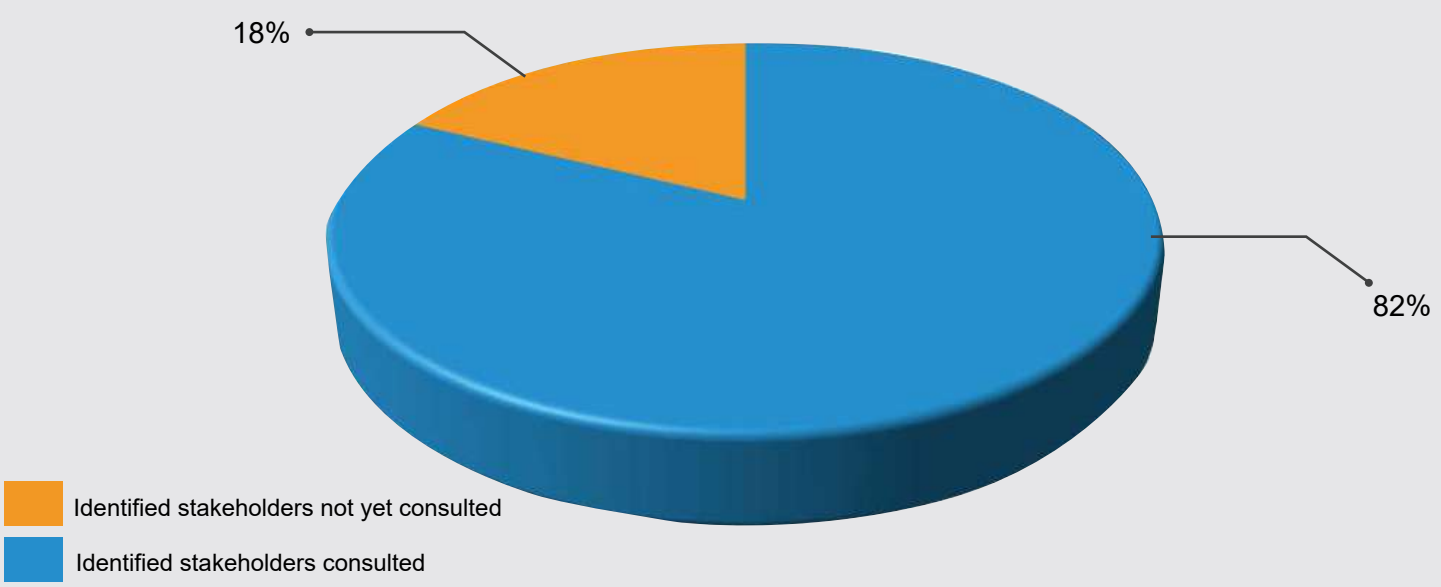
5.1.1 Identification of Engineering Work (IDOEW)

ECSA approved and gazetted the Identification of Engineering Work in March 2021 after which consultations with ECSA stakeholders commenced and were concluded in March 2023. The IDOEW Consultation Roadmap Report was tabled before the Research, Policy & Standards Committee (RPSC) in April 2023. The National School of Government in October 2022 published National Framework Towards the Professionalisation of the Public Sector. Subsequently, in February 2023, the Council for the Built Environment Professional Skills and Capacity Development Transformation Collaborative Committee published the National Framework Towards the Professionalisation of the Public Sector in line with the directive from the Department of Public Services and Administration. As a result, thereof, ECSA resolved to extend the IDOEW consultations by an additional two years to ensure alignment with the published National Framework Towards the Professionalisation of the Public Sector. The rationale for the extension of the consultation was to also ensure alignment of processes between both the IDOEW and the National Framework Towards the Professionalisation of the Public Sector which are mutually supportive and invariably geared towards ensuring that engineering practitioners working in the public sector, across 3 spheres i.e. local/municipal level, provincial and national levels, are professionally registered. The IDOEW is focussed not only on the public sector engineering practitioners, but also on the engineering practitioners employed and doing engineering work in the private sector as well as in the post-school higher education and training sector.

ECSA adopted an approach of consulting individual stakeholders to provide required support to ensure compliance with both the IDOEW and the National Framework Towards the Professionalisation of the Public Sector. Seventeen (17) stakeholders were identified, and the next graphic representation is a depiction of the concluded IDOEW consultations during the first year of the two-year project plan.

Not only did ECSA consult with the above stakeholders but has further consulted with the Competition Commission of South Africa (CCSA) and provided a comprehensive update on what informed ECSA's move for gazetting the IDOEW and all the transformation initiatives for ensuring that there is rigorous regulation of the engineering sector assuring excellence.

Figure 17: IDOEW consultation of the identified stakeholders in the two-year project plan

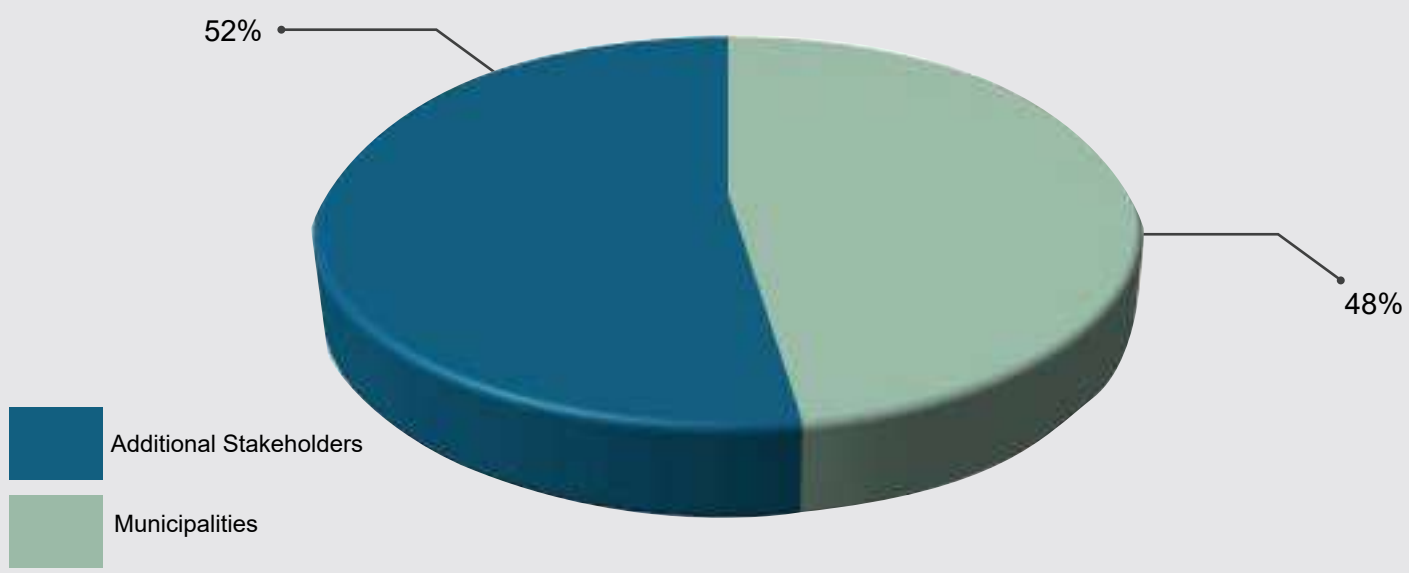


5.1.2 Overall IDOEW Consultation

In addition to the 17 stakeholders initially identified six more were included and will all be consulted during the financial year (2024/2025). ECSA further concluded a Memorandum of Understanding (MoU) with the Municipal Infrastructure Support Agent (MISA) to be the conduit for accessing a critical mass of municipalities they are dealing with and to ensure the cross-pollination of plans for the 100% penetration of the municipal sector. The latter has had positive consequential impact in broadening ECSA's reach to 20 municipalities. As a consequence of the latter initiative, an additional quantum of 22 stakeholders have been consulted. Figure 18 below shows the stakeholders that were engaged in the 2023-2024 financial year.

5.1 Regulate & Assure Definitions & Fees For Engineering Work (Continued)

Figure 18: Overall IDOEW Consultations



5.1.2 Guidelines Professional Fees

5.1.2.1 **Scope of Services and Tariff of Fees for Persons Registered in terms of the Engineering Profession Act, 46 of 2000**

Section 34 (2) of the Engineering Professions Act, 46 of 2000 enjoins ECSA to "annually, after consultations with Voluntary Associations, representatives of service providers and clients in the public and private sector, determine guideline professional fees and publish those in the Gazette".

Flowing forth from the latter, there was an injunction from the Competition Commission of South Africa , ECSA had several engagements with CCSA which included 2 additional meetings and 2 workshops convened with the intention of finding mutually workable grounds for the determination and implementation of the Guideline Professional Fees. As a consequence, thereof formal submission was made to the CCSA and the results thereof will culminate in the seamless compliance with the EPA and associated implementation.

6. PROGRAMME SIX

6.1 Recognise & Engage Voluntary Associations (VAs)

Voluntary Associations apply for recognition in terms of section 36 (1) and are recognised by the Council in terms of Section 25 (3) of the EPA. Recognition is offered for a period of 5 years, before which the VA must apply to ECSA for re-recognition. VAs are recognised as one of ECSA's primary stakeholder groups as they have at the core of their mission the promotion and protection of the engineering profession. ECSA values VA engagement and the 2022-24 financial year has seen a renewed focus to engage and collaborate with VAs on various matters of importance.

ECSA recognises VAs according to the following categories:

Category A:
Associations whose membership consists of natural persons who, subject to the applicable provisions of Rule 3, are practicing in engineering in any particular discipline, sub-discipline of engineering; or in any particular category of registration contemplated in Section 18 of the Act.

Category B:
Associations whose membership consist of juristic persons, including sole proprietors (corporate members) who, subject to the applicable provisions of Rule 4, are engaged in carrying out work of an engineering nature.

One of the benefits to ECSA registered members of recognised VAs (Categories A and B) is a discount on ECSA annual fees.

The complete list of recognised VAs can be found on the ECSA website following the link below:
https://www.ecsa.co.za/stakeholders/ VoluntaryDocuments

This programme consists of two (2) sub-programmes:

- Recognition and Auditing of Voluntary Associations
- Revision of the Voluntary Association Recognition Framework.

6.1.2 **Recognition and Auditing of Voluntary Associations**

ECSA currently recognises 52 VAs, 29 under Category A and 23 under Category B. 25 of these VAs have been re-recognised during the 2023-24 financial year.

The total number of recognised Voluntary Associations decreased to fifty-two (52) following the receipt of notices to discontinue recognition from the Association of Mine Managers South Africa (AMMSA), Built Environment Professions Export Council (BEPEC), Contractors Plant Hire Association (CPHA), Cement & Concrete SA (CEMCON-SA). ECSA continues to engage with current and new applications for recognition of Voluntary Associations who meet the requirements as per the VA Recognition Framework.

Table 11: CPD and VA Stakeholder Engagement

TOTAL CPD STAKEHOLDERS (VAS & HEIS)		RECOGNISED VOLUNTARY ASSOCIATIONS	
VAs	52	Category A	29
HEIs	8	Category B	23
TOTAL	**60**	**52**	

6.2 Recognise & Engage Voluntary Associations (VAs) (Continued)

The auditing of Voluntary Associations as per Section 6(4) and 8(2) of the gazetted Rules for the Recognition of Voluntary Associations, is optional and ECSA reserves the right to conduct these audits on receipt of an application for recognition or when the recognised Voluntary Association no longer meets the requirements for recognition. No audits were conducted during the 2023-2024 financial year as ECSA was not informed of any changes in the requirements of the fifty-five (55) Voluntary Associations.

6.2.1 **Voluntary Association Relationship Model & Plan**

ECSA is currently finalising the review of the VA Recognition Framework and the VA Engagement Plan that will go out for comments to VAs during quarter 1 of 2024-25.

Strategies to Improve Efficiencies

The increase in the Renewal Rate for registered persons to 62.26% was realised to a review of the processes linked to renewal of registration. This as well as additional measures will be implemented ongoingly. The system enhancement planned for with the System Renovation offers further opportunities for the improvement of the renewal rate, recognition of VAs, Licensed Bodies and the verification of CPD Service Providers.

7. PROGRAMME SEVEN

7.1 Organise To Assure Engineering Excellence In The Public Interest

7.1.1 Combined Assurance

For the reporting period, Council approved a structure that comprises of the Combined Assurance Function reporting administratively to the CEO and functionally to the Audit, Risk and Compliance Committee. The objective of the Combined Assurance approach is to reduce duplication of effort and audit fatigue. It ensures that assurance provided to management, Audit, Risk and Compliance (ARC) Committee and the Council is obtained within an effective collaborative approach that ensures the alignment of risks and controls, cost-effectively. Furthermore, some of the changes that have been introduced to ECSA in FY23/24 include the movement of Quality Management, Risk Management, Ethics and Compliance function under the Combined Assurance portfolio. The detail of the activities undertaken in FY23/24 under each of these portfolios is outlined below.

7.1.1.1 Risk Management

An Enterprise Risk Management (ERM) Framework was reviewed in the period and a Risk Management Policy is in place, to inform the implementation of risk management process. Prioritised risk management activities are executed based on the approved risk management implementation plan, which is reviewed on an annual basis.

The organisation acknowledges that it does not operate in a risk-free environment, and is committed to maintaining an efficient, effective and transparent system of risk management that supports the achievement of organisational strategic and operational objectives. A comprehensive strategic risk assessment was conducted with Executive Management, in the period. All seven strategic risks were not fully mitigated during 2023/24, and measures are in place to improve the process in 2024/25. Details are listed in Table 12 below:

Table 12: 2023/24 Strategic Risks

#	RISK DESCRIPTION	INHERENT RISK RATING		RISK	RESIDUAL RISK RATING		RISK
1	Loss of Relevance by ECSA to key stakeholders	4	5	20	3	3	9
2	Weakening financial sustainability	3	5	15	4	5	20
3	Lack of Business Continuity	4	5	20	3	3	9
4	Inadequate systematic plan for engineering skills	4	5	20	3	3	9
5	Untransformed engineering profession	5	5	25	2	5	10
6	Ineffective Regulation	4	4	16	3	3	9
7	Inadequate Corporate Governance	4	4	16	3	3	9

Detailed progress of action or mitigation plans were reported to the ARC Committee on a quarterly basis. The management of risk has been institutionalised and cascaded throughout the organisation with management within Divisions and Business Unit assuming ownership of the process. Both internal and external audit indicated that risk management at ECSA has showed significant improvement.

The ERM Business Unit was capacitated, through the appointment of the ERM Manager; Enterprise Risk Specialist; and Enterprise Risk Officer. This enhances the second-line assurance to management, ARC Committee and Council. Furthermore, a combined assurance approach was embraced, with the appointment of Risk Champions for each Business Unit within the different Divisions. The Risk Champions are part of the first-line assurance provided by Management, meant to improve risk ownership.

Training and awareness:

Training and awareness sessions were undertaken, with management and employees on risk management principles. Awareness workshops were conducted on the newly approved and updated Code of Conduct, Ethics Policy, Fraud Management Policy and the Whistleblowing Policy.

7.1.1.2 Fraud Risk Management

A Fraud Management Policy and Implementation Plan founded on the principles of “Zero Tolerance” towards fraud and corruption in all its manifestations, are in place. The organisation is committed to the culture of fair, just administration, transparency and accountability which is aimed at achieving the highest ethical behaviour amongst its employees.

An external independent service provider, Vuvuzela Hotline (Pty) Ltd, was appointed to provide and manage the Whistleblowing Hotline Services for three (3) years. This is to ensure compliance to the Protected Disclosures Act 26 of 2000 (Amended), among others, to protect the anonymity of whistleblowers. The Vuvuzela Hotline was launched in February 2024 with 111 employees in attendance.

7.1.1.2 Fraud Risk Management (Continued)

An independent service provider was appointed to conduct a Forensic Investigation on ECSA's Registration processes. As at year-end the investigation was still on-going.

During the 2023/24 financial year the ERM Business Unit facilitated a fraud risk assessment considering both internal and external fraud risks which could affect ECSA's operations. Fraud risk assessments were completed for ten (10) Business Units across the Divisions. Management identified and committed to action plans which will be monitored during the course of the 2024/25 financial year.

ECSA ensured that all fraudulent and corrupt activities within the organisation are discouraged by conducting anti-fraud and corruption awareness workshops for management and employees to entrench a culture and a responsibility to report wrongdoing or misconduct. The objective is to deter and combat unethical conduct and minimise fraudulent activities. ECSA continues to have a zero tolerance towards fraud, corruption and any acts of dishonesty.

Whistleblowing and Investigations

A Whistleblowing Policy has been developed to enable employees and third parties to report fraud and corruption allegations anonymously. Employees are encouraged to report allegations in good faith, as Protected Disclosure Act.

7.1.1.3 Ethics and Compliance

All employees completed the annual Declaration of Conflict, to mitigate the risk of potential conflict of interest.

A compliance universe including ECSA's regulatory requirements was developed and the status quo of ECSA with respect to this universe was established with key activities needed to close gaps on legal compliance. To ensure compliance with the Protection of Personal Information Act 4 of 2013 ECSA's Information Officer and Deputy Information Officer were registered with the Information Regulator.

