

Construction Registers Service

Provincial Stakeholder Workshops

Presentation Structure

- **Overview** of the Construction Registers Service
- Registration **Statistics**
- Brief History of **Improvements**
- **Opportunity** for further improvements
- **Quality** of service

Overview of the Construction Registers Service (CRS)

Mandate – Registers of Contractors

- Support **risk management** in the tendering process
- Reduce the **administrative burden**
- To facilitate sustainable **growth and transformation** of contractors, enable effective access by the **emerging sector**
- Promote minimum standards and contractor **best practice**
- Enable access by the **private sector**
- Provide **information** on the size, distribution, nature and development of contractors

Mandate – Register of Projects

- Gather **information** on the nature, value and distribution of projects
- Provides the basis for a **best practice** project assessment scheme
 - Promote the performance improvement of public and private sector clients

Overview of the CRS – Register of Contractors

- **Applicable to all contractors undertaking work for the public sector**
- **Exemptions**
 - **Home builder only contractors (NHBRC)**
 - Registration with the CIDB required for public sector work other than home building
 - **Private sector only contractors**
 - **Labour only contractors**
 - Contractor undertakes construction works contract substantially consisting of the provision of labour
 - **Joint Ventures**
 - Joint Venture partners to registered separately
 - **Substantially ‘supply only’ projects**

- **Current**
 - **Contractor Grading Designation**
 - **Status of Contractor – Potentially Emerging Enterprise**
 - **Access projects at one level higher; client support within framework of targeted development programme**
 - **B-BBEE Charter Rating (Optional at this stage)**
- **Future**
 - **Best Practice Contractor Recognition Scheme**

Overview of the CRS – Tender Value Ranges

Tender Value Range	Less than or equal to
1	R 200,000
2	R 650,000
3	R 2,000,000
4	R 4,000,000
5	R 6,500,000
6	R 13,000,000
7	R 40,000,000
8	R 130,000,000
9	> R 130,000,000

- General building
- Civil engineering
- Electrical engineering
 - Building Installation
 - Infrastructure
- Mechanical engineering
- Specialist



Close

Contractors List

Region = `Eastern Cape` and Grading = `5`

Select by Status:

Active

Select by Region :

Eastern Cape (Registered head office address region)

Select by Designation and class :

5 - R 5 000 000 CE - Civil Engineering

Select by CRS Number :

(Optionally list CRS numbers separated by commas, eg 100001,100002)

Select by Contractor Name :

Select Potentially Emerging

(Optionally enter a partial or complete organisation name)

Apply Selection Criteria

[\[click here to select columns for display\]](#)

Click on a CRS Number below to view contact details, click on a column name to sort by that column (ascending)

CRS Number	Contractor Name	Trading Name	Grading	Tax Certificate Expiry Date	Status
107595	AST AFRICA TRADING 99 CC	CAPE KEI CONSTRUCTION	SCE	2007/8/3	Active
113527	COLMATE CONSTRUCTION AND FACILITATION	COLMATE CONSTRUCTION AND FACILITATION	SCE PE	2007/10/11	Active
127904	CYPRESS CIVILS THULO CONSTRUCTION	CYPRESS CIVILS THULO CONSTRUCTION	SCE PE	2007/10/6	Active
129193	EZ MTIMA	MTIMA PLUMBING SERVICES	SCE PE	2007/9/26	Active
109890	Khula Nathi Construction (cc)	Khula Nathi Construction	SCE	2007/6/12	Active
107365	KOELRO NO 79	KOELRO NO 79	SCE PE	2007/5/17	Active
109441	LUSTHOF WINDMILL & CONSTRUCTION SERVICES CC	LUSTHOF WINDMILL & CONSTRUCTION SERVICES CC	SCE	2007/8/16	Active

Overview of the CRS – iTender/Register of Projects

- Clients advertising tenders on **cidb** website
 - Contractors notified via **SMS, eMail, cidb web site**
- Projects registered on-line
- On-line reporting on the **award of contracts**
- On-line reporting on the **cancellation of contracts**

- **i-Tender** provides a direct benefit to contractors and clients
 - Access to tendering opportunities for contractors
 - Allows a clients to attract contractors capable of performing the required work. Provides an easy mechanism to register projects
- **Register of Projects**
 - Provides information on the nature, value and distribution of projects
 - Automatically updates a contractors track record

Who Does It Apply To?

