

BOARD NOTICE 161 OF 2001

**ARCHITECTURAL PROFESSION ACT, 2000
(ACT 44 of 2000)**

**RECOMMENDED TARIFF OF FEES IN RESPECT OF SERVICES
RENDERED BY A PERSON REGISTERED IN TERMS OF SECTION 19(2) OF THE ACT
IN PRIVATE CONSULTING PRACTICE.**

It is hereby, made known that in terms of section 34(2) of the Act, the South African Council for the Architectural Profession has made the provisions in the Schedule hereto, which provisions shall become effective on 1 January 2002.

Government Notices No. 227 of 19 February 1993 and No. 102 of 2000 are hereby withdrawn.

M KNOETZE
Registrar

ARCHITECTURAL FEES SCHEDULE

1.0 DEFINITIONS AND INTERPRETATION

1.1 Where the words and phrases are highlighted in the text of this agreement they shall bear the meaning assigned to them in clause 1.2 and where such words and phrases are not highlighted they shall bear the meaning consistent with the context

1.2 In this document, unless the context otherwise indicates, an expression or word to which a meaning has been assigned in the **Act**, shall bear the same meaning, and:

'Act' means the Architectural Profession Act, 2000 (Act No. 44 of 2000)

'Alteration' means any physical change made to an existing building and includes any portion of an existing building altered as a result of an addition to such building and shall exclude renovations and restorations which are dealt with under supplementary services

'Building contract' means the current edition of the 'Principal Building Agreement' by the Joint Building Contracts Committee or any other building agreement entered into between the **client** and the contractor

'Client' means the party engaging the **firm** to perform the full services or any part thereof referred to in this document and called the 'employer' in the JBCC Principal Building Agreement

'Construction documentation' means graphic representations including plans, sections, elevations, site plans, construction details, service coordination information, schedules and such other details and descriptions as are within the reasonable competence of a **professional** which are sufficient to indicate the scope of the **works**

'Consultant' means any person appointed to provide professional or specialist services on any aspect of the **project**, other than the **professional**

'Firm' means the practice or business of the **professional**

'Inspection' means such periodic visits to, or concerning the **works** by the **professional** as are necessary to determine that the work is proceeding generally according to the requirements of the **building contract** and to provide on-site clarification and further information during the progress of the work

'Project' means the development for which a **firm** and **consultants** are appointed which shall not necessarily be limited to the **works**

'Professional' means a person registered under one of the categories referred to in section 18 of the **Act**

'Total cost of employment' means basic salary and annual bonus, including fringe benefits not reflected in basic salary such as:

- income benefit for the use of a motor vehicle
- employer's contribution to pension/provident fund, medical aid and group life insurance premiums
- statutory contributions and levies
- all other costs and benefits according to the conditions of appointment but excluding any profit participation in the **firm**

'Works' means all work executed or intended to be executed according to the **building contract**

2.0 REMUNERATION

2.1 The basis for the remuneration of a **firm** shall be:

2.1.1 for standard services at a fee calculated according to clause 10.1

2.1.2 for work on a time basis according to the rates set out in clause 10.2

2.1.3 for supplementary services, on a time basis according to the rates set out in clause 10.2

2.2 A **firm** shall be entitled to render interim accounts on a monthly basis which are payable on presentation. Accounts shall be based on an assessment by the **firm** of the professional services rendered to date. The aggregate of interim claims is not to exceed the total fee payable

2.3 For the purposes of determining the cost of the **project** on which the fee under clause 2.1.1 is calculated, the cost of the **project** (excluding Value Added Tax), shall include but not necessarily be limited to:

- 2.3.1
- the cost of all work executed according to the **construction documentation**
 - the estimated cost of any work not yet constructed for which the **firm** is commissioned
 - the market related cost of any materials, labour or carriage supplied
 - the value of penalties and any other form of set-off which may have been deducted
 - cost of all temporary works

and shall exclude:

- 2.3.2
- the fees and disbursements of the **firm** and **consultants**
 - the remuneration of the site staff not employed by the contractor (except where the **client** is the contractor)
 - the value of any work which does not form an integral part of the work for which the **firm** is appointed
 - provision for contingencies

2.4 Any fees or remuneration calculated or specified in terms of this tariff of fees are exclusive of Value Added Tax

3.0 STANDARD SERVICES

The standard services for which the **firm** is responsible are set out below:

3.1 STAGE 1: APPRAISAL AND DEFINITION OF THE PROJECT

3.1.1 Receive, appraise and report on the **client's** requirements with particular regard to site information, planning and statutory regulations and budget