7.1.1.4 Quality Management

To effectively carry out its regulatory mandate, ECSA implemented a Quality Management System (QMS) aligned with ISO 9001:2015 requirements to direct and coordinate the organisation's activities. The certification audit was conducted by an internationally recognised certification body that awarded ECSA the ISO 9001:2015 certificate on 29 April 2022.

Two surveillance audits were conducted, with only the opportunity for improvements noted. High Impact Committees were provided with quarterly reports on the progress of the quality performance which included measurable objectives of non-conformities i.e. customer and supplier complaints, internal nonconformities and audit findings, customer feedback and documented information.

Implementation of the QMS intends to align daily activities with the quality policy, to meet and exceed the needs and expectations of stakeholders, while also improving effectiveness and efficiency of processes to drive continual improvement.

ECSA plans to undergo an ISO 9001:2015 recertification audit in 2025, when the current certificate expires, to ensure improved commitment to quality, customer satisfaction, and continual improvement of the services provided.

Table 13: 2023/24 ISO 9001 surveillance audit outcome

#	OPPORTUNITY FOR IMPROVEMENT
1	Aspects of the management review are covered in various fora and meetings. To ensure that all the necessary inputs and outputs of the ISO standard are covered, a guide needed to be developed.
2	Consider incorporating and combining internal ISO audit requirements with the audits conducted by internal auditors.
3	Statistical Analysis: Quality Assurance & Risk Management of Non-Conformance Reports (NCRs) could be expanded to show trends and repetitive issues.
4	Consider reviewing and updating the Quality Policy to reflect the new updated yearly strategy for 2023.

7.1.1.5 Internal Audit

ECSA engaged an Outsourced Internal Audit partner, transitioning from Mrwebi Auditors & Accountants Incorporated to Kgatontle Consulting (Pty) Ltd for the remainder of the 2023/24 financial year. Both partners adhere to the Institute of Internal Auditors' (IIA) International Professional Practice Framework (IPPF) Standards and the Committee of Sponsoring Organizations (COSO) of the Treadway Commission's Internal Control Framework in their service delivery.

By financial year end, there was no approved Internal Audit Charter outlining the purpose, authority, and responsibilities of the internal audit function during this period, however an Internal Audit Methodology aligned with the Standards was applied to execute reviews. The Charter has since been developed after year-end.

Internal Audit provides reasonable assurance to Management, the Audit Risk and Compliance Committee, as well as the Council, regarding the adequacy of and effectiveness of the internal controls, risk management and governance processes.

7.1.1.5 **Internal Audit (Continued)**

Accountability

During the period, the Internal Audit Outsourced partner maintained a dual reporting structure to ensure independence. Functionally, the partner reported to the ARC Committee, while administratively, it reported to the Office of the Chief Executive Officer.

Independence

The Internal Audit Activity consistently upheld independence and impartiality throughout its engagements. There were no circumstances that jeopardised its ability to fulfil internal audit responsibilities in a fair and unbiased manner.

Objectivity

The internal auditors maintained an impartial stance in conducting their engagements, ensuring that no compromises were made in terms of quality. Additionally, no threats to objectivity were identified during the audit process.

Proficiency and Due Professional Care

All engagements were performed with proficiency and due professional care.

Evaluation of Financial Statements

The Internal Audit Activity conducted a thorough review of the 2023/24 unaudited financial statements, prioritising independent assurance to detect any potential misstatements or omissions. They strategically sampled and tested the figures in the annual financial statements to ensure that the information is valid, accurate and complete.

As a result of their assessment, the overall financial reporting practices were deemed to be effective, with the financial statements being fairly presented.

Evaluation of Financial Reporting Controls

A comprehensive assessment of critical financial controls was conducted to verify the effectiveness of the controls supporting the preparation of financial information. It was determined that the overall financial reporting controls are operating effectively.

Three-year cycle and Operational plan

A Three-Year Internal Audit Strategic Plan and an Annual Operational Internal Audit Plan for 2022/23 was approved. The term of the Outsourced Internal Auditors expired during 2023/24, and the 2022/23 audits were only finalised in 2023/24. Figure 12 below provides details for the reviews that were completed.

Table 14: List of Audits Completed In 2023/2024 and Audit Outcomes

#	REVIEW	AUDIT REPORT DATE	OVERALL RATING	FINDING RATINGS		
				MAJOR	MODERATE	LOW
1	Human Resource Management	April 2023	Requires Improvement	1	2	1
2	Internal Financial Controls	April 2023	Satisfactory	1	-	-
3	Procurement/SCM	April 2023	Satisfactory	1	-	-
4	Follow Up Reviews 2021/2022	April 2023		-	-	-
5	CPD & Compliance Review	June 2023	Satisfactory	-	1	-
6	IT Governance	June 2023	Good	-	-	-
7	IT General Control & Application Controls Review	June 2023	Good	-	-	1
8	Disaster Recovery	June 2023	Good	-	-	-
9	Statutory Records Review	June 2023	Requires Improvement	-	-	1
10	Performance Information Review	July 2023	Requires Improvement	N/A	N/A	N/A
11	Compliance Effectiveness Review	July 2023	Good	-	-	-
12	Corporate Governance Review	July 2023	Good	N/A	N/A	N/A
13	Cyber Security	July 2023	Satisfactory	-	2	-
14	Strategic Risk/ERM	July 2023	Requires Improvement	2	-	-

The Internal Audit Activity presented a three-year Internal Audit Strategic Plan and an Annual Internal Plan covering the 2023/24, 2024/25 and 2025/26 financial years. These plans were formally presented and approved in the fourth quarter of the 2023/24 financial year.

The focus was on meticulously planning internal audit activities, assessing compliance with established policies and procedures, internal control testing and evaluating risk exposure across business unit. The test of controls is in progress and was not performed in the 2023/2024 financial year. The audits conducted in the 2023/2024 financial year are outlined in Table 15 and Table 16 below

Table 15: Policy reviews and follow-up audits conducted

#	REVIEW	AUDIT REPORT DATE	OVERALL RATING	FINDING RATINGS		
				MAJOR	MODERATE	LOW
1	Finance Follow-up audit	January 2024	Satisfactory	-	-	-
2	Supply Chain Management Follow-up Audit	January 2024	Satisfactory	-	-	-
3	Statutory Records Follow-up Audit	January 2024	Satisfactory	-	-	-
4	Registrations Follow-up Audit	January 2024	Satisfactory	-	-	-
5	Human Resources Follow-up Audit	January 2024	Requires improvement	-	-	-
6	Finance Policy Review, including delegation of authority (Preliminary Assessment)	N/A	N/A	2	10	2
7	Supply Chain Policy Review (Preliminary Assessment)	N/A	N/A	-	-	1
8	Human Resources Policy Review (Preliminary Assessment)	N/A	N/A	-	-	1

Table 16: Process reviews conducted

#	PROCESS AREA	EFFECTIVENESS		
		INEFFECTIVE	PARTIALLY EFFECTIVE	EFFECTIVE
1	Finance Procedures Review	0	2	12
2	Supply Chain Management Procedures Review	1	0	6
3	Human Resources Procedures Review	-	-	2

LEGEND:

Overall Report Ratings

RATING	DEFINITION
Good	Overall, a good control framework in place. Internal controls in place are adequate and operating effectively (subject to limitations of sampling).
Satisfactory	Overall, a good control framework in place. Some improvements identified, which would further strengthen the overall control environment.
Requires Improvement	Limited control framework in place. Significant control weaknesses were noted which if not addressed, may result in a material exposure.
Unsatisfactory	Limited or no control framework in place. Significant control weaknesses were noted which have resulted in a material exposure for the Company. Insufficient or no compensating controls in place to mitigate the identified risks.

Finding Rating

RATING	DEFINITION
Major	Significant weaknesses in internal controls. Findings are serious and require immediate management intervention to achieve business objectives. If risks at this level are realised, ECSA may endure significant harm.
Moderate	Moderate weaknesses in the internal controls. Limited impact on business objectives. Risks at this level pose little threat, however, should be addressed with appropriate controls with a view of achieving a mature, well managed environment
Low	Minor weaknesses in internal controls. Minimal impact on business objectives. Housekeeping matters that require management attention in the normal course of business.

Fraud Risk

The Standards encourage Internal Auditors to exercise professional due care in executing deliverables, however the responsibility to detect and prevent fraud and corruption remains with management at an operational level.

Where instances of fraud and corruption have been identified in the internal audit reviews, they are reported to Management who provide action plans, and are escalated to the ARC Committee for oversight.

Annual Written Assessment

The comprehensive internal audit opinion regarding the ECSA internal control environment indicates that while the system of internal controls, risk management, and governance processes are partially adequate and partially effective, with room for enhancement. The Combined Assurance approach that is being implemented should address the areas of improvement identified.

7.2 Information Communication Technology

The Engineering Council of South Africa from 2022-2025 initiated the implementation of the Information and Communications Technology (ICT) Strategy geared to reorienting ECSA processes, people and systems towards a customer-centric approach.

This Strategy comes on the back of the implementation of the ECSA 2020 - 2025 Strategy which identified that technology is not fully optimised in ECSA processes, resulting in a number of manual, outdated, inefficient and risky processes and systems.

The ICT Strategy therefore seeks to deliver and ensure the identification and deployment of appropriate technologies for the successful execution of the ECSA mandate.

For the reporting period the focus has been on the implementation of the Digitisation Project. This project seeks enable a fundamental transformation of the ECSA business model. The aim is to build closer and stronger client relationship and to deliver greater value. Key to this transformation is the improvement of the IT Systems to ensure a more user-friendly experience with the platforms. ECSA has launched an online applications Portal for Candidate Applications. Testing of the Professionals Portal is in progress. Additionally, a project to improve the current CPD Portal and develop additional functionality for other core mandate functions has commenced. The project will ensure interoperability of existing diverse systems as well facilitate digitalisation of core mandate business processes. The project is planned to be completed by 2024/2025.

PART C
GOVERNANCE

1. APPOINTMENT OF THE COUNCIL

The Engineering Profession Act, 46 of 2000, established the Council as the governing body of ECSA. In terms of section 3 of the Engineering Profession Act, Council is appointed by the Minister the Department of Public Works and Infrastructure (Executive Authority of ECSA) from the following categories:

Section 3(1)(a) -
Thirty (30) registered persons excluding candidates, of whom at least 20 are actively practicing in the Engineering Profession.

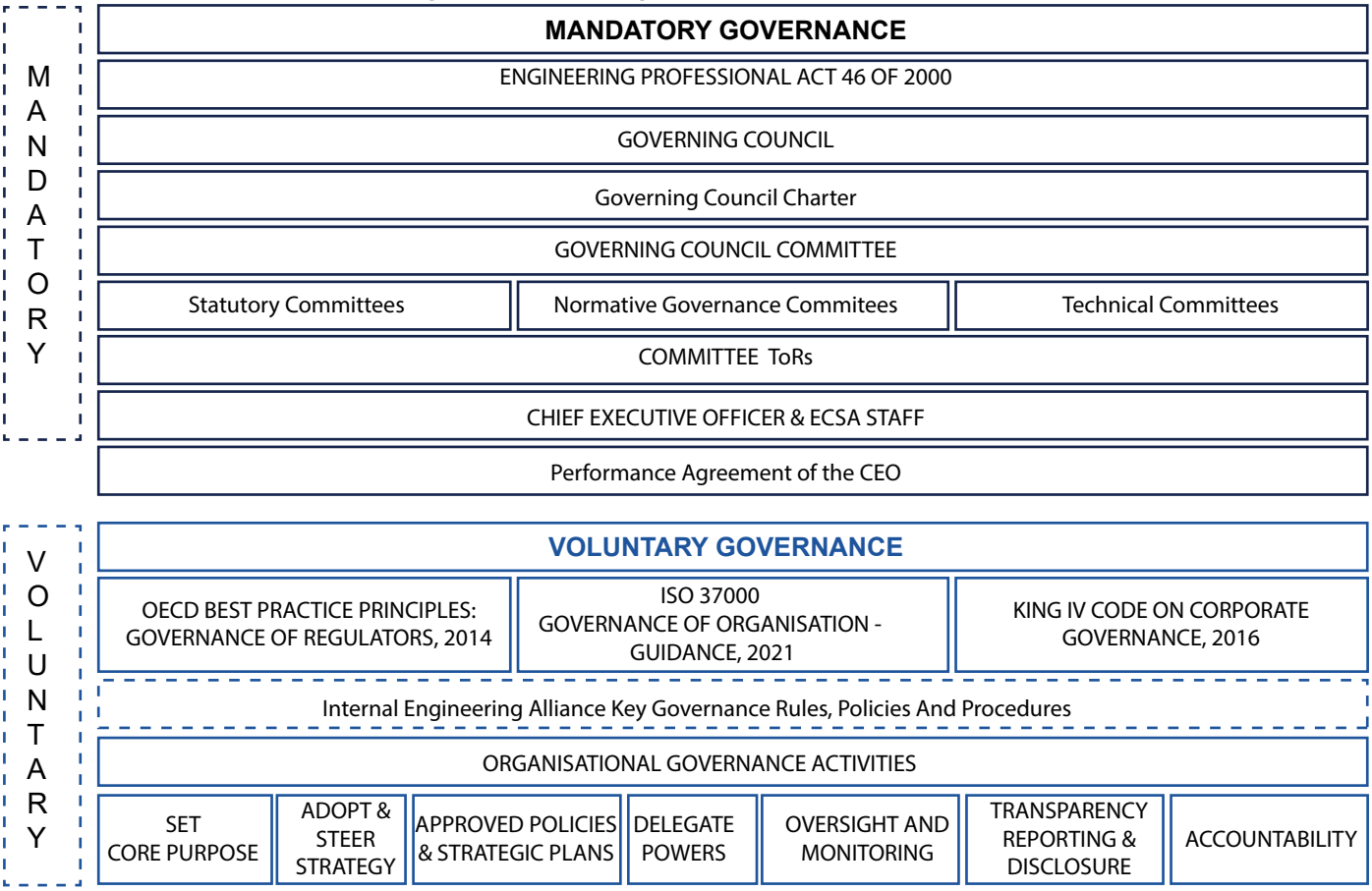
Section 3(1)(b) -
Ten (10) persons of whom at least six (6) must be professionals in the service of the State and must actively be practising in the Engineering Profession.

Section 3(1)(c) -
Ten (10) members of the public, nominated through an open process of public participation.

1.1 Organisational Governance Framework

The Engineering Council adopts the Governance Framework as per the figure below:

Figure 19: ECSA's Organisational Governance Framework



1.2. Committee Structure

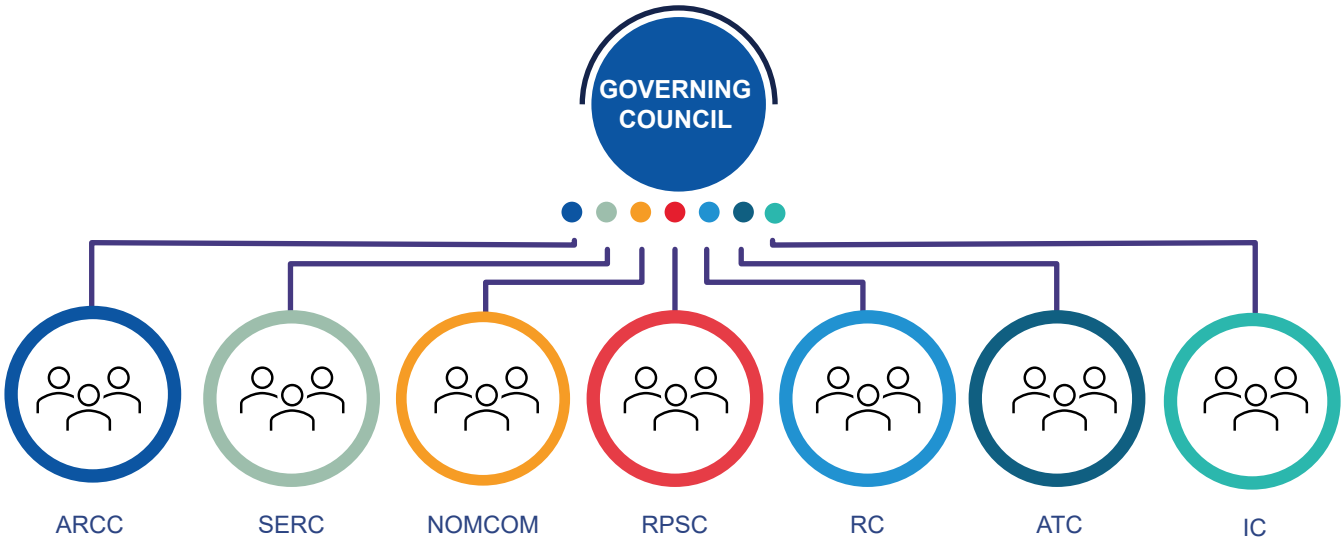
To enable the discharge of the Council's mandate, enhance organisational efficiency and effectiveness, and in line with Council's strategy, the Council has appointed seven (7) High Impact Committees.

