Update on the cidb Schemes

Ishmail Cassiem
October 2018
Content

1) cidb Project Assessment Scheme
2) cidb Contractor Recognition Scheme
3) cidb PSP Recognition Scheme
4) Conclusion
CIDB Act; Section 23

1) The Board must establish a best practice project assessment scheme based on the best practices identified by the Board

2) After a date determined by the Minister, all construction contracts above a prescribed tender value are subject to an assessment of compliance with best practice standards and guidelines published by the Board

3) Every client who engages in the best practice project assessment scheme must pay to the Board a prescribed percentage of the contract sum
cidb Best Practice Standards; Published

- Standard for Developing Skills through Infrastructure Contracts: gazette 36760 of 23 August 2013
- Standard for Indirect Targeting for Enterprise Development through Construction Works Contracts: gazette 36190 of 25 February 2013
- Standard for Contractor Performance Reports (Grades 2 to 9): gazette 36760 of 23 August 2013
- Best Practice: Green Building Certification: gazette 34158 of 1 April 2011
- Standard for Minimum Requirements for Engaging Contractors and Sub-Contractors on Construction Works Contracts: gazette 41237 of 10 November 2017
cidb Best Practice Standards; Draft

- Standard for Prompt Payment on Construction Works Contracts
- Standard for Prompt Payment on Construction Services Contracts
- Standard for Adjudication for Construction Works and Construction Services Contracts
- Standard for Health and Safety Management Plans
- Standard for Primary Health Care Assessments
- Standard for Construction Quality Assessment System for General Building Works (CONQUAS SA)
- Standard for Building Tender Information
- Standard for Performance Reports for Professional Services in Engineering and Construction Works
- Standard for Client Performance Reports
The Minister of Public Works intends to amend the Construction Industry Development Regulations, 2004 published under GN 692 in GG 26427 of 9 June 2004, as amended. The draft amendment regulations annexed hereto are accordingly published for public comment.

Interested persons are invited to submit their written comments on the proposed regulations to the Director-General of the Department of Public Works within 30 days of the date of publication of this notice.
Contractor Performance Reports (Grades 2 to 9)
Indirect Targeting for Enterprise Development
Developing Skills through Infrastructure Contracts

Best Practice Project Assessment Scheme; Assessment Fee; Projects of Tender Grades 7 to 9:
- 0.2% of total value of project on the date of award of that project, but not more than R2 000 000.00
cidb Project Assessment Scheme

Contractor Performance Reports
Contractor Performance Reports

- **cidb Standard for Contractor Performance Reports (Grades 2 to 9)** published in Gazette in August 2013
- Uniform and consistent method of assessing performance of contractors:
  - time, cost and quality management
  - H&S management
  - management of site conditions
  - management of subcontractors
- **Assessment:**
  - Poor (-1); Adequate (0); Good (1); Excellent (2)
- Intended to be mandatory on public sector contracts
Skill and Commitment in Managing H&S

- Poor (-1):
  - H&S plans
  - No evidence of consistent review of H&S incidents
- Adequate (0)
- Good (1)
- Excellent (2):
  - Plan is fully implemented, in spirit and detail
  - Positive incentives built into plan
  - Active sharing and dissemination of lessons learned particularly down supply chain
Contract Completion Reports

• Close-out reports include:
  – any breaches of contract as well as non-compliance with mandatory cidb Best Practices, including the cidb *Code of Conduct*
  – reportable health and safety incidents
  – DoL improvement, contravention, prohibition notices:
    • H&S Demerit System

• Incorporated into Contractor Performance Reports
cidb Project Assessment Scheme

H&S Plans & Auditing Requirements
Construction Regulations (2014)

- Section 7.1(l):
  - A client shall discuss and negotiate with the principal contractor the contents of the health and safety plan … and thereafter finally approve the health and safety plan for implementation

- Section 7.1(a):
  - A principal contractor shall provide and demonstrate to the client a suitable and sufficiently documented health and safety plan, based on the client’s documented health and safety specification
cidb Best Practice Project Assessment Scheme

23.1) The Board must …. establish a best practice project assessment scheme, based on the best practices identified by the Board ….