3.1.2 Advise the **client** on:

- procedures to meet his requirements
- the need for the appointment of **consultants**
- methods of contracting

3.2 STAGE 2: DESIGN CONCEPT

3.2.1 Advised by any **consultants** appointed, prepare a design concept in broad outline showing space provisions, planning relationships and materials and services intended to be used

3.2.2 Advise the **client** on:

- the technical and functional characteristics of the **project** as proposed
- the estimated costs in relation to the budget
- the anticipated **project** programme

3.3 STAGE 3: DESIGN DEVELOPMENT

3.3.1 Develop the design concept in sufficient detail to:

- define the construction of the building
- spatially coordinate the work designed by **consultants** and specialists
- review the design with the relevant authorities

3.4 STAGE 4: TECHNICAL DOCUMENTATION

3.4.1 Prepare **construction documentation** and coordinate the documentation with the work designed by **consultants** and specialists

3.4.2 Obtain approval from the relevant authorities

3.4.3 Review the estimated cost of the **works** in relation to the budget

3.4.4 Prepare and compile documents to obtain offers for the execution of the **works**

3.5 STAGE 5: CONTRACT ADMINISTRATION AND INSPECTION

3.5.1 Obtain offers for the execution of the **works** and advise the **client** regarding the award of the **building contract**

3.5.2 Prepare **construction** documentation and arrange for the signing thereof

3.5.3 Administer and perform the duties assigned to the **professional** in the **building contract**

3.5.4 Provide the **client** with as-built drawings, certificates, relevant technical data and guarantees from suppliers on completion of the **works**

4.0 SUPPLEMENTARY SERVICES

The following services are not normally included in the standard services described in clause 3.0 and require special additional work. The listed services are indicative only

4.1 SPECIAL STUDIES AND DESIGNS

4.1.1 The preparation of the **client's** brief and/or the drawing up thereof

4.1.2 Site selection, survey and location

4.1.3 Environmental

4.1.4 Energy conservation

4.1.5 Economic feasibility

4.1.6 Market surveys

4.1.7 Traffic

4.1.8 Town planning, urban design

4.1.9 Master site planning of future buildings related to the current **works**

- 4.1.10 Landscape
- 4.1.11 Promotional material
- 4.1.12 Art work and graphics
- 4.1.13 Purpose-made items
- 4.1.14 Interior design including the selection, documentation and procurement of furniture and furnishings and special finishes or fixtures
- 4.1.15 Plant procurement, operational and production layouts

4.2 EXISTING PREMISES

- 4.2.1 Surveys and inspections
- 4.2.2 Measuring up and preparation of documentation
- 4.2.3 Renovations
- 4.2.4 Restorations
- 4.2.5 Valuations
- 4.2.6 Demolitions

4.3 SPECIAL ADMINISTRATIVE SERVICES

- 4.3.1 Rezoning or change of use or amendments of town-planning schemes
- 4.3.2 Checking of cost plus or managed contracts where a quantity surveyor has not been appointed
- 4.3.3 Extended and detailed inspection of the **works** if required by the **client**
- 4.3.4 Sectional title preparation of documentation or other work additional to the requirements of the Sectional Titles Act, 1986 (Act No. 95 of 1986), for which duties fees are not prescribed in the said Act
- 4.3.5 Quality control and assurance
- 4.3.6 Services concerning work arising from the insolvency or liquidation of a party related to the **building contract**
- 4.3.7 Services concerning disputes and litigation associated with the **project**
- 4.3.8 Additional services not contemplated in standard services, the need for which is not attributable to the **firm**

4.4 SUPPLEMENTARY OR REVISED DOCUMENTATION

- 4.4.1 The provision of supplementary or revised documentation due to the exigencies of the **project** or revised requirements of the **client** arising after the **firm** has received the **client's** instructions to commence his work: Provided that any other additional fees do not cover such documentation

4.5 OTHER SERVICES

- 4.5.1 Maintenance and operating manuals
- 4.5.2 Special project management services

4.5.3 Mutually agreed additional services

5.0 FEES FOR PROFESSIONAL SERVICES

5.1 FEE FOR STANDARD SERVICES

5.1.1 Where the **firm** is appointed to render a standard service the fee shall be calculated according to clause 10.1

5.2 FEE FOR PARTIAL SERVICES

5.2.1 Where the **firm** is appointed to render a partial service only, the fee, subject to clause 5.2.2, shall be calculated according to clause 10.1 adjusted for the work stages executed in accordance with clause 5.4.1, unless otherwise agreed

