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Government Notice

MINISTRY OF WORKS, TRANSPORT AND COMMUNICATION

No. 250 1998

TARIFF OF FEES CHARGEABLE BY ARCHITECTS AND QUANTITY SURVEYORS

In terms of section 7(6) of the Architects' and Quantity Surveyors' Act, 1979(Act No. 13 of 1979), it is hereby made known that the Minister has under section 7(3) of the said Act prescribed the minimum fees, chargeable for professional services rendered -

- (a) by an architect, as set out in Schedule A to this notice; and
- (b) by a quantity surveyor, as set out in Schedule B to this notice.

SCHEDULE A

TARIFF OF FEES TO WHICH AN ARCHITECT IS ENTITLED FOR SERVICES RENDERED.

Definitions

1. In this Schedule, unless the context otherwise indicates, an expression or word defined in the Architects' and Quantity Surveyors' Act, 1979 (Act No. 13 of 1979), has that meaning, and -

“**addition**” means the enlargement of the architectural area of an existing building by way of additional building work thereto;

“**administer**” means the services provided by an architect in terms of a contract for the erection of a building;

“**alteration**” means any change of an architectural, structural, mechanical or electrical nature made to an existing building and includes any portion of an existing building altered as a result of an addition to such building;

“**architectural area**” means the sum of the areas of the several floors of a building including basement, mezzanine and intermediate floored tiers and penthouses of headroom height, measured from the exterior faces of the exterior walls;

“**as built drawings**” means the working drawings, amended as necessary on completion of the project, which show the works as actually built;

“**building scheme**” means a design proposal for the erection of a building or group of buildings, including all ancillary services, site works and other appurtenances;

“**client**” means any person, body corporate, institution or organisation or any public utility, corporation or public utility company established by or under a special Act of Parliament, or any state, regional or similar authority engaging an architect to perform any of the services referred to in this Schedule;

“**consultant**” means any person engaged by agreement between the client and the architect to provide specialised advice on any aspect of a project and includes *inter alia* a registered quantity surveyor, a professional engineer, a registered town and regional planner or a landscape architect;

“**cost of the works**” means the final cost of all the work executed, including the cost of electrical, mechanical and other specialist services and site works forming an integral part of the project and in respect of which the architect renders co-ordinating services contemplated in paragraph 2(2) and shall include -

- (a) the actual or estimated cost of any materials, labour or carriage donated or supplied at reduced cost including General Sales Tax;
- (b) the actual or estimated cost of any work excluded from the contract and in respect of which the architect has rendered services contemplated in paragraph 3;

- (c) any penalties which may have been deducted in terms of a building contract from the payments to the contractor;

but excluding

- (i) the fees and disbursements of the architect, quantity surveyor, engineer or other consultants;
- (ii) the remuneration of the site staff of the client except where the client is the builder; and
- (iii) General Sales Tax on subparagraph (i) and (ii);

“inspection” means such periodic visits to or in connection with the works by the architect as are necessary to determine that the work is proceeding generally in accordance with the requirements of the contract between the client and the contractor, to provide on-site clarification and further information as may be required during the progress of the work, and includes such periodic visits by the architect together with any consultants, aimed at inspecting samples of materials and workmanship and scrutinising the contractors' and any subcontractors' shop drawings for conformity with the documentation prepared by the architect and consultants;

“private practice” means the practice of a person who performs the work of a registered architect for a fee other than a salary and for that purpose holds out as a registered architect and places the services rendered at the disposal of the public, for reward;

“project” means a building scheme or commission for the carrying out of all or part of the work for which an architect is commissioned;

“shop drawings” means drawings prepared by a contractor, sub-contractor or other person for the purposes of co-ordinating and executing construction work;

“specifications” means written descriptions, schedules or requirements relating to materials, workmanship and equipment, manufacture, methods of installation, design and performance criteria;

“working drawings” means graphic representations, including plans, sections, elevations, site plans, construction details, service co-ordination information, schedules and such other details and representations as are within the reasonable competence of a registered architect, which are sufficient to indicate the scope of the works for the purposes of the execution of the project;

“works” means a building scheme in the course of construction or as executed.

Remuneration

2. (1) The architect shall be remunerated for the standard services at a fee calculated as a percentage of the cost of the works but where the work is of such a nature that percentage fees are not applicable, the fee shall be calculated on a time basis in accordance with the rates set out in Annexure 2.

(2) Standard services shall include the co-ordination of the work of consultants such as quantity surveyors, civil, structural, electrical, heating, ventilating and plumbing engineers or other consultants' services.

(3) In simple installations, where the level of complexity and difficulty of the work normally executed by the consultants is within the capabilities of an architect, some or all the services referred to in subparagraph (2) may be included in standard services.

(4) Where the architect is required to provide supplementary services as described in paragraph 4, these services shall be remunerated on a time basis in accordance with the rates set out in Annexure 2.

