

(A0kp)02

**Notes of meeting held on 12<sup>th</sup> 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