➤ **Public sector**

- **All projects above R 200 000**
- **On-line advertising of tenders**
- **Report on award of contract**
- **Report on cancellation**

➤ **Private sector and large public entities e.g. Eskom, Transnet**

- **All projects above R 10 million**
- **Report on award of contract**
- **Report on cancellation**

Construction Registers Service

Brief History of Improvements

History of Improvements

Date	Amendment
June 2004	Regulations published
Nov 2004	Transitional relaxation of requirements
July 2005	Exemption of labour only Track record extended to 5 years Increasing the tender value ranges for grades 1, 2 and 3 Relaxation of Requirements

History of Improvements

Date	Amendment
Aug 2006	<ul style="list-style-type: none">➤ Enable greater flexibility in the procurement application of the Registers➤ Provide increased access to work for smaller enterprises
Nov 2007	<ul style="list-style-type: none">➤ Regulations to simplify and improve the registration of grade 1 contractors were published in November 2007<ul style="list-style-type: none">• Over the counter registration• Reduced fees over the three year period of registration• Simplified and shorter registration form• Stopping the distribution of Registration Certificates

History of Improvements

Date	Amendment
Nov 2008	<ul style="list-style-type: none"><li data-bbox="685 278 1642 378">➤ Increasing tender value ranges to take account of inflation<li data-bbox="685 428 1796 528">➤ Making grading more equitable between new and existing enterprises<li data-bbox="685 578 1690 678">➤ Stopping the distribution of Registration Certificates for all contractors<li data-bbox="685 728 1284 785">➤ General Improvements

Statistics from the Register of Contractors

As at 29 January 2010

Class of Works by grading

Grade	Class of works						
	GB	CE	ME	EP	EB	SW	TOTAL
1	56798	18758	2376	1497	906	9077	89415
2	2084	1514	196	80	173	447	4494
3	512	466	77	39	95	84	1273
4	710	709	129	93	169	101	1911
5	445	474	133	108	138	127	1425
6	440	537	64	49	48	40	1178
7	179	203	37	30	20	29	498
8	56	69	16	10	2	7	160
9	30	47	24	17	6	11	135
Total	61254	22777	3052	1923	1557	9923	100489

GB: General Building CE: Civil Engineering ME: Mechanical Engineering

EP: Electrical Engineering (Infrastructure) EB: Electrical Engineering (Building) SW: Specialist Works

There have been 5, 637 upgrades on the Register to date.
Black owned enterprises constitute 84% of all upgrades.

Black owned by Grade only

Grade	Total	Black Owned	% of the Total
1	89415	86198	96
2	4494	4060	90
3	1273	1092	86
4	1911	1467	77
5	1425	1002	70
6	1178	779	66
7	498	250	50
8	160	40	25
9	135	13	10
Total	100489	94901	94

5787

4340

75%

Medium sized contractors (Grades 3 to 6) of which 75 % are black owned



Women owned by grading

Women Owned by grading			
Designation	Total	Women Owned	% of the Total
1	89415	42790	48
2	4494	2136	48
3	1273	614	48
4	1911	788	41
5	1425	519	36
6	1178	382	32
7	498	109	22
8	160	15	9
9	135	2	1
Total	100489	47355	47

Women owned – Mechanical Engineering

Designation	Total	Women	% of the Total
1	2376	970	41
2	196	85	43
3	77	27	35
4	129	33	26
5	133	39	29
6	64	13	20
7	37	2	5
8	16	0	0
9	24	0	0
Total	3,052	1,169	38

Development targeting

Grading by Province – 29 January 2010

Region	1	2	3	4	5	6	7	8	9	Total
Eastern Cape	11051	409	162	180	124	88	38	10	4	12066
Free State	4467	248	56	79	59	51	21	8	3	4992
Gauteng	21560	1042	235	515	449	372	203	87	96	24559
Foreign	6	1	0	1	2	0	6	1	9	26
Kw aZulu-Natal	25013	1207	348	442	259	236	77	24	12	27618
Limpopo	8297	497	143	198	196	166	41	1	1	9540
Mpumalanga	7639	409	129	196	131	106	33	4	2	8649
North West	4728	210	47	85	58	44	16	2	0	5190
Northern Cape	899	54	14	27	25	12	4	2	0	1037
Western Cape	5754	416	139	188	122	103	59	21	8	6810