(5) Any fees or remuneration calculated or specified in terms of this notice are exclusive of statutory taxes.

Standard Services

3. Standard services for which the architect is responsible, are set out below in a manner indicating a common sequence or activities, set out in stages, but the activities may be grouped differently by agreement with the client.

(1) Stage 1 deals with the appraisal and definition of the project and during this stage the architect shall -

- (a) fully inform the client of the services to be rendered by the architect and ensure that the client understands the terminology used;
- (b) ensure that the client is aware of costs in relation to space requirements and the scope of fees applicable for the services required;
- (c) explain to the client the mechanisms that come into play when the scope of the work is substantially altered and the effect it will have on fees;
- (d) receive, appraise and report on the client's requirements with particular regard to site information, planning and statutory requirements;
- (e) advise the client on the need if any, for the appointment of consultants and procedures to meet the requirements of the client including methods of contracting;
- (f) ensure that the report referred to in subparagraph (d), is in writing;
- (g) pay special attention (in writing) to methods of contracting; and
- (h) preferably sign the Client/Architect Agreement together with the client.

(2) Stage 2 deals with the Design Concept of the project and during this stage the architect shall-

- (a) after being advised by any consultants appointed, prepare a design

showing space provisions, planning relationships, standards of materials intended to be used and standards and suitability of services in sufficient detail to enable the design to be approved by the client;

- (b) advise the client on the feasibility of the project as designed, estimated costs, budget, time schedule and statutory requirements; and
- (c) provide the client with -
 - (i) a locality plan;
 - (ii) a site plan;
 - (iii) floor plan(s);
 - (iv) sections and elevations to illustrate the design;
 - (v) preliminary schedule of proposed materials and if possible, samples of same;
 - (vi) a feasibility report;
 - (vii) a preliminary estimated cost report;
 - (viii) a schedule of budget requirements in terms of time and cost; and
 - (ix) a schedule of statutory requirements.

(3) Stage 3 deals with the Design Development of the project and during this stage the architect shall -

- (a) after approval of the design, develop it sufficiently to co-ordinate the work and services of consultants and specialists appointed, if any;
- (b) provide other consultants and specialists if any, with preliminary working drawings and details;
- (c) ensure that there are consecutively numbered drawings and provisional schedules of construction details;
- (d) develop provisional schedules for doors, windows, furniture and fittings, sanitary fittings and finishes;
- (e) discuss the design with the statutory authorities concerned;
- (f) review the budget and time schedule; and
- (g) inform the client in writing of the effect of the reviewed budget and time schedule.

(4) Stage 4 deals with approvals and technical documentation and during

this stage the architect shall -

- (a) prepare drawings and documentation for submission to local or statutory authorities for approval;
- (b) prepare working drawings, specifications and other technical documents necessary for the execution of the project;
- (c) ensure that the minimum requirements for working drawings are met; and
- (d) correlate the work of any consultants in the preparation of their documentation.

(5) Stage 5 deals with contract administration and inspection and during this stage the architect shall -

- (a) call for tenders and/or negotiate the building contract where required;
- (b) advise the client regarding the award of the building contract and the compiling and completion of contract documents;
- (c) assist the client in completing these documents and ensure that the client is informed of the essence of the signed contract in terms of the client's obligations and rights;
- (d) administer the building contract and inspect the works;
- (e) scrutinise the contractor's and sub-contractor's shop drawings and sub-contractors' contracts; and
- (f) provide the client with "as built" drawings and the relevant technical data from suppliers when the building is completed

Supplementary Services

4. The following services are not normally included in the standard services described in paragraph 3 and require special additional work. Where these services are required by the client, they will be subject to additional fees to be mutually agreed upon.

(1) The following special studies are normally classified as supplementary services:

- (a) The preparation of the client's brief and/or the draughting thereof.
- (b) site selection, survey and location.
- (c) technical and special environmental feasibility.
- (d) energy conservation.

- (e) economic feasibility.
 - (f) market surveys.
 - (g) traffic studies.
 - (h) operational, plant and production layout.
 - (i) research studies.
- (2) The following special designs are normally classified as supplementary services:
- (a) Town planning design.
 - (b) master site planning of future buildings related to a current project.
 - (c) landscape design.
 - (d) promotional material.
 - (e) art work and graphics.
 - (f) purpose-made items.
 - (g) in relation to interiors, the design and/or selection, documentation and procurement of furniture and furnishings and any special finishes or fixtures related thereto.
 - (h) plant procurement, design, specifications and/or co-ordination of the installation of machinery or equipment related to the use of the building such as required for production, manufacturing, treatment or processing.
- (3) In relation to existing premises, the following are normally classified as supplementary services:
- (a) Surveys, inspections and reports.
 - (b) renovations.
 - (c) demolitions.
 - (d) valuations.
 - (e) restorations.
- (4) The following special administrative or legal services are normally classified as supplementary services:
- (a) Rezoning or change of use or amendments of town planning schemes.

