

Document No.:	Revision No.:	Effective Date:	 ECSA
Guideline Professional Fees <i>(Scope of Services and Tariff of Fees for Persons Registered in terms of the Engineering Profession Act, 46 of 2000)</i>			
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2. To determine the time-based fee rates, the persons concerned are divided into:
- (a) Category A, in respect of a private consulting practice in engineering, means a top practitioner whose expertise and relevant experience is nationally or internationally recognised and who provides advice at a level of specialisation where such advice is recognised as that of an expert.
 - (b) Category B, in respect of a private consulting practice in engineering, means a partner, a sole proprietor, a director, or a member who, jointly or severally with other partners, co-directors or co-members, bears the risks of the business, or takes responsibility for the projects and related liabilities of such practice and where his/her level of expertise and relevant experience is commensurate with the position, performs work of a conceptual nature in engineering design and development, provides strategic guidance in planning and executing a project and/or carries responsibility for quality management pertaining to a project.
 - (c) Category C, in respect of a private consulting practice in engineering, means all salaried professional staff with adequate expertise and relevant experience performing work of an engineering nature and who carry the direct technical responsibility for one or more specific activities related to a project. A person referred to in Category B may also fall in this category if such person performs work of an engineering nature at this level.
 - (d) Category D, in respect of a private consulting practice in engineering, means all other salaried technical staff with adequate expertise and relevant experience performing work of an engineering nature with direction and control provided by any person contemplated in categories A, B or C.
3. The time-based fee rates are:
- (a) Calculated for a person in category –
 - (i) A and B at 22.00 cents per hour
 - (ii) C at 17.5 cents per hour; and

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QM-TEM-001 Rev 0 – ECSA Policy/Procedure

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- (iii) D at 16.5 cents per hour for each R100 or part thereof of the total annual cost of employment of the person concerned, as contemplated in sub-clause (4); or
- (b) based on such indicative time-based fee rates as are determined from time-to-time by the Engineering Council of South Africa after consultation with service providers and service users: provided that in all cases the client and consulting engineer may agree on a more appropriate fee to take account of the specific services to be rendered or expertise to be applied.
4. For the purposes of clause 4.4, the total annual cost of employment of a person means the total amount borne by an employer in respect of the employment of such a person per year, calculated at the amounts applicable to such a person at the time when the services are rendered, including:
- (a) Basic salary or a nominal market-related salary, excluding profit share and asset growth.
- (b) Fringe benefits not reflected in the basic salary, including:
- (i) Normal annual bonus
 - (ii) Employer's contribution to medical aid
 - (iii) Group life insurance premiums borne by the employer
 - (iv) Employer's contribution to a pension or provident fund
 - (v) All other benefits or allowances payable in terms of a letter of appointment, including any transportation allowance or company vehicle benefit, telephone and/or computer allowances, etc; and
- (c) Amounts payable in terms of an Act, including:
- (i) Contributions to the Compensation Fund in terms of the Compensation for Occupational Injuries and Diseases Act, 130 of 1993
 - (ii) Contributions to unemployment insurance in terms of the Unemployment Insurance Fund Act, 63 of 2001
 - (iii) Levies in terms of the Skills Development Levy Act 9 of 1999
 - (iv) Recoverable levies to all spheres of government.

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4.5 Expenses and costs

1. Subject to clause 4.3(3) a consulting engineer may recover from the client:
 - (a) All expenses actually incurred by the consulting engineer and members of the consulting engineer's staff in rendering their services.
 - (b) All other costs incurred on behalf of and with approval of the client, plus a mark-up of 10 per cent.
2. Recoverable expenses include:
 - (a) Travelling expenses for the conveyance of the consulting engineer or a member of the consulting engineer's staff by means of:
 - (i) private motor transport, including any parking charges, toll fees and related expenses
 - (ii) a scheduled airline or a train, bus, taxi or hired car; or
 - (iii) non-scheduled or privately owned air transport.
 - (b) Travelling time on the basis of the rate set out in clause 4.4, for all time spent in travelling by the consulting engineer or members of his or her staff is as follows:
 - (i) When fees are paid on a time basis, all hours spent on travelling are reimbursable.
 - (ii) When fees are paid on a percentage basis, reimbursement for travelling time is for all time spent in travelling minus the first hour per return journey.
 - (c) Accommodation and subsistence expenses incurred by the consulting engineer or a member of his staff.
 - (d) Agreed costs of typing, production, copying and binding of contract documents, pre-qualification documents, feasibility reports, preliminary design reports, final reports and manuals, excluding general correspondence, minor reports, contractual reports, progress reports, etc.

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- (e) Expenses on special reproductions, copying, printing, artwork, binding and photography, etc. requested by the client.
- (f) Alternatively, a lump sum or percentage of the cost of the works may be determined and agreed between the consulting engineer and the client to cater for all or any of the above.
3. Costs that shall be recovered under clause (1)(b) above include, but are not limited to:
- (a) Site traffic surveys
 - (b) Geotechnical investigations
 - (c) Sampling and Laboratory testing
 - (d) Topographical and land surveys
 - (e) Supply of specific equipment
 - (f) Specialist sub-consultants
 - (g) Environmental investigations and studies, and management plans
 - (h) Institutional service delivery and social consultants
 - (i) Land acquisitions, expropriation, way leaves and servitudes.

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BOARD NOTICES

BOARD NOTICE 202 OF 2011

SACPCMP

**The South African Council for the
Project and Construction Management Professions**

**Guideline Scope of Services and Recommended
Guideline Tariff of Fees**

For

**Persons Registered in terms of the
Project and Construction Management Professions Act, 2000**

(Act No. 48 of 2000)

The South African Council for the Project and Construction Management Professions has, under Section 34(2) of the Project and Construction Management Profession Act, 2000 (Act No. 48 of 2000) determined the guideline scope of services and tariff of fees in the Schedule.

Any amount mentioned in or fee calculated in terms of this Schedule is exclusive of Value Added Tax.

The commencement date of these Rules shall be January 2012

SCHEDULE**Guideline Scope of Services and Tariff of Fees
for Registered Persons****Index**

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GENERAL PROVISIONS

1.0 DEFINITIONS

Where the words and phrases are highlighted in the text of this Tariff of Fees they shall bear the meaning assigned to them in clause 1 and where such words and phrases are not highlighted they shall bear the meaning consistent with the context:

"Built Environment" refers to the functional area in which registered persons practice. The Built Environment includes all structures that are planned and/or erected above or underground, as well as the land utilized for the purpose and supporting infrastructure.

"Construction Management" is the management of the *physical construction process* within the Built Environment and includes the co-ordination, administration, and management of resources. The Construction Manager is the one point of responsibility in this regard.

"Construction Project Management" is the management of projects within the Built Environment *from conception to completion, including management of related professional services*. The Construction Project Manager is the one point of responsibility in this regard.

"Project" means the total development envisaged by the client, including the professional services.

"Works" means all work executed or intended to be executed in accordance with the construction contracts.

"Principal Agent" means the person or entity appointed by the client and who has full authority and obligation to act in terms of the construction contracts.

"Principal Consultant" means the person or entity appointed by the client to manage and administer the services of all other consultants.

"Cost Consultant" means the person or entity appointed by the client to establish and agree all budgets and implement and manage the necessary cost control on the project.

"Contractor" means any person or legal entity entering into contract with the client for the execution of the **works** or part thereof.

"Nominated Subcontractors" are specialists and other subcontractors executing work or supplying and fixing any goods who may be nominated by the Principal Consultant.

"Selected Subcontractors" are specialists and other subcontractors executing work or supplying and fixing any goods and who are selected by the contractor in consultation with the Principal Consultant.

"Domestic Subcontractors" are specialists and other subcontractors executing work or supplying and fixing any goods and who are selected by the contractor.

"Direct Contractors" are contractors appointed by the client to execute work other than the works.

"Suppliers" mean a person or entity appointed by the client to supply goods and products for incorporating into the works.

"Construction Programme" is the programme for the works indicating the logic sequence and duration of all activities to be completed by the contractors, subcontractors, and suppliers, in appropriate detail, for the monitoring of progress of the works.

"Contract programme" is the construction programme for the works agreed between the contractor and the Principal Agent.

"Procurement Programme" is the programme indicating the timeous purchasing requirements for the project, including, but not limited to, the services of consultants, contractors, subcontractors, and suppliers required for the execution of the project programme.

"Project Initiation programme" is the programme devised by the Principal Consultant in consultation with the client and other consultants for all the work necessary to be completed prior to commencement of work by the contractors.

"Documentation programme" is schedule prepared by the Principal Consultant and agreed to by other consultants indicating the timeous provision of all necessary design documentation required by the contractors and subcontractors for the construction of the works.

"The South African Council for the Project and Construction Management Professions" means the South African Council for the Project and Construction Management Professions established by section 2 of the Project and Construction Management Professions Act, 2000 (Act No. 48 of 2000), and **"SACPCMP"** has the same meaning.

"Project and Construction Management Professions Act" means the Project and Construction Management Professions Act, 2000 (Act No. 48 of 2000).

"Construction Project Management Work" means the work identified under section 4 of this document

"Construction Management Work" means the work identified under section 4 of the Identification of Work document for Construction Managers

"Improper Conduct" as contemplated in section 27(3) of the Project and Construction Management Professions Act, means failure to comply with the code of conduct for registered persons.

"Public" means any person or group of persons who is, or whose environment is, either directly or indirectly affected by any project and construction management activity, or by a product, outcome or influence of a project and construction management activity, which may impact on the health, safety and interest of such person or group of persons.

"Substantially Practise" means regularly and consistently carry out project and construction management work identified in section 4 of this document, and charging a professional fee for such work and accruing professional responsibility to a client or an employer for the performance of such functions.

"The Council" means the Council for the Built Environment established under section 2 of the Council for the Built Environment Act, 2000 (Act No 43 of 2000)

2.0 SHORT TITLE

This Schedule is called *The Scope of Services and Recommended Guideline Tariff of Fees for Registered Construction Project Managers*, Rev January 2012.