During the period under review, the Council embarked on a process to reflect on the governance systems, structures, practices which resulted in the consolidation of some High Impact Committees to realign their roles and responsibilities with the Mandate of ECSA. The restructured High Impact Committees are as follows:

- The Accreditation and Training Committee - is an amalgamation of the former Education Committee (EC) and Training Academies and Development Committee (TADC).
- The Registration Committee - is an amalgamation of the former Central Registration Committee (CRC) and Continuing Professional Development Committee (CPDC).
- The Finance & Staff Committee was dissolved, and the roles and responsibilities were incorporated into the Audit Risk and Compliance Committee (ARC Committee) as well as the Social, Ethics and Remunerations Committee (SERC);
- The Social, Ethics and Remunerations Committee (SERC) – is a newly constituted Committee;
- The Nomination Committee (NomCom) – is a newly constituted Committee; and
- The Chairperson's Committee was dissolved.

The Council's Committee Structure is depicted below:

Figure 20: Governing Council Structure



Acronyms

ARCC	Audit, Risk and Compliance Committee
SERC	Social, Ethics and Remuneration Committee
NomCom	Nominations Committee
RPSC	Research, Policy and Standards Committee
RC	Registration Committee
ATC	Accreditation and Training Committee
IC	Investigating Committee

1.3. The Role of Council

The term of office for the Council is four years. The Sixth Term Council started its tenure in November 2020.

In line with governance best practice:

- All members of the Council are non-executive and independent;
- The Council actively plays its role of oversight and provides strategic direction; and
- The Governing Council Charter together with the Terms of Reference for Committees have been duly approved by the Council and regulate the affairs of Council and Committees including the Conduct of Meetings.

1.4. Governing Council Charter

A Governing Council Charter, which sets out the roles and responsibilities of the Council, Council members, the President, and other key roles to ensure clarity and alignment ,has been developed and approved by the Council. The objective of the Charter is to promote good governance, including ethical and effective leadership in terms of the Code of Conduct, and to support the application of the Organisational Governance Framework by the Governing Council, its members, Governing Council Committee Members, the Chief Executive Officer and staff, and other stakeholders representing ECSA.

1.5. Members of Council For The Year Under Review

Table 17: Members of the Council for the year under review

NO.	NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE)	APPOINTMENT DATE	QUALIFICATIONS	OTHER COMMITTEES SERVED	NUMBER OF COUNCIL MEETINGS ATTENDED
1.	Ms R Buthelezi	Profession	20 November 2020	B ENG IN ELECTRICAL AND ELECTRONIC ENGINEERING 2006 MASTER OF ENGINEERING MANAGEMENT 2011 MASTERS IN BUSINESS LEADERSHIP 2015		7/8
2.	Ms P Madiba	Profession	20 November 2020	PGD IN BUSINESS MANAGEMENT GDE IN INDUSTRIAL ENGINEERING MASTERS IN ENGINEERING MANAGEMENT	IC RC	8/8
3.	Ms T Ramagofu	Profession	20 November 2020	BSC IN ENGINEERING 2006	RPSC ATC RC NomCom	8/8
4.	Mr J Daniels	Profession	20 November 2020	BSC IN MECHANICAL ENGINEERING (UNIV OF MIAMI, FL, USA) 1992 SENIOR MANAGERS PROGRAM (UNIVERSITY OF STELLENBOSCH, 2000) QUALITY MANAGEMENT SYSTEMS AUDITOR 2005 (SAATCA)	IC ARC	7/8
5.	Prof K Nyembwe	Profession	20 November 2020	DTECH IN MECHANICAL ENGINEERING 2012 MCOM IN BUSINESS MANAGEMENT 2014 MTECH IN METALLURGY ENGINEERING 1999 BSC (HONS) IN METALLURGY ENGINEERING 1994)	RPSC ATC	7/8
6.	Mr S Zimu	Profession	20 November 2020	NATIONAL DIPLOMA IN CIVIL ENGINEERING 1989 NATIONAL HIGHER DIPLOMA IN CIVIL ENGINEERING 1990 BSC IN CIVIL ENGINEERING 1995	IC RC	7/8
7.	Mr TC Madikane	Profession	20 November 2020	NATIONAL DIPLOMA IN ELECTRICAL ENGINEERING 1991 BSC IN ELECTRICAL ENGINEERING 1996 DIPLOMA IN PROJECT MANAGEMENT 1997 POST GRADUATE DIPLOMA IN BUSINESS MANAGEMENT 1999		8/8
8.	Mr S Mkhize	Profession	20 November 2020	BSC (ENG) 1985 MDP 1992 HONS (BB&A) 2002	RPSC	4/8

Table 17: Members of the Council for the year under review (continued)

NO.	NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE)	APPOINTMENT DATE	QUALIFICATIONS	OTHER COMMITTEES SERVED	NUMBER OF COUNCIL MEETINGS ATTENDED
9.	Ms N Rampersad	Profession	20 November 2020	BSC CHEMICAL ENGINEERING 1999 MANAGEMENT DEVELOPMENT DIPLOMA PROGRAM (MDP) 2002 BACHELOR OF BUSINESS MANAGEMENT AND ADMINISTRATION (HONS) (BBAH) 2005 MASTER BUSINESS MANAGEMENT AND ADMINISTRATION (MBA) 2007	IC RC NomCom	8/8
10.	Ms L Smith*	Profession	20 November 2020	PB.ENG (INDUSTRIAL) 1997 M.ENG (ENGINEERING MANAGEMENT) 2016	ATC	3/8
11.	Ms R Lesufi	Profession	20 November 2020	BSC CIVIL ENGINEERING 2000 MSC CIVIL ENG 2007	RC NomCom	8/8
12.	Dr S Skorpen	Profession	20 November 2020	B.ENG CIVIL ENGINEERING 2001 M.ENG STRUCTURAL ENGINEERING 2013 PHD CIVIL ENGINEERING 2020	IC	8/8
13.	Ms A Sole	Profession	20 November 2020	B.ENG CIVIL ENGINEERING 2010 B.ENG (HONS) STRUCTURAL ENGINEERING 2012 M.ENG MASTERS IN ENGINEERING MANAGEMENT 2014 EXECUTIVE MASTER OF BUSINESS ADMINISTRATION 2020	RC	6/8
14.	Mr S Jekwa	Profession	20 November 2020	BSC CIVIL ENGINEERING 2013	NomCom	6/8
15.	Ms L Njomane	Profession	20 November 2020	NATIONAL DIPLOMA IN MECHANICAL ENGINEERING 2003 BTECH IN QUALITY 2009 BTECH IN MECHANICAL ENGINEERING 2014 MPHIL IN ENGINEERING MANAGEMENT 2018	CC TADC	7/8
16.	Mr M Ramuhulu	Profession	20 November 2020	MASTER OF ENGINEERING (M.ENG) 2022 MASTER OF BUSINESS ADMINISTRATION (MBA) (GENERAL) 2017 BTECH IN ELECTRICAL ENGINEERING 2013 NATIONAL DIPLOMA IN ELECTRICAL ENGINEERING	IC RC	7/8

Table 17: Members of the Council for the year under review (continued)

NO.	NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE)	APPOINTMENT DATE	QUALIFICATIONS	OTHER COMMITTEES SERVED	NUMBER OF COUNCIL MEETINGS ATTENDED
17.	Ms P Mdletshe	Profession	20 November 2020	NATIONAL DIPLOMA IN CIVIL ENGINEERING 2010 POST GRAD DIPLOMA IN PROJECT MANAGEMENT 2016 BTECH IN CIVIL ENGINEERING (WATER) 2019	RC	6/8
18.	Mr L Boshomane	Profession	20 November 2020	NATIONAL DIPLOMA IN CIVIL ENGINEERING 2012 BTECH IN CIVIL ENGINEERING SPECIALISING IN URBAN ENGINEERING 2018 MASTER OF BUSINESS ADMINISTRATION 2022	RPSC RC	7/8
19.	Ms A Mtshali	Profession	20 November 2020	SENIOR MANAGEMENT TRANSITION PROGRAMME 2018 MIDDLE MANAGEMENT PROGRAMME 2016 B TECH IN ELECTRICAL ENGINEERING 2003	RPSC	8/8
20.	Mr T Memela	Profession	20 November 2020	DIPLOMA IN ELECTRICAL ENGINEERING 2007 B TECH ELECTRICAL ENGINEERING 2013 MASTER OF BUSINESS ADMINISTRATION (MBA) 2019	RC	5/8
21.	Prof C van Zyl	Profession	20 November 2020	NHD MECHANICAL ENGINEERING 1989 PHD IN MECHANICAL ENGINEERING 2012 MTECH IN MECHANICAL ENGINEERING 2008	ATC	7/8
22.	Mr R Moloisane	Profession	20 November 2020	NDIP IN CIVIL ENGINEERING 1997 BTECH CIVIL ENGINEERING 1999 MTECH CIVIL ENGINEERING 2002 DIP IN PROJECT MANAGEMENT 2003 BSC (HONS) CIVIL ENGINEERING 2006 MSC CIVIL ENGINEERING 2010 PGDIP IN PEDAGOGICAL STUDIES – VOCATIONAL TEACHER EDUCATION 2021 MASTER OF BUSINESS ADMINISTRATION (MBA) 2022	IC RC RPSC	7/8
23.	Mr N Nhleko	Profession	20 November 2020	BTECH CIVIL ENGINEERING 2010	RC	6/8
24.	Prof E Theron	Profession	20 November 2020	NATIONAL DIPLOMA 1986 NATIONAL HIGHER DIPLOMA 1988 MTECH CIVIL ENGINEERING 1997 PHD 2002	IC ATC	5/8
25.	Mr A Sommer	Profession	20 November 2020	RIGGER 2013	RC	7/8
26.	Ms R Ledwaba	Profession	20 November 2020	NATIONAL DIPLOMA ELECTRICAL 2008 TRADE CERTIFICATE 2007	ATC	7/8
27.	Mr N Smit	Profession	20 November 2020	NATIONAL N3 CERTIFICATE 2000 RIGGER 2002 ADVANCED CERTIFICATE IN MANAGEMENT STUDIES 2014	IC RC	8/8

Table 17: Members of the Council for the year under review (continued)

NO.	NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE)	APPOINTMENT DATE	QUALIFICATIONS	OTHER COMMITTEES SERVED	NUMBER OF COUNCIL MEETINGS ATTENDED
28.	Ms S Mngomezulu	State	20 November 2020	NATIONAL DIPLOMA IN MECHANICAL ENGINEERING 2005 DIPLOMA IN PROJECT MANAGEMENT 2008 BTECH MECHANICAL ENGINEERING 2015 BTECH MANAGEMENT 2017 ADVANCED DIPLOMA IN BUSINESS MANAGEMENT 2019 MASTER OF COMMERCE: LEADERSHIP: 2022	ATC NomCom	6/8
29.	Mr T Gamedze	State	20 November 2020	NBSC STUDIES 1980 BS ELECTRICAL ENGINEERING 1984 MS MANAGEMENT 1989	RC NomCom	8/8
30.	Ms P Zweni	State	20 November 2020	POST GRADUATE DIPLOMA IN GENERAL MANAGEMENT 2019	IC	4/8
31.	Adm B Mvovo	State	20 November 2020	BSC MECHANICAL ENGINEERING 2005 MASTERS OF BUSINESS ADMINISTRATION IN EXECUTIVE MANAGEMENT (EMBA) 2016 DIPLOMA IN JOINT AND MULTILATERAL OPERATIONS (MILITARY) 2016	ATC	5/8
32.	Dr P Sibiya	State	20 November 2020	NATIONAL DIPLOMA IN CIVIL ENGINEERING 2001 BTECH CIVIL ENGINEERING 2005 MASTERS IN BUSINESS ADMINISTRATION 2011 POST GRAD DIPLOMA IN PROJECT MANAGEMENT 2013	RPSC	3/8
33.	Ms C Mbola	State	20 November 2020	NATIONAL DIPLOMA IN CIVIL ENGINEERING 2005 DIPLOMA IN PROJECT MANAGEMENT 2008 BTECH CONSTRUCTION MANAGEMENT CIVIL 2009 BTECH GEOTECHNICAL ENGINEERING CIVIL 2012 MUNICIPAL FINANCE MANAGEMENT PROGRAMME 2013 MASTER OF BUSINESS LEADERSHIP 2022	RC ARC	8/8
34.	Dr T Mwelase	State	20 November 2020	BDIPLOMA IN CIVIL ENGINEERING 2000 BTECH IN CIVIL ENGINEERING 2004 MASTERS IN BUSINESS ADMINISTRATION 2011 MENG CIVIL ENGINEERING 2016	RC	6/8
35.	Ms T Chili	Public	20 November 2020	MASTER OF BUSINESS ADMINISTRATION (MBA) 2013 BPHARM 2003	ATC	8/8

Table 17: Members of the Council for the year under review (continued)

NO.	NAME	DESIGNATION (IN TERMS OF THE PUBLIC ENTITY BOARD STRUCTURE)	APPOINTMENT DATE	QUALIFICATIONS	OTHER COMMITTEES SERVED	NUMBER OF COUNCIL MEETINGS ATTENDED
36.	Mr S Keswa	Public	20 November 2020	MASTER OF BUSINESS ADMINISTRATION 2017 MASTERS IN ENVIRONMENTAL MANAGEMENT 2013 BTECH IN MANAGEMENT 2011 BTECH IN NATURE CONSERVATION 2010	SERC NomCom	8/8
37.	Ms S Tolo	Public	20 November 2020	BSC IN MECHANICAL ENGINEERING 2006 MENG NUCLEAR ENGINEERING 2019	ATC	8/8
38.	Ms N Sampson	Public	20 November 2020	MASTER OF PUBLIC ADMINISTRATION (MPA) 2014 CERTIFIED ETHICS OFFICER (INST. OF ETHICS SA) 2014 BACHELOR OF SOCIAL SCIENCE (BSOCSC) 1995 POST GRADUATE DIPLOMA IN COMPLIANCE MANAGEMENT 2019 CERTIFICATE IN BOARD GOVERNANCE 2017	ARC	6/8
39.	Ms S Mutileni	Public	20 November 2020	BCOM ACCOUNTING 2001 MANAGEMENT DEVELOPMENT PROGRAMME 2010 SAP FICO CERTIFIED 2017	SERC ARC	7/8
40.	Mr M Mailula	Public	20 November 2020	BSC COMPUTER SCIENCE 1987 BSC (HONS) COMPUTER SCIENCE 1997	ARC	8/8
41.	Mr M Modipa	Public	20 November 2020	PHD CANDIDATE (CURRENT) MSC LEADERSHIP & INNOVATION (2008) PGDBA) POST-GRADUATE DIPLOMA IN BUS. ADMIN (2010) BCOM FINANCE & MARKETING (1993) CERTIFICATION COURSES HERRIOT-WATT UNIVERSITY, SCOTLAND ORGANIZATIONAL BEHAVIOUR (1996) CORPORATE GOVERNANCE & BOARD EFFECTIVENESS (2021)	ATC SERC	8/8
42.	Dr N Skeepers	Public	20 November 2020	PHD IN ENGINEERING MANAGEMENT 2016	SERC ATC	4/8
43.	Dr R Legoabe	Public	20 November 2020	AIM 2007 POST GRADUATE DIPLOMA IN MANAGEMENT 2008 NATIONAL DIPLOMA HRM 2009 MASTERS DEGREE IN BUSINESS ADMINISTRATION 2012 DOCTORIA TECHNOLOGIAE 2017 BACHELOR IN LAW (LLB) - 2023	ARC ATC RC	7/8

*Resigned 22 August 2023

1.5. Council Member Meeting Attendance for the Year Under Review

Table 18: Committee meeting attendance

NAME	COUNCIL	NomCom	ARC	RC	ATC	SERC	IC	RPSC
1. Ms S R M Buthelezi	7/8							
2. Ms P Madiba	8/8			3/4			2/5	
3. Ms T Ramagofu	8/8			4/4	4/4			3/4
4. Mr J H E Daniels	7/8		4/8				3/5	
5. Prof K Nyembwe	7/8				3/4			2/4
6. Mr S Zimu	7/8			2/4			4/5	
7. Mr TC Madikane	8/8							
8. Mr S Mkhize	4/8							2/4
9. Ms N Rampersad	8/8			4/4			5/5	
10. Ms L Smith	3/8				2/4			
11. Ms R Lesufi	8/8			4/4				
12. Dr S Skorpen	8/8						5/5	
13. Ms A Sole	6/8			4/4				
14. Mr S Jekwa	6/8							
15. Ms L Njomane	7/8				4/4			
16. Mr M Ramuhulu	7/8			4/4			5/5	
17. Ms P Mdletshe	6/8			3/4				
18. Mr L Boshomane	8/8			4/4				3/4
19. Ms A Mtshali	7/8							2/4
20. Mr T Memela	5/8			4/4		1/1		4/5
21. Prof C van Zyl	7/8				4/4			
22. Mr R Moloisane	7/8				3/4		5/5	3/4
23. Mr N Nhleko	6/8			2/4				1/4
24. Prof E Theron	5/8				2/4		1/5	
25. Mr A Sommer	7/8			1/4		2/4		
26. Ms R Ledwaba	7/8				4/4			
27. Mr N Smit	8/8			2/4			5/5	
28. Ms S Mngomezulu	6/8				4/4			

Table 18: Committee meeting attendance (continued)

NAME	COUNCIL	NomCom	ARC	RC	ATC	SERC	IC	RPSC
29. Mr T Gamedze	8/8			4/4				
30. Ms P Zweni	4/8						3/5	
31. Adm B Mvovo	5/8				0/4			
32. Dr P Sibiya	3/8							1/4
33. Ms C Mbola	8/8		5/8	4/4				2/4
34. Dr T Mwelase	7/8			2/4				
35. Ms T Chili	8/8				4/4			
36. Mr S Keswa	8/8					1/1		
37. Ms S Tolo	8/8				4/4			
38. Ms N Sampson	6/8		7/8			1/1		
39. Ms S Mutileni	7/8		6/8			1/1		
40. Mr M Mailula	8/8		8/8					
41. Dr N Skeepers	4/8				4/4	1/1		
42. Mr M Modipa	8/8					1/1		
43. Dr R Legoabe	7/8		8/8	4/4	4/4			

2. HIGH IMPACT COMMITTEE MEMBERS AND ATTENDANCE

APRIL 2023 – MARCH 2024 (6th Term)

Name of Committee: Audit, Risk, and Compliance Committee (ARCC)

Number of committee members: 8

Role of ARCC

The objective of ARCC is to oversee internal controls and financial reporting, external audit and internal audit process and ensure adequate assurance regarding the quality and reliability of financial information and financial statements, the effectiveness of risk management efforts of the organisation, as well as compliance with prevailing legislation, corporate governance and accounting standards in the discharge of the Governing Council's business.