- (b) special negotiations.
- (c) cost checking of "cost plus" or "managed" contracts if no quantity surveyor has been appointed.
- (d) constant and detailed inspection of the works if required by the client.
- (e) extra work caused at any stage that is not attributable to the architect.
- (f) changes or delays in the client's instructions or any other cause not attributable to the architect and not covered by any other additional fees.
- (g) in relation to sectional titles, the preparation of documentation or other work additional to the requirements of the Sectional Titles Act, 1971 (Act No. 66 of 1971), for which fees are not prescribed in the said Act.
- (h) quality control and quality assurance.
- (i) professional services in connection with work arising from the insolvency of the client or contractor.
- (j) litigation and disputes associated with the project concerned.

(5) The provision of a maintenance and operating manual if requested by the client or if deemed essential by the architect for the maintenance or operation of the works, is normally classified as a supplementary service.

(6) If supplementary or revised documentation is required due to the exigencies of the project or revised requirements received from the client and arising subsequent to the architect having received the client's instructions to proceed with the project and having commenced work, the compilation thereof is normally classified as supplementary services, provided that such compilation is not covered by any other additional fees.

(7) Special project management activities are normally classified as supplementary services.

(8) Additional services as principal agent are normally classified as supplementary services.

(9) Mutually agreed additional services are normally classified as supplementary services.

Fees for Standard Services

5. (1) Subject to paragraph 6 the percentage fees for standard services are calculated in accordance with column A, B or C of the table in Annexure 1.

(2) For the purposes of Annexure 1 -

(a) "simple buildings" means structures of simple utilitarian character not

of complex design or detail and which require a minimum of mechanical and electrical equipment, for example -

aircraft hangars;
barracks;
industrial buildings;
sheds;
storage places (ordinary); and
warehouses;

- (b) "complex buildings" means structures of exceptional complexity of design or which require comparatively large quantities of scientific, mechanical and electrical equipment and other facilities requiring specialised detail, design and co-ordination, for example -

airport control towers;
aquariums;
auditoriums, opera houses, concert halls and theatres;
city or town halls;
civic centres;
colleges or university buildings with special facilities such as medical schools and laboratories;
communications, radio and television buildings;
computer buildings;
conservatories;
embassy and consulate buildings;
funeral parlours;
hospitals and polyclinics;
hotels, bars and restaurants;
houses (individual);
industrial buildings of a complex nature such as abattoirs and breweries;
monuments and memorials;
mortuaries;
nuclear power stations;
observatories;
places of worship; and
research and scientific buildings and laboratories.

Additions and alterations to existing buildings;

6. The amount of the fee for additions is calculated in accordance with column A, B or C of Annexure 1, as the case may be, and the fee for those portions of the works which constitute alterations is calculated in a similar manner but increased by 30 per cent.

Apportionment of fees between stages and basis of payment for work as described in Paragraph 3:

7. (1)

Work stage	Proportion of fee	Cumulative total
1	5%	5%
2	15%	20%
3	15%	35%
4	40%	75%
5	25%	100%

(2) Notwithstanding subparagraph (1), apportionment of fees to stages may be adjusted in negotiations with the client.

(3) Subject to paragraph 8, the remuneration of the architect for the standard services performed in terms of paragraph 3 shall, unless otherwise agreed with the client, become due to the architect at the completion of each stage, apportioned as recommended in subparagraph (1).

Partial standard services:

8. (1) Unless otherwise agreed between the client and the architect, if an architect is appointed to render a partial standard service only, the fee, subject to subparagraph (2), shall be the percentage relevant to each work stage based on the cost of the works and calculated in accordance with the table in Annexure 1.

(2) Unless otherwise agreed between the client and the architect, where an architect is appointed to take over work from another person previously commissioned for such work at any stage after stage one has been completed, the fee for the first subsequent stage shall be increased by 15 per cent.

Fees for repeated buildings

9. (1) (a) Where a **building scheme erected under a single contract** consists of a number of buildings -

- (i) erected on one site or on a series of adjoining sites for a single client;
- (ii) either wholly separate from each other or linked together with screen walls, common walls or other similar means; and

which are a repetition of one or more prototype designs and built from the repeated use of one or more sets of drawings and related documents with nominal or no modification for re-use, the fee for professional services for work stage 1 to 4 inclusive, as set out in paragraph 3, shall be calculated in accordance with the formula

$$\frac{F(N+2P)}{4N}$$

where **F** is the fee based on the cost of the repeated portion of the building scheme calculated in accordance with paragraph 5, **N** is the total number of buildings in the building scheme, and **P** is the number of different sets of drawings and related documents from which they are built.

- (b) The fee for work stage 5 shall be 25% of the fee based on the cost of the entire building scheme calculated in accordance with paragraph 5.

