

Practice Guide (For Contractor):

Implementation of the Standard for Developing Skills through Infrastructure Contracts, published in Gazette Notice 48491 of 28 April 2023

1. Introduction

This Practice Guide seeks to provide guidance to clients on the application of the cidb Standard for Developing Skills through Infrastructure Contracts, published in **Gazette Notice No.48491 of 28 April 2023** (herein after referred to as the standard)

This standard should be applied to a contract, or an order issued in terms of a framework that has a duration of 12 months or more, and a contract amount exceeding R20 million in the case of an engineering and construction works, or design and build contract or an order issued in terms of such contract. The Standard is applicable to all cidb Classes of Works.

This standard establishes a minimum contract skills development goal to be achieved in the performance of a contract in relation to the provision of different types of workplace opportunities, linked to work associated with a contract culminating in or leading to:

- a) a part or full occupational qualification registered on the National Qualification Framework;
- b) a trade qualification leading to a listed trade (GG No. 35625, 31 August 2012)
- c) a national diploma registered on the National Qualification Framework; and
- d) registration in a professional category by one of the professional bodies listed in the standard

Contractors are responsible for achieving the contract skills development goals (CSDG) on the contract. The contractor may, if needs be devolve their obligations onto subcontractors.

The standard is obtainable from the cidb's website www.cidb.org.za

2. Condition of Contract

T1.2 Tender Data

The contractor shall achieve in the performance of the contract the Contract Skills Development Goal (CSDG) established in the cidb Standard for Developing Skills through Infrastructure Contracts, published in **Gazette Notice No.48491 of April 2023**.

This will form part of the condition of contract.

Part T2: Returnable documents

T2.1 List of Returnable Documents

In the case of the Standard there are no returnable documents notwithstanding the Employer shall provide the proforma documents that shall be completed by the contractors after award of the contract. (Refer to Annexure 1 – Proforma documents)

T2.2 Returnable Schedules

Contains documents that the tenderer is required to complete for the purpose of evaluating tenders, and other schedules which upon acceptance become part of the subsequent contract. In the case of the Standard there are no returnable schedules)

Part C1: Agreement and Contract Data

C1.2 Contract data

It will be a condition of contract that:

The contractor shall achieve in the performance of the contract the Contract Skills Development Goal (CSDG) established in **the cidb Standard for Developing Skills through Infrastructure Contracts, published in Gazette Notice No.48491 of 28 April 2023**

Part C2: Pricing data

C2.1 Pricing assumptions

The employer shall include the following statement in the pricing assumptions:

The Contractor shall determine the Contract Skills Development Goal (CSDG), expressed in Rands, which shall not be less than the tender sub-total multiplied by a CSDG (%) given in Table 2 of the Standard for the applicable class of construction works.

Table 2: Construction skills development goals for different classes of engineering and construction works contracts.

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

Final Tender Summary Section

The contractor's attention is brought to the following:

The Employer shall include a line item under the final tender summary section. (described as "Minimum Contract Skills Development Goal (CSDG)" as illustrated in the Table 1.1 below:

To prevent a tender being non-responsive, the Contractor shall take note of the required CSDG percentage (%) as prescribed in the final tender summary section. The percentage (%) factor multiplied by the sub-total of the tender amount will determine the minimum CSDG that needs to be achieved on the contract.

Table 1.1 Final Tender Summary section– Contract Skills Development Goal Example

Item	Description	Percentage (%) Factor	Sub-Total of Tender Amount	Amount (Rands)
16	Skills Development			
16.1	Minimum Contract Skills Development Goal (CSDG) sum = CE (0.25%) x Subtotal of the tender amount	0.25%	R60 000 000	R150 000

Table1.2 Bill of Quantities Summary – Example CE Class of Works

Item	Description	Unit	Rate	Quantity	Amount
	P&Gs				R10 000 000
	Concrete				R10 000 000

Mechanical				R10 000 000
Electrical				R10 000 000
Landscaping				R5 000 000
Civils				R15 000 000
Sub-total				R60 000 000
CSDG (0.25% factor)				R150 000
VAT (15%)				R9 022 500
Total Tender amount				R69 172 500

The Employer may determine the skills Methods to be implemented on the contract or the Employer may elect the contractor to determine the skills Methods to be implemented as per the Standard provided the CSDG is achieved. The pricing for the skills Methods to be implemented is provided in Table 3 of the Standard for the applicable class of construction works.