Table 19: ARCC Members and Meeting Attendance

NO.	NAME OF COMMITTEE MEMBERS	NO. OF MEETINGS HELD	NO. OF MEETING(s) ATTENDED
1.	Mr M Mailula	8	8
2.	Ms N Sampson	8	7
3.	Mr J Daniels	8	4
4.	Dr R Legoabe	8	8
5.	Ms C Mbola	8	5
6.	Ms S Mutileni	8	6
7.	Mr A Nqwaba	8	8
8.	Mr J Rockson	8	7

Name of Committee: Social Ethics and Remuneration Committee (SERC)

Number of committee members: 8

Role of SERC

SERC serves to pursue the long-term sustainability of ECSA while promoting an ethical organisational culture and striving for inclusive stakeholder value generation. SERC oversees and monitors Human Resources matters including the workplace environment, staff remuneration, organisational ethics as well as other social and ethics aspects related to social and economic development, good corporate citizenship, environmental health and safety, stakeholder relationship , labour and employment.

Table 20: SERC Members and Meeting Attendance

NO.	NAME OF COMMITTEE MEMBERS	NO. OF MEETINGS HELD	NO. OF MEETING(s) ATTENDED
1.	Mr M Modipa	1	1
2.	Ms S Mutileni	1	1
3.	Mr S Faku	1	1
4.	Mr S Keswa	1	1
5.	Ms N Sampson	1	1
6.	Mr T Memela	1	1
7.	Mr A Nqwaba	1	1
8.	Mr S N Zimu	1	0
9.	Dr N Skeepers	1	1

Name of Committee: Investigating Committee (IC)

Number of committee members: 10

Role of IC

The objective of IC is to investigate matters and determine whether or not, the Registered Person must be charged for breaching the Code of Conduct for Registered Persons. The mandates of IC, duly delegated to it by the Governing Council, are:

- If information comes to the attention of the Council concerning the protection of the public in their dealings with Registered Persons for the maintenance of the integrity and the enhancement of the status of the engineering profession, IC may investigate and consider the matter for the purpose of recommending to the Governing Council any steps it considers necessary.
- If information comes to the attention of the Council that public health and safety is prejudiced as a result of engineering-related undertakings, IC may investigate and consider the matter for the purpose of recommending to the Governing Council any steps it considers necessary.
- To print, circulate or publish, and generally take any steps necessary to publish, any publication relating to the engineering profession and related matters concerning the mandate of IC.
- To perform any service within its competence if it is requested by any person or body of persons, including the State concerning Section 212 of the Criminal Procedure Act of 1977;
- To take any steps necessary to give effect to Section 41(1) of the Act; and
- To take any measures it considers necessary for the proper performance of and exercise of IC's functions, duties or powers to achieve the objectives of the Act.

Table 21: IC Members and Meeting Attendance

NO.	NAME OF COMMITTEE MEMBERS	NO. OF MEETINGS HELD	NO. OF MEETING(s) ATTENDED
1.	Dr S Skorpen	5	5
2.	Mr J Daniels	5	3
3.	Ms P Madiba	5	2
4.	Mr R Moloisane	5	5
5.	Mr M Ramuhulu	5	5
6.	Ms N Rampersad	5	5
7.	Mr N Smit	5	5
8.	Prof E Theron	5	1
9.	Mr S Zimu	5	4
10.	Ms P Zweni	5	3

Name of committee: Registration Committee (RC)

Number of committee members: 20

Role of RC

Objectives of RC are to:

- Oversee the implementation of Policies, Models and Competency Standards that support the effectiveness of the Governing Council in relation to the registration of candidates and professionals in all categories and specified categories.
- Oversee the implementation of the Continuing Professional Development ("CPD") Standard and Rules that support the effectiveness of the Governing Council in relation to the renewal of registration of all professional persons.
- Oversee the effective implementation of the Framework for the Recognition of Voluntary Associations ("VA"), inclusive of the VA Engagement Plan, the recognition of Licenced Bodies, the verification of CPD Service Providers, and the auditing of same.

Table 22: RC Members and Meeting Attendance

NO.	NAME OF COMMITTEE MEMBERS	NO. OF MEETINGS HELD	NO. OF MEETING(s) ATTENDED
1.	Ms Madiba	4	3
2.	Ms R Lesufi	4	4
3.	Mr M Buthelezi	4	2
4.	Mr T Gamedze	4	4
5.	Ms C Mbola	4	2
6.	Ms P Mdletshe	4	3
7.	Mr T Memela	4	4
8.	Ms T Mwelase	4	1
9.	Ms A Sole	4	4
10.	Ms N Rampersad	4	4
11.	Mr N Smit	4	2
12.	Ms T Ramagofu	4	4
13.	Mr N Nhleko	4	2
14.	Mr L Boshomane	4	4
15.	Dr R Legoabe	4	4
16.	Dr D Madyira	4	4
17.	Mr M Ramuhulu	4	4
18.	Mr C Schnehage	4	4
19.	Mr A Sommer	4	1
20.	Mr S Zimu	4	2

Name of committee: Accreditation and Training Committee (ATC)

Number of committee members: 20

Role of ATC

The objectives of ATC are to provide oversight in the implementation of Policies and Standards in relation to:

- Engineering education, programme endorsement and accreditation, qualification evaluation and recognition, and attend to matters pertaining to quality assurance processes in line with local and international standards and support the effectiveness of the Governing Council in relation to these matters.
- Training academies, certification of academies, accreditation of academy candidacy training programmes, and support the effectiveness of the Governing Council in relation to these matters.

Table 23: ATC Members and Meeting Attendance

NO.	NAME OF COMMITTEE MEMBERS	NO. OF MEETINGS HELD	NO. OF MEETING(s) ATTENDED
1.	Prof K Nyembwe	4	3
2.	Adv E Bhero	4	4
3.	Ms T Chili	4	4
4.	Mr J Kae	4	3
5.	Ms R Ledwaba	4	4
6.	Dr R Legoabe	4	4
7.	Dr A Marnewick*	4	1
8.	Mr R Moloisane	4	3
9.	Adm B Mvovo	4	0
10.	Prof E Theron	4	2

Table 23: ATC Members and Meeting Attendance (continued)

NO.	NAME OF COMMITTEE MEMBERS	NO. OF MEETINGS HELD	NO. OF MEETING(s) ATTENDED
11.	Prof C van Zyl	4	4
12.	Ms L Njomane	4	4
13.	Ms S Mngomezulu	4	4
14.	Mr M Buthelezi	4	0
15.	Mr S Dywili	4	3
16.	Ms T Ramagofu	4	4
17.	Dr N Skeepers	4	4
18.	Ms L Smith	4	2
19.	Mr A Sommer	4	2
20.	Ms S Tolo	4	4

*Resigned 15 February 2024

Name of committee: Research, Policy and Standards Committee (RPSC)

Number of committee members: 12

Role of RPSC

The Research, Policy and Standards Committee, renders an oversight role on the following :

- The regulatory instruments developed and applies its expertise to consider ECSA draft policies on research output and providing recommendations to the Council for approval in line with the organisation's strategy, prevailing norms, local and internationals standards, ECSA Policy Framework as well as national government policy imperatives and frameworks.
- The development of standards, frameworks, procedures, training and discipline guidelines concerning knowledge, skills and competence as well as executing the feasibility studies for new disciplines as stipulated in Section 18(c) of the EPA.
- The development of international relations polices, strategies/frameworks as well as positions for each international engagement for ECSA as guided by the organisation's international and national strategic objectives and goals.

Table 24: RPSC Members and Meeting Attendance

NO.	NAME OF COMMITTEE MEMBERS	NO. OF MEETING HELD	NO. OF MEETING ATTENDED
1.	Mr S Mkhize	4	2
2.	Ms A Mtshali	4	2
3.	Mr L Boshomane	4	3
4.	Mr D Havenga	4	3
5.	Caroline Eva	4	3
6.	Mr R Moloisane	4	3
7.	Mr N Nhleko	4	1
8.	Prof K Nyembwe	4	2
9.	Ms T Ramagofu	4	3
10.	Dr S Ramsuroop	4	3
11.	Mr C Schnehage	4	2
12.	Dr P Sibiya	4	1

PART D
HUMAN RESOURCES

1. INTRODUCTION

1.1. Human Resource Overview

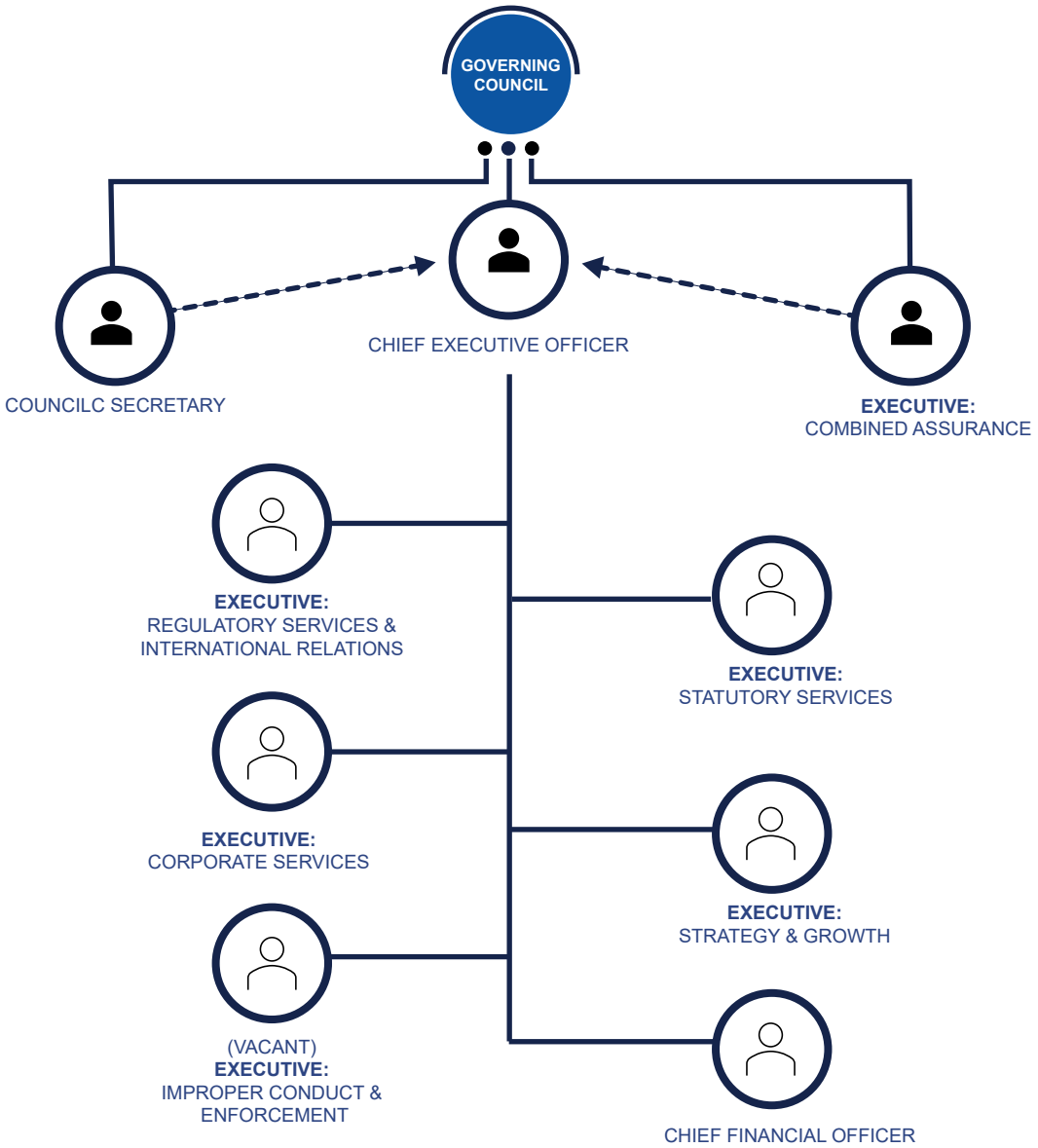
The Human Resource Function is vital for ECSA's performance as it ensures a well-managed, motivated, and regulatory-compliant workforce. It plays an important role in building organisational culture, promoting employee growth, and connecting human capital strategy with business goals. During the reporting period, the Human Resource Business Unit focused on critical areas to align and achieve organisational objectives from a people perspective, including:

- **Organisational Redesign**
- **Employee Performance Management Framework**
- **Employee Wellness Programmes**
- **Policy Development**

1.2 Organisational Redesign

The Engineering Council's five-year interval strategy is supported by an execution structure that includes annual performance planning, operational performance planning, and individual performance contracts. A well-resourced and strategy-aligned structure is essential for successfully achieving organisational objectives that promote governance and re-establish internal controls. The graphic below shows the executive management structure adopted by the Council in August 2023. The HR Function is pleased to inform that the structure is virtually completely resourced, with vacant roles to be filled in the new fiscal year.

Figure 21: Organisational Structure



1.3 Employee Performance Management Framework

The Engineering Council believes that Performance Management is essential for a high-performing organisational culture, and that an organisation's attitude towards performance management is linked to achieving its objectives. The Performance Management Policy, approved for implementation on April 1, 2023, marks a significant step towards creating a performance-conscious and team-oriented environment.

Performance Assessment Methodology

This takes into account the performance of the Business Unit, Division, and organisation to determine the overall individual score. This promotes team collaboration and communication by breaking down siloed work routines.

Performance Moderation Committee

This will add value of enhancing accountability in process and furthermore ensure consistency, integrity, transparency, and fairness of the process.

1.4 Employee Wellness Programmes

With the shifts in work environment and pressures that come with 21st century, the wellness of staff members continues to take primacy and implement initiatives that reflect this commitment. During the reporting period, personnel gained access to several initiatives that focused on teamwork.

ECSA Team Building

Enforced camaraderie, encouraged social connections, reduced stress levels, enhance morale, productivity and teamwork.

Free Employee Assistance Programme

Offers a range of support to members of staff, including life management services, psychological counselling services, and access to health and wellness information.

ECSA Soccer and Netball Team

Seeks to improve and create habits of physical and environment fitness to alleviate individual stress

1.5 Policy Development

The Engineering Council is a dynamic organisation cognisant of the market forces that may influence its efforts to attract, motivate and retain its employees. A great stride in this respect is recorded in the year under review as the Reward and Recognition Policy was approved by Council in September 2023. The policy seeks to ensure adherence to the following principles :

- Enable ECSA to regulate remuneration flexibly at all levels both internal and external equity to enable it to attract, retain and motivate employees of the calibre that it seeks.
- Practice open and transparency at a policy level with line managers being provided their divisional and business unit staff salary data while they maintain the confidentiality of the remuneration of the individual employee.

1.6 Future Plans

The Human Capital function reaffirms its commitment and desire to continue to serve as a strategic partner within ECSA and to build a strong, formidable team serving within the strengths of one organisation. As a result, all plans of the Business Unit are aligned with the strategic objectives of the business.

The Business Unit will therefore focus on the following areas which had been identified as areas in which performance is rated less than the norm of 60% and requires attention and improvement:

Human Capital Strategy; Talent Management; Workforce Planning; Performance Management; Learning and Development; Reward and Recognition; Employee Wellness; Employee Relations; Organisational Development and Human Capital Technology.