(2) Where the drawings and related documents for any building scheme are re-used one or more times for subsequent **building schemes on different sites and under separate contracts** with nominal or no modification for each re-use -

- (a) the fee for full professional services for the first building scheme shall be based on the cost of the building scheme calculated in accordance with paragraph 5;

(b) the fee for modifying drawings and related documents as necessary and preparing site and service plans for each subsequent building scheme in which the drawings and related documents are re-used, shall be 15% of the fee based on the cost of each building scheme calculated in accordance with paragraph 5;

(c) the fee for administering the contract and supervising the execution of the works shall be 25% of the based on the cost of each building scheme calculated in accordance with paragraph 5; and

(d) where the architect is not required to render any professional services in respect of the re-use of drawings and related documents for any subsequent building scheme, the architect shall be entitled to a royalty of 7.5% of the fee based on the cost of the subsequent building scheme, calculated in accordance with paragraph 5, for the re-use of the drawings and related documents.

- (3) (a) **The apportionment of fees** between work stages 1 to 4 inclusive and the basis for payment for work as described in subparagraphs (1) and (2) are as follows:

Work stage	Proportion of fee for work stages 1 to 4	Cumulative total
1	10%	10%
2	20%	30%
3	20%	50%
4	50%	100%

- (b) Notwithstanding subparagraph (a), the apportionment of fees to the stages may be adjusted in negotiations with the client.
- (c) Subject to subparagraph (4), the remuneration of the architect for the standard services rendered in terms of subparagraphs (1) and (2) shall, unless otherwise agreed with the client, become due on submission of a fee invoice at completion of each stage, apportioned as recommended in subparagraph (a).
- (4) (a) Unless otherwise agreed with the client, where an architect is appointed to render **a partial standard service only, in respect of repeated buildings**, the fee, subject to subparagraph (b), shall be the

percentage relevant to each work stage, based on the cost of the works and calculated in accordance with subparagraph (1) or (2), as the case may be.

- (b) Unless otherwise agreed with the client, where an architect is appointed to take over work from another person previously commissioned for such work at any stage after stage one has been completed, the fee for the first subsequent stage shall be increased by 15%.

Termination or deferment:

10. (1) Should the whole or any part of the works be terminated or deferred after completion of work stage 4, the architect's fee shall be calculated in accordance with the appropriate fee scale and its apportionment in accordance with paragraph 7(1) or paragraph 9(3), as the case may be.

(2) Should the whole or any part of the works be terminated or deferred at any work stage up to and including work stage 3, the architect's fee shall be the sum of -

- (a) the fee calculated in accordance with the appropriate fee scale and its apportionment in accordance with paragraph 7(1) or paragraph 9(3), as the case may be; and
- (b) a surcharge equal to such losses and expenses as may have been caused by such termination or deferment as can be substantiated by the architect but excluding future profits, where the termination or deferment is due to causes not attributable to the architect.

(3) Should the works be reinstated or resumed without significant change within a period of one year from the date of termination or deferment, the fee paid in accordance with subparagraph (1) or (2), excluding any surcharge, shall be considered to be partial payment of the fee calculated on the cost of the works.

(4) Should works be reinstated or resumed without significant change after a period of one year and within a period of three years from the date of termination or deferment, no fee shall be charged for fluctuations in building cost during the period of termination or deferment in respect of completed work stages, and the balance of the fee due shall be calculated on the cost of the works.

(5) Should the works be reinstated after a period of three years, the project shall be considered to be a new commission.

(6) Should additional services by the architect be required in connection with the resumption of the deferred works, the architect shall charge for such additional services on a time basis determined in accordance with Annexure 2.

(7) The works, or any part thereof, shall be considered as having been terminated -

- (a) where the project is terminated on the client's instructions or the architect

is instructed by the client to stop work indefinitely at any time;

- (b) if deferred or delayed for a period of longer than one year; or
- (c) if instructions necessary for the architect to continue work are not received from the client within six months after such instructions are requested.

(8) For the purposes of this paragraph, the cost of the works shall be the mutually agreed estimate of the cost of the relevant part of the works. Such estimated value shall exclude any allowances in respect of contingencies, contract price adjustments, plant and equipment.

Termination of engagement:

11. (1) In the event of the agreement between the client and the architect being terminated by either party for reasons not attributable to the architect, the client shall pay the architect for that portion of the work which has been executed, in accordance with paragraph 10.

(2) If the project is terminated or abandoned for any reason, the cost of the works on which the fee is calculated shall not exceed any cost limit which the architect may have agreed with the client.

Damage to or destruction of works:

12. (1) If the works or any part thereof is damaged or destroyed by operations of war, fire, storm, flood or other causes at any time before completion of the works, and the works are re-instated, the client shall pay the architect an additional fee to be determined in accordance with the nature and scope of the professional services rendered, for example -

- (a) if the damage is of a nature requiring the rebuilding of the project, the fee shall be determined on a *quantum meruit* basis only in so far as new documentation may be required, and full fees shall be charged for the additional inspection and administration;
- (b) in complex cases where the additional work cannot be readily defined, the architect shall be remunerated on a time basis in accordance with Annexure 2.