GUIDELINES SCOPE OF SERVICES**3.0 STANDARD SERVICES**

Construction Project Managers shall perform the following standard services under the following stages:

PROJECT STAGES	DESCRIPTION
1	Inception
2	Concept and Viability
3	Design Development
4	Documentation and Procurement
5	Construction
6	Close-out

1.0 STAGE 1 – INCEPTION**Definition**

Agreeing client requirements and preferences, assessing user needs and options, appointment of necessary consultants in establishing project brief, objectives, priorities, constraints, assumptions and strategies in consultation with the client.

Standard Services

- 1.1. Facilitate the development of a Clear Project Brief
- 1.2. Establish the client's Procurement Policy for the Project
- 1.3. Assist the client in the procurement of the necessary and appropriate consultants including the clear definition of their roles, responsibilities and liabilities.
- 1.4. Establish in conjunction with the client, consultants, and all relevant authorities the site characteristics necessary for the proper design and approval of the intended project

- 1.5. Manage the integration of the preliminary design to form the basis for the initial viability assessment of the project
- 1.6. Prepare, co-ordinate and monitor a Project Initiation Programme
- 1.7. Facilitate the preparation of the Preliminary Viability Assessment of the project
- 1.8. Facilitate client approval of all Stage 1 documentation

Project Management Deliverables

- Project Brief
- Project Procurement Policy
- Signed Consultant/Client Agreements
- Project Initiation Programme
- Record of all meetings
- Approval by Client to proceed to Stage 2

2.0 STAGE 2 - CONCEPT AND VIABILITY***Definition***

Finalization of the project concept and feasibility

Standard Services

- 2.1. Assist the client in the procurement of the necessary and appropriate consultants including the clear definition of their roles, responsibilities and liabilities.
- 2.2. Advise the client on the requirement to appoint a Health and Safety Consultant
- 2.3. Communicate the project brief to the consultants and monitor the development of the Concept and Feasibility within the agreed brief
- 2.4. Co-ordinate and integrate the income stream requirements of the client into the concept design and feasibility
- 2.5. Agree the format and procedures for cost control and reporting by the cost consultants on the project.
- 2.6. Manage and monitor the preparation of the project costing by other consultants
- 2.7. Prepare and co-ordinate an Indicative Project Documentation and Construction Programme
- 2.8. Manage and integrate the concept and feasibility documentation for presentation to the client for approval
- 2.9. Facilitate client approval of all Stage 2 documentation

Project Management Deliverables

- Signed Consultant/Client Agreements
- Indicative Project Documentation and Construction Programme.
- Approval by Client to proceed to Stage 3

3.0 STAGE 3 - DESIGN DEVELOPMENT**Definition**

Manage, co-ordinate and integrate the detail design development process within the project scope, time, cost and quality parameters.

Standard Services

- 3.1. Assist the client in the procurement of the balance of the consultants including the clear definition of their roles, responsibilities and liabilities.
- 3.2. Establish and co-ordinate the formal and informal communication structure, processes and procedures for the design development of the project.
- 3.3. Prepare, co-ordinate and agree a detailed Design and Documentation Programme, based on an updated Indicative Construction Programme, with all consultants
- 3.4. Manage, co-ordinate and integrate the design by the consultants in a sequence to suit the project design, documentation programme and quality requirements.
- 3.5. Conduct and record the appropriate planning, co-ordination and management meetings
- 3.6. Facilitate any input from the design consultants required by Construction Manager on constructability.
- 3.7. Facilitate any input from the design consultants required by Health and Safety consultant
- 3.8. Manage and monitor the timeous submission by the design team of all plans and documentation to obtain the necessary statutory approvals
- 3.9. Establish responsibilities and monitor the information flow between the design team, including the cost consultants.
- 3.10. Monitor the preparation by the cost consultants of cost estimates, budgets, and cost reports
- 3.11. Monitor the cost control by the cost consultants to verify progressive design compliance with approved budget, including necessary design reviews to achieve budget compliance
- 3.12. Facilitate and monitor the timeous technical co-ordination of the design by the design team
- 3.13. Facilitate client approval of all Stage 3 documentation

Project Management Deliverables

- Signed Consultant/Client Agreements
- Detailed Design & Documentation Programme
- Updated Indicative Construction Programme
- Record of all meetings
- Approval by Client to proceed to Stage 4

4.0 STAGE 4 – DOCUMENTATION AND PROCUREMENT**Definition**

The process of establishing and implementing procurement strategies and procedures, including the preparation of necessary documentation, for effective and timeous execution of the project.

Standard Services

- 4.1. Select, recommend and agree the Procurement Strategy for contractors, subcontractors and suppliers with the client and consultants
- 4.2. Prepare and agree the Project Procurement Programme.
- 4.3. Co-ordinate and monitor the preparation of the tender documentation by the consultants in accordance with the Project Procurement Programme.
- 4.4. Facilitate and monitor the preparation by the Health and Safety Consultant of the Health and Safety Specification for the project
- 4.5. Manage the tender process in accordance with agreed procedures, including calling for tenders, adjudication of tenders, and recommendation of appropriate contractors for approval by the client.
- 4.6. Advise the client, in conjunction with other consultants on the appropriate insurances required for the implementation of the project.
- 4.7. Monitor the reconciliation by the cost consultants of the tender prices with the project budget
- 4.8. Agree the format and procedures for monitoring and control by the cost consultants of the cost of the works.
- 4.9. Facilitate client approval of the tender recommendation(s).

Project Management Deliverables

- Contractors, subcontractors, and suppliers Procurement Strategy
- Project Procurement Programme
- Project Tender/Contract Conditions
- Record of all meetings
- Approval by Client of tender recommendation(s).

5.0 STAGE 5 – CONSTRUCTION**Definition**

The management and administration of the construction contracts and processes, including the preparation and co-ordination of the necessary documentation to facilitate effective execution of the works.

Standard Services

- 5.1. Appoint contractor(s) on behalf of the client including the finalization of all agreements.
- 5.2. Instruct the contractor on behalf of the client to appoint subcontractors.
- 5.3. Receive, co-ordinate, review and obtain approval of all contract documentation provided by the contractor, subcontractors, and suppliers for compliance with all of the contract requirements.
- 5.4. Monitor the ongoing projects insurance requirements.
- 5.5. Facilitate the handover of the site to the contractor.
- 5.6. Establish and co-ordinate the formal and informal communication structure and procedures for the construction process.
- 5.7. Regularly conduct and record the necessary site meetings
- 5.8. Monitor, review and approve the preparation of the Contract Programme by the contractor.
- 5.9. Regularly monitor the performance of the contractor against the Contract Programme.
- 5.10. Review and adjudicate circumstances and entitlements that may arise from any changes required to the Contract Programme.
- 5.11. Monitor the preparation of the contractor's Health and Safety Plan and approval thereof by the Health and Safety Consultant.
- 5.12. Monitor the auditing of the Contractors' Health and Safety Plan by the Health and Safety Consultant.
- 5.13. Monitor the compliance by the contractors of the requirements of the Health and Safety Consultant.
- 5.14. Monitor the production of the Health and Safety File by the Health and Safety Consultant and contractors
- 5.15. Monitor the preparation by the Environmental Consultants of the Environmental Management Plan
- 5.16. Establish the construction information distribution procedures.
- 5.17. Agree and monitor the Construction Documentation Schedule for timeous delivery of required information to the contractors.
- 5.18. Expedite, review and monitor the timeous issue of construction information to the contractors.

- 5.19. Manage the review and approval of all necessary shop details and product propriety information by the design consultants.
- 5.20. Establish procedures for monitoring, controlling and agreeing all scope and cost variations.
- 5.21. Agree the quality assurance procedures and monitor the implementation thereof by the consultants and contractors.
- 5.22. Monitor, review, approve and certify monthly progress payments.
- 5.23. Receive, review and adjudicate any contractual claims.
- 5.24. Monitor the preparation the preparation of monthly cost reports by the cost consultants.
- 5.25. Monitor long lead items and off-site production by the contractors and suppliers.
- 5.26. Prepare monthly project reports including submission to the client
- 5.27. Manage, co-ordinate and monitor all necessary testing and commissioning by consultants and contractors.
- 5.28. Co-ordinate, monitor and issue the Practical Completion Lists and the Certificate of Practical Completion.
- 5.29. Co-ordinate and monitor the preparation and issue of the Works Completion List by the consultants to the contractors.
- 5.30. Monitor the execution by the contractors of the defect items to achieve Works Completion.
- 5.31. Facilitate and co-ordinate adequate access with the occupant for the rectification of defects by the contractors

Project Management Deliverables

- Signed Contractor(s) Agreements
- Agreed Contract Programme
- Adjudication and award of contractual claims
- Construction Documentation Schedule
- Monthly progress payment certificates
- Monthly project progress reports.
- Record of all meetings
- Certificates of Practical Completion.

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6.0 STAGE 6 - CLOSE OUT**Definition**

The process of managing and administering the project closeout, including preparation and co-ordination of the necessary documentation to facilitate the effective operation of the project

Standard Services

- 6.1. Issue the Works Completion Certificate
- 6.2. Manage, co-ordinate and expedite the preparation by the design consultants of all as-built drawings and design documentation.
- 6.3. Manage and expedite the procurement of all operating and maintenance manuals as well as all warranties and guarantees.
- 6.4. Manage and expedite the procurement of all statutory compliance certificates and documentation.
- 6.5. Manage the finalization of the Health and Safety File for submission to the Client.
- 6.6. Co-ordinate, monitor and manage the rectification of defects during the Defects Liability Period.
- 6.7. Manage, co-ordinate and expedite the preparation and agreement of the final account by the cost consultants with the relevant contractors.
- 6.8. Co-ordinate, monitor and issue the Final Completion Defects list and Certificate of Final Completion.
- 6.9. Prepare and present Project Closeout Report.

Project Management Deliverables

- Works Completion Certificate
- Certificate of Final Completion
- Record of all meetings
- Project closeout report

General Notes

- As these stages might overlap, the Standard Services stated hereunder may be required to be undertaken during any one of the Project Work Stages
- The order of the Standard Services does not necessarily reflect the actual sequence of implementation

4.0 ADDITIONAL/SUPPLEMENTARY SERVICES

1. Development Management Services

The Project Construction Manager may, by prior mutual consent, provide the following supplementary services. This will require agreement of both the Client and Project Construction Manager on the adjustment of the fees and disbursements.