National & provincial targets

Class of Works by grading – Eastern Cape

Grade	Class of works						
	GB	CE	ME	EP	EB	SW	Total
1	7686	2176	157	129	85	817	11051
2	199	140	10	3	17	40	409
3	61	79	5	5	7	5	162
4	71	74	9	4	15	7	180
5	35	47	12	7	13	10	124
6	37	46	2	0	3	0	88
7	17	15	2	1	3	0	38
8	6	4	0	0	0	0	10
9	1	2	1	0	0	0	4
Total	8113	2583	198	149	143	879	12066

Class of Works by grading – Free State

Grade	Class of works						Total
	GB	CE	ME	EP	EB	SW	
1	2885	970	159	52	44	356	4467
2	122	84	9	0	6	27	248
3	20	26	3	2	2	3	56
4	22	43	5	3	5	1	79
5	19	26	4	3	5	2	59
6	21	23	1	1	3	2	51
7	8	11	1	1	0	0	21
8	4	4	0	0	0	0	8
9	1	2	0	0	0	0	3
Total	3102	1189	182	62	65	391	4992

Class of Works by grading – Gauteng

Grade	Class of works						Total
	GB	CE	ME	EP	EB	SW	
1	13093	3849	688	545	263	3121	21560
2	436	288	65	29	49	175	1042
3	86	72	24	10	22	21	235
4	164	169	52	37	50	43	515
5	123	117	59	54	44	52	449
6	110	167	28	24	18	25	372
7	59	78	21	20	9	16	203
8	26	33	11	9	1	7	87
9	19	29	21	13	6	8	96
Total	14116	4802	969	741	462	3468	24559

Class of Works by grading – KZN

Grade	Class of works						Total
	GB	CE	ME	EP	EB	SW	
1	15449	6377	523	182	188	2294	25013
2	513	527	37	8	38	84	1207
3	120	153	18	3	27	27	348
4	168	168	22	17	42	25	442
5	83	89	18	12	30	27	259
6	95	104	11	7	8	11	236
7	35	27	4	0	6	5	77
8	7	15	2	0	0	0	24
9	4	5	0	1	0	2	12
Total	16474	7465	635	230	339	2475	27618

Class of Works by grading – Limpopo

Grade	Class of works						Total
	GB	CE	ME	EP	EB	SW	
1	5139	1982	259	242	98	577	8297
2	241	161	22	13	27	33	497
3	63	47	8	8	15	2	143
4	81	83	4	6	21	3	198
5	82	76	11	13	10	4	196
6	70	77	5	5	8	1	166
7	21	20	0	0	0	0	41
8	0	1	0	0	0	0	1
9	0	1	0	0	0	0	1
Total	5697	2448	309	287	179	620	9540

Class of Works by grading – Mpumalanga

Grade	Class of works						
	GB	CE	ME	EP	EB	SW	Total
1	5045	1651	268	165	77	433	7639
2	206	139	16	5	15	28	409
3	66	45	3	5	6	4	129
4	89	70	15	10	12	0	196
5	41	54	10	7	11	8	131
6	44	50	3	7	2	0	106
7	14	13	2	1	0	3	33
8	2	1	1	0	0	0	4
9	1	0	1	0	0	0	2
Total	5508	2023	319	200	123	476	8649

Class of Works by grading – North West

Grade	Class of works						Total
	GB	CE	ME	EP	EB	SW	
1	3282	780	137	65	23	441	4728
2	136	58	3	5	1	7	210
3	29	11	2	1	1	3	47
4	32	39	4	4	5	1	85
5	24	16	4	3	4	7	58
6	16	23	2	2	1	0	44
7	5	10	1	0	0	0	16
8	1	0	0	0	1	0	2
Total	3525	937	153	80	36	459	5190

Class of Works by grading – Northern Cape

Grade	Class of works						
	GB	CE	ME	EP	EB	SW	Total
1	624	143	25	13	20	74	899
2	28	11	3	3	4	5	54
3	6	6	1	1	0	0	14
4	13	8	2	1	3	0	27
5	5	11	2	1	6	0	25
6	6	5	0	0	1	0	12
7	0	4	0	0	0	0	4
8	1	1	0	0	0	0	2
Total	683	189	33	19	34	79	1037

