

BOARD NOTICE 121 OF 2015**SOUTH AFRICAN COUNCIL FOR THE ARCHITECTURAL PROFESSION**

Framework for the Professional Fees Guideline
in respect of services provided by person(s) registered
in terms of the Architectural Profession Act, 2000 (Act No. 44 of 2000).

This framework provides the context for the application of the Professional Fees Guideline which is published annually by the South African Council for the Architectural Profession in terms of section 34 of the above-mentioned Act.

This Board Notice replaces the Framework for the Professional Fees Guideline published in Board Notice 195 of 2011 and supersedes Board Notice 161 of 2001 and Board Notice 173 of 2010 and is applicable from date of publication of this Notice.

1. Introduction**PROFESSIONAL FEES GUIDELINE**

In terms of section 34 (2) of the Architectural Profession Act, 2000 (Act No. 44 of 2000), hereinafter referred to as the **Act**, the South African Council for the Architectural Profession, hereinafter referred to as **SACAP**, must annually determine guideline professional fees and publish these in the Government Gazette.

This Framework for the Professional Fees Guideline describes the professional services and the context within which the services are performed.

THE ARCHITECTURAL PROFESSIONAL'S SERVICE**Context**

A **client** appoints an **architectural professional** to provide a service for a **project** as contemplated by the Architectural Profession Act, 2000 (No 44 of 2000), the National Building Regulations and Building Standards Act, 1977 (No 103 of 1977) as amended and the National Building Regulations published in terms of this **Act**. 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**.

The **architectural professional** is authorised to act for the **client** when providing an architectural service. For the construction stage of a **project**, current standard **contracts** used in the building industry, such as the **JBCC** suite of contract documents are used. For this stage the relationship between the **client**, **contractor** and **architectural professional** as agent, or **principal agent** is defined in the **building contract**. The **architectural professional** enters into a contract of agency in a formal **agreement**. Typical **agreements** provide for a standard service in terms of 1.1 below and for partial services provided herein in terms of 1.2 below.

A standard service comprises appointment as **architectural professional**, **principal consultant** and **principal agent**. The parties to the **agreement** select the **architectural professional's** service applicable to the **project**. Services additional to the standard service may be selected. These additional services are selected as the parties may deem appropriate, and are provided for herein under 1.2.1 below.

The Professional Fees Guideline as published annually in a **board notice** by **SACAP** in the Government Gazette is deemed to provide a fair and reasonable remuneration to the **architectural professional** in order to provide an appropriate quality of service.

Fees description

The calculation of fees based on a percentage of **project** cost is the normal 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 cost-based fees**.

An alternative to a **project cost-based fee** is a time-based fee.

Project cost-based fee

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

The **project cost-based fee** results in a sliding scale which arises from the series of percentages related to the value of the **works**. The primary fee is stated as an appropriate value to smooth the sliding scale.

The adjustment provided for in the professional fee guideline 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**.

The project cost based fee referred to in the Guideline Fee Board Notice 122 of 2015, table 1 is based on the full scope of standard services being provided.

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 on the balance over per cost bracket indicated in Column E. See example below and refer to the Guideline Fees in Board Notice xx of 2015, Table 1

Formula:

Professional fee = primary fee (C) for applicable cost bracket of value of works + secondary fee for applicable cost bracket of value of works calculated as (applicable value of works minus Column E) x % in terms of Column D.

Example:

For Value of Works of		R 3 000 000
Primary Fee	is	R 268 750
Secondary Fee	is	(R 3 000 000 – R 2 000 001) x 10.50% R 999 999 x 10.50% R 104 999.90
Professional Fee	=	Primary Fee + Secondary Fee R 268 750 + R 104 999.90 R 373 749.90

Time-based fee

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 used as the basis of remuneration. Where fees for **architectural professional** services are time based, such fees are based on an hourly rate. Refer to the Guideline Fee in Board Notice 122 of 2015, Table 2.

1.1 Standard service

An **architectural professional** registered with **SACAP** is registered in a specific **category of registration**.

Where **architectural professionals**, with registration with **SACAP** as **architect**, are employed in a standard service the **architect** is appointed to fulfil the obligations provided for as **architectural professional, principal consultant and principal agent**, also described as a 'full service'. Partial and/or additional services may be agreed on (see 1.2 below).

