



# C E S A

Consulting Engineers South Africa



Your Partner in Enabling Consulting Engineering Excellence

# Presidential theme for 2018



# Key Objectives

Effective  
Ethical  
Leadership

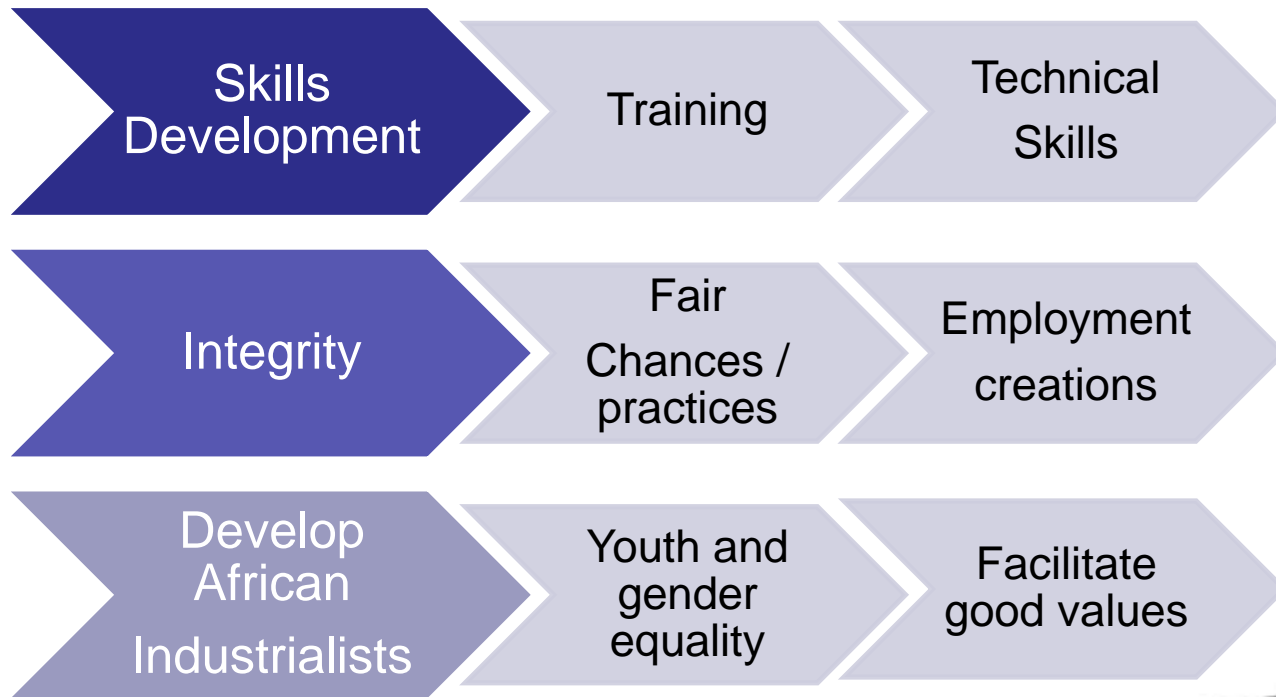
Transforming  
the hearts and  
minds of our  
people

Embracing the  
new world of  
Digitisation

Industry  
integration and  
working  
collaboratively

Working with  
clients in  
addressing  
Corruption

# Fighting corruption with Leadership



## Breakdown of estimated infrastructure expenditure (2017/19, 2018/19 and 2019/20) – National Treasury

Organ of state	%	MTEF (3 year)
State-owned companies	46%	432.8
Provincial departments	21%	198.2b
Local government	19%	179.6b
Public entities	7%	72,3b
National Departments	5%	47.7 b
Public-private partnerships	2%	16.5b
<b>Total</b>	<b>100%</b>	<b>947.2b</b>

Organ of state	%	MTEF (3 year)
Transport and logistics	35%	327.7b
Energy	25%	234.5b
Water and sanitation	13%	125.4
Human settlements	7%	63.4b
Other social services	5%	50.2b
Education	5%	50.1b
Other economic services	4%	38.5b
Health	4%	36.6b
Administration services	2%	21.7b
<b>Total</b>	<b>100%</b>	<b>947.2b</b>

SONA 2018 - Infrastructure investment **is key to our efforts to grow the economy, create jobs, empower small businesses and provide services** to our people