2. HUMAN RESOURCE OVERSIGHT STATISTICS

2.1 PERSONNEL RELATED EXPENDITURE

Table 18: Personnel Cost by Salary Band

LEVEL	PERSONNEL EXPENDITURE (R'000)	% OF PERSONNEL EXP. OF TOTAL PERSONNEL COST (R'000)	NO. OF EMPLOYEES	AVERAGE PERSONNEL COST PER EMPLOYEE (R'000)
Top management	R 3 527 838	4.90	1	R 3 527 838
Senior management	R 9 077 247	12.61	6	R 1 512 875
Professionally qualified	R 12 073 455	16.77	9	R 1 341 495
Skilled	R 23 269 062	32.31	32	R 727 158
Semi-skilled	R 22 523 310	31.28	68	R 331 225
Unskilled	R 1 537 675	2.14	8	R 192 209
TOTAL	**R 72 008 587**	**100.00**	**124**	**R 7 632 800**

Table 19: Performance Rewards

LEVE L	PERFORMANCE REWARDS	PERSONNEL EXPENDITURE	% OF PERFORMANCE REWARDS TO TOTAL PERSONNEL COSTS
Top management	R0.00	R 3 527 838	0.00
Senior management	R 421 418	R 9 077 247	0.58
Professionally qualified	R 529 922	R 12 073 455	0.74
Skilled	R 786 508	R 23 269 062	1.09
Semi-skilled	R 708 857	R 22 523 310	0.98
Unskilled	R 79 732	R 1 537 675	0.11
TOTAL	**R 2 526 437**	**R72 008 587**	**3.50**

Table 20: Employment and Vacancies

SALARY BAND	APPOINTED	VACANT	IN PROCESS OF APPOINTING	VACANCIES NOT TO BE APPOINTED
Top management	0	0	0	
Senior management	2	1	0	
Professionally qualified	1	0	1	
Skilled	5	6	1	
Semi-skilled	10	6	2	
Unskilled	5	1	0	
TOTAL	**23**	**4**	**4**	

2.2 EMPLOYEE PERFORMANCE MANAGEMENT FRAMEWORK

Table 21: Training Costs

PROGRAMME/ ACTIVITY/ OBJECTIVE	PERSONNEL EXPENDITURE (R'000)	TRAINING EXPENDITURE (R'000)	TRAINING EXPENDITURE AS A % OF PERSONNEL COST	NO. OF EMPLOYEES TRAINED	AVG. TRAINING COST PER EMPLOYEE (R'000)
Quality Assurance Conference	R 1 350 722.6	R 2 100.00	0.15	2	R 1 050.00
ITWeb Security Summit	R 1 315 274.74	R 10 056.75	0.76	1	R 10 056.75
Microsoft Power BI Data	R 300 601.25	R 1 541.03	0.51	2	R 770.65
Quality Management Systems	R 290 895.59	R 2 248.74	0.77	1	R 2 248.74
Financial modelling and analysis	R 847 115.29	R 41 700.00	4.92	3	R 13 900.00
People factor summit	R 5 551 945.59	R 18 750.00	0.34	5	R 3 750.00
Computer training	R 152 800.70	R 10 350.00	6.77	1	R 10 350.00
Anti-Money Laundering	R 928 599.37	R 15 960.00	1.72	1	R15 960.00
PURCO SA Conference	R 277 016.97	R 8 100.00	2.92	1	R 8 100.00
CCMA rules seminar	R 4 372 478.23	R 12 999.00	0.32	1	R 4 333.00
Supply Chain Workshop	R 991 731.34	R 18 503.26	1.86	2	R9 251.63
PB Forum	R1 058 966.04	R 800.00	0.07	1	R 800.00
GRAP Asset Accounting & Asset	R 548 373.18	R 11 383.85	2.07	1	R 11 383.85
Business Risk Management	R 314 848.70	R 14 500.00	4.61	1	R 14 500.00
Udemy	R 21 758 340.89	R 197 120.00	1.47	40	R 4 928.00
IRMSA Annual Conference	R 1 350 722.6	R 19 860.00	0.14	2	R 9 930.00
Microsoft Power BI Introduction	R 3 247 572.55	R 8 700.00	0.27	5	R 1 740.00
First Aid Training	R 1 502 429.98	R 1 502 429.98	0.18	4	R 690.00
Higher Education Conference	R 3 027 373.00	R 2 760.00	0.37	2	R 5 600.00
Skills Development Master	R 1 058 966.04	R 11 200.00	0.18	1	R1 950.00
SAGE 300 Training	R 5 551 945.59	R 35 830.00	0.64	5	R 7 166.00
Governance Training	R 813 963.16	R 5 000.00	0.61	1	R5 000.00
Compliance Management	R 28 461.36	R 15 900.00	55.86	1	R 15 900.00
Governance Training	R 606 296.36	R 1 550.00	0.25	1	R 1 550.00
Cleaning Training	R 727 408.81	R 3 468.00	0.48	1	R 3 468.00
Advance Procurement training	R 991 731.34	R 20 250.00	2.04	2	R10 125.00
Managed Integrity Evaluation	R 1 035 873.90	R 950.00	0.09	1	R950.00

Table 22: Reason for Staff Leaving

REASON	TOTAL NUMBER OF STAFF LEAVING
Death	0
Resignation	2
Dismissal	2
Retirement	1
Ill health	0
Expiry of contract	7
Other	1
TOTAL	**13**

Table 23: Misconduct and Disciplinary Actions

NATURE OF DISCIPLINARY ACTION	NUMBER
Verbal warning	0
Written warning	2
Final written warning	1
Dismissal	2
TOTAL	**5**

Table 24: Equity Target and Employment Equity Status

LEVEL	MALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top management	0	0	0	0	0	0	0	0
Senior management	3	0	0	0	0	0	0	0
Professionally qualified	3	0	0	0	0	0	0	0
Skilled	15	0	0	0	1	0	0	0
Semi-skilled	21	0	0	0	0	0	0	0
Unskilled	3	0	0	0	0	0	0	0
TOTAL	**45**	**0**	**0**	**0**	**1**	**0**	**0**	**0**

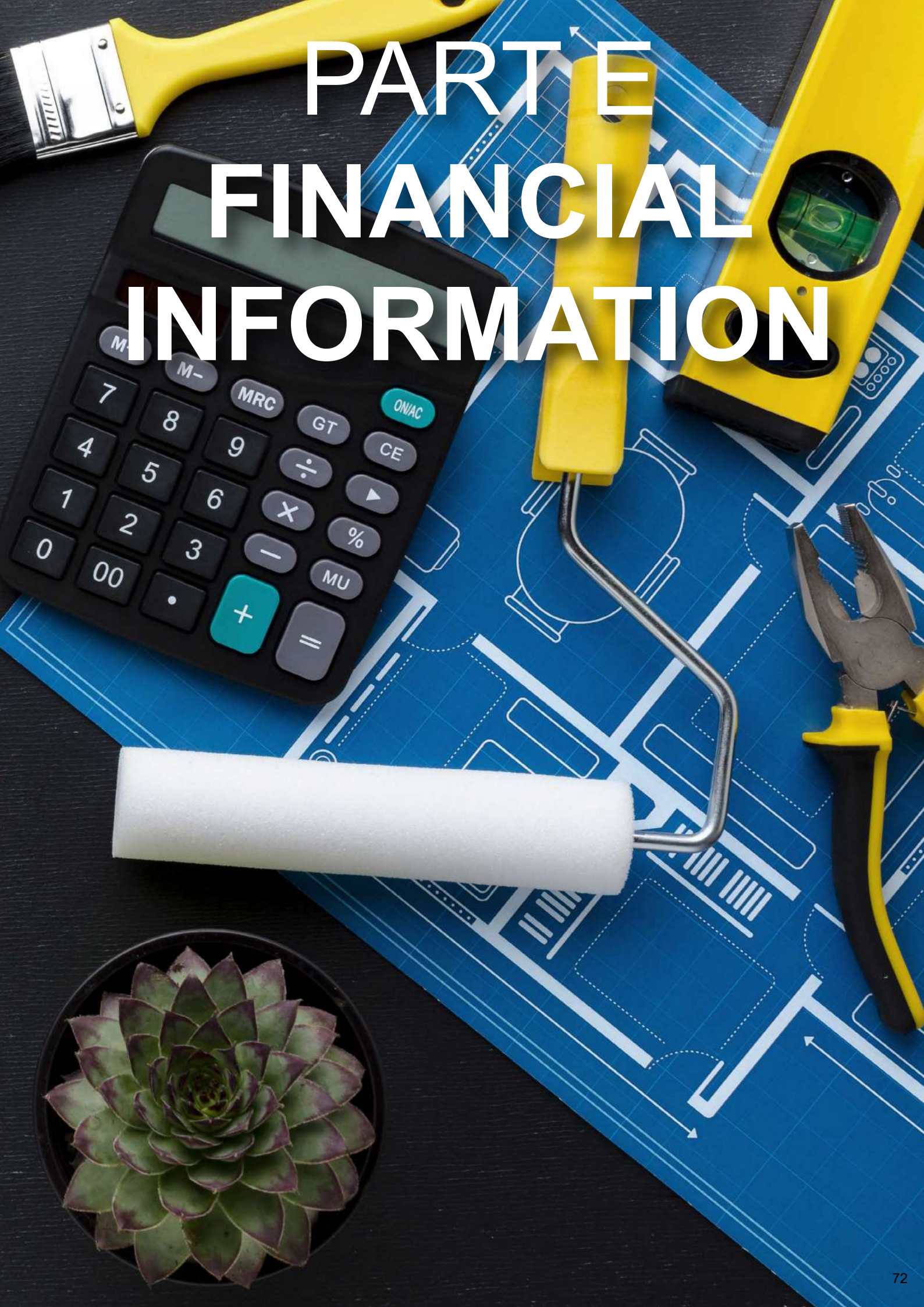
Table 25: Employment Equity (Female)

LEVEL	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET	CURRENT	TARGET
Top management	1	0	0	0	0	0	0	0
Senior management	1	1	0	0	0	0	1	0
Professionally qualified	4	0	0	0	1	0	0	0
Skilled	12	0	0	0	0	0	2	0
Semi-skilled	39	0	2	0	1	0	1	0
Unskilled	7	0	0	0	0	0	0	0
TOTAL	**70**	**0**	**2**	**0**	**2**	**0**	**4**	**0**

Table 26: Employment Equity (People living with a disability)

LEVEL	STAFF LIVING WITH A DISABILITY			
	MALE		FEMALE	
	CURRENT	TARGET	CURRENT	TARGET
Top management	0	0	0	0
Senior management	0	0	0	0
Professionally qualified	0	0	0	0
Skilled	0	0	0	0
Semi-skilled	0	0	`1	0
Unskilled	0	0	0	0
TOTAL	**0**	**0**	**1**	**0**

PART E
FINANCIAL INFORMATION



THE ENGINEERING COUNCIL OF SOUTH AFRICA

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	The Engineering Council of South Africa (ECSA) is a statutory body established in terms of the Engineering Profession Act (EPA), 46 of 2000. The ECSA's primary role is the regulation of the engineering profession in terms of this Act. Its core functions are the accreditation of engineering programmes, registration of persons as professionals in specified categories, and the regulation of the practice of registered persons
Registered office	1st Floor Waterview Corner Building 2 Ernest Oppenheimer Avenue Bruma Lake Office Park Johannesburg 2198
Bankers	Standard Bank South Africa
Auditors	Lunika Inc. Registered Auditors

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COUNCIL'S RESPONSIBILITIES

The Council is required by the Engineering Professions Act 46 of 2000, to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Council to ensure that the annual financial statements fairly present the state of affairs of the ECSA at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board. The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Council acknowledges that it is ultimately responsible for the system of internal financial control established by ECSA and places considerable importance on maintaining a strong control environment. To enable the Council to meet these responsibilities, the Council sets standards for internal control aimed at reducing the risk of error or deficit 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 ECSA and all employees are required to maintain the highest ethical standards in ensuring ECSA's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in ECSA is on identifying, assessing, managing and monitoring all known forms of risk across ECSA. While operating risk cannot be fully eliminated, ECSA endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems, and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Council is 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 deficit.

The Council has reviewed ECSA's cash flow forecast for the year to 31 March 2025, and, in the light of this review and the current financial position, it is satisfied that ECSA has or has access to adequate resources to continue in operational existence for the foreseeable future.

ECSA is wholly dependent on annual, application and accreditation visit fees for continued funding of operations. The annual financial statements are prepared on the basis that ECSA is a going concern and that ECSA has neither the intention nor the need to liquidate or curtail materially the scale of ECSA.

The external auditors are responsible for independently auditing and reporting on ECSA's annual financial statements. The annual financial statements have been examined by ECSA's external auditors and their report is presented on page 77 to 78.

The annual financial statements set out on pages 81 to 109, which have been prepared on the going concern basis, were approved by the Accounting Authority on 29 August 2024 and were signed on its behalf by:

Ms Buthelezi RSM, Pr. Eng
President

Dr Ssamula BCB, Pr. Eng
Chief Executive Officer

REPORT OF THE AUDIT, RISK & COMPLIANCE COMMITTEE

The Audit, Risk and Compliance (ARC) Committee is pleased to present the report for the financial year ended 31 March 2024. Its overall mandate is to provide oversight on ECSA's internal controls, risk management and governance processes. The mandate includes oversight on ICT Governance and the financial reporting process, through the Regulatory Audit executed by External Audit. Through the execution of its mandate the committee provides assurance to Council, on compliance with its statutory duties and responsibilities outlined in the approved ARC Committee terms of reference. This assists Council with its responsibility of ensuring that adequate and effective systems and controls are in place, thus ensuring the safeguarding of assets, assessing the going concern status, reviewing the financial information and overseeing the preparation of the annual financial statements.

Composition:

The ARC Committee is a committee of Council, and it consists of independent and non-executive Council members. The committee consisted of eight (8) members in the period 01 April 2023 to 31 March 2024. The President of Council is not legible to be a member of the ARC Committee.

The committee meets quarterly as per its approved terms of reference. The Chief Executive Officer (CEO), Executive Management, Managers, internal auditors and external auditors attend these meetings by invitation. Based on the need, the external auditors and internal auditors also have direct access to meet the committee, without management.

Meeting Attendance:

Four scheduled meetings and four special meetings were held during the period under review. Attendance for the reporting period is shown below:

Table 27: Meeting Attendance

NO.	COMMITTEE MEMBERS	ROLE	NO. OF MEETINGS HELD	NO. OF MEETING(s) ATTENDED	ATTENDED (%)
1.	Mr M Mailula	Chairperson	8	8	100
2.	Ms N Sampson	Member	8	7	87.5
3.	Mr J Daniels	Member	8	4	50
4.	Dr R Legoabe	Member	8	8	100
5.	Ms C Mbola	Member	8	5	62.5
6.	Ms S Mutileni	Member	8	6	75
7.	Mr A Nqwaba	Member	8	8	100
8.	Mr J Rockson	Member	8	7	87.5

Effectiveness of the committee's performance

As part of the overhaul of the governance framework caried out in 2023/24 for Council and related committees, no formal evaluation of committees was conducted in the period.

Committee Responsibility

The committee confirms that it has operated within its approved terms of reference and discharged all its responsibilities accordingly.

Review of the Annual Financial Statements

The committee reviewed the Annual Financial Statements (AFS) prepared in line with the Standard of Generally Recognised Accounting Practice (GRAP) on Presentation of Financial Statements, based on the International Public Sector Accounting Standards (IPSAS). There were no changes in accounting policies and practices in the period.

The committee considered the AFS in relation to information reported by management, internal and external audit, and other relevant information known to the committee. The committee reviewed the external auditors' management report and management's responses thereto. It was noted that there were no significant adjustments effected to the set of AFS submitted to external audit. The audited AFS were discussed with external audit, and the committee supports their inclusion in the annual report. The committee accepts and concurs with the external auditors' conclusion on the AFS and is of the opinion that the audited AFS should be accepted and read together with the report of the external auditors.

Internal controls

Management continues to do the work to improve the control environment in ECSA. The establishment of a dedicated Combined Assurance Division will see further improvements being implemented going forward. Reports from the outsourced internal auditors were considered. The committee will monitor the action plans to be implemented by Management.

The external auditors' independent audit report on the Regulatory Audit was also considered. It was noted that no significant findings or noncompliance with prescribed policies and procedures was reported, in relation to the financial reporting system. Accordingly, the committee can report that the system of internal control over financial reporting for the period under review was efficient and effective. The reported control improvements will be monitored accordingly.

Risk Management

The Council has delegated certain aspects of its authority to the ARC Committee, including providing oversight on risk management. The committee is committed to a process of risk management that is aligned to the principles of good corporate governance.

The committee is satisfied with the enhancement of the risk management process in the period, through the establishment of a dedicated Enterprise Risk Management (ERM) Business Unit.