- a. Facilitate the opportunity realisation process
- b. Procuring of land and finance
- c. Procuring of tenants, tenant co-ordination and tenant installations
- d. Drafting of appointment contracts for other members of the professional team
- e. Project management services in relation to direct contractors engaged by the client, such as those engaged for furniture, fittings and equipment
- f. Mediation, arbitration proceedings and similar services. Such services will commence upon the notification of a dispute or the initiation of such proceedings
- g. All work arising out of the failure of any consultant, contractors, suppliers or other external party to perform its obligations
- h. Services required in respect of damage to or destruction of the works, insurance matters, postponement or cancellation of agreements
- i. Additional services resulting from changes by the client to previously issued instructions
- j. Any other services not specifically incorporated in the identified scope of services mentioned in this document

2. Supplementary Services Pertaining to all Stages of the Project

The following services are additional to the normal services provided by the construction project manager, and shall be performed by agreement between the construction project manager and the client. The agreement on scope of additional services and remuneration shall be in writing and should, if at all possible, be concluded before such additional services are rendered

- a. Appointment as agent in accordance with Regulation 4.(5) of the Construction Regulations 2003, issued in terms of the Occupational Health and Safety Act, 1993 (Act 85 of 1993), to specifically ensure compliance in terms thereof
- b. Procuring of land and finance
- c. Procuring of tenants, tenant co-ordination and tenant installations
- d. Drafting of non-standard contracts
- e. Project management services in relation to direct contractors engaged by the client, such as those engaged for furniture, fittings and equipment
- f. Mediation, arbitration and litigation proceedings and similar services.
- g. Where the client requires the construction project manager to, on his behalf, perform the services listed hereunder or similar work, the extent thereof and remuneration therefore is subject to agreement between the client and the construction project manager:

- i. Dealing with matters of law, obtaining parliamentary or other statutory approval, licenses or permits
- ii. Assisting with or participating in contemplated or actual mediation, arbitration or litigation proceedings
- iii. Officiating at or Attending courts and commissions of enquiry, select committees and similar bodies convened by statute, regulation or decree
- h. All work arising out of failure of any consultant, contractor, supplier or other external party to perform its obligations, provided that such failure is not due to default by the Construction Project Manager
- i. Services resulting from damages to or destruction of the works, insurance matters, postponement or cancellation of agreement
- j. Additional services resulting from the client changing previously issued instructions
- k. Construction management
- l. Calculation and certification of professional fees applicable to other professionals engaged by the client on the project
- m. Any other services not specifically incorporated in this Guideline Scope of Services and Tariff of Fees for Registered Persons

5.0 COMMISSION TERMINATION

1. Should a commission be terminated the fee for the services completed shall be calculated in accordance with the Tariff of Fees and the fee for services partially completed shall be determined *pro rata* to the complete service
2. Should a commission be terminated by the client after the commencement of the commission then, in addition to the fee calculated in accordance with 5.1, a surcharge of 10 percent shall be payable on the difference between the full fee calculated in accordance with the Tariff of Fees for the services commissioned and the fee calculated in accordance with 5.1.
3. For purposes of 5.1 and 5.2, a commission shall be deemed to be terminated where the services are deferred or suspended for a period of more than 90 calendar days in the aggregate, unless otherwise agreed in writing by the parties.

RECOMMENDED GUIDELINES TARIFF OF FEES

6.0 APPLICATION OF TARIFF OF FEES

1. The guideline tariff of fees contained in this Schedule applies in respect of normal services
2. The client should remunerate the construction project manager, for the normal services rendered, on the basis of clauses 6 to 9. In cases where the client and construction project manager have agreed that clauses 6 to 9 are not applicable, payment should be on the basis of clause 10 or as agreed according to clause 6(4)
3. The client shall reimburse the construction project manager for all expenses and costs incurred in terms of clause 11 in performing his services, irrespective of whether fees are charged in terms of clauses 6 to 9, as well as for all costs incurred on behalf, and with the approval, of the client.
4. Should the tariff of fees contained in this Schedule be found to be inappropriate to any project, works, services or part thereof, the client and construction project manager may agree, in writing, a fee deemed more appropriate, prior to the commencement of the works. Contributing factors to be taken into account, although not limited to, may include all or any of the following:
 - a. *Complexity*: Where the works call for the application of new, unusual or untried techniques or designs or application of complex project delivery, systems or processes or excessive complexity of the whole or part of the works
 - b. *Small projects*: Where projects are small in monetary value and the tariff of fees for normal projects does not compensate the construction project manager reasonably for the normal services to be rendered
 - c. *Cost of the works*: Where the cost of the works is abnormally low relative to the normal services required from the construction project manager
 - d. *Time duration*: Where the works are executed over an appreciably shorter or longer than normal or realistic time periods during any of the stages defined in clause 3, or where the client orders suspension of the services between stages for periods in excess of 21 calendar days in the aggregate for any stage.
 - e. *Level of responsibility, liability and risk*: Where unusually high demands in respect of these factors are expected to be carried by the construction project manager
5. Agreement on any adjustment of or special fees should be reached in writing at the time of the engagement of the construction project manager and be concluded prior to the construction project manager rendering services which may be affected.
6. Where at the instance and with the consent of the client the works are undertaken on separate non-contiguous sites, continuity is interrupted or are unusually fragmented or are constructed as separately documented phases or sections, the fee for normal services is:
 - a. the sum of the fees calculated separately for each site, contract, phase or section as if they were separate works; or
 - b. the fee agreed to, in writing, between the client and the construction project manager, prior to the commencement of the works, and which fee lies between the fee calculated on the total cost of the works and the sum of the fees contemplated in clause 6(6)(1).

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7. The following fees may be claimed after each stage of services or monthly or as agreed between the construction project manager and the client:
- Percentage fees determined on the basis of the cost of the works prevailing at the time of the fee calculation and pro-rata to the completed normal services
 - Time based fees as specifically agreed on in writing by the client, applicable when additional services were rendered
8. Disbursements as set out in clause 11 may be claimed monthly

7.0 FEES FOR STANDARD SERVICES

Construction project management services pertaining to building projects

The basic fee for normal services in the field of construction project management, pertaining to building projects, is calculated at the percentage mentioned against the cost of the works contained in following table:

Cost Bracket	From	To	Primary Fee	Plus Secondary Fee	
				Add %	For Value Over
1	0	10 000 000	10 000	6.35%	0
2	10 000 000	20 000 000	645 000	5.72%	10,000,000
3	20 000 000	40 000 000	1 217 000	5.14%	20,000,000
4	40 000 000	80 000 000	2 245 000	4.63%	40,000,000
5	80 000 000	160 000 000	4 097 000	4.07%	80,000,000
6	160 000 000	320 000 000	7 353 000	3.58%	160,000,000
7	320 000 000	640 000 000	13 081 000	3.08%	320,000,000
8	640 000 000	1 280 000 000	22 937 000	2.65%	640,000,000
9	1 280 000 000	2 560 000 000	39 897 000	2.28%	1,280,000,000
10	2 560 000 000	And Above	69 081 000	1.96%	2,560,000,000

8.0 SERVICES PROVIDED PARTIALLY OR IN STAGES

The following table shall be used for proportioning the basic fee for standard services over the various stages of the services:

Project Stage	Description	Percentage of Total Fee
1	Initiation	10%
2	Concept and Viability	10%
3	Design Development	25%
4	Documentation and Procurement	10%
5	Construction	40%
6	Close Out	5%

9.0 FEES FOR ADDITIONAL/SUPPLEMENTARY SERVICES

The fees for additional/supplementary services contemplated in clause 4 are to be agreed to, in writing, between the client and the construction project manager, prior to the commencement of the works.

10.0 TIME BASED FEES

1. Time based fees are all-inclusive fees, including allowances for overhead charges incurred by the construction project manager as part of normal business operations, including the cost of management, as well as payments to administrative, clerical and secretarial staff used to support professional and technical staff in general and not on a specific project only.
2. The time based fee rates and any applicable annual increase to rates are to be agreed to by the parties at the start of the commission, failing which applicable reasonable market related or gazetted rates shall be applied.
3. For the purposes of this clause, the total annual cost of employment of a person means the total amount borne by an employer in respect of the employment of such a person per year, calculated at the amounts applicable to such a person at the time of appointment of such staff to the project, including –
 - a. Basic salary, or a nominal market related salary, excluding profit share and asset growth
 - b. benefits not reflected in the basic salary, including:
 - i. normal annual bonus;
 - ii. contribution to medical aid;
 - iii. group life insurance premiums borne by the employer;
 - iv. contribution to a pension or provident fund; and
 - v. all other benefits or allowances payable in terms of a letter of appointment, including any transportation allowance or company vehicle benefit, telephone and/or computer allowances, etc; and

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- c. Amounts payable in terms of a Act, including:
 - i. contributions to the Compensation Fund in terms of the Compensation for Occupational Injuries and Diseases Act;
 - ii. contributions to unemployment insurance in terms of the Unemployment Insurance Fund Act; and
 - iii. recoverable levies to all spheres of government
- 4. The applicable Hourly Fee Rates shall be the *Hourly Fee Rates For Consultants* as published by the Department of Public Service and Administration (dpsa). The latest Fee Rates are available at <http://www.dpsa.gov.za> and can be found under Document Archive, All Documents. The SACPCMP hereby makes it known that the Rates set out therein are recommended guidelines.

