cidb: H&S for SMME in Construction Sector

H&S Construction Seminar 10 to 11 February 2011



Overview

- SMMEs
- cidb Best Practice Scheme
 - cidb Best Practice Contractor Recognition Scheme
 - cidb Best Practice Project Assessment Scheme
- cidb Centres of Excellence for R&D and Academic Excellence
- Guides and information
- Construction H&S; Status & Recommendations



Fall onto different levels



Source: The Times, January 19, 2011



SMMEs



cidb Contractor Grading

- What is a small contractor?
- 2 to 6?



National Small Business Act 102/1996 SMME

Enterprise Size	Number of Employees	Annual Turnover (in South African rand)	Gross Assets, Excluding Fixed Property
Medium	200 construction industry	Less than R20 million	Less than R4 million



cidb criteria used to determine financial capability

Designation	Upper limit of tender value range (R)	Best Annual Turnover (R)	Largest Contract	Available Capital (R)
7	40,000,000	24,000,000	10,000,000	4,000,000
6	13,000,000	7,800,000	3,250,000	1,300,000
5	6,500,000	3,250,000	1,600,000	650,000
4	4,000,000	2,000,000	1,000,000	200,000
3	2,000,000	1,000,000	500,000	100,000
2	650,000	No Requirement	150,000	No Requirement





- 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



- Ability to match the contractor to the requirements of the job
- Ability to recognise (and reward) better performing contractors
- To set minimum and best practice standards to which contractors should perform to

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Grade	Enablers; Business, H&S, Quality, Env, etc	Results
9		
2		



Grade	Enablers; Business, H&S, Quality, Env, etc	Results
9		
2	cidb Competence Assessment	



Grade	Enablers; Business, H&S, Quality, Env, etc	Results
9		
	ci <mark>d</mark> b Accredited Management Systems	
2		



Grade	Enablers; Business, H&S, Quality, Env, etc	Results
9	SANS / ISO / OSHAS Systems	
2		



Grade	Enablers; Business, H&S, Quality, Env, etc	Results
9		Performance Reports
2		Perfor



Grade	Enablers; Business, H&S, Quality, Env, etc	Results
9	SANS / ISO / OSHAS Systems	Reports
	ci <mark>d</mark> b Accredited Management Systems	
2	cidb Competence Accreditation	Performance



 After the date and above a prescribed tender value determined by the Minister in the Gazette, cidb accreditation of a contractor's competencies, management systems and/or performance will then be required to be taken into account as a quality factor (functionality) in construction procurement on all public sector contracts



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 in the various Categories and sub-Categories within the fields of:

Enablers; Business, H&S, Quality, Env, etc	Results
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cidb Competence Assessment	
	Business, H&S, Quality, Env, etc

- business management
- building and construction management (operational and supervision)
- building and construction technology
- legislative issues



cidb Contractor Competence Assessment

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



cidb Contractor Competence Assessment

Grade	Minimum Recognised Qualifications			
	В	usiness Management		
4 to 6	5	[to be written]		
2 and 3	4	[to be written]		
E	Building and	Construction Works Management		
4 to 6	5	National Diploma: Management of Civil Engineering Construction Processes; 23683		
2 and 3	4	National Certificate: Supervision of Construction Processes; 49053		



cidb Contractor Competence Assessment

Cor	npetence 2.4 Implement Health and safety on a construction project
Unit Standard	Indicator
15136	a. Demonstrate an understanding of Health and Safety on a construction site
	b. Assist with the development of Health and Safety policies and procedures
	c. Develop and implement a Health and Safety Site plan
	d. Monitor the implementation of the Health and Safety plan, systems and procedures



Construction Management System Accreditation

 To promote and recognise performance improvement by contractors, Grades 5 to 7, cidb has:



- introduced complementary accreditation of CMSs;
- based on recognisable industry minimum standards covering:
 - health and safety management
 - quality management
 - environmental management (covering air, water, land and waste)



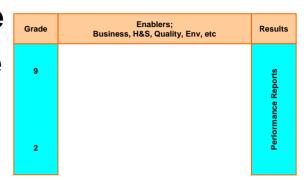
cidb CMS Accreditation





cidb Contractor Performance Reports

- Framework document complete
- Task Teams 1st phase complete
- Pilot projects initiated;
 - WC-PW in hand
 - eThekwini, EC-PW, COEGA to start
 - Time scale end 2010/11
- Task Teams 2nd phase
- Legislation