The responsibility to prevent and detect fraudulent activities remains with management. The committee is responsible for providing oversight on the adequacy and effectiveness of the risk management process. An external service provider was appointed in the period, to manage the Anti-Fraud and Ethics Hotline, to promote anonymity and protection of Whistleblowers, in line with the Protected Disclosure Act 26 of 2000, as amended (2017). A maiden Fraud Risk Assessment was conducted for ECSA in the period, and the progress on remedial actions continued to be monitored by the committee quarterly.

Internal Audit

The contract term of the initial outsourced internal audit function: Mrwebi Auditors and Accountants expired in June 2023. The subsequent outsourced internal audit service provider: Kgatontle Consulting, was appointed in August 2023. The committee approved a risk-based internal audit plan which was partially implemented. Internal audit reviewed the information on the 2023/24 predetermined objectives, as reported in the annual report. The outcome of the internal audit reviews was reported to the committee, to inform its own assessment of the adequacy and effectiveness on internal controls, risk management and governance processes. A formal evaluation of the outsourced internal audit function was conducted with feedback received from the committee, management and external audit. Internal audit also conducted a self-assessment, and that outcome also informed the overall outcome.

External Audit

The audit strategy and engagement letter from the external auditors were considered and approved. The current external auditors are in the third and final year of their contract. The overall unqualified audit opinion for 2023/24 is welcomed by the committee. Control improvement areas will be monitored through the audit tracking process, to ensure that remedial actions are implemented.

Going concern

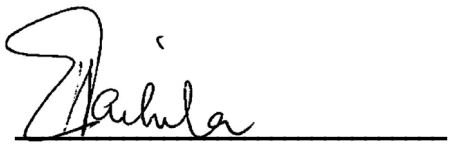
ECSA's improved performance for the year under review, together with cash flow forecasts indicates that the entity can, continue in operational existence for the foreseeable future, namely for twelve months after the date of approval of the 2023/24 AFS.

Management has determined that there are no material uncertainties that cast doubt on the entity's ability to continue as a going concern and discussed the above opinion and conclusions with the committee, Council and the External Auditors. The committee concurs with management's views.

The committee considered the relevant sections of the Annual Report, for accuracy and completeness of information, considering relevant regulatory requirements. The committee is comfortable that the Annual Report complies with applicable regulations governing disclosure and reporting in all material respects.

Appreciation

I wish to express my appreciation to the members of the committee for their commitment and support. I also wish to express the committee's appreciation to the external auditors, Lunika Incorporated; the internal auditors: Mrwebi Auditors and Accountants, and Kgatontle Consulting; the CEO, management and staff of ECSA for their support.



Mr Mailula MI
Chairperson of the Audit, Risk and Compliance Committee
Date: 29 August 2024

INDEPENDENT AUDITOR'S REPORT

LUNIKA

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of Engineering Council of South Africa (ECSA) set out on pages 82 to 102 ,which comprise the statement of financial position as at 31 March 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Engineering Council of South Africa as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with South African Standards of Generally Recognised Accounting Practice (SA GRAP) and the requirements of the Engineering Profession Act.

Basis for opinion

3. We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of this auditor's report.

4. We are independent of the entity in accordance with the Code of professional conduct for auditors of the Independent Regulatory Board for Auditors (IRBA) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards).

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

6. The Council is responsible for the other information. The other information comprises the information included in the annual report . The other information does not include the financial statements and my auditor's report thereon.

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

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

Responsibilities of the Council for the Financial Statements

9. The Council is responsible for the preparation and fair presentation of the financial statements in accordance the SA GRAP and the requirements of the Engineering Profession Act and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

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

11. The Council is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

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

13. As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

14. I communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on compliance with legislation

15. In accordance with the PAA and the general notice issued in terms thereof, we must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The Council is responsible for the Entity's compliance with legislation. This engagement is not an assurance engagement. Accordingly, we do not express an assurance opinion or conclusion.

Other information in the annual report

16. The Council is responsible for the other information. The other information comprises the information included in the annual report, the other information does not include the financial statements.

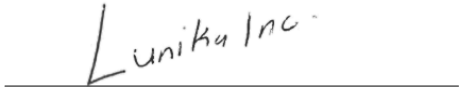
17. Our opinion on the financial statements and the report on compliance with legislation do not cover the other information and we do not express an audit opinion or any form of assurance conclusion on it.

18. In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

19. We did not receive the other information prior to the date on this auditor`s report. When I do receive and read this information, if we conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor`s report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

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



Lunika Chartered Accountants and Auditors Incorporated
Samkelo Mxunyelwa (CA) SA, RA
Partner
Chartered Accountant (SA) | Registered Auditor

31 July 2024
Unit 5
Lonehill Office Park
Sandton, Johannesburg

COUNCIL MEMBER

The council members of the organisation were as follows during the year and to the date of this report:

1. Ms Buthelezi RSM (President)
2. Mr Madikane TC (Vice President)
3. Mr Mailula MI (Chairperson ARC)
4. Ms Skorpen S (Chairperson IC)
5. Ms Madiba P (Chairperson RC)
6. Prof Nyembwe K (Chairperson ATC)
7. Mr Mkhize S (Chairperson RPSC)
8. Mr Modipa ME (Chairperson SERC)
10. Mr Ramagofu T
11. Mr Moloisane R
12. Ms Sampson N
13. Mr Nhleko N
14. Ms Smith L*
15. Ms Mtshali A
16. Ms Lesufi R
17. Ms Mutileni S
18. Ms Mdletshe PP
19. Ms Mngomezulu S
20. Mr Jekwa S
21. Mr Memela T
22. Mr Ramuhulu M
23. Ms Rampersad N
24. Ms Theron E
25. Ms Njomane L
26. Ms Sole AO
27. Mr Sommer AH
28. Ms Ledwaba R
29. Mr Smit N
30. Mr Zimu SN
31. Dr Legoabe RS
32. Prof van Zyl C
33. Dr Skeepers N
34. Mr Gamedze T
35. Ms Zweni P
36. Ms Sibiya P
37. Ms Mbola C
38. Ms Mwelase T
39. Mr Boshomane L
40. Ms Chili T
41. Mr Keswa S
42. Ms Tolo S
43. Mr Daniels JHE

*** Resigned - 22 August 2023**

6. SECRETARY

The duties of the council secretariat were fulfilled by the
Acting Manger Legal Governance Compliance and Council Secretariat

7. AUDITORS

Lunika Inc. continued in office as the external auditor.

8. LEGAL FORM

ECSA is a statutory body established in terms of the
Engineering Profession Act 46 of 2000.

Ms Buthelezi RSM, Pr. Eng
President

Dr Bridget Ssamula, Pr. Eng
Chief Executive Officer

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

FIGURES IN RAND	NOTE(S)	2024	2023
Assets			
Current Assets			
Trade and other	7	59 175 385	22 929 169
Prepayments	6	2 013 835	1 418 829
Cash and cash equivalents	8	71 653 547	90 904 469
		132 842 767	**115 252 467**
Non-Current Assets			
Property, plant and equipment	2	8 386 625	9 080 465
Intangible assets	3	2 602 704	721 565
Investments	4	19 857 131	18 319 018
Retirement benefit assets	5	6 893 196	6 401 040
		37 739 656	**34 522 088**
Total Assets		**170 582 423**	**149 774 555**
Liabilities			
Current Liabilities			
Trade and other payables	10	37 914 839	32 873 589
VAT payable	11	968 011	
Provisions	9	7 764 886	4 304 001
		46 647 736	**37 177 590**
Total Liabilities		**46 647 736**	**37 177 590**
Net Assets		**123 934 687**	**112 596 965**
Accumulated surplus		123 934 687	112 596 965
Total Net Assets		**123 934 687**	**112 596 965**

STATEMENT OF FINANCIAL PERFORMANCE

FIGURES IN RAND	NOTE(S)	2024	2023
Revenue	12	140 666 792	128 686 136
Other income	13	6 717 233	6 637 659
Operating expenses		(146 385 387)	(122 058 774)
Operating surplus		**998 638**	**13 265 021**
Investment revenue		8 715 976	6 386 450
Fair value adjustments	16	1 623 108	459 961
Surplus for the year		**11 337 722**	**20 111 432**

STATEMENT OF CHANGES IN NET ASSETS

FIGURES IN RAND	ACCUMULATED SURPLUS	TOTAL NET ASSETS
Balance at 01 April 2022	**92 485 533**	**92 485 533**
Changes in net assets		
Surplus for the year	20 111 432	20 111 432
Total changes	**20 111 432**	**20 111 432**
Balance at 01 April 2023	112 596 965	112 596 965
Changes in net assets	11 337 722	11 337 722
Surplus for the year	11 337 722	11 337 722
Total changes	**123 934 687**	**123 934 687**
Balance at 31 March 2024		
NOTE(S)		

CASH FLOW STATEMENT

FIGURES IN RAND	NOTE(S)	2024	2023
Cash flows from operating activities			
Receipts		123 693 826	141 153 949
Cash receipts from customers		8 715 976	6 386 450
Interest income		132 409 802	147 540 399
Payments			
Cash payments to suppliers and employees		(148 579 472)	(131 468 287)
Net cash flows from operating activities	19	**(16 169 670)**	**16 072 112**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(505 653)	(359 054)
Purchase of intangible assets	3	(2 575 600)	(65 120)
Net cash flows from investing activities		**(3 081 253)**	**(424 174)**
Net increase/(decrease) in cash and cash equivalents		**(19 250 923)**	**15 647 938**
Cash and cash equivalents at the beginning of the year		90 904 469	75 256 531
Cash and cash equivalents at the end of the year	8	**71 653 546**	**90 904 469**

STATEMENT OF COMPARISON OF BUDGET & ACTUAL AMOUNTS

BUDGET ON CASH BASIS

Figures In Rand	Approved Budget	Adjustments	Final Budget	Actual Amounts On Comparable Basis	Difference Between Final Budget And Actual	Reference
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Annual fees	129 757 675	-	**129 757 675**	120 204 622	**(9 553 053)**	note 28
Application fees	9 511 940	-	**9 511 940**	16 265 120	**6 753 180**	note 28
Accreditation visits	9 452 315	(2 571 435)	**6 880 880**	4 629 099	**(2 251 781)**	note 28
Recoveries	6 982 757	-	**6 982 757**	4 958 554	**(2 024 203)**	note 28
Sundry Income	2 852 000	(282 000)	**2 570 000**	1 786 406	**(783 594)**	note 28
Interest received - investment	4 708 718	-	**4 708 718**	8 715 976	**4 007 258**	note 28
Total revenue from exchange transactions	**163 265 405**	**(2 853 435)**	**160 411 970**	**156 559 777**	**(3 875 368)**	
Expenditure						
Personnel	(92 292 656)	(4 146 678)	**(88 145 978)**	(80 898 064)	**7 247 914**	note 28
Depreciation and amortisation	(5 172 000)	2 100 000	**(3 072 000)**	(1 815 823)	**1 256 177**	note 28
Debt Impairment	(15 282 308)	4 434 526	**(10 847 782)**	(15 156 805)	**(4 309 023)**	note 28
Council Governance	(2 298 808)	(3 995 392)	**(6 294 200)**	(1 473 279)	**3 070 743**	note 28
Engineer Peer Activities	(20 904 881)	772 547	**(20 132 334)**	(14 828 992)	**4 820 921**	note 28
Strategic projects	(19 229 449)	2 666 993	**(16 562 456)**	(6 312 155)	**10 250 301**	note 28
General Expenses	(38 160 740)	(4 052 645)	**(42 213 385)**	(25 298 180)	**16 285 205**	note 28
Early bird discount	(1 000 000)	400 000	**(600 000)**	(432 049)	**167 951**	
Total expenditure	**(194 340 842)**	**6 472 707**	**(187 868 135)**	**(146 845 347)**	**41 022 788**	
Operating surplus	**(30 197 797)**	**3 619 272**	**(27 456 165)**	**9 691 255**	**37 147 420**	
Gain on disposal of assets and	-	-	**-**	23 359	**23 359**	
liabilities	-	-	**-**			
Investment revenue : SIS investment gains	-	-	**-**	1 623 108	**1 623 108**	note 28
	-	-	**-**	**1 646 467**	**1 646 467**	
Surplus before taxation	**(31 075 437)**	**3 619 272**	**(27 456 165)**	**11 337 722**	**38 793 887**	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	**(31 075 437)**	**3 619 272**	**(27 456 1650)**	**11 337 722**	**38 793 887**	

Please refer to note 28 for explanations on material differences.

SIGNIFICANT ACCOUNTING POLICIES

FIGURES IN RAND	NOTE(S)	2024	2023

1. SIGNIFICANT ACCOUNTING POLICIES

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

1.1 Basis of Preparation

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Engineering Professions Act 46 of 2000.

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

These accounting policies are consistent with the previous period.

1.2 Presentation Currency

These annual financial statements are presented in South African Rand, which is the functional currency of the entity.

1.3 Going Concern Assumption

These annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.4 Significant Judgements & Sources of Estimation Uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

Other significant judgements, sources of estimation uncertainty and/or related information, have been disclosed in the relating notes.

Trade receivables, held to maturity investments, other receivables, and allowances for doubtful debts

The impairment for trade receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 9 - Provisions.

1.5 Property, Plant and Equipment

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

The cost of an item of property, plant and equipment is recognised as an asset when:

- It is probable that future economic benefits or service potential associated with the item will flow to the council.
- The cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2024	2023

1.5 Property, Plant And Equipment (Continued)

The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Trade discounts and rebates are deducted in arriving at the cost.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition. Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of financial performance during the financial period in which they are incurred.

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. The useful lives of items of property, plant and equipment have been assessed as follows:

ITEM	DEPRECIATION METHOD	AVERAGE USEFUL LIFE
Buildings	Straight line	50 years
Furniture and fixtures	Straight line	10 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	5 years
IT equipment	Straight line	3 years
Computer servers	Straight line	6 years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the Council. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate.

The Council assesses at each reporting date whether there is any indication that the Council expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the council revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2024	2023

1.6 Intangible Assets (Continued)

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

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

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

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

CLASS	DEPRECIATION METHOD	AVERAGE USEFUL LIFE
Computer software, internally generated	Straight line	5 years
Computer software, other	Straight line	5 years

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 3).

Intangible assets are derecognised:

- On disposal
- When no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.7 Financial Instruments

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

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Derecognition is the removal of a previously recognised financial asset or financial liability from a Council's statement of financial position.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, a Council shall estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment, call and similar options) but shall not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate (see the Standard of GRAP on Revenue from Exchange Transactions), transaction costs, and all other premiums or discounts. There is a presumption that the cash flows and the expected life of a group of similar financial instruments can be estimated reliably. However, in those rare cases when it is not possible to reliably estimate the cash flows or the expected life of a financial instrument (or group of financial instruments), the Council shall use the contractual cash flows over the full contractual term of the financial instrument (or group of financial instruments).

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2024	2023

1.7 Financial Instruments (Continued)

Classification

The Council has the following types of financial assets (classes and category) as reflected on the face of the statement of financial position or in the notes thereto:

CLASS	CATEGORY
Cash and cash equivalents	Financial asset measured at amortised cost
Trade and other receivables	Financial asset measured at amortised cost
Trade and other receivables	Financial asset measured at amortised cost

The entity has the following types of residual interests (classes and category) as reflected on the face of the statement of financial position or in the notes thereto

1.8 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership.
A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the entity assesses the classification of each element separately.

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

1.9 Impairment Of Cash-Generating Assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation). Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash-generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life. Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

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

Useful life is either:

- The period of time over which an asset is expected to be used by the entity; or
- The number of production or similar units expected to be obtained from the asset by the entity.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2024	2023

1.10 **Employee Benefits**

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service. Post-employment benefits are employee benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment.

Other long-term employee benefits are all employee benefits other than short-term employee benefits, post-employment benefits and termination benefits.

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either: (a) an entity's decision to terminate an employee's employment before the normal retirement date; or (b) an employee's decision to accept an offer of benefits in exchange for the termination of employment.

Short-term employee benefits
Recognition and measurement
All short-term employee benefits

When an employee has rendered service to the entity during a reporting period, the entity recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

(a) As a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

(b) As an expense, unless another Standard of GRAP requires or permits the inclusion of the benefits in the cost of an asset.

Short-term paid absences

The entity recognises the expected cost of short-term employee benefits in the form of paid absences as follows:

(a) In the case of accumulating paid absences, when the employees render service that increases their entitlement to future paid absences; and

(b) In the case of non-accumulating paid absences, when the absences occur. The entity measures the expected cost of accumulating paid absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

Bonus, incentive and performance related payments
The entity recognises the expected cost of bonus, incentive and performance related payments when, and only when:

(a) the entity has a present legal or constructive obligation to make such payments as a result of past events; and

(b) a reliable estimate of the obligation can be made. A present obligation exists when, and only when, the entity has no realistic alternative but to make the payments.

Other long-term employee benefits

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2024	2023

1.11 **Provisions and contingencies**

Provisions are recognised when:

- The council has a present obligation as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation;
- A reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. The reimbursement is treated as a separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

A provision is used only for expenditures for which the provision was originally recognised.

Provisions are not recognised for future operating surplus.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 22.