Table 3: The notional cost of providing training opportunities per quarter.

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

In the example below:

Table 4. Example of the Application of the Skills Methods

Item	Description	Unit	Qty	Rate	Amount
1	Provision for stipends (unemployed learners) (P1 & P2 - Method 3)	Per quarter	3	R24 000	R72 000
2	Provision for Mentorship (P1 & P2 - Method 3)	Per quarter	3	R20 000	R60 000
3	Provision for additional cost (PPE, Medical assessment, course fees) (P1 & P2 - Method 3)	Per quarter	3	R4 500	R13 500
4	Provision for additional cost, employed learner (PPE, Medical assessment, course fees, assessment and monitoring) (Method 1)	Per quarter	1	R9 000	R9 000
16	Minimum CSDG sum = CE (0.25%) x Subtotal (R60 000 000) =R150 000				R154 000

Note the CSDG achieved on the contract must be equal to or higher than the minimum CSDG

Item 1 from Table 4 refers to the placement of one (1) unemployed learner that requires work placement in order to meet the P1 & P2 (Method 3) for the academic requirements to complete the qualification. The learner is placed for a period of 3 quarters (9 months) at R24 000 per quarter which will amount to R72 000.

Item 2 from Table 4 refers to the provision for mentorship of the P1 and P2 (Method 3) learners at R20 000 per quarter which amounts to R60 000 for 3 quarters (9 months)

Item 3 from Table 4 refers to the provision for additional cost as described in the Standard this amounts to R4 500 per quarter which amounts to R13 500 for 3 quarters (9 months)

Item 4 from Table 4 refers to the placement of one (1) employed learner in a skills programme (Method 1) for a period of 1 quarter (3 months) which makes provision for additional cost as described in the Standard this amounts to R9000 per quarter.

Item 16 from Table 4 refers to the total cost of placement of learners employing Methods 1 and 3 in the Standard which amounts to R154 000. In this example the planned CSDG amount is higher than the minimum CSDG of R150 000 as outline in Item 16 which complies with the requirements of the standard. In this case the employer shall agree with the contractor to the planned CSDG and pay the contractor accordingly.

The Employer shall use the same approach as above when determining the CSDG for other Methods as per the Standard.

C2.2 Activity Schedules / Bills of Quantity/ Pricing Schedules

Records the contractor's prices for providing engineering and construction works which are described elsewhere in a specification within the Scope of Work section of the contract.

The contractor shall be paid as follows:

Payment to the contractor to accommodate Part/Full Occupational qualification (Method 1), Trade qualifications learners (Method 2), Work Integrated Learners (Method 3) and Candidates for professional registration (Method 4) for Stipends and Provision for Additional Costs.

Based on the agreed skills methods, the employer shall make provision for payment to the contractor for learner and candidate stipends for unemployed persons and a provision for additional cost such as medical assessments, personal protective equipment, tools and course fee for example skills programmes, pre trade test training and registration support programmes as indicated in Table 3 in the Standard as provided in the Final Tender Summary section for the CSDG.

Provision of payment to Mentors

Payment to the contractor for Mentorship to accommodate Work Integrated Learners (Method 3) and Candidates for professional registration (Method 4) only.

The contractor shall be paid as follows:

Should Work Integrated Learners and/or Candidates for professional registration form part of the agreed skills Method then the Employer shall make provision for payment of the mentor as indicated in Table 3 in the Standard.

Mentoring associated with structured workplace learning for candidates shall be in accordance with the prescripts of the relevant professional body or statutory council.

