Construction Industry Development Board

DEVELOPMENT THROUGH PARTNERSHIP

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Register of Professional Service Providers

CESA Infrastructure Indaba

11 March 2020

Overview

- State of the Industry
- Register of Professional Service Providers (RoPSP)
  - Context
  - Registration Criteria
  - PSP Recognition Scheme
- Concluding Comments

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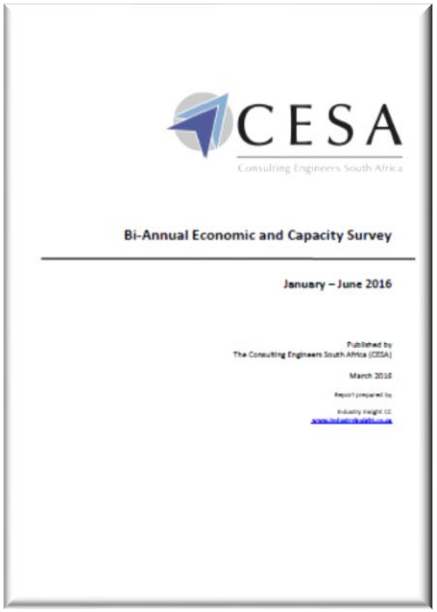
State of the Industry

State of the Industry

- **Business confidence**
- **Fees discounting**
- **Delayed payments**
- **Transformation**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Bi-Annual Economic and Capacity Survey

January – June 2016

Published by
The Consulting Engineers South Africa (CESA)

March 2016

Report prepared by

Industry Insight CC

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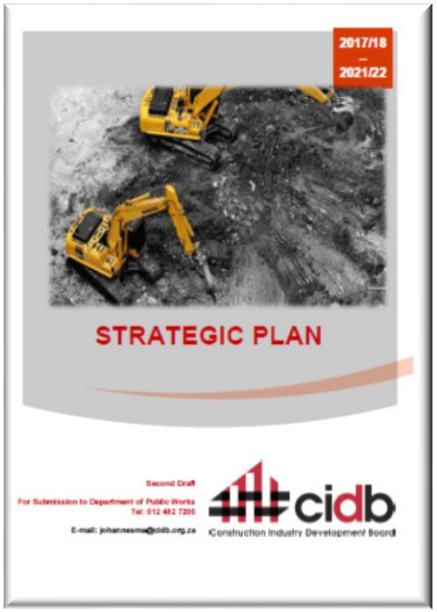
- **Increasing infrastructure spend:**
  - **policy advise; DPW&I Minister, MinMEC and SIPs/Economic cluster**
  - **client recognition scheme**
- **Transformation**
- **Prompt payment**
- **Enhance contractor and PSP satisfaction with clients**
- **Enhance client satisfaction with contractors and PSPs:**
  - **performance reports**
  - **best practice**
  - **developmental support**



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Context

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- **CIDB Act:**
  - **5.2(g) may establish and maintain a register of suppliers, manufacturers or service providers in the construction industry**

- **5 Year Evaluation Review of the CIDB; 2014:**
  - **the cidb should expedite the implementation of the Register of Professional Service Providers**

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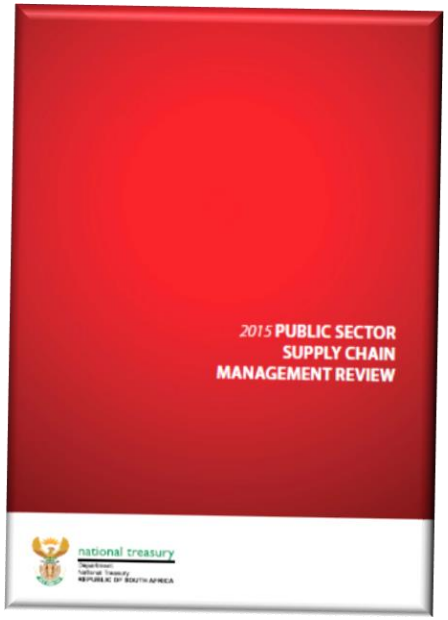
National Treasury