# National Planning Commission

National Planning Commission (NPC) identified a number of shortcomings in the SCM system, namely:

- the “**emphasis on compliance by box-ticking makes the system costly, burdensome, ineffective and prone to fraud**”, and
- “procurement systems tend to focus **on procedural compliance rather than value for money**, and place **an excessive burden on weak support functions.**”

National Treasury Standard for Infrastructure Procurement and Delivery Management designed around these principles

The National Planning Commission’s National Development Plan 2030: *Our future – make it work* suggests that the design of a procurement system that is better able to **deliver value for money, while minimising the scope for corruption** needs:

- **differentiate between the different types of procurement** which pose different challenges and require different skills sets
- **adopt a strategic approach to procurement above the project level** to balance competing objectives and priorities rather than viewing each project in isolation
- **build relationships of trust and understanding** with the private sector
- **develop professional supply chain management capacity** through training and accreditation
- **incorporate oversight functions** to assess value for money

# Partnering with National Treasury



national treasury

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA



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# Industry bodies

## Built Environment Statutory Councils - CBE

- SACAP
- SAQSP
- SACPVP
- SACLAP
- SACPCMP
- ECSA

## Related Statutory Bodies

- Geosciences
- NHBRC
- Natural Sciences
- Town Planners
- Land Surveyors
- CETA / SETA
- CSCC
- CIDB

## Learned Societies

- SAICE
- SAIMECH
- SAIEE
- C&CI
- IPET
- IMESA
- SAICHE
- WISA
- SAIS
- SARF
- SAIMM
- SABITA
- SANCOLD
- Etc.



# Organisational Landscape

## DIRECT & RELATED STATUTORY COUNCILS

- Governed by Legislation
- Registration Authority
- Code of Conduct/Ethics

## LEARNED SOCIETIES

- Service the Professional Interests of Individuals
- Voluntary
- Recognised by ECSA
- Code of Conduct/Ethics

## RELATED VOLUNTARY & INDUSTRY ASSOCIATIONS

- Bodies representing members in professions we interact with as Consulting Engineers

# Good news storey – new Universities project

September 2011	Final Report on the Establishment of the New Universities in the Northern Cape and Mpumalanga Provinces submitted to the Minister
5 July 2012	President announces the seats of the new universities as the inner-city of Kimberley and the Lowveld College of Agriculture in Nelspruit
August 2013	Minister <b>established the two public universities</b> as per the Act
February 2014	Both universities commenced <b>their first academic year (505 students at UMP and 124 at SPU)</b>
February 2016	Project had delivered 16 new buildings <b>within budget and below cost norms</b> , as well as a range of renovated buildings, providing academic and residence space for the 2016 enrolment of <b>1255</b> students at UMP and <b>700</b> students at SPU.

## Budget

2011/2012	R 50.0 m
2012/2013	R 81.3 m
2013/14	R 117.1 m
2014/15	R 383.0 m
2015/16	<b>R 1.32 b</b>

Wits University implementing agent for DHET (Piloted the implementation of the National Treasury Standard for Infrastructure Procurement and Delivery Management)

2016/2017 R 1,3 b

New universities take over responsibility for budget execution

# New Universities project – structure and procurement

**DHET (client)** – initiate and finance projects, approve or change the project brief or requirements and own the business case

## New Universities Project Management Team (NUPMT)

- Wits director Campus Planning and Development
- Client Delivery Manager
- Programme / Project Manager
- Office administrator

Part time advisors

Spatial planning, procurement and delivery, development and stakeholder engineering services, architectural, ICT

Delivery team (project managers, designers, specialists and contractors)

Delivery management (4,5-5%) plus Wits management fee (2,5%)

Over 143 procurements were undertaken, resulting in 219 appointments  
Approximately 700 work orders were issued and approximately 2734 payment certificates were authorised for a total certified expenditure of R1,6b

## Breakdown of expenditure per procurement procedure

- Quotation procedure (<R 1,0m) – 0.5%
- Negotiation procedure – 5.8% (mostly NUPMT)
- Competitive tenders and competitive negotiations - 90.6%
- Other (Wits system) – 3.1% (furnishings)

***Pilot project for implementation of SIPDM***

# Member Companies



# In Conclusion