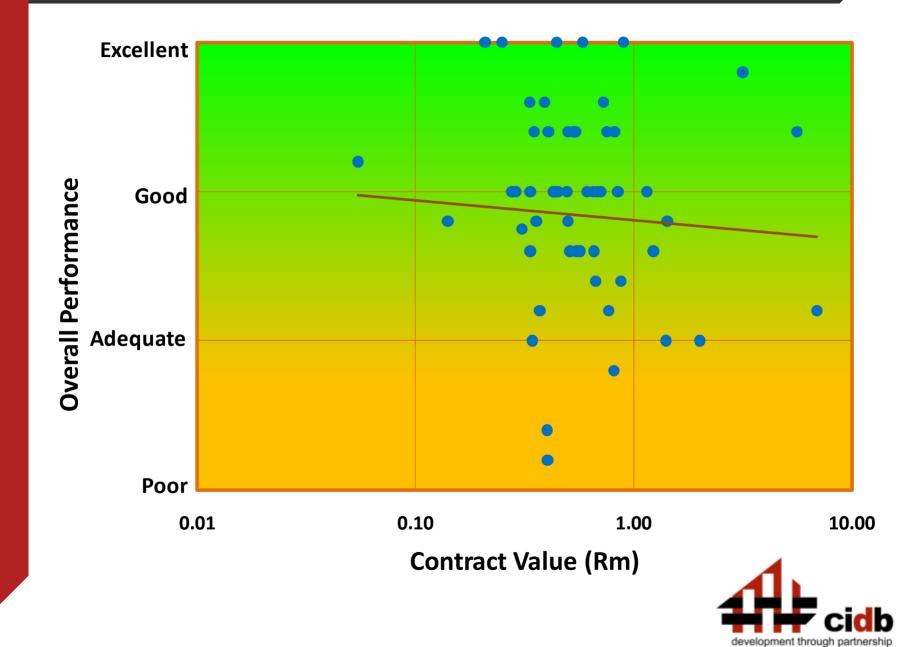


cidb Contractor Performance Reports

Indicator	Prompt for judgement							
	Poor (-1)	Adequate (0)	Good (1)	Excellent (2)				
H&S Management								
Skill and commitment in managing health and safety	H&S plans on current project No evidence of consistent review of health/safety incidents	 Plan expressed in generalities or not fully comprehensiv e Review of all incidents Thorough investigation of all incidents with potential for serious injury 	 Plan specific and comprehensive regarding site operations Regular, company-wide review of procedures Using internal reviews and external sources 	 Plan is fully implemented, in spirit and detail Positive incentives built into plan Active sharing and dissemination of lessons learned particularly down supply chain 				



cidb Contractor Performance Reports



Status

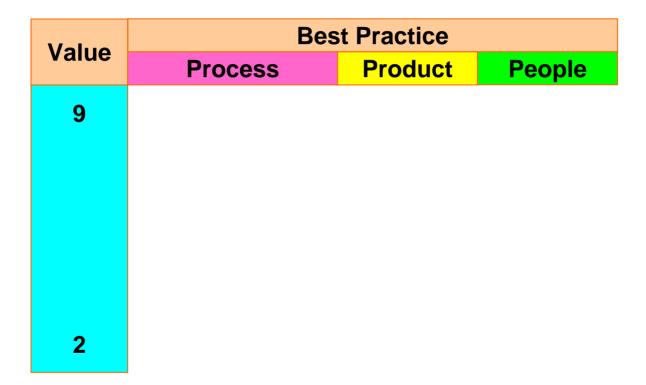
- Competence Assessment:
 - 2011
- Construction Management Systems:
 - 1st Quarter 2012
- Performance Reports:
 - 2012



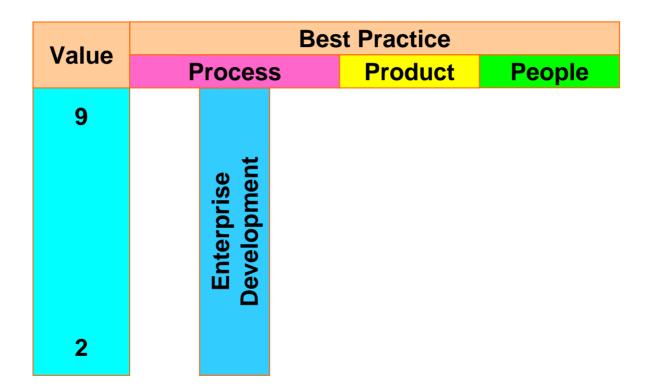


- The Board must establish a Best Practice Project
 Assessment Scheme based on the best practices
 identified by the Board:
 - All construction contracts above a prescribed tender value will then be subject to an assessment of compliance with best practice standards and guidelines published by the Board
 - Every client who engages in the best practice project assessment scheme must pay to the Board a prescribed percentage of the contract sum as determined at the time of the awarding of the contract