Where **architectural professionals**, with registration with **SACAP** as other than **architect**, are employed the service to be provided and functions to be fulfilled are informed by the Identification of Work for Architectural Professionals, as separately determined by **SACAP**. Such an appointment may be for a standard service. Partial and/or additional services may be agreed on (see 1.2 below).

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

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; and
 - methods of contracting.

Stage 2: Concept and viability (concept design)

- Prepare an initial design and advise on –
 - the intended space provisions and planning relationships;
 - proposed materials and intended building services; and
 - 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 required 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 for procuring offers for the execution of the **works**.
- Obtain offers for the execution of the **works**.
- Evaluate offers, and recommend on awarding the **building contract**.
- Prepare the **contract** documentation, and arrange the signing of the **building contract**.

Stage 5: Construction

- Administer the **building contract**.
- Give possession of the site to the **contractor**.
- Issue **construction documentation**.
- Initiate and/or check sub-contract design and documentation that are appropriate.
- **Inspect the works** for conformity to the **contract** documentation and acceptable quality in terms of industry standards.
- Administer and perform the duties and obligations assigned to the **principal agent** in the **JBCC building contract**, or fulfil the obligations provided for in other forms of the **contract**.
- Issue the certificate of **practical completion**.
- Assist the **client** in obtaining 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**.
- When the **contractor's** obligations with respect to the **building contract** have been fulfilled, the **architectural professional** 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.

1.2 Partial services and additional services

The Architectural Profession Act provides for the appointment of various **architectural professionals** for fulfilling each or any stage of a standard service or parts thereof.

Partial and additional services may be agreed on, and the options most regularly utilised are the following:

- a) Appointment as **architectural professional** and **principal consultant** (not as **principal agent**)
- b) Appointment as design **architectural professional** (design only)
- c) Appointment as **architectural professional** of record (design by others, can be **principal agent**)
- d) Appointment as **principal agent** only
- e) Appointment to perform additional services

1.2.1 ADDITIONAL SERVICES

The following services are additional to the standard service and qualify for additional fees. These services may be added individually or in varying combinations, and shall be provided by prior agreement between the **client** and the **architectural professional**:

1.2.1.1 Special design services

The preparation of special designs within, or in relation to, the facilities which are contemplated in a standard service, which may include:

- a) Rational design by other **consultants** – participation in the preparation of rational designs
- b) Town-planning and/or urban design including participation in the application for the establishment and/or amendment of regional and local town-planning and urban design schemes and the amendment of title conditions, negotiations with interest groups and authorities
- c) Master planning – defining and planning the layout of future development of buildings and/or services on the same site
- d) Landscape design – participation in landscape planning and construction
- e) Interior design – the design of interiors and the selection of furnishings, fixtures and special finishes
- f) Liaison with special designers and specialist consultants
- g) Purpose-made items – the design and documentation of purpose-made items
- h) Promotional material and art work – participation in the preparation of promotional material
- i) Plant operation and production layouts – participation in the definition of plant operation layouts

1.2.1.2 Special management services

- a) Elaboration of **architectural professionals'** services including inter alia: the preparation of broad **project** parameters, **project** scope statements, **project** milestones, budget and cash-flow forecasts, tender enquiry documentation, **contractor** and supplier selection, adjudication and tender awards, progress status monitoring, variations management, quality management over and above the industry norm, communication management, payment processing and final account close-outs
- b) Cost and valuation services – participation in the administration of costs and payments where a quantity surveyor has not been appointed
- c) Special inspections – more intensive inspections and assessment of the **works** than the norm for assessing compliance with specifications

1.2.1.3 Special studies

- a) Preparation of the **client's** brief – assist the **client** in the preparation of his requirements with regard to the purpose, scope, use and operation of the **project**
- b) Site selection – research the suitability and location of a site for a proposed **project**
- c) Feasibility studies – participation in technical and/or economic feasibility studies
- d) Environmental studies – participation in environmental studies
- e) Energy analysis, studies and planning
- f) Energy studies – participation in energy studies
- g) Market surveys – participation in market surveys
- h) Traffic studies – participation in traffic-flow studies

1.2.1.4 Work on existing premises

- a) Surveys and inspections – inspect, survey, measure and prepare documentation of existing premises, with other consultants as needed
- b) Restorations and renovations – services in connection with work on existing buildings
- c) Heritage buildings – services in connection with work on heritage buildings
- d) Services in connection with demolition permits of existing buildings

1.2.1.5 Other services

- a) Participation in litigation and dispute resolution (where a concurrent service is provided)
- b) Additional services mutually agreed on

1.3 Guideline fees for professional services

1.3.1 Basis of fees agreement

The **client** agrees to pay the **architectural professional** the fees for the services as recorded in the formal **agreement** entered into by the parties.