11.0 EXPENSES AND COSTS

- 1. For disbursements and for reasonable travelling and subsistence expenses additional payment shall be claimed over and above the fee payable under any other provision of this Tariff of Fees
- 2. Recoverable expenses include:
 - a. Travelling expenses for the conveyance of the construction project manager or a member of the construction project manager's staff by means of:
 - i. private motor transport, including any parking charges, toll fees and related expenses;
 - ii. a scheduled air line or a train, bus, taxi or hired car; or
 - iii. non-scheduled or privately owned air transport
 - b. Travelling time on the basis of the rate set out in clause 10, for all time spent in travelling by the construction project manager or members of his staff shall be as follows:
 - i. when fees are paid on a time basis, all hours spent on travelling are reimbursable
 - ii. when fees are paid on a percentage basis, reimbursement for travelling time shall be for all time spent in travelling minus the first hour per return journey
 - c. Reasonable accommodation and subsistence expenses incurred by the construction project manager or a member of his staff;
 - d. Agreed costs of typing, production, copying and binding of contract documents, ~~pre-qualification~~ documents, feasibility reports, preliminary design reports, final reports and manuals, excluding general correspondence, minor reports, contractual reports, progress reports, etc.
 - e. Expenses on special reproductions, copying, printing, artwork, binding and photography, etc. requested by the client
 - f. Alternatively, a lump sum or percentage of the total fees payable to the construction project manager may be determined and agreed between the construction project manager and the client to cater for all or any of the above

BOARD NOTICE 167 OF 2019

SACPCMP

**The South African Council for the
Project and Construction Management Professions**

**Guideline Scope of Services and Recommended Guideline Tariff of Fees
For**

**Construction Health and Safety Professionals
Registered in terms of the
Project and Construction Management Professions Act, 2000**

(Act No. 48 of 2000)

The South African Council for the Project and Construction Management Professions has, under Section 34(2) of the Project and Construction Management Profession Act, 2000 (Act No. 48 of 2000) determined the guideline scope of services and tariff of fees in the Schedule.

Any amount mentioned in or fee calculated in terms of this Schedule is exclusive of Value Added Tax.

The commencement date of these Rules shall be September 2019

SCHEDULE

Guideline Scope of Services and Tariff of Fees for Construction Health and Safety Registered Professionals

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GENERAL PROVISIONS

1. DEFINITIONS

Where the words and phrases are highlighted in the text of this Tariff of Fees they shall bear the meaning assigned to them in clause 1 and where such words and phrases are not highlighted they shall bear the meaning consistent with the context:

"Built Environment" refers to the functional area in which registered persons practice. The Built Environment includes all structures that are planned and/or erected above or underground, as well as the land utilized for the purpose and supporting infrastructure.

"Construction Health and Safety Management" is the management of project health and safety processes and duties within the Built Environment from conception to completion. The Construction Health and Safety Agent is the one point of responsibility in this regard.

"Construction Management" is the management of the *physical construction process* within the Built Environment and includes the co-ordination, administration, and management of resources. The Construction Manager is the one point of responsibility in this regard.

"Construction Project Management" is the management of projects within the Built Environment *from conception to completion, including management of related professional services*. The Construction Project Manager is the one point of responsibility in this regard.

"Construction Health and Safety Agent" means any competent person who acts as a representative for a client in managing health and safety on a construction project for the client and who has satisfied the registration criteria of the SACPCMP to perform the required functions.

"Construction Health and Safety Manager" means a person who is appointed by an employer to manage the planning and implementation of construction health and safety systems and who has satisfied the registration criteria of the SACPCMP to perform the prescribed functions.

"Construction Health and Safety Officer" means a person who is appointed by an employer to assist site management with the planning, implementation and management of construction health and safety systems and who has satisfied the registration criteria of the SACPCMP to perform the prescribed functions.

"Project" means the total development envisaged by the client, including the professional services.

"Works" means all work executed or intended to be executed in accordance with the construction contracts.

"Principal Agent" means the person or entity appointed by the client and who has full authority and obligation to act in terms of the construction contracts.

"Principal Consultant" means the person or entity appointed by the client to manage and administer the services of all other consultants.

"Cost Consultant" means the person or entity appointed by the client to establish and agree all budgets and implement and manage the necessary cost control on the project.

"Contractor" means any person or legal entity entering into contract with the client for the execution of the works or part thereof.

"Nominated Subcontractors" are specialists and other subcontractors executing work or supplying and fixing any goods who may be nominated by the Principal Consultant.

"Selected Subcontractors" are specialists and other subcontractors executing work or supplying and fixing any goods and who are selected by the contractor in consultation with the Principal Consultant.

"Domestic Subcontractors" are specialists and other subcontractors executing work or supplying and fixing any goods and who are selected by the contractor.

"Direct Contractors" are contractors appointed by the client to execute work other than the works.

"Suppliers" mean a person or entity appointed by the client to supply goods and products for incorporating into the works.

"Construction Programme" is the programme for the works indicating the logic sequence and duration of all activities to be completed by the contractors, subcontractors, and suppliers, in appropriate detail, for the monitoring of progress of the works.

"Contract programme" is the construction programme for the works agreed between the contractor and the Principal Agent.

"Procurement Programme" is the programme indicating the timeous purchasing requirements for the project, including, but not limited to, the services of consultants, contractors, subcontractors, and suppliers required for the execution of the project programme.

"Project Initiation programme" is the programme devised by the Principal Consultant in consultation with the client and other consultants for all the work necessary to be completed prior to commencement of work by the contractors.

"Documentation programme" is schedule prepared by the Principal Consultant and agreed to by other consultants indicating the timeous provision of all necessary design documentation required by the contractors and subcontractors for the construction of the works.

"The South African Council for the Project and Construction Management Professions" means the South African Council for the Project and Construction Management Professions established by section 2 of the Project and Construction Management Professions Act, 2000 (Act No. 48 of 2000), and **"SACPCMP"** has the same meaning.

"Project and Construction Management Professions Act" means the Project and Construction Management Professions Act, 2000 (Act No. 48 of 2000).

"Construction Project Management Work" means the work identified under section 4 of this document

"Construction Management Work" means the work identified under section 4 of the Identification of Work document for Construction Managers

"Improper Conduct" as contemplated in section 27(3) of the Project and Construction Management Professions Act, means failure to comply with the code of conduct for registered persons.

"Public" means any person or group of persons who is, or whose environment is, either directly or indirectly affected by any project and construction management activity, or by a product, outcome or influence of a project and construction management activity, which may impact on the health, safety and interest of such person or group of persons.

"Substantially Practise" means regularly and consistently carry out project and construction health and safety work identified in clause 3 of this document and charging a professional fee for such work and accruing professional responsibility to a client or an employer for the performance of such functions.

"The Council" means the Council for the Built Environment established under section 2 of the Council for the Built Environment Act, 2000 (Act No 43 of 2000)

2. SHORT TITLE

This Schedule is called *The Scope of Services and Recommended Guideline Tariff of Fees for Registered Construction Health and Safety Professional, Rev 2019*.

GUIDELINE SCOPE OF SERVICES

3. STANDARD SERVICES

Construction Health and Safety Professionals shall perform the following standard services under the following stages:

PROJECT STAGES	DESCRIPTION
1	Project Initiation and Briefing
2	Concept and Feasibility
3	Design Development
4	Tender Documentation and Procurement
5	Construction Documentation and Management
6	Project Close Out

3.1 STAGE 1 – PROJECT INITIATION AND BRIEFING

Definition

Agreeing client requirements and preferences, assessing user needs and options, appointment of necessary consultants in establishing project brief, objections, priorities, constraints, assumptions and strategies in consultation with the client.

Standard Services

- 1.1. Demonstrate the Construction Health and Safety Professional competency and resource.
- 1.2. Define the Construction Health and Safety Professional scope of work and services.
- 1.3. Conclude the terms of the agreement with the client.
- 1.4. Assist in developing a clear construction project health and safety brief.
- 1.5. Advise on the necessary surveys, analyses, tests and site or other investigations where such information will be required for the next stage of the project.
- 1.6. Advise the client on the adequacy of health and safety competency and resources of the other consultants.
- 1.7. Identify construction project health and safety risk profile.
- 1.8. Attend the construction project initiation meetings.
- 1.9. Provide necessary information within the agreed scope of the construction project to the other consultants.

Construction Project Health and Safety Deliverables

- Record of Construction Health and Safety Professional competency and resource
- Construction project health and safety brief
- Agreed scope of work
- Agreed services
- Signed agreement
- Record of consultants' construction health and safety competency and resource assessments
- Schedule of required surveys, tests, analyses, site and other investigations
- Preliminary construction project risk profile
- Record of construction project health and safety risk communication

3.2 STAGE 2 - CONCEPT AND FEASIBILITY*Definition*

Finalisation of the project concept and feasibility.

Standard Services

- 2.1. Advise and agree with the other consultants regarding their construction project health and safety requirements and related design risk management responsibilities.
- 2.2. Agree the format and procedures for health, safety and hygiene construction project control.
- 2.3. Agree the documentation programme with the principal consultant and other consultants.
- 2.4. Review and evaluate design concepts and advise on construction project health and safety in conjunction with the other consultants.
- 2.5. Review, update and agree the construction project health and safety risk profile and prepare the construction health and safety policy for the construction project.
- 2.6. Prepare draft construction project baseline risk assessment.
- 2.7. Prepare the draft construction project health and safety specification.
- 2.8. Advise on preliminary cost estimates/budgets for construction project health and safety.
- 2.9. Assist the client and principal consultant in the procurement of the necessary and appropriate specialists, including a clear definition of their roles, responsibilities and liabilities.
- 2.10. Advise the client on the adequacy of the health and safety competency and resources of the appropriate specialists.
- 2.11. Assess and approve the appropriate specialist's health and safety plans.
- 2.12. Monitor the implementation of the appropriate specialist's health and safety plans, including periodic audits.
- 2.13. Attend design and consultants' meetings.
- 2.14. Liaise, co-operate and provide necessary information to the client/principal consultant and the other consultants.

Construction Project Health and Safety Deliverables

- Updated construction project health and safety risk profile
- Agreed construction project health and safety policy for the project
- Draft construction project baseline risk assessment
- Draft construction project health and safety specification
- Record of appropriate specialists' health and safety competency and resource assessments
- Schedule of required surveys, tests and other investigations and related reports
- Record of construction project health and safety risk communication
- Design risk management process
- Preliminary cost estimates/budgets for construction project health and safety
- Approved specialists' health and safety plans
- Specialists health and safety audit reports and records

3.3 STAGE 3 - DESIGN DEVELOPMENT*Definition*

Manage, coordinate and integrate the detail design development process within the project scope, time, cost and quality parameters.