1.12 **Commitments**

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.
Commitments for which disclosure is necessary to achieve a fair presentation should be disclosed in a note to the Financial statements, after consideration of the following:

- Contracted commitments should be disclosed, i.e. the entity and the supplier must have entered into a contract, at the reporting date.
- The disclosure is not limited to contracts that are non-cancellable or only cancellable at a significant cost to the entity. The commitments disclosed is the portion of the commitment that has not been received and not yet recorded in the financial statements as an accrual or payable.

Contracts which were finalised after the reporting date will not be disclosed as commitments at reporting date. If there were material contracts entered into after reporting date, but before approval of the financial statements, these contracts will be considered in accordance with events after the reporting date and disclosed accordingly.

1.13 **Revenue From Exchange Transactions**

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

Fee income consists of annual fees, applications fees and accreditations visits.

Professional fees are payable by members who are in the Professional or Registered categories. Fee income is recorded in the financial statements in the period to which it relates. Candidate fees are payable by members who are not yet qualified Professional or Registered persons.

Application fees are once-off fees payable on submission of an application form. These fees are to compensate for the costs incurred during the evaluation process and are recognised when received.

An exchange transaction is one in which the council receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2024	2023

1.13 **Revenue From Exchange Transactions (Continued)**

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the reporting date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight-line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest

Revenue arising from the use by others of entity assets yielding interest, royalties and dividends or similar distributions is recognised 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.

Interest is recognised in surplus or deficit using the effective interest rate method.

1.14 **Budget Information**

The Council is typically subject to budgetary limits in the form of appropriations or budget authorisations (or equivalent), which is given effect through authorising legislation, appropriation or similar.

General purpose financial reporting by council shall provide information on whether resources were obtained and used in accordance with the legally adopted budget.

The approved budget is prepared on an accrual basis and presented by programmes linked to performance outcome objectives.

The approved budget covers the fiscal period from 2023/04/01 to 2024/03/31.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

1.15 **Related Parties**

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

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2024	2023

1.15 Related Parties (Continued)

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

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

The council discloses transactions related parties not at arm's length or not in the ordinary business.

1.16 Events After Reporting Date

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

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

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

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

1.17 Risk And Capital Management

The Council's objectives when managing capital are to safeguard the ECSA's ability to continue as a going concern in order to provide services as enacted by the Engineering Profession Act no 46 of 2000 and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the ECSA consists of debt, which includes the cash and cash equivalents disclosed in note 8, and equity as disclosed in the Statement of Financial Position. All borrowings relating to the purchasing of office space in Waterview Corner, Bruma, have been paid up.

There are no externally imposed capital requirements. There have been no changes to what the entity manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year.

Financial management risk management

The ECSA’s activities expose it to a variety of financial risks: market risk (including fair value and interest rate risk), credit risk and liquidity risk. The ECSA’s overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the ECSA’s financial performance. Risk management is carried out by an Audit, Compliance and Risk Committee under policies approved by the council. The council provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk and credit risk and investment of excess liquidity.

Liquidity risk

The Council performs cash flow forecasting. The ECSA’s finance division monitors rolling forecasts of the organisation's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that ECSA does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. The Council invests surplus cash in interest bearing current accounts, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FIGURES IN RAND	NOTE(S)	2024	2023

1.17 **Risk And Capital Management (Continued)**

Interest rate risk

As the ECSA has no significant interest-bearing assets, its income and operating cash flows are substantially independent of changes in market interest rates.

The Council analyses its interest rate exposure on a regular basis. Interest rate fluctuations that could impact on its surplus or deficit are the rates earned on ECSA's short-term investments. It is not foreseen that the actual revenue earned compared to the budgeted revenue will negatively deviate by more than R200,000 per annum.This translates into a possible fluctuation of 0.1% to 0.2% in total revenue.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party. Refer to the information below for credit ratings.

Standard Bank

National long-term credit rating AA+ (ZAF)
National short-term credit rating A1+ (ZAF) Investec
National long-term credit rating AA (ZAF)
National short-term credit rating A1+ (ZAF)

Trade receivables comprise a widespread customer base, mainly being registered persons. Management evaluates credit risk relating to registered persons on an ongoing basis. The Council has to comply with statutory obligations and no choice is exercised on the registered person's ability to pay membership fees.

FIGURES IN RAND	NOTE(S)	2024	2023

2. PROPERTY, PLANT AND EQUIPMENT

	2024			2023		
	COST / VALUATION	ACCUMULATED DEPRECIATION AND ACCUMULATED IMPAIRMENT	CARRYING VALUE	COST / VALUATION	ACCUMULATED DEPRECIATION AND ACCUMULATED IMPAIRMENT	CARRYING VALUE
Buildings	8 915 111	(3 089 297)	5 825 814	7 691 993	(2 537 042)	5 154 951
Furniture & Fixtures	2 385 783	(1 782 919)	602 864	2 479 465	(1 833 337)	646 128
Motor Vehicles	347 273	(312 545)	34 728	347 273	(250 036)	97 237
Office Equipment	1 078 076	(1 033 399)	44 677	1 094 407	(1 034 292)	60 115
IT equipment	4 099 501	(3 177 469)	922 032	4 968 818	(3 798 345)	1 170 473
Computer servers	2 645 252	(2 384 021)	261 231	2 645 252	(2 371 282)	273 970
Other property, plant & equipment	2 993 742	(2 298 463)	695 279	4 501 187	(2 823 596)	1 677 591
TOTAL	**22 464 738**	**(14 078 113)**	**8 386 625**	**8 386 625**	**(14 647 930)**	**9 080 465**

Reconciliation of property, plant and equipment - 2024

	OPENING BALANCE	ADDITIONS	CLASSIFICATION CHANGE	DISPOSALS	CLASSIFICATION CHANGE	DEPRECIATION	IMPAIRMENT LOSS	TOTAL
Buildings	5 154 951	-	1 223 118	-	(396 322)	(155 933)	-	5 825 814
Furniture & Fixtures	646 128	82 146	-	(24 975)	-	(100 435)	-	602 864
Motor Vehicles	97 237	-	-	-	-	(62 509)	-	34 728
Office Equipment	60 115	-	-	-	-	(15 438)	-	44 677
IT equipment	1 170 473	423 507	-	(19 429)	-	(652 519)	-	922 032
Computer servers	273 970	-	-	-	-	(12 739)	-	261 231
Other property, plant & equipment	1 677 591	-	(1 223 118)	(944)	396 322	(121 789)	(32 783)	695 279
TOTAL	**9 080 465**	**505 653**	**-**	**(45 348)**	**-**	**(1 121 362)**	**(32 783)**	**8 386 625**

Reconciliation of Property, Plant And Equipment - 2023

	OPENING BALANCE	ADDITION	DEPRECIATION	TOTAL
Buildings	5 308 791	-	(153 840)	5 154 951
Furniture & Fixtures	635 972	124 531	(114 375)	646 128
Motor Vehicles	159 746	-	(62 509)	97 237
Office Equipment	144 764	31 740	(116 389)	60 115
IT equipment	1 721 688	202 783	(753 998)	1 170 473
Computer servers	491 406	-	(217 436)	273 970
Improvements to Property	2 007 855	-	(330 264)	1 677 591
TOTAL	**10 470 222**	**359 054**	**(1 748 811)**	**9 080 465**

Details of property

Property 1		
Section 8 (First Floor) - Purchased: 29 April 2009		
- 631, 383, 237 square metres Sections 5, 6, 7 respectively (First Floor) T013126/2009	6 275 750	6 275 750
- Additions since purchase or valuation	1 223 118	-
TOTAL	**7 498 868**	**6 275 750**
Property 2		
Section 10 (Second Floor) - Purchased 30 September 1999	1 411 243	1 411 243
212, 329 square metres, Second floor T57554/1999	-	-
TOTAL	**1 411 243**	**1 411 243**
Property 3		
Section 16 5 Square metres, Basement T044549/2005 Purchased: 10 August 2005	5 000	5 000

The reclassification recorded under Buildings relates to improvement to property that was previously recorded as a separate property, plant and equipment item. A change in estimate was applied, refer to note 24

FIGURES IN RAND	NOTE(S)	2024	2023

3. INTANGIBLE ASSETS

	2024			2023		
	COST / VALUATION	ACCUMULATED AMORTISATION AND ACCUMULATED IMPAIRMENT	CARRYING VALUE	COST / VALUATION	ACCUMULATED AMORTISATION AND ACCUMULATED IMPAIRMENT	CARRYING VALUE
Computer software, internally generated	5 390 771	(5 390 770)	1	5 390 771	(4 847 951)	542 820
Computer software, other	833 435	(833 435)	-	833 435	(833 435)	-
Intangible assets under development	2 575 600	-	2 575 600	-	-	-
Quality system	758 207	(731 104)	27 103	758 207	(579 462)	178 745
TOTAL	**9 558 013**	**(6 955 309)**	**2 602 704**	**6 982 413**	**(6 260 848)**	**721 565**

Reconciliation of intangible assets - 2024

	OPENING BALANCE	ADDITIONS	AMORTISATION	TOTAL
Computer software, internally generated	542 820	-	(542 819)	1
Intangible assets under development	-	2 575 600	-	2 575 600
Quality system	178 745	-	(151 642)	27 103
TOTAL	**721 565**	**2 575 600**	**(694 461)**	**2 602 704**

Reconciliation of intangible assets - 2023

	OPENING BALANCE	ADDITIONS	AMORTISATION	TOTAL
Computer software, internally generated	1 460 172	6 000	(917 352)	542 820
Quality system	262 009	-	(148 384)	178 745
TOTAL	**1 722 181**	**65 120**	**(1 065 736)**	**721 565**

4. INVESTMENTS

Designated at fair value		
Strategic Investment Services Inflation (SIS) Equity Fund	19 857 131	18 319 018
Non-current assets		
Strategic Investment Services Inflation (SIS) Plus 1-3 investment	19 857 131	18 319 018

FIGURES IN RAND	NOTE(S)	2024	2023

5. RETIREMENT BENEFIT ASSET

The amounts recognised in the statement of financial position are as follows:

Carrying Value		
Present value of the defined benefit asset	6 893 196	6 401 040

Contributions to the ECSA-owned fund ceased effective 01 September 2013. On 10 December 2013, the Board of Trustees approved the transfer of the pensioner liability in terms of Section 14 of the Pensioner Funds Act. The Section 14 transfer was approved on 6 April 2022 by the Financial Sector Conduct Authority and individual policies were issued to the remaining pensioners. The Fund has no unclaimed members. All active members were transferred out through Section 14 to the Sanlam Umbrella Pension Fund on 10 October 2019. The Fund's assets are currently held in cash invested in the ABSA Call Account, in view of the closure and liquidation of the Fund.

The liquidation was approved by the Financial Sector Conduct Authority on 23 November 2022 case number 561356. The appointed liquidator is Lecia Gerber. The Liquidation accounts were audited and preliminary liquidation accounts were submitted to the FSCA

The defined benefit liabilities have ceased and the amount remaining in the Fund is the Employer Surplus Account, as a result, no actuarial valuations were carried out.

6. PREPAYMENTS

Prepaid VAT	1 940 939	1 415 853
Prepaid expenses	72 895	-
	2 013 834	**1 415 853**

Prepaid VAT is related to unknown and unallocated deposits in respect of annual and application fees.

7. TRADE AND OTHER RECEIVABLES

Trade debtors	80 355 383	25 294 822
Employee costs in advance	40 670	-
Deposits	4 039 169	3 874 613
Impairment for bad debts	(25 259 837)	(10 847 782)
VAT receivable	-	4 607 516
	59 175 385	**22 929 169**

Fair value of trade and other receivables		
Trade and other receivables	59 175 385	22 929 169

FIGURES IN RAND	NOTE(S)	2024	2023

7. TRADE AND OTHER RECEIVABLES (continued)

Trade and other receivables impaired

As of 31 March 2024, trade and other receivables of 744 750 (2023: 16 825 557) were impaired and provided for.

The amount of the provision was 25 259 837 as of 31 March 2024 (2023: 10 847 782).

Trade receivables for the current year are higher as no write offs have been processed. Write offs will be processed as soon as the unknown deposit balance has been cleared. Provision for bad debts has increased due to this.

Reconciliation of provision for impairment of trade and other receivables

Opening balance	10 847 782	16 086 640
Provision for impairment raised	15 156 805	10 847 782
Current year provision shortfall	-	738 917
Amounts written off	(744 750)	(16 825 557)
TOTAL	**25 259 837**	**10 847 782**

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:		
Cash on hand	-	100
Bank balances	71 653 547	90 904 369
TOTAL	**71 653 547**	**90 904 369**

9. PROVISIONS

Reconciliation of provisions - 2024

	OPENING BALANCE	ADDITIONS	UTILISED DURING THE YEAR	REVERSED DURING THE YEAR	TOTAL
Leave pay provision	1 554 001	213 411	-	-	1 767 412
Provision for bonus	2 600 000	4 854 532	(2 526 437)	(73 563)	4 854 532
Other provisions	150 000	992 942	-	-	1 142 942
TOTAL	**4 304 001**	**6 060 885**	**(2 526 437)**	**(73 563)**	**7 764 886**

Reconciliation of provisions - 2023

	OPENING BALANCE	ADDITIONS	UTILISED DURING THE YEAR	TOTAL
Leave pay provision	1 749 298	-	(195 297)	1 767 412
Provision for bonus	2 000 000	2 581 311	(1 981 311)	5 638 533
Other provisions	-	150 000	2 218 672	150 000
TOTAL	**3 749 298**	**2 731 311**	**2 176 608)**	**4 304 001**

Entitlement to holiday and shutdown leave is recognised when it accrues to employees. A provision is made for the estimated liability of holiday leave due as a result of services rendered by employees up to the reporting date. Current year provision increased due to increased number of employees.

Provision for bonus has increased in the current year due to new policy that was approved, the rates used are higher than the previous policy rates.

Other provision is for the 2022/23 Workmen's Compensation, the payment made was below R5 000 due to an error in filing, this has not been resolved by the Department. An additional provision has been raised for 2023/24 financial year.

FIGURES IN RAND	NOTE(S)	2024	2023
10. TRADE AND OTHER PAYABLES			
Trade payables		2 059 353	4 272 528
Payroll liabilities		190 387	1 948 974
Trade debtors with credit balances		15 928 308	11 899 520
Accrued expense		4 647 902	3 768 960
Payment received in advance - application fees		5 839 843	4 195 170
Unallocated receipts - Annual fees		9 220 836	6 788 437
EWSETA Grant		28 210	-
		37 914 839	**32 873 589**

Trade creditors has increased as more registered persons reinstate their status after the amnesty project - the prepaid amounts have not been allocated as the reinstatement process is still underway.

Payment received in advance has increased due to increased applications and new processes implemented. Applicants are required to deposit funds before applications can be considered resulting in payments received in advance.

Unallocated receipts are bank receipts with incorrect or incomplete reference numbers, the receipts could not be allocated to the respective registered person's accounts, tracing processes are in progress.