Where a **project** cost-based fee is applied, the final fee is calculated on the final cost of the **works**.

This is based on a **budget** for the **works** for fee calculation purposes, and shall be adjusted on the final cost of the work.

1.3.2 Project cost-based fees for standard and partial services

The fees consist 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 on the balance over per cost bracket indicated in Column E. See example on page 2 and refer to the Guideline Fees in Board Notice 122 of 2015, Table 1.

These derive from bracketed project values, and are determined annually by SACAP and published as a board notice.

Whenever the project cost-based fee structures are revised and published as a board notice, the new rates shall apply to work performed after the effective date of such a revision or in terms of the written agreement between the architectural professional and the client.

For a partial service, assuming the fee is a project cost-based fee, the percentage of the fee for each work stage to be performed is agreed between the client and architectural professional. See 1.3.4 below.

The budget for fee purposes excludes VAT, contingencies and provision for escalation.

1.3.3 Project cost-based fees for a reduced service

Where the architectural professional is not the principal agent, a reduction of the fee for the work not exceeding 10% of the fee for stages 5 and 6 can be considered.

1.3.4 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%

1.3.5 Guideline fees for additional services:

Unless otherwise agreed, the fee for additional services is time based, and is based on hourly rates as in the current board notice.

1.3.6 Time-based fees

Where fees for the architectural professional's services are time-based fees, the hourly rates as in the current board notice apply. Whenever these rates are revised the new rates shall apply to work performed after the effective date of such revision.

The categories to which the rates are applicable are the following:

Principal	Specialist	The published time charge rate per hour applies
Principal	>10 years' experience	The published time charge rate per hour applies
Principal	<10 years' experience	The published time charge rate per hour applies
Salaried Staff	Associates and managers	The published time charge rate per hour applies
Salaried Staff	Registered architectural professionals performing work of an architectural nature and carrying direct responsibility for activities related to a project	The published time charge rate per hour applies
Salaried Staff	Registered architectural professionals performing work of an architectural nature under direction and control	The published time charge rate per hour applies
Salaried Staff	Staff performing work of an architectural nature and/or to support architectural work outputs under direction and control	The published time charge rate per hour applies

In the above, "principal" means the proprietor, partner, director or member who bears the risks of practice and takes full responsibility for the potential liabilities of practice.

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

Staff who perform work of an architectural nature and who carry direct responsibility for one or more specific activities related to a **project** shall have time-based, rate per hour charges agreed on before the work is executed.

Staff who perform work of an architectural nature and who work under direction and control shall have time-based, rate per hour charges agreed on before the work is executed.

Certain staff performing work of an architectural nature and/or to support architectural work outputs under direction and control shall have time-based, rate per hour charges agreed on before the work is executed.

1.3.7 Guideline fees for additions and/or alterations

The fee for work that includes alterations is based on the total **project** cost and increased for that portion of the work comprising or affected by alterations by 30% (130% of the fee).

1.3.8 Guideline fees for services provided with respect to the restoration of buildings subject to heritage legislation

The fee for work that includes restoration to buildings subject to heritage legislation is based on the total **project** cost and increased for that portion of the work comprising or affected by heritage considerations by 40% (140% of the fee).

1.3.9 Guideline 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 **architectural professional** being retained for a full service and the repeated buildings being –

- built on one site or a series of adjoining or closely related sites;
- either entirely apart from each other or linked with screen walls, common walls or other similar means; and
- repetitions 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 guideline fee for repeated buildings provides for a full fee for the origination of the first buildings, prior to the repeated buildings, known as prototypes. Thereafter the fee adjustment is applied to the repeated buildings.

The reduced fee applies to work stages 1 to 4 inclusive. The reduced guideline apportionment is 35% of the guideline for stages 1 to 4 inclusive.

The reduced fee does not apply to work stages 5 and 6. The full guideline fee for these stages shall apply.

1.3.10 Guideline fees for buildings repeated under separate building contracts

The architectural professional is entitled to be paid full fees on the originating building designs. 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 may be adjusted.

1.3.11 Guideline fees for an appointment where the architectural professional takes over incomplete work of another practitioner

The stage of completion shall be agreed on, and an appropriate **budget** for the **works** agreed on, and the fee for the incomplete work stage or the stage in which the service is commenced is subject to an increase of 25%.