- **2015 Supply Chain Management Review – National Treasury:**
  - **A grading system for engineering services should be investigated, similar to that for contractors**



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International Precedents

- **Singapore**
- **Hong Kong**
- **Australia**

must add value

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Register of Professional Service Providers

Registration Criteria

CIDB Act;
RoPSP and PSP Recognition Scheme

- support risk management in the tendering process
- reduce the administrative burden associated with the award of contracts
- reduce tendering costs to both clients and PSPs
- enable effective access by the emerging sector to work and development opportunity
- assess the performance of PSPs in the execution of contracts and thus provide a performance record for PSPs
- regulate the behaviour and promote minimum standards and best practice of PSPs
- store and provide data on the size and distribution of PSPs operating within the industry and the volume, nature, performance and development of PSPs and target groups
- enable access by the private sector and thus also facilitate private sector procurement

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Register of PSPs

- **Register and categorise PSPs in terms of 'Professional Service Disciplines' and 'Grades'**

Stakeholder Consultations

- **Public Sector Client Departments:**
  - **16 February, 6 July 2015, 7 September, 30 November 2016**
- **Professional Councils and Voluntary Associations (VAs):**
  - **16 February, 4 March, 17 March, 8 July 2015, 28 September, 28 October, 30 November 2016**
- **Statutory built environment councils' presidents:**
  - **15 July 2015**
- **cidb Core Programmes Committee**
  - **February 2016**
- **Follow-up meetings with SABTACO**

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Professional Service Disciplines; Phase I

Designation	Professional Service Discipline
AR	Architecture
CE	Civil Engineering
CH	Construction Health and Safety
CM	Construction Management
CP	Construction Project Management
EE	Electrical Engineering
LA	Landscape Architecture
ME	Mechanical Engineering
QS	Quantity Surveying
SE	Structural Engineering
SS	Specialist Engineering Services

Professional Service Disciplines; Phase II

Designation	Professional Service Discipline
CN	Construction Mentoring
DR	Dispute Resolution
EM	Environmental Management
ET	Electronic Engineering
FM	Facilities Management
GE	Geotechnical Engineering
LS	Land Surveying
PV	Property Valuation
PM	Programme Management
TP	Town Planning
SU	Surveying
VM	Value Management

Grades; Maximum Capacity for Professional Fees Value

Grade	Estimated Maximum Capacity for Professional Fees Value	
	PSP Disciplines I	PSP Disciplines II
P1	≤ R0,5m	≤ R0,5m
P2	> R0,5m and ≤ R5m	> R0,5m and ≤ R5m
P3	> R5m and ≤ R13m	> R5m
P4	> R13m and ≤ R25m	
P5	> R25m	

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Registration Requirements (i)

a) registration as a legal entity

b) possession of a valid tax clearance certificate (TCC) and in good standing with the Income Tax Act, the Skills Development Levy Act (SDL), and the Unemployment Insurance Fund Act (UIF), Compensation for Occupational Injuries and Diseases Act (COID)

c) Professional Council Registration of shareholders and responsible persons

d) B-BBEE recognition level, together with the individual scorecard elements

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Registration Requirements (ii)

e) **minimum financial capability requirements**

f) **minimum technical capability requirements in terms of the number of registered professionals in their employment relevant to the professional service discipline applied for**

g) **minimum track record requirements**

i) **minimum professional indemnity requirements**

Financial Capability

Grade	Estimated Maximum Capacity for Professional Fees Value	Best Annual Turnover
P1	≤ R0,5m	
P2	> R0,5m and ≤ R5m	R1m
P3	> R5m and ≤ R13m	R6m
P4	> R13m and ≤ R25m	R9m
P5	> R25m	≥ R25 million

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Technical Capability (extracts)