Class of Works by grading – Western Cape

Grade	Class of works						
	GB	CE	ME	EP	EB	SW	Total
1	3593	829	157	104	108	963	5754
2	202	106	31	13	16	48	416
3	61	27	13	4	15	19	139
4	70	55	15	11	16	21	188
5	33	38	13	6	15	17	122
6	41	42	12	3	4	1	103
7	19	24	5	6	2	3	59
8	9	9	2	1	0	0	21
9	2	4	0	1	0	1	8
Total	4030	1134	248	149	176	1073	6810

Registration Criteria – Opportunity for further Improvements

Registration Cycle and Contractor Downgrades

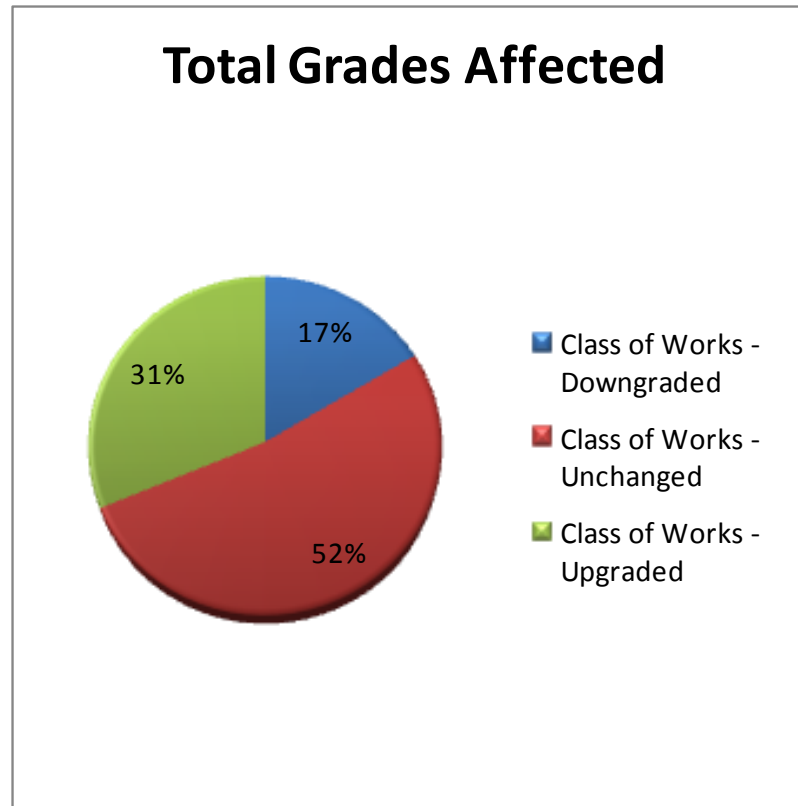
- Registration is valid for a **3 year** period as per the **CIDB Act**, subject to annual confirmation of particulars
- On three year renewal contractors are **reassessed** in terms of the same criteria applied on initial registration
- Renewal process enables the Registers to be maintained as a **macro risk management tool**

Registration Cycle and Contractor Downgrades

- **National Rollout in 2006/2007 resulted in the large number of 3 yearly renewals in 2009 which will continue into 2010**
- **Non-compliant documentation poses a problem but is being addressed through provincial CCC's and through registration guidelines**