1.3.12 Guideline fees for deployment of employees

Where an employee of the **architectural professional** is deployed on site for extended inspection or other agreed purposes, the amount of the reimbursement shall be the total cost of employment plus 30%.

1.3.13 Extended initial contractual contract period

In the event that the initial **contract** period is exceeded by more than 10%, through no fault of the **architectural professional**, 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 **board notice** together with related reimbursable expenses. The **architectural professional** must inform the client in writing that the allocated period for providing professional services has been exceeded with 10% and therefore the services will be charged at the hourly rates according to the current **board notice** together with related reimbursable expenses.

1.3.14 Adjustment of guideline fees and disbursements

The guideline 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**
Appointment of other **consultants**
Appointment of **contractor**

Should any material variation to the parameters as stated occur, the guideline fees and disbursements are to be adjusted.

1.3.15 Adjustments to the project programme

Adjustment to the project programme, commonly known as 'fast tracking', that requires the application of additional resources by the **architectural professional**, may attract an additional fee. The **architectural professional** shall motivate to the client the additional resource needed to complete the project within the allocated time and shall be at the total cost of employment plus 30%

1.3.16 Travelling time

Where the fee is a **project** cost-based fee, time charges shall apply at 100% of hourly rate for travel greater than 1 hour and 50 km per trip (being 2 hours and 100 km per return trip) or as negotiated between the client and the **architectural professional**.

Where the fee is on a time basis, time charges shall apply to the full round trip regardless of distance.

1.3.17 Guideline fees on termination by the client

Where the **agreement** between the **client** and the **architectural professional** is terminated, the **client** shall pay for that portion of the service that has been executed.

Termination of the **project** will attract an additional fee equal to 10% of the full fee in the stage in which termination occurs.

1.3.18 Guideline fees for dispute resolution services

For acting as expert witness, adjudicator, mediator or arbitrator, the fee shall be the time charge fee for specialists at the hourly rates published in the **board notice**.

Where **projects** are referred to dispute resolution, **architectural professionals** retained on that **project** are to be reimbursed for the additional service required of the **architectural professional** in relation to the dispute resolution process according to the hourly rates published in the **board notice** as necessary.

1.3.19 Payment of professional accounts

The architectural professional's accounts are due and payable on presentation.

The architectural professional shall be entitled to render interim accounts. Fee and reimbursement invoices may be invoiced separately.

1.3.20 Re-imburement of expenses

In addition to the fees set out in this schedule, the client shall reimburse the **architectural professional** for all reasonable disbursements properly incurred.

The expenses contemplated may include the following:

- Specialised professional and other services
 - Payments made on behalf of client for fees and other charges for specialised professional and other services
- Travel
 - Travel time
 - Travel mileage
 - Parking
 - Toll fees
 - Car hire
 - Airfare
 - Train
 - Bus
 - Taxi
- Subsistence
 - Accommodation
 - Subsistence allowance
 - Special daily allowance
- Postage
 - Postage
 - Special postage
 - Courier
- Documentation
 - Typing of original/master per A4
 - Duplicating on white paper (A3 & A4 sizes)
 - Duplicating on coloured 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)
 - Plotting on 80g plain paper in colour (A3 to A0)
 - Plotting on quality paper (A3 to A0)
 - Plotting on quality paper in colour (A3 to A0)
 - Purchase of document required for project
 - CD with project-related information
- Special quotes
 - Maps
 - Models
 - Presentation materials
 - Photography
 - Artwork
- Other
 - Any other disbursement requested by and/or agreed to by the client

A relevant guideline rate may be applied. Please refer to the Guideline Fees in Board Notice 122 of 2015.

A minimum of 10% of the cost of the disbursement may also be applied for attendance where a project cost-based fee applies and/or where there is no time-based reimbursement for attendance.

1.3.21 Claims to be separate and no set-off

Should the client allege a claim against the **architectural professional**, a contractor or any other party involved in the project, such claim shall be dealt with on its own merits. The client is not entitled to withhold payment of fees or disbursements or part thereof due to the **architectural professional**, based on the alleged claim. The client shall make payment without any set-off and waives all rights to any such set-off.

Should professional error, omission and/or negligence be implied, compensation by the client is sought by dispute resolution or litigation and claimed from the **architectural professional**.

