

**MINISTRY**

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**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 1999 [NW2310E]**

**INTERNAL QUESTION PAPER NO.: No. 29 of 2016**

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**DATE OF REPLY: 31 OCTOBER 2016**

**1999. Ms S P Kopane (DA) asked the Minister of Public Works:**

(1) What is the current status of the case that is before the Labour Court involving an employee of the Construction Industry Development Board (CIDB) who was dismissed in February 2015;

(2) what (a) is the current status of the CIDB’s three-year review of the Infrastructure Delivery Management Tool which it has failed to achieve to date and (b) steps are being taken to ensure that this does not recur in the future;

(3) what are the full details of the CIDB’s plans to address the six top areas of concern as identified by its organisation culture study? **NW2310E**

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**REPLY:**

**The Minister of Public Works**

 (1)In May 2015, the Construction Industry Development Board (CIDB) filed a review application challenging the Commission for Conciliation, Mediation and Arbitration (CCMA) decision.

* On 25 November 2015 the CIDB filed its heads of arguments followed by the lawyers of the employee in question a week later.
* The matter is ready for hearing and both parties are waiting for the Registrar of the Labour Court to allocate a hearing date.

(2)(a) The Infrastructure Delivery Management Toolkit (IDMT) has its origins in 2001 when the National Treasury commissioned a review of the poor performance of provincial infrastructure delivery systems resulting in the establishment of the Infrastructure Delivery Improvement Programme (IDIP) and the Toolkit. The National Treasury enlisted the support of the National Department of Public Works (NDPW), the Development Bank South Africa (DBSA) and the CIDB as partners to the IDIP. The CIDB was responsible for the management of the content of the Toolkit, the hosting of the Toolkit on the CIDB website, and providing support and training on its implementation and rollout, where necessary.

The idea underlying the imperative of having the IDMT was to address the need for a documented body of knowledge and set of processes that represent generally recognised best practices in the delivery of infrastructure. It was to be focused on the delivery and life cycle management of public sector infrastructure. The Toolkit was therefore designed as a valuable resource to provide a national common knowledge base and set of practices to assist in delivering these services in a manner that is effective, efficient and consistent across provinces and departments. The Infrastructure Delivery Management System (IDMS) and the Toolkit have evolved over the years since their inception in 2004.

(b) In the past the IDMS and the Toolkit were revised and enhanced every three to four years, but National Treasury identified a need to separate the supply chain for goods and services from the supply chain for infrastructure to unblock some of the infrastructure delivery management chain challenges. As a result, the revision and enhancements of the IDMS and Toolkit had to be delayed to allow for the development of the Standard for Infrastructure Procurement and Delivery Management (SIPDM). The SIPDM is a National Treasury regulatory instruction issued in terms of the Public Finance Management Act, 1999 [Act No. 1 of 1999] (PFMA), and it will assist in ensuring support for the implementation of the IDMS.

The current 2010 edition of the Toolkit enhancement and revision is being reviewed under the auspices of National Treasury. The enhancements and revisions will focus on the following:

* aligning the existing 2010 IDMS with the Standard for Infrastructure Procurement and Delivery Management (SIPDM);
* aligning the current linear depiction of the IDMS to the new IDMS Control Framework, which emphasises the linkages between core delivery processes;
* incorporate institutional capacity building approaches, methodologies and toolkits;
* simplify existing delivery management processes and deliverables;
* provide for the development and incorporation of Standard Operating Procedures from provinces;
* standardise the ‘Supporting Information’ requirements;
* capture and incorporate best practice methodologies and examples;
* develop an information technology platform to serve as the single source for infrastructure delivery related information (i.e. an Infrastructure Delivery Management Body of Knowledge (IDMBOK));
* incorporate local government infrastructure delivery requirements (where possible).

Once the enhanced IDMS and Toolkit are complete, they will be hosted on the CIDB website until such time that the prototype information technology platform is developed by National Treasury.

(3)The top six areas of the CIDB culture study are as follows:

1. Remuneration
2. Learning and Development
3. Leadership
4. Structure
5. Service Orientation
6. Innovation

The CIDB’s plans to address the above are as follows:

CIDB has embarked on an organisational development methodology (OD exercise) which is a step-by-step process for assessing and re-shaping the structure and positions within the CIDB to better meet its strategic and operational goals. The integrative OD project plan is made up of 12 phases aimed at addressing not only the six top areas of concern as identified by the organisation culture study, but also areas for development as identified in the organisational architecture pilot study, CIDB five year review, 2016 employee engagement survey, etc.

Dimensional areas such as structure, leadership, learning and development and remuneration form the pivotal points of the organisation-wide OD exercise. CIDB had to first align the ‘hard issues’, i.e. mandate, strategy, processes, systems, structure and harmonise them with ‘soft issues’, i.e. culture, values, leadership, management style, communications, creativity and innovation. All these dimensions are addressed in the detailed OD project plan. For example, there is an exercise to review the existing processes and to develop the recommended business processes, dysfunctional aspects of work flow, structures and systems, and realignment with the envisaged operational realities/goals are aspects which are being attended to. There are also plans to digitise core business processes. Once this is done, it will assist the CIDB flow of communication, productivity and innovation as well as alleviate fraud and corruption.

In addressing learning and development issues, CIDB is in a process to finalise a new competency framework in order to be able to design the most appropriate competency assessment tools matching the competency framework for each level of employees. Once the competency gaps have been identified, the most appropriate training strategy based on the assessment gaps and outcomes will be developed. The development of the career-pathing framework is part of the training strategy design. It will further improve employee satisfaction, client satisfaction and service excellence. Furthermore, the newly developed training and development policy is also used as a vehicle by employees to continuously improve their competencies and academic up skilling.

In addressing some of the structure related soft issues, plans are also ahead to allocate tasks, reporting relationships and levels to provide means of achieving full CIDB alignment between people aspects and functions, or technical aspects. This will be addressed in the implementation of the structure design criteria and the new CIDB operating model.

Other related areas being addressed are job profiles, job evaluation and remuneration.

The OD exercise is seen by CIDB as a systematic approach for fundamental rethinking and radical redesign of business processes, eliminating non-value adding activities to achieve improvements in performance and productivity, efficiency in operational costs and turnaround times, customer service, quality and alignment of processes with the strategy.