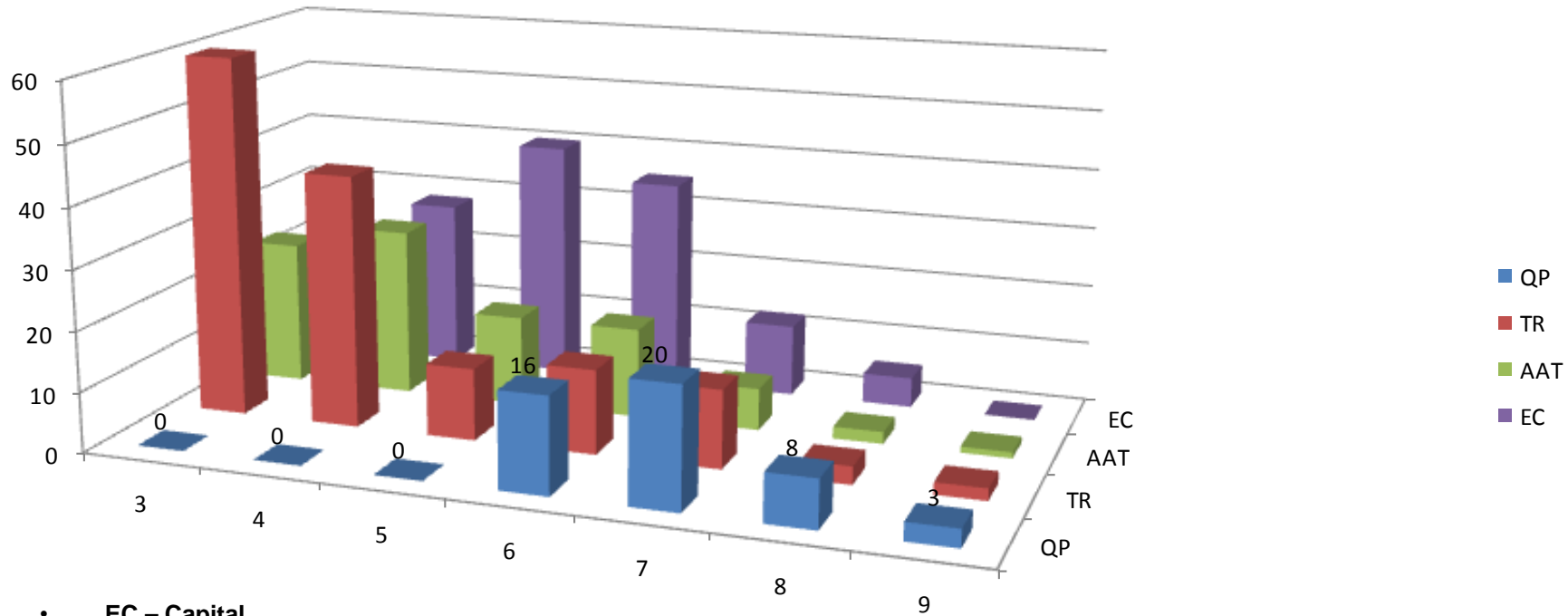
Three Year Renewals

- **Over 80% of contractors are either maintaining or improving their grades in the three year renewal**
- **Filtering out non-compliant applications reveals that 17% of contractors fail to maintain the grade**