Escalation:

13. (1) Where all the professional services defined up to stage 4 have been completed prior to the commencement of the works, the architect shall be paid a fee equal to 75 per cent of the standard services fee calculated on the amount of the accepted tender, excluding any contingency sum or any provisional amounts which may have been allowed in the tender for escalation, or, if the building contract is awarded by negotiation, the negotiated price, or, if no tender is accepted, the estimated cost of the project at current market prices as determined by a quantity surveyor, or, in the event of no quantity surveyor having been appointed, the estimated cost as determined by the architect.

(2) The fee so calculated shall not be subject to subsequent adjustment as a consequence of inflation or deflation, but additional work or changes in the original documentation shall be charged for at the relevant percentage fee based on costs prevailing at the time when the work is done or changes are made, or based on a time basis, whichever is applicable in the circumstances.

(3) Where all the professional services defined up to stage 4 have been completed prior to the commencement of the works, the architect shall on completion of the works be paid a fee equal to 75 per cent of the standard fee, calculated upon the final cost of the works less the value of escalation since commencement of construction, as certified by the quantity surveyor, plus 25 per cent of the standard services fee calculated upon the final value of the works and any fees due for additional work in terms of subparagraph (2), if applicable.

(4) In the event of all the professional services defined up to stage 4 not having been completed prior to the commencement of the works, a percentage completion status shall be agreed upon between the client and the architect, and fees on the balance of the professional services shall be based on the final cost of the works.

Time Charges

14. (1) The tariff of fees on a time basis in respect of **hourly rates** shall be in accordance with Annexure 2.

(2) Where the distance between the works and the architect's place of practice exceeds 25 kilometres, fees in respect of **travelling time** shall be charged at the hourly rates set out in Annexure 2.

(3) Where an architect acts as **arbitrator, mediator or expert witness**, the fee shall be at the rates recommended by the Association of Arbitrators.

(4) Where by agreement with the client, work is to be charged for on a time basis and when a CAD facility is used in the execution of such work, an architect shall be entitled to charge **computer time** at a rate to be agreed with the client.

Disbursements

15. (1) In addition to the fees payable under any other paragraph, the architect shall be reimbursed for all reasonable disbursements actually and properly incurred in connection with the commission except as may be excluded in terms of prior agreement between the architect and the client.

(2) The expenses contemplated in subparagraph (1) may include the following:

- (a) Printing, reproduction or purchase costs of all documents and drawings with the exception of those used internally by the architect.
- (b) preparation of maps, models, photographs and analogous documentation as agreed with the client;

- (c) hotel and travelling expenses, including kilometre allowances for cars and other similar disbursements; or
- (d) all payments made on behalf of the client, including fees and other charges for specialised professional services, including legal advice, which have been reasonably incurred by the architect.

Commencement

16. (1) The tariff of fees prescribed in Annexure 1 shall apply to all new projects.

(2) The tariff of fees, prescribed in Annexure 2 shall apply to all new projects and to those stages of a project not commenced with at the date of publication of the said tariff.

Annual adjustment

17. The values of the limits of the cost of the works as indicated in Annexure 1 will at the discretion of Council be adjusted annually on 1 October to the nearest one thousand dollar by applying the percentage increase in the consumer price index for the twelve month period ending 30 June in the year of adjustment as determined by the Central Statistical Services, thereto.

ANNEXURE 1

PERCENTAGE FEES FOR WORKS

Cost of works (in Namibian Dollars)	Column A Fee for buildings other than simple or complex (in Namibian Dollars)	Column B Fee for simple buildings (in Namibian Dollars)	Column C Fee for complex buildings (in Namibian Dollars)
0 to 318 000	0,00 + 7,5% of cost	0,00 + 6,5% of cost	0,00 + 8,50% of cost
318 001 to 636 000	1 590,00 + 7,0% of cost	1 590,00 + 6,0% of cost	1 590,00 + 8,00% of cost
636 001 to 1 272 000	3 180,00 + 6,75% of cost	3 180,00 + 5,75% of cost	3 180,00 + 7,75% of cost
1 272 001 to 2 544 000	6 360,00 + 6,5% of cost	6 360,00 + 5,5% of cost	6 360,00 + 7,5% of cost
2 544 001 to 5 088 000	12 720,00 + 6,25% of cost	12 720,00 + 5,25% of cost	12 720,00 + 7,25% of cost
5 088 001 to 10 176 000	25 440,00 + 6,0% of cost	25 440,00 + 5,0% of cost	25 440,00 + 7,0% of cost
10 176 001 to 20 352 000	50 880,00 + 5,75% of cost	50 880,00 + 4,75% of cost	50 880,00 + 6,75% of cost
20 352 001 to 40 704 000	101 760,00 + 5,5% of cost	101 760,00 + 4,5% of cost	101 760,00 + 6,5% of cost
40 704 001 to 81 408 000	203 520,00 + 5,25% of cost	203 520,00 + 4,25% of cost	203 520,00 + 6,25% of cost
81 408 001 to 161 816 000	407 040,00 + 5,0% of cost	407 040,00 + 4,0% of cost	407 040,00 + 6,0% of cost
Over 162 816 000	0,00 + 5,25% of cost	0,00 + 4,25% of cost	0,00 + 6,25% of cost

