

(A0kp)02

Notes of meeting held on 12th July, 2010 at FNB Property Division

Present:	E Dondofema	BIDP
	U Soderstrom	BIDP
	G Vlug	BIDP
	D Young	BIDP
	O Madisa-Kgwarae	FNB
	Kelebogile Makgato	FNB

- . Professional Indemnity certainly for structural work
- . Desirable Professional Indemnity for consultant design and administration
 - What does FNB do if contractor stops (over paid?)
 - How does bank recover (from client?)

Contractor selection

Building regulations are the basic requirements in the absence of any other.
Contractor needs money in the bank.
Fiddling of quantum of materials.

- . G Vlug can introduce and give points
 - Should use proper (BIDP) contracts: preferably with professional administration. Cost is low.
 - Standards for materials and process.

- . Appointment agreements
 - BIDP can advise selection

- . Reference information from BIDP. Via Secretary.

- . some 80-90% of bank applicants have documents already

- . Seldom happens that contractors go into liquidation.
- . Quality is a major concern: contractor registration would be important, with financial cover on failure.
- . Bank has report from company that investigates:
 - Customer must appoint contract manager (often architect)
- . More involvement of professional at tender assessment.
- . Only pay for work done (correctly)

- . Bankers Association: Chair is CEO Stanbic.

David Young

cc: FNB Property Division
BIDP Council
File