23.2) After a date determined by the Minister … all construction contracts … are subject to an assessment … of compliance with best practice standards
H&S Plans & Auditing Requirements

• cidb *Standard for Health & Safety Plans and Auditing Requirements:*
  – a uniform and consistent assessment of a contractor’s H&S plan by the client prior to the beginning of a construction works project
  – auditing of the implementation of the contractor’s H&S plan by the client during the construction period
• Aim is to introduce mandatory requirements on public sector contracts, within tender values Grades 5 to 9
• (Draft available on request)
Construction Regulations (2014)

• Section 3.1:
  – who intends to have construction work carried out, must .... apply to the provincial director in writing for a **construction work permit** to perform construction work ...

• CID Regulations, Section 18.1A:
  – intend to introduce requirements for construction work permit to be referenced in cidb Register of Projects
Primary Health Care Assessments

• cidb *Standard for Primary Health Care Assessments:*
  – primary health assessment of all permanent and part-time employees and as well as casual labour employed by the principal contractor and all subcontractors appointed by the principal contractor
• Aim is to introduce mandatory requirements on public sector contracts, within tender values Grades 5 to 9
• (Draft available on request)
cidb Project Assessment Scheme

PSP Performance Reports
# Performance Reports

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## Stages

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cidb Contractor Recognition Scheme
cidb Contractor Recognition Scheme

21. The Board must .... establish a best practice contractor recognition scheme which:
   a) enables organs of state to manage risk on complex contracting strategies
cidb Best Practice Standards; Draft

- Standard for Contractor Performance Reports (August 2013)
- Competence Standard for Contractors
- Best Practice: Construction Management Systems:
  - SANS 1393
  - ISO 9001, 14001, OHSAS 18001 (ISO 45001)
- Best Practice: Integrity Management System
- Standard for Financial and Project Management Systems (under development)
cidb Contractor Recognition Scheme

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cidb Competence Standard

• cidb *Competence Standard for Contractors* establishes minimum acceptable standards necessary for running a contracting enterprise and for supervising building and construction works within the fields of:
  – business management
  – building and construction management (operational and supervision)
    • H&S
• cidb aims to recognise contractors that meet Standard
  – provision for assessment of prior learning (APL)
## cidb Competence Standard

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Competence Standard; Grade 7 to 9

• PrCM recognised as recognises a minimum requirement for the management and supervision of construction works for contractors in Grades 7 to 9
cidb Contractor Recognition Scheme
Management Systems
Construction Management Systems

- cidb aims to recognise contractors with:
  - SANS ISO 9001, 14001 and/or OHSAS 18001 (ISO 45001)
  - SANS 1393
SANS 1393

- ISO 9001, ISO 4001 and OHSAS 18001 often largely appropriate for large organisations (Grade 8 and 9)
- For (say) Grades 5 to 9, cidb developed an integrated CMS, based on recognisable industry minimum standards covering:
  - health and safety management
  - quality management
  - environmental management (covering air, water, land and waste)
- Published September 2013
cidb Contractor Recognition Scheme
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• Incorporated into Contractor Performance Reports
cidb PSP Recognition Scheme
2) To promote best practice, the Board

b) must, by notice in the Gazette, publish best practice standards and guidelines
cidb PSP Recognition Scheme

• cidb Management System Requirements:
  – including H&S management systems (e.g. OSHAS 18001)

• cidb PSP Performance Reports:
  – interim reports; H&S
cidb PSP Recognition Scheme

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**H&S**
Concluding Comments

• Loooooong journey;
  – 2009 – 2018

• Industry stakeholder participation highly valued

• Communication to industry stakeholders important

• Monitoring and evaluation will inform the effectiveness of cidb schemes

• Will this enhance construction H&S?
Thank You