No penalties are applied to professional service agreement contracts.

1.3.22 Regular invoicing

Regular Invoicing as required by the Value-Added Tax Act, 1991 (Act No. 89 of 1991) is accepted good practice and is deemed to be the basis of the **agreement** between the **client** and **architectural professional**.

1.4 Engagement of architectural professionals

The professional service is deemed to be subject to an appropriate formal written **agreement** in which the rights and obligations of the parties to one another and the terms and conditions of service are clearly recorded.

The specific service is agreed on, and the basis for the calculation of professional fees is recorded.

The agreed service to be provided, authority of the **architectural professional**, the **architectural professional's** ownership of the intellectual property or copyright, limits to responsibility, limit to professional liability to a term of five (5) years, payment of invoices, interest on overdue invoices, disputed invoices, suspension or deferment, termination of engagement, damage to, or destruction of, the **works** and dispute resolution provisions are dealt with in the formal written **agreement**.

The expectation is that the agreed fees are based on a **budget** for the **works** for fee purposes to ensure that the fee calculated on anticipated final **project** cost, is applied to a realistic value of the work to be done.

1.5 Definitions and interpretations

Where words and phrases are highlighted in the text of this document they shall bear the meaning assigned to them, and where such words and phrases are not highlighted they shall bear the meaning consistent with the context.

Definitions

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

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

agreement means a written **agreement** between the **client** and the **consultant**

architect means a person registered as a Professional Architect in terms of the **act** or the Professional Architect's practice constituted as a legal persona appointed to provide the **architect's** service for the **project**

architectural professional means a person registered in terms of the **act** under a specific category of registration, or the **architectural professional's** practice constituted as a legal persona appointed to provide the architectural service for the **project**

board notice means the notice containing the professional fees guideline 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 **JBCC** Principal Building Agreement (PBA) or such other building **contract** entered into between the **client** and the **contractor**

Category of Registration means the category in which a person who is competent to undertake the range of work as specified in respect of each category, who may register in the **architectural profession** in terms of section 18(1) of the **act**; provided that specialized services may only be performed by a registered person meeting the defined requirements.

The categories in which a person may register with **SACAP** are:

- (a) Professional, which is divided into the following:
- (i) Professional Architect
 - (ii) Professional Senior Architectural Technologist
 - (iii) Professional Architectural Technologist
 - (iv) Professional Architectural Draughtsperson
- (b) Candidate, which is divided into the following:
- (i) Candidate Architect
 - (ii) Candidate Senior Architectural Technologist
 - (iii) Candidate Architectural Technologist
 - (iv) Candidate Architectural Draughtsperson

(c) Specified categories prescribed by **SACAP**

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

consultant means professional person/s or entity/entities appointed by the **client** to provide services with 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; 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

JBCC means the Joint Building Contracts Committee (JBCC) suite of **contract** documentation

practical completion means the stage of completion where the **works** or a section thereof as certified by the **principal agent**, is substantially complete and can effectively be used for the purpose intended

principal agent means the person appointed to fulfil the obligations of the agreed form of **contract**

principal consultant means the person authorised by the **client** to lead the **consultants** in all matters including technical co-ordination.

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

SACAP means the South African Council for the Architectural Profession

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

Interpretations

In formal service agreements and contracts, unless inconsistent with the context –

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;

the masculine gender includes the feminine and neuter genders and vice versa, the singular includes the plural and vice versa and persons shall include juristic persons; and

all monetary amounts exclude VAT which shall be added to any amounts which become due and payable.

Notice in terms of service agreements shall be deemed to have been duly received when –

- (i) delivered by hand - on the day of delivery;
- (ii) sent by registered post - 7 (seven) days after posting;
- (iii) sent by telefax - 3 (three) days after transmission; and
- (iv) sent by e-mail - 3 (three) days after transmission.

BOARD NOTICE 122 OF 2015**SOUTH AFRICAN COUNCIL FOR THE ARCHITECTURAL PROFESSION****Annual Update of the Professional Fees Guideline
Issued in terms of section 34(2) of the
Architectural Profession Act, 2000 (Act No. 44 of 2000)**

The Professional Fees Guideline provided in Tables 1 and 2 below and the guideline for reimbursement of expenses in Table 3 below must be read in the context of the Framework for the Professional Fees Guideline published by the Council in Board Notice 122 of 2015. This Board Notice replaces the Professional Fees Guideline published in Board Notice 194 of 2011 and is applicable from date of publication of this Notice.