The contractor shall carry out all the requirements under clause 4.3 Structured Workplace Learning for Candidates in the Standard. The contractor shall:

- a) Identify a suitable mentor for the candidate.
- b) Issue each candidate with a portfolio of evidence file.
- c) Ensure the mentor provides an updated workplace training plan for a candidate.

C3: Scope of work DESCRIPTION OF THE WORKS

The contractor's attention is drawn to the employer's requirement to have specific training Methods carried out on the project:

The Employer may specify one or more of the following training Methods: (occupational qualifications (Method 1) and/or trade qualification (Method 2) and /or work integrated learners – P1 and P2 learners (Method 3) and/or professional candidates (Method 4).

Part C4: Site information

PROCUREMENT

Based on the agreed skills methods, the successful contractor may employ part/full occupational qualification learners and /or trade qualification learners and/or work integrated learners and/or candidates.

The Contractor may source the learners or candidates directly or through a Skills Development Agency (SDA), training provider or skills development facilitator. (Form A1 - List of cidb accredited SDAs). Currently the CIDB is the only recognised SDA.

The contractor shall:

- ensure that no more than one Method shall be applied to any individual concurrently in the calculation of the CSDG for the contract.
- only place 33% employees employed by him or that of his subcontractors contributing to the CSDG.
- employ at least 60% of the learners from a Public TVET college should the contractor select to have trade qualification learners (Method 2) contributing to the CSDG.

MANAGEMENT

Requirements for Training:

The contractor shall achieve the measurable CSDG by providing opportunities to learners requiring structured workplace learning using one or a combination of any of the Skills Methods as agreed: part/full occupational qualification learners (Method 1) and/or trade qualification learners (Method 2) and/or work integrated learners (Method 3) and/or candidates (Method 4) as per the Standard in relation to work directly related to the contract or order as indicated under **clause 4.2 and 4.3 in the Standard.**

The contractor must ensure all beneficiaries of the Standard are registered with CIDB Skills Development Agency (SDA)

The Format of Communications:

The contractor shall submit to the Employer's representative within 30 days of award of the contract a baseline training plan in the specific format (**Form A2 Baseline Training Plan**).

The contractor shall submit to the Employers Representative:

- an interim contract compliance training report in the specific format (**Form A3 Project interim report**) at intervals which do not exceed 3 months; and
- a final contract compliance training report in the specific format (**Form A5 Project Completion Report**) within 15 days of reaching practical completion, end of the service, the delivery date for all work required or practical completion in the case of professional service, service, design and construct contracts, and engineering and construction works contracts, respectively.

The Key Personal:

For Structured Workplace Learning Opportunities for Learners (Method 1 and Method 2)

The Contractor shall:

- appoint a responsible supervisor to allocate learning tasks, to learners in line with their training plans.
- appoint an artisan in the applicable trade with a minimum of 3 years' experience to coach learners associated with structured workplace learning.

For Structured Workplace Learning for Candidates (Method 3 and Method 4)

The contractor shall:

- a) appoint a supervisor who is actively engaged in work directly associated with the contract to issue tasks,
- b) appoint a suitable mentor as required by the professional body or statutory council;

Management Meetings:

The contractor shall report to the Employer's Representative on the implementation and progress of the CSDG

The Forms for contract administration:

The contractor shall submit to the Employer's Representative the following proformas:

- Form A2 Baseline Training Plan
- Form A3 Project interim report
- Form A5 Project Completion Report

Records:

The contractor shall:

- keep records for learners and candidates of the hours worked and registration with the cidb SDA, Sector Education Training Authorities SETA's (where required) and professional statutory councils (where required) particulars towards compliance with this Standard.
- ensure all the documentation required in terms of clause 4 in the Standard is provided in a timely manner and according to a prescribed format where applicable.
- upon termination of the opportunities provided to satisfy the CSDG, certify the quantum and nature of the opportunity and submit the certificate and counter-certified by the relevant individual, to the Employer's representative for record-keeping purposes.