ANNEXURE 2**HOURLY RATES**

- (i) Principal, partner, or director: Minimum hourly rates as determined by the Namibia Council for Architects and Quantity Surveyors; provided that this hourly rate shall be deemed to include establishment charges and charges in respect of time expended by clerical staff which shall therefore, not be chargeable separately.
- (ii) Salaried professional and technical staff: 15 cents per hour per N\$100 or part thereof of the person's total annual salary including regular bonus, if any, rounded off to the nearest dollar; provided that this hourly rate shall be deemed to include establishment charges and charges in respect of time expended by clerical staff which shall therefore not be charged separately: Provided that this hourly rate shall not exceed 15 cents per hour per N\$100 or part thereof of the total annual salary attached to a Director's grading in the Public Service, unless by prior agreement.

SCHEDULE B**TARIFF OF PROFESSIONAL FEES IN RESPECT OF SERVICES
RENDERED BY A QUANTITY SURVEYOR****Definitions**

1. In this Schedule, unless the context otherwise indicates, a word or expression defined in the Architects' and Quantity Surveyors' Act, 1979 (Act No. 13 of 1979) has that meaning, and -

"affordable housing" means single housing units not exceeding 100 m² and of simple design and modest specification;

"alteration works" means works documented in accordance with the provisions of "Alterations" in the latest edition of the Standard System of Measuring Building Work published by the Association of South African Quantity Surveyors and shall exclude **redecorating works** and **new works to existing structures**;

"appropriate percentage" means the appropriate percentage as set out in paragraph 2(5) or 2(8)(f), as the case may be;

"basic fee" means the sum of the fees set out in columns 2 and 3 of paragraph 2(4) and shall be calculated in accordance with paragraph 2(1), (2) and (3);

"building works" means works documented in accordance with the latest edition of the Standard System of Measuring Building Work published by the Association of South African Quantity Surveyors or, with reference to contracts without bills of quantities and cost plus contracts, building works of a similar nature;

"civil engineering works" means works documented in accordance with the method of measurement set out in the SABS 1200 (Standard Specifications for Civil Engineering Construction), published by the South African Bureau of Standards and separated into the following categories -

- (a) category 1: quays, jetties, dams, shafts, tunnels, airport runways and aprons, roads, railways, sports fields, earthworks and dredging; and
- (b) category 2: piled quay walls, suspended jetties and quays, bridges and their abutments, culverts, cooling and other towers, reservoirs, caissons, canals, aqueducts, sewers, pipelines, electric mains, storage and treatment tanks, structural steelwork, grain elevators, silos and structures for housing of or bases for heavy industrial and public utility plant, machinery and equipment such as furnace houses and rolling mills to steelworks, boiler houses, reactor and turbine blocks and turbine halls to electricity generating stations, extraction and process plants;

"civil engineering works ancillary to building works" shall be limited to the following -

- (a) main reticulations (storm water, sewer and water) outside the defined area of

the building site;

- (b) reservoirs;
- (c) roads; and
- (d) water towers;

“construction manager” means a quantity surveyor employed by his client as an agent to manage the construction of the works executed under multiple direct contracts but without the quantity surveyor accepting liability for the risks generally associated with the role of a contractor;

“contract value” means, for purposes of paragraph 2(2) the **final value of the contract** excluding contingencies, but including any amount of adjustment under any applicable contract price adjustment provisions: Provided that a fair estimate of the **final value of the contract** shall be used where no contract value is available as well as for purposes of calculating interim payment of fees;

“cost norms” means cost norms prescribed by the client and, for purposes of paragraph 2(6), it is implied that from initial determination of needs and during the respective stages as defined hereunder (estimating and cost advice stage, documentation stage, contract administration stage and final account stage), the quantity surveyor is involved with and reports regarding calculation of space and cost limits from given accommodation lists, while compiling an elemental cost plan, monitoring and adjusting the project against the said cost plan as is necessary in order to maintain it within the prescribed limits, and on completion of the project submits reconciliation statements confirming compliance with the prescribed space and cost limits;

“disbursements” means the cost of purchasing, typing, duplicating, printing and binding of documents and drawings other than correspondence and valuation for payment certificates and shall subject to agreement with the client, also include any other costs such as the cost of legal and specialist fees, courier services, facsimile transmissions and international communications;

“electrical engineering works” means electrical installations and instrumentation other than **electrical installations ancillary to building works**;

