

BOARD NOTICE 4 OF 2009**SOUTH AFRICAN COUNCIL FOR THE ARCHITECTURAL PROFESSION****ARCHITECTURAL PROFESSION ACT
NO. 44 OF 2000****Draft Professional Fees Guideline for Comment and Discussion**

SACAP is gazetting this guideline for public comment in respect of services rendered by person(s) registered in terms of the Architectural Profession Act, (No. 44 of 2000). Closing deadline for submissions to SACAP through website www.sacapsa.com or email address paregistrar@sacapsa.com by 20 February 2009.

Introduction**THE ARCHITECTURAL PROFESSIONAL'S SERVICE****Context**

A client appoints an architectural professional to provide a service for a project as contemplated by the Architectural Professions Act, Act No 44 of 2000 and the National Building Regulations and Building Standards Act No103 of 1977

The architectural professional accepts the appointment to exercise reasonable professional skill, care and diligence in the performance of obligations, for an appropriate fee, and defined in formal agreement

The architectural professional is authorised to act for the client, and fulfils an architectural professional's service using current standard contracts used in the building industry, such as the JBCC suite of contract documentation. For the construction stage of a project, the relationship between the client, contractor and architectural professional as agent, or principal agent is defined in the building agreement

The professional enters into a contract of agency in a suitable agreement, typical agreements provide for a standard service and for partial services. A standard service comprises appointment as Architectural Professional, Principal Consultant and Principal Agent

The parties to an agreement select the architect's service applicable to the project. Additional services are selected as the parties may deem appropriate

Fees description**Project 'cost based fees'**

Where fees are calculated as a 'project cost based fee', the fees consist of a 'base fee' and a percentage of project cost, these derive from 'bracketed project values'

Time charges

Where fees for architectural services are time charge fees, these are based on an hourly rate according to the rates published and shall be adjusted annually

Standard Service:

In a standard service the Architectural **Professional** is appointed to fulfil the obligations provided for as architectural professional, principal consultant and principal agent, described as a 'Full Service'.

The essential functions of each work stage relevant to the service are identified herein as: –

Stage 1: Inception

Receive, appraise and report on the **client's** requirements with regard to:
the **client's** brief
the site and rights and constraints
budgetary constraints
the need for **consultants**
project programme
methods of contracting

Stage 2: Concept and viability

Prepare an initial design and advise on:
the intended space provisions and planning relationships
proposed materials and intended building services
the technical and functional characteristics of the design
Check for conformity of the concept with the rights to the use of the land
Review the anticipated costs of the **project**
Review the **project** programme

Stage 3: Design development

Confirm the scope and complexity
Review the design and consult with local and statutory authorities
Develop the design, construction system, materials and components
Incorporate and co-ordinate all services and the work of **consultants**
Review the design, costing and programme with the **consultants**

Stage 4: Documentation and procurement

- 4.1 Prepare documentation sufficient for local authority submission:
co-ordinate technical documentation with the **consultants** and complete primary co-ordination
prepare specifications for the works
review the costing and programme with the consultants
obtain the client's authority and submit documents for approval
- 4.2 Complete **construction documentation** and proceed to call for tenders:
obtain the client's authority to prepare documents to procure offers for the execution of the works
obtain offers for the execution of the works
evaluate offers and recommend on the award of the building contract
prepare the contract documentation (and arrange the signing of the building contract)

Stage 5: Construction

Administer the Building Contract
Hand over the site to the **contractor**
Issue **construction documentation**
Initiate and/or check sub-contract design and documentation as appropriate
Inspect the **works** for conformity to the **contract** documentation
Administer and perform the duties and obligations assigned to the **principal agent** in the JBCC building agreements, or fulfil the obligations provided for in other forms of **contract**
Issue the certificate of **practical completion**
Assist the **client** to obtain the occupation certificate

Stage 6: Close out

Facilitate the **project** close-out including the preparation of the necessary documentation to effect completion, handover and operation of the **project**
After the **contractor's** obligations with respect to the building **contract** are fulfilled, the **architect** shall issue the certificates related to **contract** completion
Provide the **client** with as-built drawings and relevant technical and contractual undertakings by the **contractor** and sub-contractors