Payment Certificates:

The contractor shall:

- achieve the measurable CSDG as agreed by providing opportunities to learners requiring structured workplace learning using one or a combination of any of the Skills Methods as per the Standard in relation to work directly related to the contract or order as indicated under **clause 4.2 and 4.3 in the Standard.**
- submit payment certificates to the Employer's Representative at intervals determined in the Contract.

PRO-FORMA DOCUMENTS

Annexure 1 - Form A1 List of Recognised Skills Development Agencies

Annexure 2 - Form A2 Baseline Training Plan

Annexure 3 - Form A3 Project Interim Report

Annexure 4 - Form A4 Supervisor Agreement

Annexure 5 - Form A5 Project Completion Report

CIDB SKILLS STANDARD BASELINE TRAINING PLAN

Contractor Details						
Contractor Name:	123Building and construction					
CRS Number:	0000000					
Estimated start date	1 April 2021					
Estimated Completion date	2 May 2022					
Size of Organisation	Small (1-49 employees)		Medium (50-149 employees)		Large (≥150 employees)	
				✓		

Contractor Contact Details	
Name of Contact Person	Mr Xolani Smith
Designation of Contact Person	Construction Manager
Contact Details	Cell Number: XXX XXXX XXX
	Landline Number: XXX XXXX XXX
	Email address: Smith@123building.co.za

Construction Skills Development Goal (CSDG) Baseline Training Plan					
Training Method	Number of Employed Learners	Number of Unemployed Learners	Area/s of Specialisation/Trade	Duration of Placement	Total Notional Cost
Method 1: Skills Programme	1	3	Scaffolding	3 months	R57 000
Method 2: FET College Graduates/ Apprenticeship	0	2	Bricklaying and Plastering	12 months	R92 000
Method 3: P1 and P2 learners or a 240 credit qualification	0	0	-	-	-
Method 4: Candidacy with 360 credit qualification	0	1	Project Management	9 months	R184 500
Total	1	6			R333 500

Note: Refer to Table 3 in the Standard for Developing Skills through Infrastructure Contracts Government Gazette 43495 of 3 July 2020 for the notional costs

Contractor's
Representative
Name: _____

Designation: _____

Signature: _____

Date: _____

Employer's
Representative
Name: _____

Designation: _____

Signature: _____

Date: _____

Supervisor/Learner Agreement

Memorandum of understanding between Supervisor and Learner

The Contractor is responsible for the effective management of the learning opportunities provided through the cidb *Standard for the Development of Skills through Infrastructure Contracts* (cidb Skills Standard). The attainment of successful learning outcomes and professional development of the learners is largely dependent on the relationship between the assigned Supervisor and the Learner . As a participant in the implementation of the cidb Skills Standard you agree to the Supervisor relationship and commit to endeavour through the challenges of a construction project to give value to the training programme.

The Responsibilities of a Supervisor to the Learner include:

- stimulating a passion for construction
- sharing technical and practical knowledge
- fostering the development of technical and leadership skills
- facilitating networking within the working community
- instilling an expectation of personal growth and learning by the Learner
- developing knowledge and understanding in the areas of health, safety, environment, quality and production
- inculcating professionalism and a desire for continual improvement by the Learner
- creating a nurturing relationship that instils a sense of discipline and professional pride
- giving constructive feedback and
- signing the Learners logbook.

Supervisor's name _____

Signature: _____ Date: _____

The Responsibilities of a Learner are:

- adhere to the Host Employer's onsite rules and policies
- have an expectation of personal growth and learning
- to be enthusiastic and motivated
- to be open and accept supervision from the Supervisor and other colleagues

- to develop a thorough understanding of health, safety, environment, quality and production
- to have a positive attitude
- to display a strong sense of discipline and to be conscious of time
- to operate within the team
- to take the time to learn and practice new skills
- to make time to fill in your logbook and obtain the Supervisor's signature for completed tasks

Intern's Name: _____ ID No: _____

Signature: _____ Date: _____

