

Progress with the
cidb Best Practice
Contractor Recognition Scheme

cidb Stakeholder Workshop
February 2010



Background

• The cidb Construction Industry Indicators (CIIs):

- Clients were neutral or dissatisfied with the performance of contractors on 18% of the projects surveyed
- Around 12% of the projects surveyed had levels of defects which are regarded as inappropriate
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Background

• The cidb Construction Industry Indicators (CIIs):

- Contractors were neutral or dissatisfied with the quality of tender documents and specifications on around 26% of the projects surveyed
- Contractors were neutral or dissatisfied with the management of variation orders on 31% of the projects surveyed
- 57% of payments to contractors were made 30 days or longer after invoicing
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cidb Best Practice Registers

- Best Practice Contractor Recognition Scheme
- Best Practice Project Assessment Scheme

Laying the Foundation for Performance Improvement



cidb Best Practice Contractor Recognition Scheme

- The cidb Act (Act 38 of 2000) requires that the Board must, within a reasonable period after the establishment of the register of contractors, establish a *Best Practice Contractor Recognition Scheme* which:
 - enables organs of state to **manage risk** on complex contracting strategies
 - **promotes contractor development** in relation to best practice standards and guidelines developed by the Board



cidb Best Practice Contractor Recognition Scheme

Grade	Enablers; Business, H&S, Quality, Env, etc		Results
9	SANS / ISO / OSHAS Systems	Supply Chain Development	Performance Reports
	cidb Accredited Management Systems		
2	cidb Competence Accreditation		



cidb Best Practice Contractor Recognition Scheme

- After a date determined by the Minister, the following will be required to be taken into account as a quality factor (functionality) in construction procurement on all public sector contracts:
 - cidb accreditation of a contractor's competence or CMS
 - information contained in cidb contractor performance reports
- Clients can implement recommendations before that determined by the Minister



Process

- Framework document
- Task Teams
- Pilot Projects
- Legislation
- Incremental roll-out



Contractor Performance Reports

Grade	Contract, Business, HR, Quality, etc. etc.	Results
A		Development Report
B		



Contractor Performance Reports

- Provides a track record of performance of contractors
- Skill and commitment in managing:
 - time
 - cost
 - quality on site
 - H&S on site
 - site conditions

Grade	Criteria: Business, H&S, Quality, etc. etc	Results
1		Performance Report
2		



Contractor Performance Reports

- Framework document complete
- Task Teams 1st phase complete
 - available on cidb Web
- Pilot projects initiated;
 - WC-PW – in hand
 - eThekweni, EC-PW, COEGA – to start
 - Limpopo – request
 - Time scale – end 2010
- Task Teams 2nd phase

Grade	Criteria: Business, H&S, Quality, etc. etc	Results
1		Performance Report
2		



Contractor Competence Accreditation

Grade	Criteria: Business, H&S, Quality, etc. etc	Results
1		CIDB Competence Accreditation
2		



Contractor Competence Accreditation

- Accredits the competencies in terms of knowledge, skills and experience of contractors that are deemed to be minimum standards necessary for running a contracting enterprise and for supervising building and construction works



Contractor Competence Accreditation

Category	Grade	NQF Level	Minimum Experience
•GB: General Building; Limited	4 to 6	5	5 years
•CE: Civil Engineering; Limited	2 & 3	4	3 years
TC: Trade Contractor	1 to 5	3 or 4	3 years



Contractor Competence Accreditation

Grade	Minimum NQF level	Recognised Qualifications
Building and Construction Technology		
4 to 6	5	National Diploma: Management of Civil Engineering Construction Processes; 23683
2 and 3	4	National Certificate: Supervision of Construction Processes; 49053
Building and Construction Legislation		
4 to 6	4	[to be written]
2 and 3	2	Unit Standard 9982; Comply with legal requirements for a construction contract



Contractor Competence Accreditation

- Framework document complete
- Task Teams 1st phase complete
 - available on cidb Web
- Skills profiling initiated;
 - WC, EC, KZN
 - may have to review
- Review of Business Management
- Task Teams 2nd phase



Construction Management System Accreditation



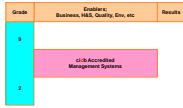
Construction Management System Accreditation

- A Construction Management System (CMS) is framework of processes and procedures used by an organisation to better control its construction risks and to improve its performance
- More well known management systems include:
 - SANS ISO 9000 and 14000
 - SANS OHSAS 18001



Construction Management System Accreditation

- **cidb CMS standard based on recognisable industry minimum standards covering:**
 - health and safety management
 - quality management
 - environmental management (covering air, water, land and waste)

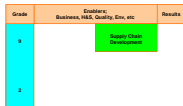


Construction Management System Accreditation

- **Framework document complete**
- **Draft standard complete**
 - available on cidb Web
- **Pilot project initiated;**
 - 15 contractors
 - 52 week pilot
 - time scale – Feb 2011
- **Task Teams 2nd phase**



Supply Chain Development Recognition



Supply Chain Development Recognition

- Framework document under development
 - 1st draft

Goal	Enabling Business, MSME Quality, etc. etc	Milestones
1	Supply Chain Development	
2		



Summary

- Phased and incremental implementation
- Ongoing participation, communication and discussion
- Welcome additional interactions with clients and contractors



Thank You

Laying the Foundation for
Performance Improvement