“feasibility studies” means feasibility studies and other pre-design studies involving technical and/or economic investigation and appraisal of a project;

“fee” means the remuneration in respect of services rendered by a quantity surveyor in private practice, calculated in accordance with paragraph 2(1), (2) and (3);

“final value of the contract” means the final value of the contract and includes -

- (a) all labour and materials, whether supplied free of charge or not: Provided that where materials are “free issue” and the value of such materials is not known or disclosed, such value shall be estimated at market rates current at the date of tender;

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- (b) all specialist services and installations which form an integral part of the contract, including services covered by prime cost and/or provisional sums;
- (c) any amount of adjustment under any applicable contract price adjustment provisions; and
- (d) subject to the exclusions set out hereunder, taxes and duties;

but excluding -

- (i) Sales Tax, where applicable;
- (ii) work generally outside the scope of the work carried out by the contractor and excluded from the contract and in respect of which the quantity surveyor is not required to perform a service;
- (iii) the final value of any **mechanical and electrical installations ancillary to building works** and of any **civil engineering works ancillary to building works** in respect of which the quantity surveyor is not required to perform any service other than the incorporation into the relevant documentation of the information furnished by others, and such final value shall include any amounts arising from contract price adjustment provisions and shall exclude any amounts for profit and attendance to the principal contractor and any apportionment of the value of preliminaries;

“gross annual remuneration” means for the purposes of paragraph 2(13)(b) -

- (a) basic salary and guaranteed annual bonus;
- (b) fringe benefits not included in basic salary;
- (c) income benefit for the private use of a motor vehicle as determined from time to time by the Receiver of Revenue for income tax purposes;
- (d) employer’s contribution to pension or provident fund;
- (e) employer’s contribution to medical aid;
- (f) group life assurance premiums;
- (g) Social Security contributions, and any other statutory contributions or levies; and
- (h) all other costs and benefits as per conditions of appointment but excluding any share of profit;

“industrialised building works” means work designed to be carried out by industrialised or unconventional system building methods and documented in accordance with the latest edition of the System of Measurement of Performance-based Tender Enquiry Documentation published by the Association of South African Quantity Surveyors;

“locational bills of quantities” means bills of quantities required by the client to be separated into blocks, elements, functions or other locations;

“measured work” for the purposes of paragraph 2(10)(a), means work measured for incorporation in bills of quantities or a final account and excludes -

- (a) work originally measured as provisional;
- (b) adjustments involving the substitution of materials without additional measurement;
- (c) any applicable contract price adjustment;
- (d) preliminaries bill or any adjustment thereof; and
- (e) contingencies;

“mechanical engineering works” means mechanical installations other than **mechanical installations ancillary to building works**;

“mechanical and electrical installations ancillary to building works shall be limited to the following -

- (a) air-conditioning and mechanical ventilation;
- (b) boiler equipment;
- (c) conveyor systems;
- (d) electrical and electronic installations;
- (e) gas and compressed air systems;
- (f) incinerators and compactor units;
- (g) laundry and kitchen equipment;
- (h) lifts, hoists and escalators;
- (i) pumping equipment;
- (j) refrigeration installations;
- (k) specialist fire detection and fire prevention installations including sprinkler installations;
- (l) steam installations; and
- (m) X-ray and sterilisation equipment;

“multiple procurement contract” means **building works** where the quantity

surveyor is required to produce separate documentation or related services for work executed under sub-contracts and where the value of such work exceeds 40 per cent of the **contract value**;

“new works to existing structures” means works to existing structures other than **alteration works, redecoration works** and additions;

“principal agent” means a quantity surveyor acting as principal agent on behalf of his client and the normal services rendered by him or her comprises the following-

- (a) arranging for the signing of the contract;
- (b) ensuring the safekeeping of the contract documents and the construction guarantee;
- (c) being the sole agent empowered to issue instructions;
- (d) being the sole agent on whom notices in terms of the contract can be served;
- (e) establishing whether the party responsible for effecting insurance has done so;
- (f) arranging for the pointing out of pegs, beacons and datum levels to the contractor;
- (g) nominating sub-contractors for employment as nominated sub-contractors;
- (h) selecting sub-contractors together with the contractor for employment as selected sub-contractors;
- (i) granting or refusing an extension to the construction period and certifying the periods to which penalties are applicable;
- (j) issuing monthly interim payment certificates, final payment certificates and certificates of practical and final completion;
- (k) deciding on payment for materials stored on or off site;
- (l) issuing statements to the contractor and sub-contractors indicating the formulation of and the amount included in payment certificates;
- (m) issuing a reconciliation statement;
- (n) notifying the contractor and the guarantor if monies are to be recovered from the construction guarantee; and
- (o) determining disagreements;

“process engineering works” means process piping, flow control systems and equipment associated with process plants;