Designation	Grade	Number of Registered Professionals	Grade	Number of Registered Professionals	Grade	Number of Registered Professionals	Grade	Number of Registered Professionals	Grade	Number of Registered Professionals
AR	P1	1 off: Pr.Arch or Pr.S.Arch.T or Pr.Arch.T or Pr. Arch.Draught	P2	1 off: Pr.Arch or Pr.S.Arch.T or Pr.Arch.T	P3	1 Pr. Arch. and 1 off: Pr.S.Arch.T	P4	2 Pr. Arch	P5	3 Pr. Arch
CE or SE or EE or ME or ET	P1	1 off : Pr.Eng or Pr.Tech.Eng	P2	1 off : Pr.Eng or Pr.Tech.Eng	P3	2 off: Pr.Eng and/or Pr.Tech.Eng	P4	4 off: Pr.Eng and /or Pr.Tech.Eng	P5	10 off: Pr.Eng and /or Pr.Tech.Eng
SS	P1	1 off : Pr.Eng or Pr.Tech.Eng	P2	1 off : Pr.Eng or Pr.Tech.Eng	P3	2 off: Pr.Eng and/or Pr.Tech.Eng	P4	4 off: Pr.Eng and /or Pr.Tech.Eng	P5	10 off: Pr.Eng and /or Pr.Tech.Eng

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Track Record

		Minimum value of professional fees for project successfully completed over the past five years within the PSP	
Grade	**Estimated Maximum Capacity for Professional Fees Value (Rm)**	**PSP**	**Responsible Professional**
P1	**≤ R0,5m**		**R0,25m**
P2	**> R0,5m and ≤ R5m**	**R0,5m**	**R0,5m**
P3	**> R5m and ≤ R13m**	**R5m**	**R5m**
P4	**> R13m and ≤ R25m**	**R13m**	**R13m**
P5	**> R25m**	**R25m**	**R25m**

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Track Record; Upgrading

		Minimum value of professional fees for project successfully completed over the past five years within the PSP	
Grade	**Estimated Maximum Capacity for Professional Fees Value (Rm)**	**PSP**	**Responsible Professional**
P1	≤ R0,5m		R0,25m
P2	> R0,5m and ≤ R5m	R0,5m	R0,5m
P3	> R5m and ≤ R13m	R5m	R5m
P4	> R13m and ≤ R25m	R13m	R13m
P5	> R25m	R25m	R25m

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Professional Service Providers Recognition Scheme

PSP Recognition Scheme (under development)

- **P4 & P5:**
  - **certification to SANS ISO 9001 Quality Management System, SANS ISO 14001 Environmental Management System and SANS ISO 45001 Health and Safety Management System**
  - **certification to SANS 1734 Specification for an Anti-Bribery Management System (ABMS), but extended to fraud and corruption**

- **P1 to P5:**
  - **Performance Reports**

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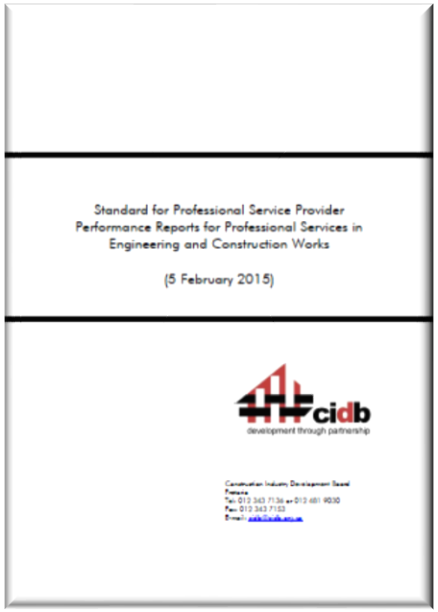
PSP Performance Reports (under development)

- **Time Management**
- **Management of Resources**
- **Co-operative Relationships**
- **Standard of Service**


Standard for Professional Service Provider
Performance Reports for Professional Services in
Engineering and Construction Works

(5 February 2015)

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development through partnership

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Concluding Comments

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- **On hold currently by cidb Board**
- **Further developments and consultations of the RoPSP**
- **Review of cidb Act**

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Thank You