

# Applying B.U.I.L.D standards in construction projects

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*DEVELOPMENT THROUGH PARTNERSHIP*

# Standard for Developing Skills through Infrastructure Contracts Background

# Objective

- **Provide an overview of the cidb Standard for developing skills through infrastructure contracts (Skills Standard)**
- **cidb Skills Development Agency (SDA)**



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Background

# Background

- Skills for Infrastructure Delivery in South Africa 2007
- Shortage of Skills
- Pathways to develop artisan
- Recommendations to restore the skills pipeline:
  - Increase maths and science output at grade 12
  - Improve the attractiveness of the industry
  - Improve the quality and relevance of training
  - **Restoring the experiential learning system**



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# cidb Skills Standard

# Outline

- **Cidb Standard for Skills Development**
  - Objectives of the Standard
  - Contract Skills Development Goals
  - Denial of credits

# cidb Standard for Developing Skills through Infrastructure Contracts



**Gazette 43495 of  
3 July 2020  
Skills Standard**



# Objectives of the Standard (i)

- Method 1 - to provide structured workplace learning towards;
  - part, or
  - full **occupational qualification**;
- Method 2 - To provide structured workplace learning towards **trade qualifications**;
  - apprentices, or
  - other artisan learners
  - 60% of the artisan learners from public TVET colleges

# Objectives of the Standard (ii)

- Method 3 - To provide work integrated learning opportunities for;
  - university of Technology; or
  - comprehensive University **P1 & P2**
- Method 4 - To provide structured workplace learning for;
  - candidates for **professional registration** with statutory council

# Targeted Contract Values

- Professional services contracts:
  - R 5m or more
  - 12 months duration
- Engineering and construction works contracts:
  - R60m or more
  - cidb Grade 7 contractor
  - 12 months duration

# Contract Skills Development Goals (CSDG)

- **Hours:**
  - Professional services
- **Headcount:**
  - Engineering and construction works
  - Design and build contracts

# CSDG; Hours

- 150 hours/R1 million
- E.g. R5 million = 750 hours or 4.5 months

# CSDG in Headcount

Class of construction works as identified in terms of the cidb regulation		Construction skills development goal (%)
Designation	Description	
CE	Civil Engineering	0.25
CE and GB	Civil Engineering and General Building	0.375
EB	Electrical Engineering work (buildings)	0.25
EP	Electrical Engineering works (infrastructure)	0.25
GB	General Building	0.5
ME	Mechanical Engineering	0.25
	Specialist works	0.25

# Notional Cost of Training; Headcount

Type of Training Opportunity	Provision for stipends (Unemployed learners only)	Provisions for mentorship	Provisions for additional costs*	Total costs	
				Unemployed learners	Employed learners
Method 1					
Occupational qualification	R7 000	R0	R9 000	R16 000	R9 000
Method 2					
TVET College graduates	R14 000	R0	R9 000	R23 000	N/A
Apprenticeship	R14 000	R0	R12 000	R26 000	R12 000
Method 3					
P1 and P2 learners	R24 000	R20 000	R4 500	R48 500	N/A
Method 4					
Candidates with a 3 year diploma	R37 000	R20 000	R4 500	R61 500	R20 000
Candidates with 4 year qualification	R47 000	R20 000	R4 500	R71 500	R20 000

# Example 1:

<b>Total contract value</b>	<b>R 600,000,000.00</b>
<b>Contract duration</b>	<b>36 months</b>
<b>Classes of Works</b>	<b>CE</b>
<b>CSDG</b>	<b>0.25%</b>
<b>Minimum CSDG</b>	<b>R 1,500,000.00</b>



# Contractor's Role

- **Contractor: entity that contracts with employer**
- **Providing workplace learning opportunities through:**
  - **Direct employment from colleges**
  - **Indirect employment through an SDA**
- **Appointing a coach/mentor for learners**
- **Submitting:**
  - **Compliance baseline training plans**
    - **30 days after contract award**
  - **Quarterly compliance reports**
  - **Final contract compliance report**
    - **30 days after practical completion**

# Denial of Credits

- **Opportunities provided could not be linked to contract;**
- **Reporting criteria not adhered to;**
- **Conditions of employment and allowances not in accordance with legislative provisions;**
- **Contractor not maintaining training records; and**
- **Contractor not providing evidence of disciplinary action against a learner who fails to present interim reports or credentials for assessment.**



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Skills Development Agency  
SDA

# What is an SDA

- **Facilitates structured, workplace training for beneficiaries of the cidb Standard for Developing Skills through Infrastructure Contractors (Skills Standard)**
  - **Facilitates implementation of the Skills Standard**

# Role of the SDA

- **Skills Development Agency (SDA) shall:**
  - Prepare training plans;
  - Register learners on the LMS;
  - Register learners with the appropriate Sector Educational and Training Authority;
  - Conduct entry and exit level medicals for learners;
  - Monitor onsite training progress of learners;
  - Arrange for summative assessments;
  - Provide trade testing opportunities including and top-up training; and
  - Prepare reports for the employer's representative and cidb at practical completion of the contract.



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# **cidb Standard for Indirect Targeting for Enterprise Development**

# cidb Standard for Indirect Targeting

- The cidb Standard for Indirect Targeting for Enterprise Development helps clients to set goals for development of emerging contractors on public sector projects through subcontracting and joint ventures



# cidb Standard for Indirect Targeting

- Establishes contract participation goals (CPGs) for enterprise development of targeted enterprises
- Requires lead partner or main contractor to dedicate a minimum 5% of total project value to provide developmental support to targeted subcontractor or joint venture partner
- Applicable to contracts in Grades 7 to 9 General Building and Civil Engineering contracts
- Can be adapted to other cidb Classes of Works





# Criteria

- **Needs analysis; development in at least two developmental areas:**
  - administrative; cost control systems
  - construction management systems and plans
  - planning, tendering and programming
  - business; technical; procurement skills
  - legal compliance
  - credit rating/history; financial loan capacity/history
  - contractual knowledge
- **Needs analysis shall be mutually agreed upon between contractor and targeted enterprise**
- **Contractor shall appoint enterprise development co-ordinator:**
  - develop a project specific enterprise development plan
  - submit to the employer's representative a monthly enterprise development report



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Thank You