



*DEVELOPMENT THROUGH PARTNERSHIP*

# 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**



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# **cidb Project Assessment Scheme**

# 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 Contract Participation Goals for Targeting Enterprises and Labour through Construction Works Contracts: gazette 41237 of 10 November 2017**
- **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**



# Government Gazette, 1 December 2017

- **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.**



# Government Gazette, 1 December 2017

- **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**





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# **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**



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# **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



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# **cidb Project Assessment Scheme**

## **Primary Health Care Assessments**

# 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)



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# **cidb Project Assessment Scheme**

## **PSP Performance Reports**

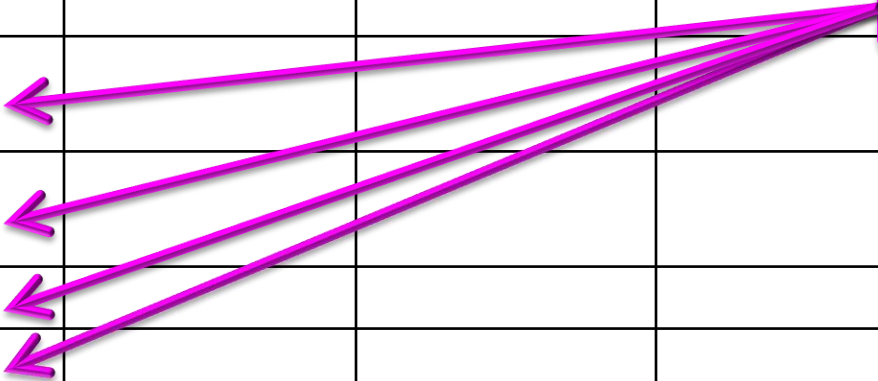
# Performance Reports

	<b>Poor (-1)</b>	<b>Adequate (0)</b>	<b>Good (1)</b>	<b>Excellent (2)</b>
<b>Definition</b>	<b>Well below acceptable performance</b>	<b>Meets acceptable performance</b>	<b>Exceeds acceptable performance</b>	<b>Well above acceptable performance</b>
<b>Stage 0 – Project initiation</b>				
<b>Stage 1 - Inception</b>				
<b>Stage 2 - Concept and Viability</b>				
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# Performance Reports

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Stage 0 – Project initiation				
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**H&S**







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# **cidb Contractor Recognition Scheme**

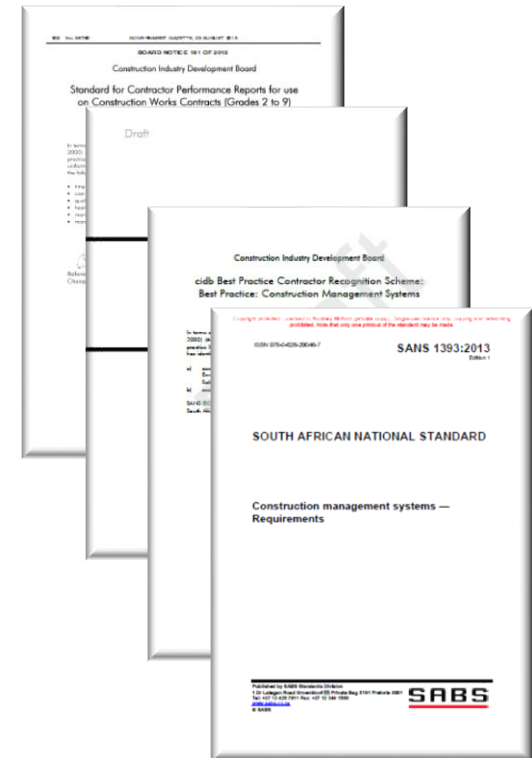
# cidb Contractor Recognition Scheme

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)**



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**H&S**

The diagram features a central box labeled 'H&S' with a red border. Three red arrows originate from this box and point towards the first three bullet points of the list: 'Standard for Contractor Performance Reports (August 2013)', 'Competence Standard for Contractors', and 'Best Practice: Construction Management Systems:'. This indicates that Health and Safety is a foundational or related component of these standards.



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**cidb Contractor Recognition  
Scheme  
Competence**

# 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

Grade	Minimum NQF Level	Recognised Qualifications
<b>Business Management</b>		
5 & 6	4	<ul style="list-style-type: none"><li>• [awaiting accreditation]</li></ul>
2 to 4	2	<ul style="list-style-type: none"><li>• National Certificate: Construction Contracting</li></ul>
<b>Building and Construction Works Management</b>		
5 & 6	5	<ul style="list-style-type: none"><li>• National Certificate: Management of Building Construction Processes</li></ul>
2 to 4	3	<ul style="list-style-type: none"><li>• NCV 4: Civil Engineering and Building Construction</li><li>• National Certificate: Supervision of Construction Processes</li></ul>



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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**



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# **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





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# **cidb PSP Recognition Scheme**

# cidb Act: Best Practices

## Section 5 of the cidb Act

2) *To promote best practice, the Board*

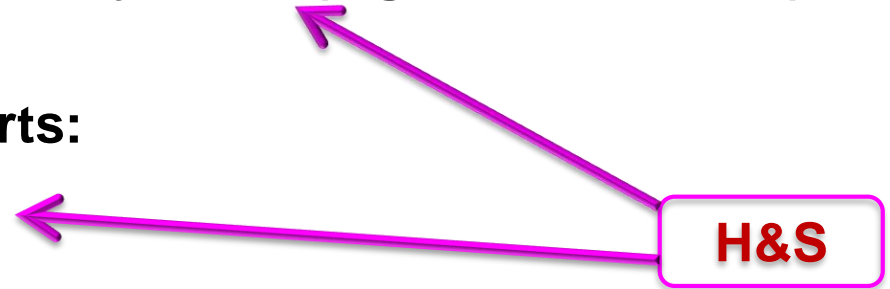
b) *must, by notice in the Gazette, publish best practice standards and guidelines*

# 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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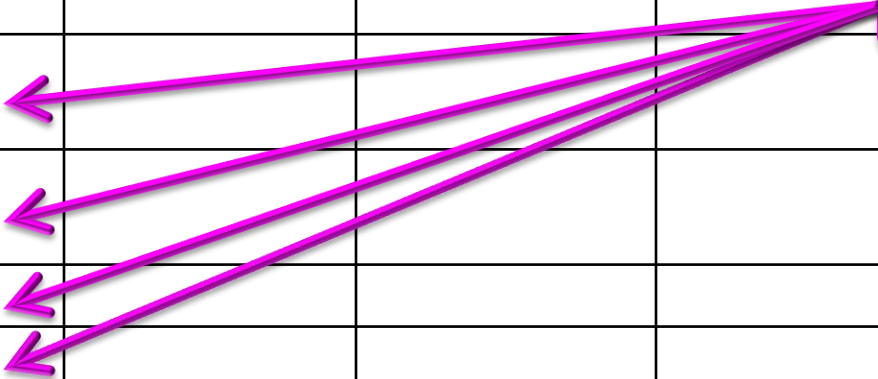
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**H&S**





# 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?**



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**Thank You**