



Civilution

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Focus on: National Treasury Standard for Infrastructure Procurement and Delivery Management



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Comments from the CBE and CIDB on the SIPDM



CBE

(Council for the Built Environment)

The CBE coordinates the six Built Environment Professional Councils (BEPCs) – Architecture, Engineering, Landscape Architects, Project and Construction Management, Property Valuation and Quantity Surveying. It is an entity of the Department of Public Works (DPW), and is mandated to ensure the sustainability of the built environment professions which serve the public and national interest. The *Standard for Infrastructure Procurement and Delivery Management* (SIPDM) deals with issues which impact upon the core business of most of these professions – the planning, procurement, design, execution and maintenance of infrastructure projects.

Slow infrastructure spending has resulted in challenges regarding the delivery of new infrastructure and the maintenance of existing assets, and government is struggling to attract and retain crucial skills in the built environment. This affects the quality of planning and the project management of construction works.

One of government's key strategies to address the problem has been the development of the Infrastructure Delivery Management System (IDMS). The issuing of the SIPDM in support of the IDMS provides an excellent framework within which construction projects can be procured, delivered and maintained.

Infrastructure spend of R900 billion has been earmarked to deliver and maintain infrastructure, which enables continued growth of the economy and creates employment. Such investment holds the potential to provide a better life for all. Key success factors for this include proper planning and dedicated, rigorous management of the full infrastructure delivery life cycle. The CBE against this background has initiated a number of skills development programmes, and continu-

ally undertakes research on these issues. CBE as an entity of the DPW ensures that the government is capacitated with the requisite skills for effective infrastructure delivery. The CBE is working hand in hand with organs of state entrusted with the delivery and maintenance of state assets through candidacy, internship and continuing professional development programmes. The CBE also has partnerships with the private sector who provide mentorship and workplaces for interns.

CBE stakeholders will benefit from the clear processes, procedures and frameworks for the effective delivery of infrastructure projects embedded in the SIPDM. Mentors working with the CBE will be better positioned to engage within this space, and in turn start influencing candidates and interns in their programmes, thus changing the way that business is done in the public sector.

CIDB

(Construction Industry Development Board)

The construction industry is responsible for assisting government in delivering key social and economic infrastructure. However, government is not getting full value from public sector construction. Inconsistent procurement practices by under-performing public sector departments have highlighted the need to develop and promote further efficiencies and increase the level of standardisation of practices and procedures.

Underspending of capital expenditure is a chronic problem, particularly at local government level. At the same time, key state-owned enterprises have also regularly missed projected expenditure targets. The opportunity to create around 8 000 full-time jobs per annum is lost for every R1 billion that remains unspent. The delivery and maintenance of infrastructure is prone to waste and corruption. As a result, the pace of de-

livery is slow, and citizens and taxpayers do not get value for money. Few projects are delivered on time and within budget, and this problem is exacerbated by poor procurement practices and poor controls in the delivery process.

The CIDB therefore welcomes the *Standard for Infrastructure Procurement and Delivery Management* (SIPDM) issued by National Treasury. The SIPDM complements several other government initiatives to strengthen supply chain management (SCM) of government infrastructure. Key amongst these is government's Infrastructure Delivery Management System (IDMS), which addresses portfolio, programme and project management, and operation and maintenance processes, and which is being rolled out across government.

The CIDB has worked closely with National Treasury and other stakeholders in the development of the IDMS, the SIPDM, the National Infrastructure Asset Maintenance Management (NIAMM) Framework and others.

The CIDB continues to focus and strengthen its mandate to promote the standardisation of the procurement process with regard to the construction industry within the framework of the procurement policy of government, and to promote uniform and ethical standards within the construction industry, including a Code of Conduct for all parties engaged in construction procurement.

Key to the CIDB's focus is its Construction Registers Service, which serves as critical components in the construction procurement and delivery environment.

Together with National Treasury and other stakeholders, the CIDB continues to enhance infrastructure delivery in South Africa that underpins the socio-economic growth of South Africa and the transformation of the construction industry. ●