TABLE 1: PROJECT COST-BASED FEE

COST BRACKET	VALUE OF WORKS		PRIMARY FEE	PLUS SECONDARY FEE	
	FROM	TO		ADD %	ON BALANCE OVER
	A	B	C	D	E
1	R 1	R 200 000	R 18 000	14,00%	R 1
2	R 200 001	R 650 000	R 46 000	13,50%	R 200 001
3	R 650 001	R 2 000 000	R 106 750	12,00%	R 650 001
4	R 2 000 001	R 4 000 000	R 268 750	10,50%	R 2 000 001
5	R 4 000 001	R 6 500 000	R 478 750	10,00%	R 4 000 001
6	R 6 500 001	R 13 000 000	R 728 749	9,50%	R 6 500 001
7	R 13 000 001	R 40 000 000	R 1 346 249	9,00%	R 13 000 001
8	R 40 000 001	R 130 000 000	R 3 776 249	8,50%	R 40 000 001
9	R 130 000 001	R 260 000 000	R 11 426 249	8,25%	R 130 000 001
10	R 260 000 001	R 520 000 000	R 22 151 249	8,00%	R 260 000 001
11	R 520 000 001	R 1 040 000 000	R 42 951 249	7,75%	R 520 000 001
12	R 1 040 000 001		R 83 251 249	7,50%	R 1 040 000 001

Formula:

$$\begin{aligned} \text{Professional Fee} &= \\ &= \text{Primary Fee (C) for applicable Cost Bracket of Value of Works} \\ &+ \\ &+ \text{Secondary Fee for applicable Cost Bracket of Value of Works} \\ &\text{calculated as (Applicable Value of Works minus Column E) x \% in terms of Column D} \end{aligned}$$

Example:

For Value of Works of		R 3 000 000
Primary Fee	is	R 268 750
Secondary Fee	is	(R 3 000 000 – R 2 000 001) x 10.50% R 999 999 x 10.50% R 104 999.90
Professional Fee	=	Primary Fee + Secondary Fee R 268 750 + R 104 999.90 R 373 749.90

The project cost based fee in Table 1 is based on the full scope of standard services being provided.

TABLE 2: TIME-BASED FEE

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	R 2963	Commensurate with Level 14, 15 and 16 salary bands
	>10 years' experience	20% per R100.00 or part thereof of total annual cost of employment	R 2381	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 1779	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 1267	Commensurate with Level 11, 12, 13 salary bands
2b. Salaried Staff	Registered architectural professionals performing work of an architectural nature and carrying direct responsibility for activities related to a project	16.5% per R100.00 or part thereof of total annual cost of employment	R 854	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 R100.00 or part thereof of total annual cost of employment	R 512	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 362	Commensurate with Level 6, 7, 8 salary bands

TABLE 3: GUIDELINE FOR REIMBURSEMENT OF EXPENSES

DISBURSEMENT EXPENSE ITEM	GUIDING PRINCIPLE FOR REIMBURSEMENT OF EXPENSES
SPECIALISED PROFESSIONAL AND OTHER SERVICES	
Payments made on behalf of client for fees and other charges for specialised 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 such as issued by the Department of Public Works, or similar.
	For a project cost-based fee, 100% of hourly rate for travel greater than 1 hour and 50km per trip (being 2 hours and 100km per return trip) or as negotiated between the client and the architectural professional.
Travel mileage	Rates such as the 'Rates for Reimbursable Expenses' issued by the Department of Public Works, or the disbursement tariffs issued by the 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	
SUBSISTENCE	
Accommodation	At cost. As per standard prescribed by client, though usually at least 3 star.
Subsistence allowance	Rates such as the 'Rates for Reimbursable Expenses' issued by the Department of Public Works, or the disbursement tariffs issued by the Department of Transport, or employee guidelines issued by the South African Revenue Services, or similar.
Special daily allowance	
POSTAGE	
Postage	At cost.
Special postage	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.
Courier	
DOCUMENTATION	
Typing of original/master per A4	Rates such as the 'Rates for Reimbursable Expenses' issued by the Department of Public Works, or the disbursement tariffs issued by the Department of Transport, or similar.
Duplicating on white paper (A3 & A4 sizes)	
Duplicating on coloured 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 project	
CD with project-related information	
SPECIAL QUOTES	
Maps	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.
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-based fee applies and/or where there is no time-based reimbursement for attendance.