Three Year Renewals

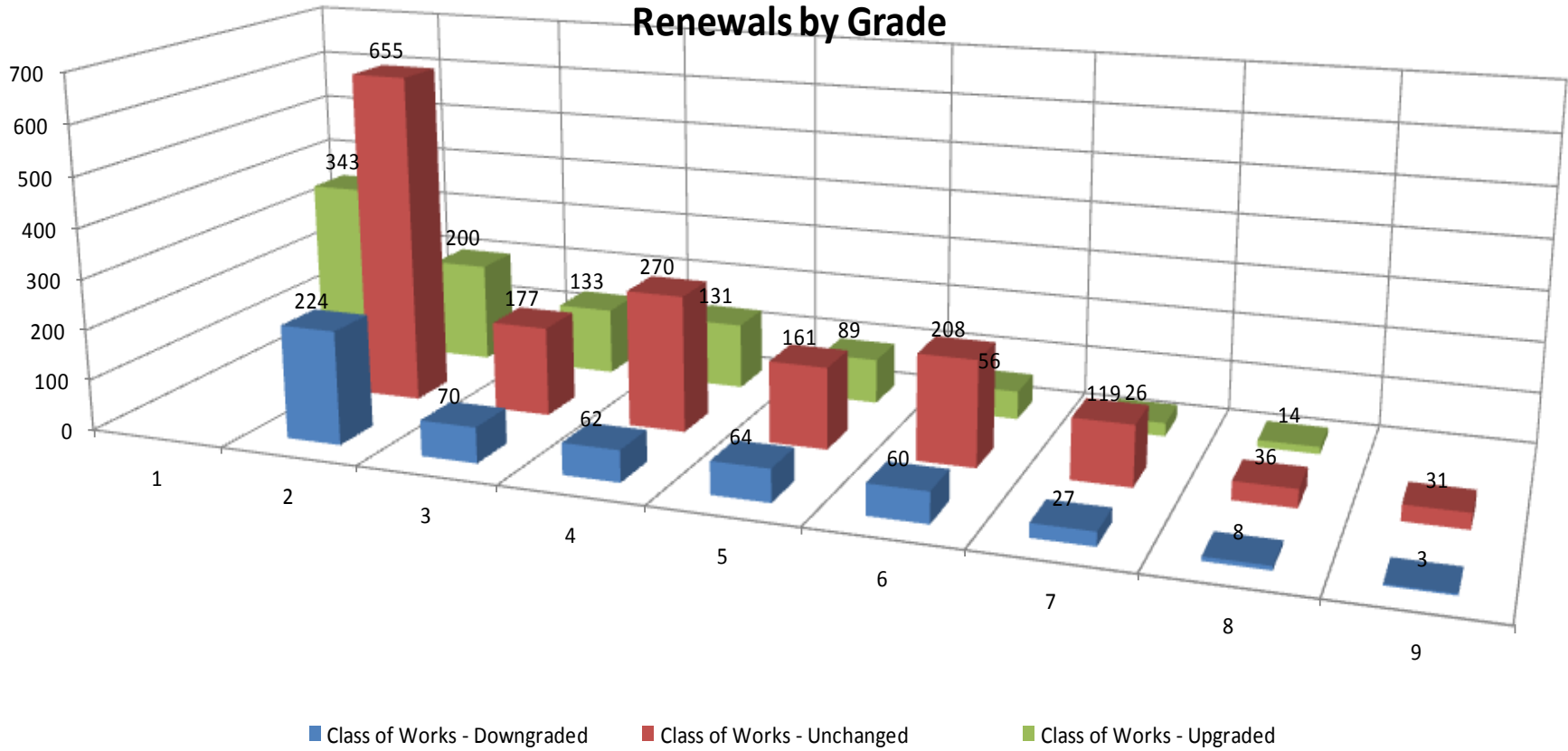
Reasons for Downgrade (Collapsed)



- EC – Capital
- AAT –Turnover
- TR – Track Record
- QP – Qualified professional employed