Standard Services

- 3.1. Advise designers of their health and safety legal liabilities and responsibilities for constructability, maintainability and operationability of the structure.
- 3.2. Agree on a format for the health and safety file.
- 3.3. Review the documentation programme with the principal consultant and the other consultants.
- 3.4. Manage, co-ordinate, integrate and record the design risk management process with the other consultants in a sequence to suit the documentation programme.
- 3.5. Finalise the construction project health and safety risk profile.
- 3.6. Monitor the integration of health and safety aspects for constructability, maintainability and operationability of the structure during the design process and finalise the construction project baseline risk assessment.
- 3.7. Identify and implement precautions necessary for construction project health and safety control and update the construction project tender health and safety specifications.
- 3.8. Assist the cost consultant with detailed information for initial construction project health and safety cost estimates/budgets.
- 3.9. Assess and approve necessary construction project health and safety plans for early works.
- 3.10. Monitor the implementation of necessary construction health and safety plans, including periodic audits for early works.
- 3.11. Attend design and consultants' meetings.
- 3.12. Liaise, co-operate and provide necessary construction project health and safety information to the client, principal consultant and the other consultants.

Construction Project Health and Safety Deliverables

- Final construction project health and safety risk profile
- Record of construction project health and safety risk communication
- Final construction project health and safety baseline risk assessment
- Updated draft construction project health and safety specification
- Design risk management records
- Schedule of precautions necessary for construction project health, safety and hygiene control
- Approved early works health and safety plans
- Early works audit reports and records
- Initial schedule of construction project health and safety cost estimates/budgets
- Template for health and safety file

3.4 STAGE 4 – TENDER DOCUMENTATION AND PROCUREMENT*Definition*

The process of establishing and implementing procurement strategies and procedures, including the preparation of necessary documentation for effective and timeous execution of the project.

Standard Services

- 4.1. Provide and record construction project health, safety, hygiene and design risk information to the principal consultant and other consultants.
- 4.2. Assist in developing a clear construction project health and safety procurement process.
- 4.3. Assess samples, mock-ups and products for construction project, structural maintainability and operability health and safety compliance.
- 4.4. Finalise construction project tender health and safety specifications and integrate with procurement documentation.
- 4.5. Prepare project specific health and safety documentation for distribution to contractors for inclusion into their tender / bid submissions.
- 4.6. Assist the cost consultant in the finalisation of the construction project health and safety cost estimate/budget.
- 4.7. Prepare construction project health and safety mobilisation and access plans for the construction work.
- 4.8. Participate in construction project tender clarification meetings.
- 4.9. Assist with the evaluation of tenders and verify the contractor's competencies, knowledge and resources to carry out the construction works in a safe and healthy manner.
- 4.10. Attend design and consultant meetings.
- 4.11. Assist with the preparation of contract documentation for signature.
- 4.12. Prepare construction project health and safety documentation for submission to authorities.

Construction Project Health and Safety Deliverables

- Final construction project tender health and safety specifications
- Records of construction project health and safety procurement process
- Construction project health and safety tender evaluation and records
- Finalised schedule of construction project health and safety cost estimate/budget
- Construction project health and safety contract documentation
- Construction project health and safety mobilisation and access plans
- Design risk management records
- Record of construction project health and safety risk communication
- Construction project health and safety documentation for authorities
- Evaluation schedule of samples / mock-ups and products

3.5 STAGE 5 – CONSTRUCTION DOCUMENTATION AND MANAGEMENT*Definition*

The management and administration of the construction contracts and processes, including the preparation and coordination of the necessary documentation to facilitate effective execution of the works.

Standard Services

- 5.1. Assess, discuss, negotiate and approve the contractor(s) construction project health and safety plans.
- 5.2. Submit necessary construction health and safety documentation to authorities and facilitate permits that may be required to commence the construction work.
- 5.3. Attend site handover meetings and lead construction project health and safety mobilisation and access plans.
- 5.4. Ensure that health and safety communication structures and systems are established and maintained, including distribution of health and safety specific documents and site safety inductions to contractors.
- 5.5. Attend regular site, technical and progress meetings.
- 5.6. Monitor design risk management.
- 5.7. Prepare revised construction project health and safety risk profile, specifications and cost estimates/budgets where there is scope of work changes.
- 5.8. Monitor the implementation, review and update of the construction project health and safety plans in accordance with the construction project health and safety specification and further scope of work changes.
- 5.9. Audit compliance with the construction project health and safety plans and brief the project management team and contractor(s) following site audits.
- 5.10. Ensure the identification of the hazards and risks relevant to the construction project through regular coordinated site inspections.
- 5.11. Recommend stop work orders where necessary.
- 5.12. Ensure that project specific emergency response and preparedness plans are compiled and tested.
- 5.13. Conduct construction health and safety management system audits.
- 5.14. Use of trends analysis to identify system deficiencies and incident trends, outline relevant improvements.
- 5.15. Facilitate construction health and safety system and plans reviews and ensure changes are incorporated for continual improvement.
- 5.16. Development of technical reports in relation to health and safety issues and communicate through presentations to diverse groups of decision makers.
- 5.17. Perform incident and accident investigations where necessary.
- 5.18. Monitor the compilation of the construction project health and safety file(s) by the contractor(s).
- 5.19. Prepare and maintain the consolidated health and safety file.

5.20. Prepare the structure commissioning health and safety plans.

Construction Project Health and Safety Deliverables

- Approved contractor(s) construction project health and safety plans, including all construction health and safety appointments
- Permits to commence construction work
- Record of meetings, including all construction health and safety matters to be actioned
- Record of revised changes to the construction project health and safety risk profiles
- Record of revised changes to the construction project health and safety specifications
- Record of revised changes and commissioning of the construction project health and safety plans
- Record of revised construction project health and safety cost estimate/budget
- Records of design risk management
- Record of construction project health and safety audit reports
- Record of contractor(s) construction health and safety performance
- Record of construction project health and safety work stoppage reports
- Record of incident and accident investigations and corrective actions
- Record of interactions with the Compensation Commissioner or similar
- Record of construction health and safety system and plans reviews
- Record of construction project health and safety risk communication
- Interim health and safety file
- Structure commissioning health and safety plans

3.6 STAGE 6 – PROJECT CLOSE OUT

Definition

The process of managing and administering the project close-out, including preparation and coordination of the necessary documentation to facilitate the effective operation of the project.

Standard Services

- 6.1. Review, discuss and approve the health and safety file with the contractor(s) and manage the construction project health and safety during the defects liability period.
- 6.2. Cancel all construction project health and safety legal appointments.
- 6.3. Prepare the health and safety operations and maintenance report.
- 6.4. Prepare the consolidated construction project health and safety close-out report.

Construction Project Health and Safety Deliverables

- Record of audits during the defects liability period
- Record of construction health and safety risk communication
- Report on approved health and safety file
- Health and safety operations and maintenance report
- Consolidated construction project health and safety close-out report

General Notes

- As these stages might overlap, the Standard Services stated hereunder may be required to be undertaken during any one of the Project Work Stages
- The order of the Standard Services does not necessarily reflect the actual sequence of implementation

4. ADDITIONAL RELATED SERVICES

- Provide advice to the Client on health and safety competence and resources of proposed designers prior to arrangements being made for design work to begin.
- Prepare additional copies of the health and safety file.
- Prepare copies of abstracts of the health and safety file for delivery to tenants by the Client/Owner's (The contents of the abstracts to be determined in consultation with the Client/Owner's legal advisors).
- Seek the co-operation of and co-operate with anyone else involved in a construction project at an adjoining site so far as necessary to enable them to perform their duties under the Construction Regulations.
- Facilitate co-operation and co-ordination in relation to duty holders on adjoining construction sites as it may affect the project; ensuring that suitable arrangements are made and implemented for the co-ordination of health and safety measures during planning and preparation for the construction phase.
- Keep a record of the health and safety file.
- Convert the health and safety files on other projects to match Client/Owner's electronic format.
- Carry out necessary inspections at the appropriate stages to verify that the construction of the relevant structure is carried out in accordance with the design.
- To stop any contractor from executing any construction work that is not in accordance with the relevant design's health and safety aspects.
- Assist in the development of maintenance schedules for the Client/Owners completed structure.
- Inspect the structure on behalf of the Client/Owner once every six (6) months for the first two (2) years on completion of the structure and then yearly thereafter, to ensure the structure remains safe for continued use and records are kept of such in the structure's health and safety file

5. COMMISSION TERMINATION

- 5.1 Should a commission be terminated the fee for the services completed shall be calculated in accordance with the Tariff of Fees and the fee for services partially completed shall be determined *pro rata* to the complete service
- 5.2 Should a commission be terminated by the client / employer after the commencement of the commission then, in addition to the fee calculated in accordance with 5.1, a surcharge of 10 percent shall be payable on the difference between the full fee calculated in accordance with the Tariff of Fees for the services commissioned and the fee calculated in accordance with 5.1.
- 5.3 For purposes of 5.1 and 5.2, a commission shall be deemed to be terminated where the services are deferred or suspended for a period of more than 90 calendar days in the aggregate, unless otherwise agreed in writing by the parties.

RECOMMENDED GUIDELINES TARIFF OF FEES

6. APPLICATION OF TARIFF OF FEES

- 6.1 The guideline tariff of fees contained in this Schedule applies in respect of normal services
- 6.2 The client should remunerate the Construction Health and Safety Professional, for the normal services rendered, on the basis of clauses 6 to 8. In cases where the client and Construction Health and Safety Professional have agreed that clauses 6 to 8 are not applicable, payment should be on the basis of clause 9 or as agreed according to clause 6(4)
- 6.3 The client shall reimburse the Construction Health and Safety Professional for all expenses and costs incurred in terms of clause 10 in performing his services, irrespective of whether fees are charged in terms of clauses 6 to 8, as well as for all costs incurred on behalf, and with the approval, of the client.