11. VAT PAYABLE

VAT payable	968 011	

12. REVENUE

Annual fees	119 772 573	112 589 753
Application fees	16 265 120	10 965 936
Accreditation fees	4 629 099	5 130 447
Appeal fees	109 217	41 739
Bad debts recovered	4 958 554	6 533 942
Disciplinary fines	134 783	39 130
Sundry Income	1 491 320	22 848
Interest received - investment	8 715 976	6 386 450
	156 076 642	**141 710 245**

The amount included in revenue arising from exchanges of goods or services are as follows:

Annual fees	119 772 573	112 589 753
Application fees	16 265 120	10 965 936
Accreditation visits	4 629 099	5 130 447
	140 666 792	**128 686 136**

FIGURES IN RAND	NOTE(S)	2024	2023
13. OTHER INCOME			
Appeal fees		109 217	41 739
Bad debts recovered		4 958 554	6 533 942
Disciplinary fines		134 783	39 130
Sundry income		1 491 320	22 848
		6 693 874	**6 637 659**

14. PERSONNEL EXPENSES			
Basic salary		72 305 767	55 530 376
Medical aid - company contributions		1 352 894	1 189 277
Unemployment insurance fund		220 568	194 336
Skills development levy		649 808	525 646
Staff insurance		57 300	103 536
Defined contribution plans		5 590 226	4 511 909
Meal allowance		721 500	765 700
		80 898 063	**62 820 780**

15. GENERAL EXPENSES			
Auditor's remuneration		1 015 666	1 371 686
Bank remuneration		409 198	554 666
Consulting and professional fees		1 053 359	725 671
Legal Expense		4 164 764	6 993 300
Insurance		532 315	416 512
IT expenses		8 146 476	6 108 485
Motor vehicle expenses		34 635	221 626
Placement fees		661 748	1 240 621
Printing and stationery		140 978	232 550
Marketing and Branding		1 689 371	1 060 921
Strategic projects		6 312 155	518 236
Repairs and maintenance		873 110	1 280 809
Staff welfare		1 387 407	863 826
Subscriptions and membership fees		483 762	465 966
Telephone and fax		423 380	371 326
Staff study assistance and training		594 396	484 074
Travel - local		2 679 180	950 048
Travel - overseas		3 085 505	2 368 396
Electricity		1 479 434	1 417 797
Engineer Peer Services		10 324 310	12 283 276
Office expenditure		512 851	855 219
Investment fees		173 906	158 987
Rental expense		411 943	473 059
Council governance		1 107 575	2 774 374
Conference expenses		269 196	31 145
Parking expenses		34 617	33 914
		48 001 237	**44 256 490**

FIGURES IN RAND	NOTE(S)	2024	2023
16. FAIR VALUE ADJUSTMENTS			
Other financial assets (Designated as at FV through P&L)		1 623 108	459 961
17. AUDITORS' REMUNERATION			
External audit		471 368	383 216
Internal audit		544 298	988 470
		1 015 666	**1 371 686**

18. OPERATING LEASE

The Council leases a portion of the common area from the body corporate. The terms of the lease are currently under review due to the planned building renovation. The lease currently operates on a month to month basis. The escalation has been set at 7% per annum. No contingent rent is payable

19. CASH (USED IN) GENERATED FROM OPERATIONS

Surplus	11 337 722	20 111 432
Adjustments for:		
Depreciation and amortisation	1 815 822	2 814 548
Loss on sale of assets and liabilities	(23 359)	-
Movement in investment	(1 538 113)	(861 367)
Movements in retirement benefit assets and liabilities	(492 156)	(221 040)
Movements in provisions	3 460 885	554 703
Fixed assets impaired	32 783	-
Changes in working capital		
Trade and other receivables	(36 246 216)	(9 359 429)
Prepayments	(595 006)	(140 510)
Trade and other payables	5 109 957	3 173 775
VAT	968 011	-
	(16 169 670)	**16 072 112**

20. FINANCIAL INSTRUMENTS DISCLOSURE

Categories of financial instruments

2024

Financial assets

	AT FAIR VALUE	AT AMORTISED COST	TOTAL
Investments	19 857 131	-	19 857 131
Trade and other receivables from exchange transactions	-	59 175 385	59 175 385
Other receivables from non-exchange transactions	-	2 013 835	2 013 835
Cash and cash equivalents	-	71 653 547	71 653 547
	19 857 131	**132 842 767**	**152 699 898**

Financial liabilities

	AT AMORTISED COST	TOTAL
Trade and other payables	37 237 402	37 237 402
VAT payable	968 011	968 011
	38 205 413	**38 205 413**

FIGURES IN RAND	NOTE(S)	2024	2023

Categories of financial instruments

2023

Financial assets

	AT FAIR VALUE	AT AMORTISED COST	TOTAL
Investments	18 319 018	-	18 319 018
Trade and other receivables	-	22 929 169	22 929 169
Other receivables	-	1 418 829	1 418 829
Cash and cash equivalents	-	90 904 469	90 904 469
	18 319 018	**115 252 467**	**133 571 485**

Financial liabilities

	AT AMORTISED COST	TOTAL
Trade and other payables	29 699 814	29 699 814

21. COMMITMENTS

Authorised capital expenditure

Not yet contracted for and authorised by members

Intangible assets: CRM Renovations	11 123 325	10 640 378

Total capital commitments

Not yet contracted for and authorised by members: CRM Renovations	11 123 325	10 640 378

Authorised operational expenditure

Already contracted for

Communication platform	-	705 225
External audit	475 000	948 601
Internal audit	1 781 707	-
Other audits	1 180 148	-
Business process re-engineering	770 500	-
	4 207 355	**1 653 826**

Total operational commitments

Already contracted for	15 330 680	1 653 826

This committed expenditure relates to operational expenditure and capital expenditure and will be financed by available retained surpluses and existing cash resources.

22. CONTINGENCIES

The Council is aware of pending labour matter and has, in consultation with its legal representative assessed the outcome of the matters. The Council's legal representative and management consider the likelihood of action against the Council being successful as unlikely. The current matters should be resolved in the next two years.

23. RELATED PARTIES

Related party balances

Amounts included in Trade and other payables regarding related parties

Council for the Built Environment	847 182	1 061 739

The section 4(S) of the CBE Act payment accruing to the CBE has been netted-off against the annual fees included in revenue from exchange transactions.

FIGURES IN RAND	NOTE(S)	2024	2023

23. RELATED PARTIES (Continued)

Council members

2024

Names	GOVERNANCE	PEER SERVICES & OTHER MEETINGS	TRAVEL RELATED EXPENSES	TOTAL
Buthelezi R	31 287	294 533	86 533	412 353
Madikane T	42 807	181 127	8 592	232 526
Mailula I (ARC)	61 796	25 578	4 792	92 166
Skorpen S	33 167	4 506	1 102	38 775
Madiba P	47 060	110 990	2 683	160 733
Nyembwe K	48 690	159 777	7 030	215 497
Mkhize S	49 313	-	-	49 313
Modipa M	66 084	30 520	1 248	97 852
Sampson N (ARC)	33 067	18 723	-	51 790
Mutileni S (ARC)	69 110	11 564	-	80 674
Daniels J (ARC)	44 232	20 110	1 185	65 527
Lesufi R	39 125	144 129	19 193	202 447
Moloisane R	53 885	318 581	6 029	378 495
Ramagofu T	70 213	40 037	499	110 749
Nhleko N	24 005	-	4 045	28 050
Njomane L	50 464	14 644	800	65 908
Mngomezulu S	-	1 728	1 164	2 892
Jekwa S	22 278	9 762	-	32 040
Memela T	13 016	9 012	-	22 028
Ramuhulu M	60 301	116 109	-	176 410
Mdletshe P	35 044	36 167	3 323	74 534
Boshomane L	32 040	-	3 370	35 410
Rampersad N	31 915	6 258	715	38 888
Sole AO	43 649	88 091	4 659	136 399
Sommer A	12 766	-	-	12 766
Ledwaba R	32 040	100 637	-	132 677
Smit N*	39 645	26 628	1 757	68 030
Zimu SN	27 034	3 004	2 048	32 086
Legoabe R (ARC)	51 564	9 262	-	60 826
Van Zyl C	22 778	8 742	1 820	33 340
Skeepers N	27 659	16 877	-	44 536
Gamedze T	1 706	2 548	-	4 254
Mbola C (ARC)	3 254	3 004	-	6 258
Mvelase T	-	1 507	-	1 507
Chili T	30 163	3 254	1 500	34 917
Keswa S	39 425	6 008	364	45 797
Tolo S	40 402	37 757	9 343	87 502
Smith L	4 881	31 783	-	36 664
Nqwaba A (ARC)	29 737	1 627	-	31 364
Rockson J (ARC)	21 213	8 135	-	29 348
	1 386 815	**1 889 096**	**173 794**	**3 449 705**

FIGURES IN RAND	NOTE(S)	2024	2023

23. RELATED PARTIES (continued)

Council members

2023

Names	GOVERNANCE	PEER SERVICES & OTHER MEETINGS	TRAVEL RELATED EXPENSES	TOTAL
Buthelezi R	52 334	475 694	93 673	621 701
Madikane T	49 938	215 826	48 773	314 537
Nyembwe K	91 239	242 595	11 549	345 383
Moloisane R	45 005	265 794	2 724	313 523
Modipa M	85 293	102 524	17 722	205 539
Sole A	26 874	130 754	4 782	162 410
Ramuhulu M	60 292	95 969	1 205	157 466
Ledwaba R	19 385	148 586	3 394	171 365
Mailula I (ARC)	80 515	25 941	3 753	110 209
Tolo S	17 672	86 697	11 865	116 234
Lesufi M	35 290	70 579	1 234	107 103
Madiba R	32 215	73 367	-	105 582
Njomane L	50 276	37 516	3 242	91 034
Mdletshe P	30 033	53 045	5 050	88 128
Boshomane L	55 914	18 867	6 742	81 523
Ramagofu T	39 170	36 914	1 584	77 668
Van Zyl C	28 910	43 499	457	72 866
Mutileni S (ARC)	73 693	6 508	-	80 201
Rampersad N	32 338	33 910	-	66 248
Sampson N (ARC)	59 693	12 465	-	72 158
Daniels J(ARC)	45 828	12 465	428	58 721
Keswa S	45 168	9 400	389	54 957
Legoabe R (ARC)	45 324	12 521	1 045	58 890
Skeepers N	50 612	3 254	-	53 866
Smit B	33 924	10 821	5 065	49 810
Mthethwa O	6 413	22 876	19 612	48 901
Skorpen S	27 732	7 431	486	35 649
Jekwa S	13 016	20 151	-	33 167
Zimu N	32 290	1 627	573	34 490
Chili T	30 163	9 012	-	39 175
Mkhize S	30 037	9 012	-	39 049
Memela T	28 536	4 631	-	33 167
Smith L	8 135	1 627	-	9 762
Nhleko N	8 310	3 354	-	11 664
Mtshali H	17 632	23 520	-	41 152
Sommer A	9 482	-	-	9 482
Mbola (ARC)	4 931	-	-	4 931
Mngomezulu S	-	4 390	-	4 390
Nqwaba A (ARC)	45 606	-	-	45 606
Rockson J (ARC)	48 790	14 693	1 274	64 757
	1 498 008	**2 347 835**	**246 621**	**4 092 464**

The following members did not submit claims due to the nature of their employment:.

1. Adm Mvovo BM
2. Ms Theron E
3. Ms Zweni P
4. Ms Sibiya P

FIGURES IN RAND	NOTE(S)	2024	2023

23. RELATED PARTIES (continued)

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Remuneration of Management

Management class: Executive Management

2024

NAMES	ANNUAL REMUNERATION	CONTRIBUTIONS TO RETIREMENT PLAN	TRAVEL ALLOWANCE	CELLPHONE ALLOWANCE	BONUS	TERMINATION BENEFITS	TOTAL
Chief Executive Officer	3 148 125	301 875	-	24 000	-	-	3 474 000
Executive: Regulatory & International Relations	2 280 192	219 978	72 000	24 000	209 895	-	2 806 065
Executive: Chief Finance Officer	2 584 953	247 872	-	24 000	132 375	-	2 989 200
Executive: Legal Services	1 030 376	98 803	-	14 000	45 227	67 364	1 255 770
Executive: Statutory Services	1 766 358	169 377	-	24 000	33 921	-	1 993 656
Executive Corporate Support Services	157 500	15 103	-	2 000	-	-	174 603
Executive Strategy and Growth	196 875	18 878	-	2 000	-	-	217 753
	11 164 379	**1 071 886**	**72 000**	**114 000**	**421 418**	**67 364**	**12 911 047**

2023

NAME	ANNUAL REMUNERATION	CONTRIBUTIONS TO RETIREMENT PLAN	TRAVEL ALLOWANCE	CELLPHONE ALLOWANCE	BONUS	TOTAL
Chief Executive Officer	1 254 688	120 313	-	10 000	-	1 385 001
Executive: Regulatory Services & International Relations	2 116 640	160 926	72 000	24 000	104 201	2 477 767
Executive: Chief Finance Officer	2 415 844	231 656	-	24 000	200 000	2 871 500
Executive: Legal Services	1 650 802	158 296	-	24 000	42 708	1 875 806
Executive: Statutory Services	1 238 102	118 722	-	18 000	-	1 374 824
	8 676 076	**789 913**	**72 000**	**100 000**	**346 909**	**9 984 898**

FIGURES IN RAND	NOTE(S)	2024	2023

24. CHANGE IN ESTIMATE

Property, plant and equipment

The useful life of Improvement to property was estimated to be 10 years in the previous year. In the current period management have revised the estimate to 50 years. The effect of this revision has decreased the depreciation charges for the current and future periods by R71 558. Refer to note 2 for the impact change

25. RISK MANAGEMENT

Financial risk management

The entity's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The ARC committee monitors and manages the financial risks relating to the operations of the Council through quarterly reports prepared by the Internal auditors and the Risk business unit. These risks include market risk, credit risk and liquidity risk. Market and liquidity risk are addressed below.

Liquidity risk

The entity manages liquidity risk through an ongoing review of future commitments against actual cashflows and by maintaining adequate reserves.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents, derivative financial instruments and trade debtors. The entity only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Trade receivables consist of annual fee billed accounts, accreditations and one security deposit related to CCMA cases and staff debtors. Expected credit losses have been considered for all categories however, the impact was found to be immaterial for staff debtors, security deposit and Accreditation customers. Staff debtors are deducted from payroll and accreditation billing is settled within 3 months of billing, as a result, the line items were assessed as a low credit risk as the counter-parties are deemed to have a strong ability to settle the accounts.

The risk on annual fee debtors was assessed as high and a credit loss has been provided. In their assessment, management considers, amongst other factors, forward-looking quantitative and qualitative information. Forward-looking information includes an adverse change in the economic environment, the assessment of the future outlook of the industry in which the debtor operates, internal policy changes and the most recent news or market conversations.

Although the credit risk has increased, the loss is low due to expected policy changes and system developments that will reduce credit loss. The carrying amount of trade and other receivables recognised in the financial statements, which is net of impairment losses, represents the council's maximum exposure to credit risk.

Financial instrument	2024	2023
Trade receivables	59 175 385	22 929 169
Cash and cash equivalents	71 653 547	90 904 469
Investments	19 857 131	18 319 018

FIGURES IN RAND	NOTE(S)	2024	2023

25. RISK MANAGEMENT (Continued)

Interest rate risk

Cash flow interest rate risk

	CURRENT INTEREST(%)	DUE LESS THAN A YEAR	DUE AFTER 1 YEARS	DUE AFTER 2 YEARS	DUE AFTER 3 YEARS	DUE AFTER 4 YEARS	DUE AFTER 5 YEARS
Trade and other receivables - normal credit terms	- %	59 175 385	-	-	-	-	-
Cash in current banking institutions	- %	71 653 547	-	-	-	-	-
Long term investment	- %	-	-	19 857 131	-	-	-

26. GOING CONCERN

We draw attention to the fact that at 31 March 2024, the Council had an accumulated surplus of R123 934 687 and that the Council's total assets exceed its liabilities by R123 934 687.

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.

27. EVENTS AFTER THE REPORTING DATE

The Council is not aware of any matter or circumstance arising since the end of the financial year to the date of this report, in respect of matters that would require adjustment to the annual financial statements

28. BUDGET DIFFERENCES

Material differences between budget and actual amounts

REVENUE

The total revenue for the period ended 31 March 2024 is R156.54 million compared to the budgeted R160.41 million. The difference is mainly attributable to the following:

Application fees

The positive variance of R6.75 million is due to improved registration processes resulting in an increased number of applications processed.

Accreditation visits

The negative variance of R2.25 million is due to cancelled programmes and visits.

Recoveries

The negative variance of R2.02 million is due reduced number of recovered debt compared to what was budgeted for.

Interest received

The positive variance of R4.01 million is due to stable cash reserves due savings, unmet and delayed targets.

EXPENDITURE

The total actual expenditure was R146.85 million compared to the budgeted value of R187.87 million. The difference is mainly attributable to the following:

FIGURES IN RAND	NOTE(S)	2024	2023

28. BUDGET DIFFERENCES (Continued)

Personnel expenditure

The positive variance of R7.25 million is due to vacant positions emanating from resignations, delayed appointments and savings from staff related expenditure.

Depreciation and amortisation

The positive variance of R1.26 million is due to intangible assets that are currently under development.

Debt impairment.

The negative variance of R4.31 million is due to an increase in the provision due to delayed cancellations and the impact of fewer reminders in the previous year.

Council governance

The positive variance of R4.82 million is due to savings made from holding virtual meetings and reduced travel.

Engineer peer activities

The positive variance of R5.30 million is mainly attributable to cancelled accreditations.

Strategic Projects

The positive variance of R10.25 million is due to delayed initiation and or completion of planned strategic projects.

General expenses

A positive variance of R16.29 million is mainly attributable to savings made on operational costs and unspent funds on planned activities.

SIS Investment gains

A positive variance of R1.62 million is due to positive results from the revaluation of the investment.

DETAILED INCOME STATEMENT

FIGURES IN RAND	NOTE(S)	2024	2023
Revenue			
Revenue from exchange transactions			
Annual fees		119 772 573	112 589 753
Application fees		16 265 120	10 965 936
Accreditation visits		4 629 099	5 130 447
Appeal fees		109 217	41 739
Recoveries		4 958 554	6 533 942
Disciplinary Fines		134 783	39 130
Sundry income		1 491 320	22 848
Interest received - investment		8 715 976	6 386 450
Gain on disposal of assets and liabilities		23 359	-
Fair value adjustments		1 623 108	459 961
Total revenue from exchange transactions		**157 723 109**	**142 170 206**
Expenditure			
Employee related costs	14	(80 898 063)	(62 820 780)
Depreciation and amortisation		(1 815 822)	(2 814 548)
Lease rentals on operating lease		(513 460)	(572 296)
Debt Impairment		(15 156 805)	(11 594 660)
General Expenses	15	(48 001 237)	(44 256 490)
Total expenditure		**(146 385 387)**	**(122 058 774)**
Surplus for the year		**11 337 722**	**20 111 432**

The supplementary information presented does not form part of the annual financial statements and is unaudited

NOTES:

NOTES:

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