Value	Best Practice						
Value	P	Proces	S	Product	People		
9	Enterprise Development SHEQ Management Plans		SHEQ Management Plans				



Value	Best Practice						
Value	Process			Product		People	
9		Enterprise Development	SHEQ Management Plans		Performance Reports		



Value	Best Practice						
Value	Proces	S	Prod	duct	Pec	ple	
9	Enterprise Development	SHEQ Management Plans		Performance Reports	Building Skills Policy		



Enterprise Development

- Indirect targeting to promote enterprise development;
 - minimum of 5% of the total final project value must be sub-contracted by the main contractor(s) to qualifying construction enterprises
 - qualifying construction enterprises will receive mutually agreed upon enterprise development support



Qualifying Development Support

- Needs analysis must be developed for the developing enterprise(s)
- Project specific development program with milestones must be developed
- At least two areas of development must be identified per recipient applicable to the project period



Qualifying Development Support

- skills development leading to nationally accredited outcomes
- establishment of construction management systems and plans (H&S, quality and environmental)

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Status

- Framework Document available
- Focus Group established;
 - 2011/01/22
- Possible signoff by mid-2011



H&S management plans - client's duties

- All public sector clients to have a requirement for project H&S management plans
- Best practice guidelines to assist clients to develop project H&S specification;
 - All project stakeholders to provide input for development of H&S specifications and other H&S requirements during project inception, design and tender stage



Contractor's H&S management plan

- Best practice guidelines to assist contractors to develop project H&S management plans;
 - Contractor develop H&S management plans and other H&S requirements responding to H&S specifications



Review by client

- Client will review contractor H&S management plans at project tender stage
- Audit requirements for clients to review contractor H&S management plans
- Client compliance
 - cidb audit



Status

• Work in progress



Building Skills Policy

- Clients are encouraged to support skills development in the construction industry
 - achieve nationally recognised outcomes.



Aims

- Building Skills Policy supports the need to address skills shortages in the construction industry, and aims to:
 - Increase number of workers with nationally accredited qualifications and registration with professional councils;
 - improve graduation rates at Universities of Technology and FET colleges;
 - Develop highly skilled and motivated labour force with good work ethics; and
 - improved professionalism in construction industry



Requirements

- Structured training and skills development
- 5% of labour hours on prescribed public and private sector projects
- training of interns and up-skilling of company employees in programmes that result in nationally accredited outcomes
 - internships for professional candidacy
 - learnerships or accredited skills programmes



Requirements

- Total contract value of construction project
- Training hours to be cascaded down from main contract to sub-contracts.
- Responsibility for compliance with Policy remains with main contractor.



Requirements

 Maximum of one-third of labour hours allocated to employed learners obtaining experiential learning within employer's contract (i.e. internal placement).



Status

- Framework Document available
- Focus Group established
- Possible signoff by end-2011



cidb Centres of Excellence for R&D and Academic Excellence



Research and development

- cidb appointed two universities
- Conduct research in relevant areas of construction management
- e.g. H&S in construction



Guides and information



Brochures

Brochures

 Contractor Tips and Advice; Construction Health and Safety

Guidelines

- e.g. development of H&S specifications
- H&S work method statements

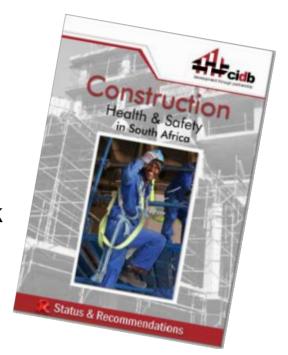






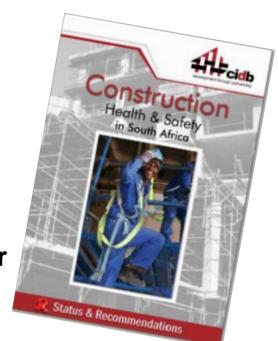
Organizational and site level:

- lack of management commitment, inadequate supervision, inadequate or a lack of H&S training
- lack of worker's involvement and personal risk appreciation, and work pressures also contribute to poor performance





- Specific attention needs to be given to small and emerging contractors:
 - typically have limited resources to provide for H&S
 - H&S processes will typically be less structured, and based rather on prior contract experience
- A developmental approach is needed to support the small and emerging contractors





- enhancing impact of Construction Regulations
- using public sector procurement to achieve improvements in construction H&S
- H&S information and statistics
- minimum competence standards and accreditation for client appointed H&S agents
- establishment of an 'H&S Agency' for the promotion, awareness, information and advice, and promotion of research on construction H&S
- ensuring that tertiary education addresses construction H&S and related issues
- facilitating a developmental approach to support the small and emerging contractors

Thank You

