

**PART 2: PRICING DATA****PSC3 Option G**

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## C2.1 Pricing assumptions: Option G

### 1. How work is priced and assessed for payment

From Option G: Term contract

Identified and defined terms	11	
	11.2	(17) The price for services provided to date is, for each task, the total of: <ul style="list-style-type: none"> <li>• The time charge for work which has been completed on time based items on the task schedule and</li> <li>• A proportion of the lump sum price for each other item on the task schedule which is the proportion of work completed on that item.</li> </ul>

(20) The prices are:

- The time charge for items described as time based on the task schedule and
- The lump sum price in the Task Schedule for each other item.

From the Core Clauses:

Identified and defined terms	11.2	(13) The time charge is the sum of the products of each of the <i>staff rates</i> multiplied by the total staff time appropriate to that rate properly spent on work in this contract.
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and

Assessing the amount due	50.3	The amount due is: <ul style="list-style-type: none"> <li>• The price for services provided to date.</li> <li>• The amount of the <i>expenses</i> properly spent by the <i>Consultant</i> in providing the Services and</li> <li>• Other amounts to be paid to the <i>Consultant</i> less amounts to be paid by or retained from the <i>Consultant</i>.</li> </ul>
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Any tax which the law requires the *Employer* to pay to the *Consultant* is included in the amount due.

In effect Option G is a cost reimbursable form of contract with work ordered by the *Employer* on a Task by Task basis using the Task Schedule to compile the cost of carrying out a Task.

*Expenses* are calculated separately and added to the amount due for the services provided.

## 2. Staff rates and expenses

Tendering consultants are advised to consult the NEC3 Professional Services Contract Guidance Notes before entering *staff rates* into Contract Data, or in section C2.2 which follows.

This is because *staff rates* can be established in one of three ways:

- Rates for named staff,
- Rates for categories of staff, or
- Rates related to salaries paid to staff.

Rate adjustment for inflation, if necessary, can be based either on actual salary adjustments or by using Option X1: Price adjustment for inflation. See pages 13 and 14 of the PSC3 Guidance Notes.

*Expenses* associated with employing a staff member in Providing the Services can be listed separately either by the *Employer* in Contract Data provided by the *Employer* or by the *Consultant* in Contract Data provided by the *Consultant*.

As only the *expenses* listed may be claimed by the *Consultant*, all other cost to the *Consultant* associated with providing the Services must be included within the *staff rates*.

Rate adjustment for inflation of *expenses* is explained on page 15 of the PSC3 Guidance Notes.

## 3. The function of the Task Schedule

The Task Schedule may include items of work to be paid for on a rate (Time Charge) or on a lump sum price for the item. Any work ordered during the term of the contract – i.e. before the Completion Date – for which there is no priced item in the Task Schedule is priced using the compensation event procedure and the resulting Price is added into the Price List.

The *task schedule* is prepared by the *Employer* for the *Consultant* to price, or may be prepared jointly with the *Consultant*. It is typically priced in two parts as items of work to be carried out on a time basis and lump sum prices for other items of work. The task schedule must be as complete as possible and fully representative of all the work and *services* which the *Employer* may require the *Consultant* to carry out. The only unknown is when the work is to be carried out; the Task Order will be used to instruct when work to be done.

## C2.2 Staff rates, expenses & the task schedule

This section can be used when the *staff rates* and *expenses* are considerable in number and more conveniently located here than in the Contract Data. Entries in the Contract Data should refer to this section of Part 2.

State whether the *staff rates* and *expenses* exclude or include VAT.

### 1. The staff rates are:

No.	Designation (or category) or name of staff member	Rate per {hour, day, month} excluding VAT
1.	Claims Analyst Specialist (> 15 years)	
2.	Chief Claims Analyst (> 10 years)	
3.	Claims Analyst (5 years $\geq$ 10 years)	
4.	Forensic Planner (> 5 years)	
5.	Assistant Forensic Planner( $\leq$ 5 years)	
6.	Chief Quantity Surveyor (> 10 years and PrQS required)	
7.	Senior Quantity Surveyor (5 years $\geq$ 10 years)	
8.	Assistant Quantity Surveyor ( $\leq$ 5 years)	

### 2. The expenses are:

Refer to the Directive for the Implementation of the National Treasury Instructions - (240-122002206) Rev 2

	Expense item	Amount / rate excluding VAT
<b>Km's</b>	When Eskom provides offices for the duration of the contract, then km's from the Suppliers home to Eskom office cannot be claimed	
<b>Km rates</b>	Business Travelling cost to Site at R3.30 per km (applicable to Local staff only)	
<b>Accommodation</b>	Domestic hotel accommodation and related costs may not exceed the rates prescribed by National Treasury (equivalent of a 3-star grading), which is currently one thousand four hundred rand (R1400), inclusive of VAT, per night per person (including dinner, breakfast and parking).	
<b>Car rentals</b>	Car hire may not be from a category higher than Group B (EDMR) or equivalent class.	
<b>Flights</b>	Air travel (local and international) must be restricted to economy class only.	
<b>Cost of Meals</b>	For resources on production of a voucher/receipt, subject to a maximum amount of R158.50 (VAT included) per meal.	