- 6.4 Should the tariff of fees contained in this Schedule be found to be inappropriate to any project, works, services or part thereof, the client and Construction Health and Safety Professional may agree, in writing, a fee deemed more appropriate, prior to the commencement of the works. Contributing factors to be taken into account, although not limited to, may include all or any of the following:
- 6.4.1 *Complexity*: Where the works call for the application of new, unusual or untried techniques or designs or application of complex project delivery, systems or processes or excessive complexity of the whole or part of the works
 - 6.4.2 *Small projects*: Where projects are small in monetary value and the tariff of fees for normal projects does not compensate the Construction Health and Safety Professional reasonably for the normal services to be rendered
 - 6.4.3 *Cost of the works*: Where the cost of the works is abnormally low relative to the normal services required from the Construction Health and Safety Professional.
 - 6.4.4 *Time duration*: Where the works are executed over an appreciably shorter or longer than normal or realistic time periods during any of the stages defined in clause 3, or where the client orders suspension of the services between stages for periods in excess of 21 calendar days in the aggregate for any stage.
 - 6.4.5 *Level of responsibility, liability and risk*: Where unusually high demands in respect of these factors are expected to be carried by the Construction Health and Safety Professional.
- 6.5 Agreement on any adjustment of or special fees should be reached in writing at the time of the engagement of the Construction Health and Safety Professional and be concluded prior to the construction project manager rendering services which may be affected.
- 6.6 Where at the instance and with the consent of the client the works are undertaken on separate non-contiguous sites, continuity is interrupted or are unusually fragmented or are constructed as separately documented phases or sections, the fee for *normal services* is:
- 6.6.1 the sum of the fees calculated separately for each site, contract, phase or section as if they were separate works; or
 - 6.6.2 the fee agreed to, in writing, between the client and the Construction Health and Safety Professional, prior to the commencement of the works, and which fee lies between the fee calculated on the total cost of the works and the sum of the fees contemplated in clause 6(6)(1).
- 6.7 The following fees may be claimed after each stage of services or monthly or as agreed between the construction project manager and the client:
- 6.7.1 Percentage fees determined on the basis of the cost of the works prevailing at the time of the fee calculation and pro-rata to the completed normal services
 - 6.7.2 Time based fees as specifically agreed on in writing by the client, applicable when additional services were rendered
- 6.8 Disbursements as set out in clause 10 may be claimed monthly.

7. FEES AND RATES FOR STANDARD CONSTRUCTION HEALTH AND SAFETY SERVICES

7.1 CONSTRUCTION HEALTH AND SAFETY SERVICES PERTAINING TO BUILDING PROJECTS

The basic rates for normal services in the Profession of Construction Health and Safety, pertaining to building projects, is calculated at the salary bands contained in following table:

Category of Staff	Comparative Public Service Salary Band	Construction Health and Safety Registration Category		
Directors / Partners / Specialist Consultants	15 / 16 ¹	As appropriate.		
	14 / 15			
	13 / 14	PrCHS Agent		
Professional / Technical Staff (Senior Consultants and Consultants)	12 / 13	PrCHS Agent	CHS Manager	
	11 / 12 ²	PrCHS Agent	CHS. Manager	
	10 / 11		CHS Manager	CHS Officer
Administrative / Secretarial Staff	9 / 10			CHS Officer
	6 to 8			CHS Officer

¹ This salary band should only be used for exceptional reasons that require expertise at the highest level (such as an internationally recognised expert). This category cannot be used for **operational/implementation** consultancy services.

² This salary band is the basis of the tabled fee scale for the Professional Construction Health and Safety Agent.

7.2 PROFESSIONAL CONSTRUCTION HEALTH AND SAFETY AGENT

The basic fee for normal services in the field of Construction Health and Safety Agent, pertaining to building projects, is calculated at the percentage mentioned against the *cost of the works* contained in following table:

Cost Bracket	Cost of the Works: From	Cost of the Works: To	Primary Fee	Add %	For value over
1	R -	R 10,000,000	R 5,195	3.30%	R -
2	R 10,000,000	R 20,000,000	R 335,086	2.97%	R 10,000,000
3	R 20,000,000	R 40,000,000	R 632,248	2.67%	R 20,000,000
4	R 40,000,000	R 80,000,000	R 1,166,309	2.41%	R 40,000,000
5	R 80,000,000	R 160,000,000	R 2,128,450	2.11%	R 80,000,000
6	R 160,000,000	R 320,000,000	R 3,819,989	1.86%	R 160,000,000
7	R 320,000,000	R 640,000,000	R 6,795,767	1.60%	R 320,000,000
8	R 640,000,000	R 1,280,000,000	R 11,916,100	1.38%	R 640,000,000
9	R 1,280,000,000	R 2,560,000,000	R 20,727,063	1.18%	R 1,280,000,000
10	R 2,560,000,000	and above	R 35,888,570	1.02%	R 2,560,000,000

7.3 PROFESSIONAL CONSTRUCTION HEALTH AND SAFETY AGENT SERVICES PROVIDED PARTIALLY OR IN STAGES

The following table shall be used for proportioning the basic fee for standard services over the various stages of the services:

Project Stage	Description	% of Total Fee
1	Project initiation and briefing	5%
2	Concept and feasibility	20%
3	Design development	20%
4	Tender documentation and procurement	10%
5	Construction and contract administration	40%
6	Project close out	5%
	TOTAL	100%

8. FEES FOR ADDITIONAL RELATED SERVICES

The fees for additional / supplementary services contemplated in clause 4 are to be agreed to, in writing, between the client or employer and the Construction Health and Safety Professional, prior to the commencement of the works.

9. TIME BASED FEES

- 9.1 Time based fees are all-inclusive fees, including allowances for overhead charges incurred by the Construction Health and Safety Professional as part of normal business operations, including the cost of management, as well as payments to administrative, clerical and secretarial staff used to support professional and technical staff in general and not on a specific project only.
- 9.2 The time based fee rates and any applicable annual increase to rates are to be agreed to by the parties at the start of the commission, failing which applicable reasonable market related or gazetted rates shall be applied.
- 9.3 For the purposes of this clause, the total annual cost of employment of a person means the total amount borne by an employer in respect of the employment of such a person per year, calculated at the amounts applicable to such a person at the time of appointment of such staff to the project, including -
- 9.3.1 Basic salary, or a nominal market related salary, excluding profit share and asset growth
 - 9.3.2 benefits not reflected in the basic salary, including:
 - 9.3.2.1 normal annual bonus;
 - 9.3.2.2 contribution to medical aid;
 - 9.3.2.3 group life insurance premiums borne by the employer;
 - 9.3.2.4 contribution to a pension or provident fund; and
 - 9.3.2.5 all other benefits or allowances payable in terms of a letter of appointment, including any transportation allowance or company vehicle benefit, telephone and/ or computer allowances, etc; and

9.3.3 Amounts payable in terms of an Act, including:

- 9.3.3.1 contributions to the Compensation Fund in terms of the Compensation for Occupational Injuries and Diseases Act;
- 9.3.3.2 contributions to unemployment insurance in terms of the Unemployment Insurance Fund Act; and
- 9.3.3.3 recoverable levies to all spheres of government

9.4 The applicable Hourly Fee Rates shall be the *Hourly Fee Rates For Consultants* as published by the Department of Public of Public Works (DPW) and having consideration for the Hourly Fee Rates For Consultants published by the National Department of Public Service and Administration. The latest Fee Rates are available at www.dpw.gov.za. The SACPCMP hereby makes it known that the Rates set out therein are recommended guidelines.

10. EXPENSES AND COSTS

10.1 For disbursements and for reasonable travelling and subsistence expenses additional payment shall be claimed over and above the fee payable under any other provision of this Tariff of Fees

10.2 Recoverable expenses include:

10.2.1 Travelling expenses for the conveyance of the Construction Health and Safety Professional or a member of the Construction Health and Safety Professional's staff by means of:

10.2.1.1 private motor transport, including any parking charges, toll fees and related expenses;

10.2.1.2 a scheduled airline or a train, bus, taxi or hired car; or

10.2.1.3 non-scheduled or privately-owned air transport

10.2.2 Travelling time on the basis of the rate set out in clause 9, for all time spent in travelling by the Construction Health and Safety Professional or members of his or her staff shall be as follows:

10.2.2.1 when fees are paid on a time basis, all hours spent on travelling are reimbursable

10.2.2.2 when fees are paid on a percentage basis, reimbursement for travelling time shall be for all time spent in travelling minus the first hour per return journey

10.2.3 Reasonable accommodation and subsistence expenses incurred by the Construction Health and Safety Professional or a member of his or her staff;

10.2.4 Agreed costs of typing, production, copying and binding of contract documents, pre-qualification documents, feasibility reports, preliminary design reports, final reports and manuals, excluding general correspondence, minor reports, contractual reports, progress reports, etc.

10.2.5 Expenses on special reproductions, copying, printing, artwork, binding and photography, etc. requested by the client

10.2.6 Alternatively, a lump sum or percentage of the total fees payable to the Construction Health and Safety Professional may be determined and agreed between the Construction Health and Safety Professional and the client to cater for all or any of the above

11. FEE FOR ALTERATIONS AND ADDITIONS

A premium of 25% of the applicable fee shall be added to take cognizance of the additional work required for alterations and additions.

BOARD NOTICE 307 OF 2022**Guideline for Professional Fees in terms of Section 34 (2) of the Architectural Profession Act, 2000 Act 44 of 2000 ("the Act")**

The guideline for professional fees indicated in table 1, 2, 3 and 4 below must be read in the context of the Framework Guideline for Professional Fees. The guidelines for professionals' fees repeal the Board Notice 172 of 2021. Guidelines for professional fees describes the two methods of fee calculation; project cost based and time based. Both methods use the definitions of complexity of the project type derived from the SACAP Identification of Work (IDOW) as set out below;

- 1) **"Low complexity projects"** means simple buildings or groups of buildings in an uncomplicated grouping with low impact on the environment:

These are structures with low performance requirements. Structures of simple utilitarian character, design and detail. The structures are constructed utilizing standard low technology building methods. They require a minimum of mechanical and electrical services or equipment, and basic civil works infrastructure;

- 2) **"Medium complexity projects"** means buildings or groups of buildings in a relatively uncomplicated grouping with a medium impact on its environs:

These are structures with medium performance requirements. The structures are of average character and design or detail. The structures require non-complex structural and civil works and an average level of mechanical or electrical equipment as could normally be handled by design- supply specialist contractors;

- 3) **"High complexity projects"** means a building or buildings in a large or complicated grouping with a significant impact on its environs:

These are structures with high performance requirements and demanding a sophisticated level of design and detail content to respond to specialized requirements. Complex buildings will usually incorporate comparatively large or specialised mechanical, electrical and other specialist installations, or be of complex structural or civil design;

METHOD 1: Project Cost Based Fee

The project cost-based fee in Tables 1-3 is based on the full scope of standard services provided.

