

# Construction industry report shows 'client dissatisfaction'

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MARK ALLIX  
Industrial Correspondent

THE Construction Industry Development Board (CIDB) yesterday said its latest annual Construction Industry Indicators Report showed that public sector clients are dissatisfied with the performance of contractors in at least 7% of work carried out.

It further said that 2% of the work had defects deemed by such clients to be "inappropriate". It said the level of both client

and contractor dissatisfaction was higher in large projects. It also increased with the size of the project.

But this did not mean large-scale projects carried out by public enterprises such as Eskom or Airports Company SA (Acsa) were in the firing line. It referred more to projects conducted by municipalities, provincial governments and home owners.

"It is certainly not the Medupis or nuclear power stations. There is no evidence that this occurs at

that level," Rodney Milford, programme manager of construction industry performance at the CIDB, said yesterday.

"The Acsas and Eskoms know how to manage. This is about smaller authorities — provincial and municipal, down to the individual home owner," he said. "The CIDB's message is, overall, the industry does deliver good work. But we need to focus on raising the performance of the whole industry."

The report comes as the

government readies itself to spend R827bn on infrastructure development over the next three years.

Last year, JSE-listed construction group Sanyati was liquidated after a Free State government department failed to pay for a roads upgrade.

Mr Milford said in many cases of poor performance, accountability lay with both the contractor and client.

Only about 50% of SA's construction tenders were evaluated

on quality, price and "preference" (empowerment credentials), the report said.

Mr Milford said this meant, especially for contracts worth less than R1m, that some public entities were not matching the capabilities of the contractor to the job. "In some cases, government departments are not awarding contracts on 'functionality'."

This meant the building of some projects, including homes, schools, clinics and police stations, was substandard.

Last week, industry body Consulting Engineers SA said the announcement by the Department of Co-operative Governance and Traditional Affairs, that municipal managers could face a ban of up to 10 years if they were found to have committed fraud, financial misconduct or corruption, was long overdue.

It said it was time to intensify the fight against corruption because it was hampering service delivery.

allixm@bdlm.co.za