Partial Services

Partial services may be agreed, the options most regularly utilized are: -

1. appointed as architectural professional and principal consultant (not as principal agent)
2. appointed as design architectural professional (design only)
3. appointed as architectural professional of record (design by others, can be principal agent)
4. appointed as principal agent only
5. appointed as architectural professional to work stage 4.1 (documentation to achieve approval only)
6. appointed to perform additional services (formerly described as 'supplementary services')

Fees for Professional Services

Basis of fees agreement

The **client** agrees to pay the architectural professional the fees for the defined services as recorded in the agreement. Where a 'project cost based fee' is applied, the final fee is calculated on the final cost of the **works**

Project cost based fees for standard and partial services

The fees consist of a 'base fee' and a percentage of project cost, these derive from 'bracketed project values' and are determined annually and published in a **SACAP** board notice in the government gazette

For a partial service, assuming the fee is a 'project cost based fee' the percentage relevant to each work stage to be performed is agreed between client and professional

Fees Table

Apportionment of fees between work stages

The fee applicable to each work stage is apportioned according to the table below and may be adjusted by agreement:

Work stages 1 to 6	Proportion of fee	Cumulative total
1	5%	5%
2	15%	20%
3	20%	40%
4.1	20%	60%
4.2	10%	70%
5	27%	97%
6	3%	100%

Fees for additional services

Unless otherwise agreed, the fee for additional services is a time charge based on hourly rates as recommended in the current **SACAP** board notice: Whenever these rates are revised the new rates shall apply to work performed after the date of publication of such revision

Time charge fees

Where fees for the architectural professional's services are time charge fees, the hourly rate shall be according to the published rates and shall be adjusted annually

Fees for additions and / or alterations

The fee for work that includes **alterations** is based on the total **project** cost as a 'project cost based fee' and increased for that portion of the work comprising alterations by 30 per cent

Fees for a project that includes repeated buildings

For a **project** consisting of a number of repeated buildings erected under a single **building contract** for a single **client**, the fee may be reduced by agreement, subject to the repeated buildings being:

built on one site or a series of adjoining or closely related sites
 either wholly apart from each other or linked with screen walls, common walls or other similar means
 repeats of one or more prototype designs for units, blocks or elements and built from the repeated use of one or more sets of drawings and related documents with nominal or no modification for each re-use

The fee is calculated according to the formula:

$$Fa = (Ft - Ft \times Vr / Vt / 2)$$

Where: **Fa** = Fee after adjustment for repeats
Ft = Fee in terms of Fee Table for Total Project
Vr = Value of repeated units excluding first unit
Vt = Value of Total Project

Refer to example in the annexure hereto:

Fees for buildings repeated under separate building contracts

Unless otherwise agreed, where repeated buildings are erected under separate **building contracts** and the drawings and related documents for a **project** are re-used for subsequent **projects** with nominal or no modification, the fee shall be adjusted as below: -

The fee for modifying drawings and related documents and preparing site and service plans for each subsequent **project** shall be a time charge for the modifications, to which should be added a premium of 15% of the fee based on the final cost of each **project**

The fee where there is no requirement to render any services in respect of the re-use of drawings and related documents for a subsequent **project**, it is recommended that a royalty of 7, 5% of the fee based on an agreed estimate of the cost of the subsequent **project** is payable.

Fees for inspecting and administering building contracts

The fee for inspecting and administering **building contracts** shall be 30% of the fee based on the final cost of each **project**

Fees for Deployment of Employees

Where an employee of the Architectural Professional is deployed on site for extended inspection or other agreed purpose, the amount of the reimbursement shall be the total cost of employment plus 30%, or as agreed on proven cost

Extended construction period

In the event that the construction period is exceeded by more than 10% the architectural professional is to be remunerated for all additional work resulting from the extension of time at the hourly rates according to the current **SACAP** board notice together with related re-imbursable expenses

Adjustment of fees and disbursements

The **client** and the architectural professional acknowledge and agree that the fees and disbursements are based on the following parameters:

Scope of services
 Scope of the **project/works**
Project programme
 Cost of the **works**
 Cost of the **project**