Table 1: Low Complexity

LOW COMPLEXITY					
Cost Bracket	Value of works		Primary Fee	Plus, secondary fee	
	From	To		Add %	On balance over
	A	B	C	D	E
1.	1,00	200 000,00	10 230,18	15,81%	1,00
2.	200 001,00	650 000,00	41 846,10	15,20%	200 001,00
3.	650 001,00	2 000 000,00	110 217,17	11,21%	650 001,00
4.	2 000 001,00	4 000 000,00	261 510,57	9,77%	2 000 001,00
5.	4 000 001,00	6 500 000,00	456 909,51	9,52%	4 000 001,00
6.	6 500 001,00	13 000 000,00	694 755,35	8,26%	6 500 001,00
7.	13 000 001,00	40 000 000,00	1 231 500,08	7,99%	13 000 001,00
8.	40 000 001,00	130 000 000,00	3 387 334,84	7,98%	40 000 001,00
9.	130 000 001,00	260 000 000,00	10 568 956,99	7,47%	130 000 001,00
10.	260 000 001,00	520 000 000,00	20 272 787,12	7,29%	260 000 001,00
11.	520 000 001,00	1 040 000 000,00	39 237 652,49	7,11%	520 000 001,00
12.	1 040 000 001,00	-	76 203 068,03	6,57%	1 040 000 001,00

Table 2: Medium Complexity

MEDIUM COMPLEXITY					
Cost Bracket	Value of works		Primary Fee	Plus, secondary fee	
	From	To		Add %	On balance over
	A	B	C	D	E
1.	1,00	200 000,00	12 240,00	18,91%	1,00
2.	200 001,00	650 000,00	50 067,17	18,18%	200 001,00
3.	650 001,00	2 000 000,00	131 870,39	13,41%	650 001,00
4.	2 000 001,00	4 000 000,00	312 886,84	11,69%	2 000 001,00
5.	4 000 001,00	6 500 000,00	546 673,78	11,38%	4 000 001,00
6.	6 500 001,00	13 000 000,00	831 246,74	9,88%	6 500 001,00
7.	13 000 001,00	40 000 000,00	1 473 440,14	9,56%	13 000 001,00
8.	40 000 001,00	130 000 000,00	4 052 809,42	9,55%	40 000 001,00
9.	130 000 001,00	260 000 000,00	12 645 330,47	8,94%	130 000 001,00
10.	260 000 001,00	520 000 000,00	24 255 571,57	8,73%	260 000 001,00
11.	520 000 001,00	1 040 000 000,00	46 946 267,55	8,51%	520 000 001,00
12.	1 040 000 001,00	-	91 173 895,32	7,86%	1 040 000 001,00

Table 3: High Complexity

HIGH COMPLEXITY					
Cost Bracket	Value of works		Primary Fee	Plus, secondary fee	
	From	To		Add %	On balance over
	A	B	C	D	E
1.	1,00	200 000,00	14 249,82	22,02%	1,00
2.	200 001,00	650 000,00	58 288,24	21,17%	200 001,00
3.	650 001,00	2 000 000,00	153 523,63	15,61%	650 001,00
4.	2 000 001,00	4 000 000,00	364 263,10	13,61%	2 000 001,00
5.	4 000 001,00	6 500 000,00	636 438,07	13,25%	4 000 001,00
6.	6 500 001,00	13 000 000,00	967 738,13	11,51%	6 500 001,00
7.	13 000 001,00	40 000 000,00	1 715 380,21	11,12%	13 000 001,00
8.	40 000 001,00	130 000 000,00	4 718 284,00	11,12%	40 000 001,00
9.	130 000 001,00	260 000 000,00	14 721 703,95	10,39%	130 000 001,00
10.	260 000 001,00	520 000 000,00	28 238 356,02	10,16%	260 000 001,00
11.	520 000 001,00	1 040 000 000,00	54 654 882,62	9,90%	520 000 001,00
12.	1 040 000 001,00		106 144 722,59	9,16%	1 040 000 001,00

Method of Fee Calculation

- Primary Fee (C) for applicable Cost Bracket of Value of Works.
- Secondary Fee (D) for applicable Cost Bracket of Value of Works.
- Calculated as (Applicable Value of Works minus Column E) x % in terms of Column D.

Example: Fee Calculations – From tables above.

Complexity	Low Complexity	Medium Complexity	High Complexity
Value of Works	R3 000 000	R3 000 000	R3 000 000
Primary Fee	R261 510,57	R312 886,84	R364 263,10
Secondary Fee	(R 3 000 000 - R 2 000 001) x 9,77% R 999 999 x 9,77% R97 699,90	(R 3 000 000 - R 2 000 001) x 11,69% R 999 999 x 11,34% R116 899,88	(R 3 000 000 - R 2 000 001) x 13,61% R 999 999 x 13,48% R136 099,86
Professional Fee	Primary Fee + Secondary Fee R261510,57 + R97699,9 R359 210,47	Primary Fee + Secondary Fee R312886,84 + R116899,88 R421 353,00	Primary Fee + Secondary Fee R364263,1 + R136099,86 R490 539,66

METHOD 2: Time Based Fee

Description – Estimate the number of hours needed to carry out the agreed scope of work using the table below and the preferred method.

Table 4: Hourly Rates Table

Principal / Staff Category	Experience/ Work Context	Rate Per Hour (excluding VAT)	Rate Per Hour (excluding VAT)	Rate Per Hour (excluding VAT)
		Method 1 - Gross Annual Remuneration	Method 2 - Guideline Rate Calculated by SACAP	Method 3 - DPSA Hourly Fee Rates for Consultants

1. Principal; Partners & Equity Holders	Specialist	22.5% per R100,00 or part thereof of total annual cost of employment	R2 695	Commensurate with Level 14, 15 and 16 salary bands
	>10 years' experience	20% per R 100,00 or part thereof of total annual cost of employment	R2 166	Commensurate with Level 14 and 15 salary bands
	<10 years' experience	18,5% per R100,00 or part thereof of total annual cost of employment	R 1 620	Commensurate with Level 12, 13, 14 salary bands.
2a. Salaried Staff	Associates and managers	17,5% per R100,00 or part thereof of total annual cost of employment	R 1 155	Commensurate with Level 11, 12, 13 salary bands
2b. Salaried Staff	Registered architectural professionals performing work of an architectural nature and carrying direct responsibilities for activities related to a project	16,5% per R100,00 or part thereof of total annual cost of employment	R 781	Commensurate with Level 9, 10, 11, 12 salary bands
2c. Salaried Staff	Registered architectural professionals performing work of an architectural nature under direction and control	15% per R 100,00 or part thereof of total annual cost of employment	R 465	Commensurate with Level 7, 8, 9, 10 salary bands
2d. Salaried Staff	Staff performing work under direction and control to support architectural work outputs	12,5% per R100,00 or part thereof of total annual cost of employment	R 332	Commensurate with Level 6, 7, 8 salary bands

Guidelines for Professional Fees reimbursement of expenses

Disbursement Expense Item	Guiding Principle for disbursements expenses
Specialised Professional and other services	
Payments made on behalf of client for fees and other charges for specialized professional and other services.	At cost plus, a minimum of 10% for attendance where a project cost-based fee applies and/or where there is no time-based reimbursement for attendance.
Travel	
Travel time	For a time-based fee, rates issued by the Department of Public Works, or similar. For a project cost-based fee, 100% of hourly rate for travel greater than 30 minutes and 50km per trip (being 1 hours and 100km per return trip) or as negotiated between the client and the architectural professional.
Travel mileage	Rates for reimbursable expenses issued by the National Department of Public Works and Infrastructure, or the disbursement tariffs issued by the National Department of Transport, or employee guidelines issued by the South African Revenue Services, or the vehicle rates calculator of the Automobile Association (AA), or similar.
Parking	At cost
Toll fees	
Car hire	
Airfare	
Train	
Bus	
Taxi	
Substance	
Accommodation	At cost, as per the standard prescribed by the client, at least a 3 stars hotel/lodge
Subsistence allowance	Rates for Reimbursable Expenses issued by the National Department of Public Works and Infrastructure, or the disbursement tariffs issued by the
Special daily allowance	

	National Department of Transport, or employee guidelines issued by the South African Revenue Services, or similar.
Postage	
Postage	At cost
Special postage	At cost plus a minimum of 10% attendance where project cost-based fee applies and/or where there is no time-based reimbursement for attendance.
Courier	
Documentation	
Typing of original/master per A4	Rates for Reimbursable Expenses issued by the National Department of Public Works and Infrastructure, or the disbursement tariffs issued by the National Department of Transport, or similar.
Duplicating on white paper (A3 & A4 sizes)	
Duplicating on colored paper (A3 & A4 sizes)	
Duplicating in colour (A3 & A4 sizes)	
Document binding	
Duplicating of drawings (A3 to A0 sizes)	
Plotting on 80g plain paper (A3 to A0 sizes)	
Plotting on 80g plain paper in colour (A3 to A0 sizes)	
Plotting on quality paper (A3 to A0)	
Plotting on quality paper in colour (A3 to A0)	
Purchase of document required for the project	
Removal, portable data storage medium with project-related information	
Special Quotes	
Maps	At cost, plus a minimum of 10% for attendance where a project cost base fee applies and/or where there is no time-based reimbursement for attendance.
Models	
Presentation materials	
Photography	
Artwork	
Other	
Any other disbursement requested by and/or agreed to by the client.	At cost, plus a minimum of 10% for attendance where a project cost base fee applies and/or where there is no time-based reimbursement for attendance.