5.2.2 Where the **firm** is appointed to take over work from another firm previously commissioned for such work at any stage after work stage one has been completed, the resultant fee for the first subsequent work stage shall be increased by 15 per cent, unless otherwise agreed

5.3 FEE FOR PROJECTS THAT INCLUDE REPEATED BUILDINGS

5.3.1 Where **the firm** is appointed to render a service for a **project** consisting of a number of buildings erected under a single contract the fee shall be calculated according to clause 10.1 and adjusted in terms of clause 5.3.1.4 subject to the buildings being:

5.3.1.1 built on one site or on a series of adjoining or closely related sites for a single **client**

5.3.1.2 either wholly apart from each other or linked with screen walls, common walls or other similar means

5.3.1.3 repeats of one or more prototype designs for units, blocks or elements and built from the repeated use of one or more sets of drawings and related documents with nominal or no modification for each re-use

5.3.1.4 The fee is to be adjusted according to the following formula:

Fa = $F_t - F_t \times V_r / V_t / 2$ where:

Fa = Fee after adjustment for repeats

Ft = Fee determined in terms of 10.1 for the total **project**

Vr = Value of repeated units in terms of 5.3.1.3 excluding the first unit

Vt = Value of the total **project**

5.3.2 Where the repeated buildings are erected under separate contracts and the drawings and related documents for a **project** are re-used for subsequent **projects** with nominal or no modification:

5.3.2.1 The fee for modifying drawings and related documents and preparing site and service plans for each subsequent **project** shall be 15% of the fee based on the cost of each **project** calculated according to clause 10.1 or, subject to prior agreement, an hourly rate according to clause 10.2

5.3.2.2 Where the **firm** is not required to render any professional services in respect of the re-use of drawings and related documents for a subsequent **project**, the **firm** shall be paid 7.5% of the fee based on the final cost of the subsequent **project**, calculated according to clause 10.1 and payable on completion of the **works**

5.3.2.3 The fee for inspecting and administering the contract shall be 25% of the fee based on the cost of each **project** calculated according to clause 10.1

5.4 APPORTIONMENT OF THE FEE TO WORK STAGES

5.4.1 The fee applicable to each work stage shall be in accordance with the table below:

Work Stages 1 to 5	Proportion of Fee	Cumulative Total
1	5%	5%
2	15%	20%
3	15%	35%
4	40%	75%
5	25%	100%

5.4.2 Work stage proportions may be re-allocated by agreement

5.5 FEE ADJUSTMENT FOR AN EXTENDED CONTRACT PERIOD

5.5.1 Where the contract period has been extended the remuneration of the **firm** shall be adjusted by taking into account the following factors:

Ps = Start contract period (Site handover to intended practical completion in calendar days)

Pf = Final contract period (Site handover to actual practical completion in calendar days)

Pp = **Professional** default portion of the extended contract period in working days

Pv = Variation in adjusted contract period

Pr = 0.9 (Reduction factor applied to the ratio of the contract periods)

Cs = Start contract value (Awarded total tender amount)

Cf = Final contract value (Final account total amount)

Cr = Contract value ratio

Fs = Fee applicable to **Cs** as per fee scale

Ff = Fee applicable to **Cf** as per fee scale

Fa = Adjusted fee

5.5.2 The adjusted fee shall be calculated as follows:

Step 1 Contract period variation

$$Pv = (Pf - Pp) / Ps \times Pr$$

- Where **Pv** < 1 no fee adjustment is made. **Ff** is applicable
- Where **Pv** > 1 proceed to **Step 2**

Step 2 Contract value ratio

$$Cr = Cf / Cs$$

- Proceed to **Step 3**

Step 3 Adjusted fee determination

$$Fa = Pv / Cr \times Ff$$

- Where **Fa** < **Ff** no fee adjustment is made. **Ff** is applicable
- Where **Fa** > **Ff** a fee adjustment is made. **Fa** is applicable

5.5.3 Where the fee is adjusted in accordance with 5.5 no time charges in terms of 8.0 shall be applicable

5.6 FEES FOR SUPPLEMENTARY AND OTHER SERVICES

5.6.1 SUPPLEMENTARY SERVICES

The fee is calculated using hourly rates according to clause 10.2.unless otherwise agreed.
Where a time-based fee is selected, the current rates shall apply: Provided that whenever these rates are revised the new rates shall apply to work performed after the date of publication of such a revision