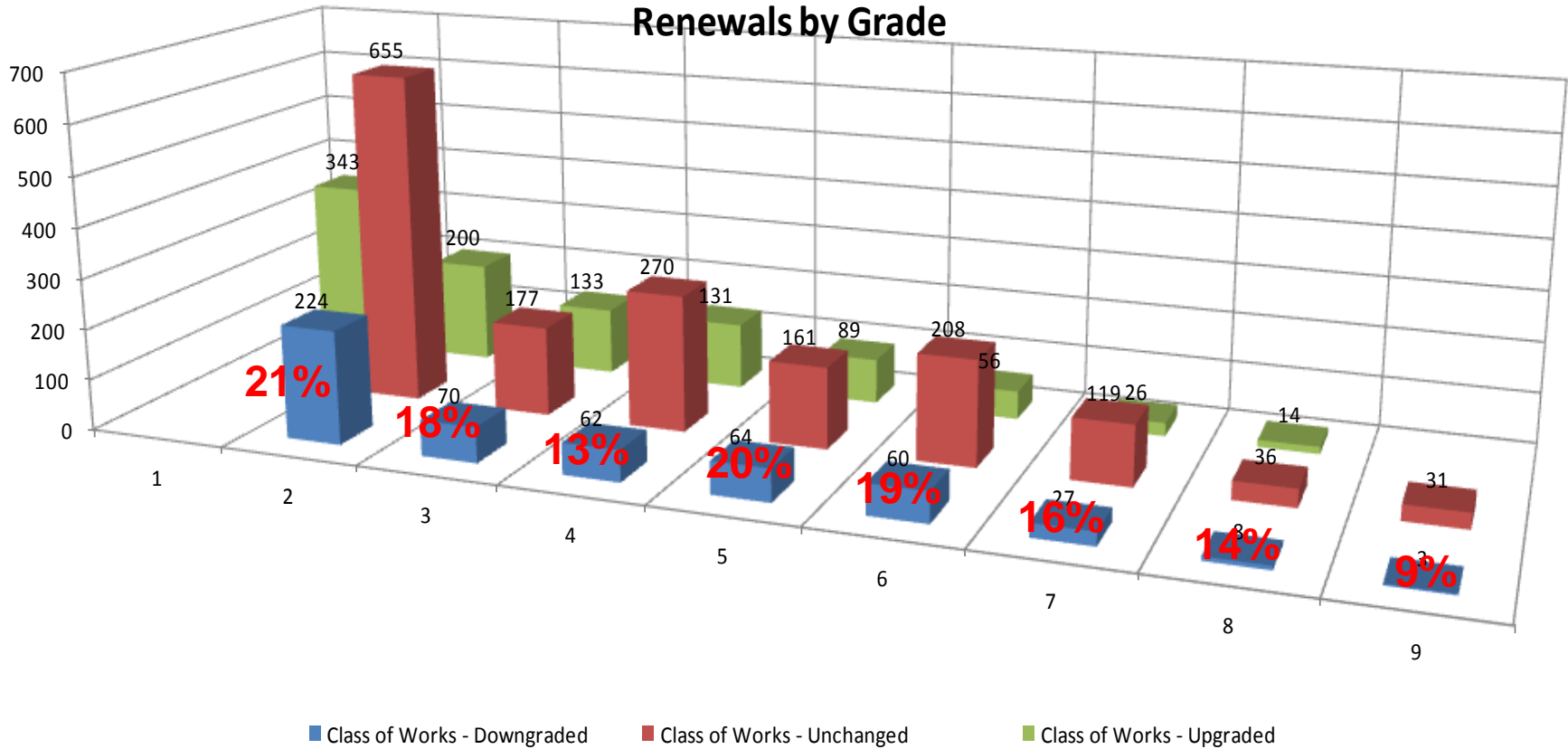
Three Year Renewals

Renewals by Grade



Three Year Renewals

Renewals by Grade



Inputs from National Stakeholder Forum (Oct 2009)

Issue Raised	Explanation
The CIDB should be cautious regarding application of Method B of registration	Contractors have to complete a construction project, as Method B undermines the Register, and presents increased risk to clients.
Employment of Registered Professionals	It was highlighted that emerging contractors cannot sustain permanent employment of professionals.
Client misuse of Potentially Emerging (PE) Status	The point was highlighted that clients do not use the PE status provision correctly, and when they do use it, they fail to support the contractors.

Inputs from National Stakeholder Forum (Oct 2009)

Issue Raised	Explanation
Financial Requirements	It was requested that the Cidb should be clearer about the types of financial sponsorships that contractors may provide.
Contractor Upgrades	Late payment severely affects the sustainability of contractors in addition to other inefficient client procurement and supply chain processes - such as failure to provide project completion documents and release of retention money's.

Inputs from National Stakeholder Forum (Oct 2009)

Issue Raised	Explanation
Cessions result in poor contractor financial reports whereas the contractor has successfully completed projects	Cessions are a means for contractors to successfully complete projects but results in lower turnover in the contractor's financials
Cumulative track record to be considered	cidb to consider cumulative value of work done over a period of time.

Registration Criteria – Opportunities for Improvement

- **Stakeholder** feedback to inform improvements
- **Registered Professionals** Employed
- Level of **Financial Requirements**
- Consideration of **multiple projects combined** instead of one largest contract
- Difficulty for contractors to **upgrade**
- **Method B**
 - Assessment should not be excluding **Track Record**
- **Client non application of Potentially Emerging (PE) provisions**
 - Clients do not use the PE status
 - Those that do use it do not provide adequate support to contractors

Quality of Service

Quality of Service

- **Business Process Management (BPM)**
 - Striving for excellence in registrations processing
- **Supportive Software Systems**
 - EDMS
 - Distributed Processing
 - Flexible Business Processes
 - Improved Production Reporting
- **Fraud Prevention**
- **Staff Training**
- **Construction Contact Centre's (CCC's)**
 - Potential for further value add
 - Integration of services between CCC's and Head Office
- **Communication to Contractors**
 - Simpler Guidelines
 - Improved Contractor Feedback
 - Reasons for not achieving the desired grade