Framework for guidelines for professional fees in respect of architectural services rendered by the registered architectural professionals published in terms section 34 (2) of the Act.

1. Introduction

- a) In terms of section 34 (2) of the Act, the South African Council for the Architectural Profession, hereafter referred to as SACAP, must annually, after consultation with the Voluntary Associations, determine guideline for professional fees and publish those fees in the Gazette.
- b) The Guidelines for professional fees shall be in line with the principles referred to in section 4(k)(v) of the Council for the Built Environment Act 43 of 2000 which stipulate that "the principles upon which Council must base guideline for professional fees should be in accordance with any legislation relating to the promotion of competition".
- c) The guideline for professional fees is published annually in the Government Gazette as a guideline only and does not amount to direct or indirect price fixing. The guideline professional fees are deemed as a guide to provide a fair and reasonable remuneration to the architectural professional in order to provide for an appropriate level and quality of service in terms of the Standard of Service.

2. Purpose

- a) The Council of the Built Environment (CBE) Policy Framework on determination and review of guideline for professional fees for built environment professions stipulates that the guideline for professional fees is determined and published as a guide only and not as prescribed fees which registered professionals are entitled to charge.
- b) Guideline for professional fees is, for the purpose of guidance required to promote market efficiency and redress consumers and the public information deficit, relative to the professional's knowledge and expertise. The guideline for professional fees is not prescribed or set as maximum or minimum mandatory fees to be charged for professional services rendered, but serve as guideline.

3. Principles

- a) The guideline for professional fees is based on cost of works as per fee survey undertaken by SACAP and Voluntary Associations in May 2021. As per the CBE Policy Framework on determination and review of guideline for professional fees for built environment professions, the guideline for professional fees takes into consideration reasonable rate of return on investment, intellectual capital, effort and, most importantly, risk.
- b) The guideline for professional fees tables have been split into 3 complexities to align with the Identification of Work.
- c) The guideline for professional fee tables represents the fees for a full service by a hypothetical average sized architectural practice, practising in a responsible and sustainable manner. This means that the tables are not meant to fit any one specific project perfectly and, in almost all cases, should be adjusted up or down in relation to specific project conditions.
- d) Unless otherwise agreed, in writing, by the architectural professional, the information produced in relation to a single project is authorised for use only on that project and may not be used for another project, in whole or in part.
- e) The guideline for professional fees is expressly not suitable for use in a basket of professional fees calculation, where all professional fees are reduced to fit a required overall fee basket. Reduction of fees in this manner, without due regard to a concurrent agreed reduction of service, is strongly discouraged because the quality of service will be impacted negatively to the detriment of a client.

4. General provisions

The guideline for professional fees published under Gazette No. 45554 board notice 172 of 2021 is hereby repealed. The provisions of the board notice shall only apply in respect of existing projects. The new board notice shall apply to all new projects.

5. Definitions and interpretations

In this document, unless the context otherwise indicates, an expression or word hereunder shall mean:

SACAP means the South African Council for the Architectural Profession;

Act means the Architectural Profession Act 44 of 2000;

Agreement means a written agreement between a client and the registered professional;

Alteration in terms of Clause 23 means a change in a building or facility that affects or could affect the usability of a building or facility or portion thereof;

Addition in terms of Clause 24 means projects that increase, expand, or extend a facility's gross floor area or height of a facility are considered additions.

Registered Person means a person registered in one of the categories of professionals and candidates referred to in section 18 of the Act;

Architectural professional means a person registered in one of the categories of professionals referred to in section 19(2)(a) and (b);

Architectural Practice means a juristic person appointed to provide the architectural service for the project;

Board notice means the notice containing the guidelines for professional fees which, in terms of section 34(2) of the act, is published annually by SACAP in the Government Gazette;

Budget means the anticipated cost of the project and/or works, provided that estimates on which the budget is based shall be deemed to be valid for a period not exceeding 3 months;

Building contract means the Joint Building Contracts Committee (JBCC) Principal Building Agreement or any other building contract entered into between the client and the contractor;

Client means the party appointing the architectural professional or practice to perform the services or any part thereof referred to in this document

Consultant means a professional person/s or entity/entities appointed by the client to provide services in respect to the project;

Construction documentation means graphic representations, plans, sections, elevations, site plans, specifications, construction details, service co-ordination information, schedules and such other details and descriptions as are within the reasonable competence of an architectural professional which are sufficient to indicate the scope of the works;

Contract means an agreement entered into by the client with a contractor for the execution of the works or part thereof; it may also be referred to as the building contract;

Contractor means the entity or entities contracting with the client for the execution of the works or part thereof;

Inspection means such periodic visits to, or in connection with the works, by the architectural professional as are necessary to establish conformity of the work to the contract documentation and quality in terms of the acceptable industry standards, and to provide on-site clarification and further information during the progress of the work. **Inspect** shall carry the same meaning;

Practical completion means the stage of completion where the works or a section thereof are certified by the principal agent as substantially complete, free of patent defects other than minor defects and can effectively be used for the purpose intended;

Principal Agent means the person appointed and authorised to fulfil the obligations of the principal agent in the agreed form of construction contract;

Principal consultant means the person appointed and authorised by the client to lead the consultants in all matters including design and technical co-ordination;

Project means the development for which the architectural professional and consultants are appointed and may not be limited to the works;

Specialist means an architectural professional highly skilled in a specific and restricted field;

Principal means the proprietor, partner, director or member who bears the risks of practice and takes full responsibility for the potential liabilities of practice;

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

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6. Interpretation

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

The words "advise", "appoint", "approve", "authorise", "certify", "consent", "decide", "delegate", "designate", "instruct", "issue", "notify", "object", "reply", "request", and "specify" shall indicate an act required to be carried out in writing;

All monetary amounts exclude VAT which shall be added to any amounts which become due and payable, provided the service provider is registered for VAT.

Notice in terms of service agreements shall be deemed to have been duly received when delivered by hand on the day of the delivery; sent by registered post 7 (seven) days after posting; and sent by e-mail on delivery/read receipt confirmation or 3 (three) days after transmission.

7. The Architectural professional service

7.1 A client appoints an architectural professional to provide a service for a project as contemplated by the Architectural Profession Act, the National Building Regulations and Building Standards Act 103 of 1977 as amended and the South African National Standards SANS 10 400 and other applicable statutory legislation.

7.2 The architectural professional accepts the appointment to exercise reasonable professional skill, care and diligence in the performance of obligations, for a fee as defined in a written agreement.

7.3 Registered persons may be appointed for a standard service as architectural professionals, principal consultants and principal agents. Furthermore, services additional to the standard service may be included, and these non-exhaustive additional services may be included as the parties may deem appropriate.

8. Fees description

The calculation of fees based on a percentage of project cost is the standard basis for determining professional fees and represents the accepted basis by the Built Environment Professions for remuneration of professional services. Such fees are referred to as project

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cost-based fees. An alternative to project cost-based fee can be negotiated; for example, time-based fees or cost per building area fees.

9. Project cost-based fee

9.1 A project cost-based fee is appropriate when there is a well-defined scope of service for the architectural professional. Such fee is based on a budget for the works for fee calculation purposes, and shall be adjusted on the final cost of the works.

9.2 The project cost-based fee results in a sliding scale, which arises from the series of percentages related to the value of the works and its complexity – low, medium or high – as defined in guideline profession fees board notice. The primary fee is stated as an appropriate value to smooth the sliding scale.

9.3 The adjustment provided for in the guidelines for professional fee is based on the reduced aggregate of the value of the works and/or project from which the budget for the works for fee purposes is derived. This arises from the provision that fees for architectural services are calculated on the total value of the works and represent an average over all elements of the works and/or project.

9.4 Where a fee is calculated as a project cost-based fee, the fee consists of a primary fee (Column C) plus a secondary fee. The secondary fee is calculated as a percentage (Column D) of the value of the works per cost bracket indicated in Column E. *Refer to guideline for professional fees.*

9.5 The formula and examples thereof are in the guidelines for professional fee.

9.6 Where an architectural professional has undertaken work, to change the agreed design and the fee is not covered by an increase in fees relative to the construction cost, a time-based fee may be agreed for this change.

10. Time-based fee

10.1 Where the scope of service is not clearly defined, or the service relates to small scale projects, or the service is of an unusual or specialised nature, a time-based fee is recommended to be used as the basis of remuneration. Where fees for architectural professional services are time based, such fees may be based on an hourly rate as set out in the guidelines for professional fee board notice.

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10.2 Where an architectural professional has undertaken work to change the agreed design and the fee is not covered by the agreed time-based fee, additional fees may be agreed upon.

10.3 Where the Architectural Professional is required to redo or alter work already completed in order to give effect to a cost saving, there shall be an additional fee for this work calculated on a time charge basis. This additional fee shall be agreed prior to the carrying out of the work.

11. The Standard Service is generally divided into 6 work stages.

The essential functions of each work stage relevant to the service are identified hereafter as follows:

Stage 1: Inception

- a) Receive, appraise and report on the client's requirements with regard to the client's brief;
- b) Determine the site and rights and constraints;
- c) Determine budgetary constraints;
- d) Determine the need for consultants;
- e) Determine indicative project timelines;
- f) Determine methods of contracting; and
- g) whether other statutory authority applications are required or desirable.

Stage 2: Concept and viability (concept design)

- a) Prepare an initial design concept and advise on:
 - i the intended space provisions and planning relationships;
 - ii proposed materials and intended building services; and
 - iii the technical and functional characteristics of the design.
- b) Check for conformity of the concept with the rights to the use of the land.
- c) Consult with local and statutory authorities.
- d) Review the anticipated costs of the project.
- e) Review the project programme.

Stage 3: Design Development

- a) Develop all aspects of the design from concept to full development including, but not limited to, construction systems, materials, fittings, and finishes selections;
- b) Review the programme and budget with the client, principal consultant or other consultants;
- c) Coordinate other consultants designs into building design;