5.6.2 ALTERATIONS

The fee for work that includes **alterations** is based on the fee calculated on the total **project** cost according to clause 10.1 but increased for that portion of the work comprising **alterations** by 30 per cent

5.6.3 FIRM NOT PRINCIPAL AGENT

Where the **client** appoints a principal agent for the duration of the **project** other than the **firm** and where the **firm's** administrative duties are thereby substantially reduced, a maximum reduction of 10 per cent in the fees may be applied

5.6.4 FIRM'S SITE REPRESENTATIVE

Where an employee of the **firm** is seconded for extended inspection in terms of clause 4.3.3, the amount of the reimbursement shall be the **total cost of employment** plus 30 per cent

5.6.5 EXTRAORDINARY CONTRACT PROVISIONS INCLUDING MULTIPROUREMENT

Where services are required due to contract provisions that are not covered by 3.0 and 4.0 remuneration for such services shall be negotiated between the parties

5.6.6 INTEREST ON OUTSTANDING ACCOUNTS

Fee accounts are due on presentation and payable within 31 calendar days. Where the **firm** does not receive payment of the amount due by the due date the **client** shall be liable for interest calculated at one hundred and forty percent (140%) of the ruling bank rate for the outstanding period

5.7 FEES ON TERMINATION, SUSPENSION OR DEFERMENT

5.7.1 Should the whole or any part of the **project** be terminated, suspended or deferred at any work stage, the **firm's** fee shall be:

5.7.1.1 for each completed work stage, the fee calculated according to clause 5.4

5.7.1.2 for each interrupted work stage the fee calculated according to clause 5.4 prorated to the work done

5.7.1.3 where the termination, suspension or deferment of the **project** is not directly attributable to the **firm** a surcharge of 10 per cent of the fee determined in clauses 5.7.1.1 and 5.7.1.2 shall apply

5.7.2 Should the **project** be reinstated or resumed without significant change within one year of the date of deferment, the fee determined in terms of clause 5.7.1, disregarding any surcharge under clause 5.7.1.3, shall be considered partial payment of the fee determined on the cost of the **project**

5.7.3 Should the **project** be reinstated after a year, the **project** shall be considered a new commission and fees shall be negotiated

5.7.4 Should additional services by the **firm** be required concerning the resumption of the deferred **project**, fees shall be charged for such additional services on a time basis determined according to clause 10.2

5.7.5 The **project** or any part thereof shall be considered as having been terminated where:

- 5.7.5.1 the **client** so informs the **firm** in writing
- 5.7.5.2 it is deferred for longer than one year
- 5.7.5.3 instructions necessary for the **firm** to continue work on the **project** are not received from the **client** within 3 months after the **firm** requests such instructions in writing

6.0 TERMINATION OF ENGAGEMENT

- 6.1 Where the agreement between the **client** and the **firm** is terminated, the **client** shall pay the **firm** for that portion of the work that has been executed, calculated according to the provisions of clause 5.7.1

7.0 DAMAGE TO OR DESTRUCTION OF THE WORKS

Where the **works** or any part thereof is damaged or destroyed anytime before completion of the **works** and the **works** are reinstated, the **client** shall pay the **firm** an additional fee to be determined according to the nature and scope of the professional services rendered

8.0 TIME CHARGES

8.1 HOURLY RATES

The tariff of fees on a time basis shall be according to clause 10.2

8.2 TRAVELLING TIME

- 8.2.1 Where the **firm's** fee is on a percentage basis, time charges shall apply only where the round trip distance between the destination and the **firm's** place of practice exceeds 50 kilometres
- 8.2.2 Where the **firm's** fee is on a time basis, time charges shall apply to the full round trip regardless of distance

8.3 DISPUTES

For acting as arbitrator, mediator or expert witness, the fee shall be as recommended by the Association of Arbitrators

9.0 DISBURSEMENTS

- 9.1 In addition to the fees set out in this schedule, the **client** shall reimburse the **firm** for all reasonable disbursements properly incurred. The expenses contemplated may include the following:
 - 9.1.1 printing, photocopying, maps, models, presentation materials, photography and similar documentation including all reproduction or purchase costs of documents excluding internal usage by the **firm**
 - 9.1.2 hotel, subsistence and travelling expenses, including kilometre allowances at current Automobile Association rates for vehicle usage and other similar disbursements
 - 9.1.3 all payments made by the **firm**, including fees and other charges for specialised professional and other services that the **firm** has incurred on behalf of the **client**
 - 9.1.4 telephonic, electronic and facsimile communication, special postage and courier deliveries
 - 9.1.5 any other disbursements that may be agreed by the **client**

10.0 CALCULATION OF STANDARD FEES

10.1 PROJECT COST BASED FEE

10.1.1 A table of **project** costs related to the appropriate standard fee is published annually as an addendum to this schedule. This table shall be applicable to a new appointment and shall remain in force during the currency of the appointment

10.2 TIME BASED FEE

10.2.1 Where a time-based fee is selected, the rates published annually as an addendum to this schedule shall apply. Whenever these rates are revised, the new rates shall apply to work performed after the date of publication of such revision

10.2.2 The categories to which the rates are applicable are:

10.2.2.1 Proprietor, partner, director or member who bears the risks of the **firm** and takes full responsibility for the liabilities of such **firm** (hereinafter described as a "principal")

- Principal with more than 10 years experience
- Principal with less than 10 years experience

10.2.2.2 Associates and managers

10.2.2.3 Staff who perform work of an architectural nature and who carry direct responsibility for one or more specific activities related to a **project**:

Should a person referred to in 10.2.2.1 or 10.2.2.2 perform work of an architectural nature at this level, the rate per hour shall be equivalent to that determined for staff employed in this category

10.2.2.4 All other staff who perform work of an architectural nature under the direction and control of any person referred to in clauses 10.2.2.1, 10.2.2.2 or 10.2.2.3

10.2.3 The hourly rates referred to above shall be deemed to include establishment charges and charges for time expended by clerical staff

ADDENDUM**PROJECT COST BASED FEE**

Recommended scale of fees for Professional Architectural Services		
Cost Bracket	Cost of Project (excl VAT)	Fee (excl VAT) (Base + percentage of Project Cost)
1	R 1 to R 300,000	R - + 12.50%
2	R 300,001 to R 600,000	R 7,500 + 10.00%
3	R 600,001 to R 1,200,000	R 22,500 + 7.50%
4	R 1,200,001 to R 2,400,000	R 25,500 + 7.25%
5	R 2,400,001 to R 4,800,000	R 31,500 + 7.00%
6	R 4,800,001 to R 9,600,000	R 43,500 + 6.75%
7	R 9,600,001 to R 19,200,000	R 67,500 + 6.50%
8	R 19,200,001 to R 38,400,000	R 115,500 + 6.25%
9	R 38,400,001 to R 76,800,000	R 211,500 + 6.00%
10	R 76,800,001 to R 153,600,000	R 403,500 + 5.75%
11	R 153,600,001 to R 307,200,000	R 787,500 + 5.50%
12	R 307,200,001 +	5.75%

ADDENDUM

TIME BASED FEE

Recommended Time Based Fee		
Tariff of fees reference	Category	Rate
Para 10.2.2.1	Principal >10 years experience Principal < 10 years experience	R600 per hour R475 per hour
Para 10.2.2.2	Associates and Managers	17.5 percent of total cost of employment
Para 10.2.2.3	Staff performing work of an architectural nature and carry direct responsibility for one or more specific activities related to a project	15 percent of total cost of employment
Para 10.2.2.4	Other staff performing work of an architectural nature under direction and control	12.5 percent of total cost of employment

NOTE: Substituted by corrected addendum, Board Notice 4 of 2002, Gazette No. 23037 of 25.01.2002

BOARD NOTICE 4 OF 2002 CORRECTION NOTICE

ARCHITECTURAL PROFESSION ACT 2000 (ACT 44 OF 2000)

RECOMMENDED TARIFF OF FEES IN RESPECT OF SERVICES RENDERED BY A PERSON REGISTERED IN TERMS OF SECTION 19(2) OF THE ACT IN PRIVATE CONSULTING PRACTICE.

Board Notice R161 of 2001 published on 14 December 2001 is hereby amended by replacing the addendum relating to time based fees with the following addendum

M KNOETZE
Registrar

ADDENDUM

TIME BASED FEE

Recommended Time Based Fee		
Tariff of fees reference	Category	Rate per hour
Para 10.2.2.1	Principal >10 years experience Principal < 10 years experience	R600 R475
Para 10.2.2.2	Associates and Managers	17.5 percent of each R100.00 or part thereof of total annual cost of employment
Para 10.2.2.3	Staff performing work of an architectural nature and carry direct responsibility for one or more specific activities related to a project	15 percent of each R100.00 or part thereof of total annual cost of employment
Para 10.2.2.4	Other staff performing work of an architectural nature under direction and control	12.5 percent of each R100.00 or part thereof of total annual cost of employment