“project manager” means a quantity surveyor employed by his client as an agent to

manage the entire process necessary for the procurement of the design and the construction of a project, from briefing through to commissioning and occupation, taking into account the client's requirements in respect of aesthetics, quality, cost, time etc., and services normally rendered by him or her includes the following -

- (a) receiving an outline brief from the client and establishing the client's needs;
- (b) advising the client on the need for consultants;
- (c) the making of recommendations;
- (d) negotiating and agreeing conditions of engagement with such selected consultants;
- (e) receiving a final brief from the client and analysing the client's needs in detail;
- (f) ensuring that statutory consents if any, are obtained;
- (g) preparing programmes for all pre-contract and contract activities and monitoring progress and adjusting the programme as necessary;
- (h) establishing types of meetings, attendance, chairmanship and issuing of agendas and minutes;
- (i) obtaining for the client advice as to various insurance and/or warranties and ensuring compliance by those required to effect such insurance;
- (j) considering the contract type and the method of contractor selection with the selected consultants;
- (k) arranging short lists of tenders, the tender opening and credit checks, co-ordinating reports on tenders and making recommendations to the client;
- (l) establishing a framework for monitoring progress and for maintenance of financial control;
- (m) co-ordinating inspections and hand-overs, ensuring that commissioning of the building and services is properly undertaken and obtaining test certificates, as-built drawings, maintenance manuals and guarantees; and
- (n) regular reporting to the client;

“re-decoration works” means works associated with the re-decoration of existing buildings such as cleaning, painting and paperhanging and shall include associated minor repairs but shall exclude **alteration works**;

“replication” means the replication of an individual distinct building or structure within a contract or of a previous contract and shall be applicable only when the total quantities in all trades or the total cost of the prototype can be readily multiplied in the procurement documentation by the number of individual distinct buildings or structures, the intention being that minor differences and work measured provisionally

shall, where necessary, be adjusted in the final account;

“**stage A**” (estimating and cost advice stage) means preparing estimates of cost and providing such other cost advice as may be required prior to the commencement of **stage B**;

“**stage B** (documentation stage) means preparing documents for the procurement of contracts;

“**stage C** (contract administration stage) means cost management and preparing valuations for the issue of payment certificates and shall include preparing documents for the procurement of sub-contracts expressed as provisional sums in the bills of quantities; and

“**stage D** (final account stage) means preparing and concluding the final account;

“**small or simple building works**” means works documented in accordance with the latest edition of the Standard System of Measuring Building Work for Small or Simple Buildings published by the Association of South African Quantity Surveyors;

“**tenant requirements**” means the evaluation of tenant requirements involving separate accounting for each tenant.

Fees

2. (1) All fees set out in this tariff of professional fees exclude General Sales Tax

(2) The **fee** shall, unless otherwise stated, be the **basic fee** multiplied by the **appropriate percentage** and shall be apportioned as set out in the apportionment of fees to services: Provided that -

- (a) the **basic fee** in respect of **stage A** and **stage B** shall be calculated on the **contract value** and in respect of **stage C** and **stage D**, shall be calculated on the **final value of the contract**;
- (b) where a single **building works** contract includes categories of work covered by more than one **appropriate percentage**, the **basic fee** shall be apportioned to each category of work before multiplying each apportionment by the applicable **appropriate percentage**;
- (c) where a contract for work other than a **building works** contract includes more than one category of building or engineering work, the **basic fee** shall be separately calculated for each category of work before multiplying by the applicable **appropriate percentage**; and
- (d) where, in respect of **replication**, minor differences and work measured provisionally are individually adjusted in the final account, such portions, but not the remainder, shall in respect of **stage C** and **stage D** be considered to be non-replication work.

(3) Each apportionment or category shall include the *pro rata* value of preliminaries and where applicable, the *pro rata* amount of adjustment under any applicable contract price adjustment provision, unless the actual value of preliminaries or amount of adjustment for each apportionment or category can be readily determined.

(4) The **basic fee** shall be as follows:

Value category	Basic fee	
	Primary charge	Marginal rate
1	2	3
Up to - N\$ 250 000	N\$ 1 380	5,50% on balance over N\$ 0
N\$ 250 000 -N\$ 500 000	N\$ 15 130	5,25% on balance over N\$ 250 000
N\$ 500 000 -N\$ 1 000 000	N\$ 28 255	5,00% on balance over N\$ 500 000
N\$ 1 000 000 -N\$ 2 000 000	N\$ 53 255	4,75% on balance over N\$ 1 000 000
N\$ 2 000 000 -N\$ 4 000 000	N\$ 100 755	4,50% on balance over N\$ 2 000 000
N\$ 4 000 000 -N\$ 8 000 000	N\$ 190 755	4,00% on balance over N\$ 4 000 000
N\$ 8 000 000 -N\$ 16 000 000	N\$ 350 755	3,60% on balance over N\$ 8 000 000
N\$ 16 000 000 -N\$ 32 000 000	N\$ 638 755	3,36% on balance over N\$16 000 000
N\$ 32 000 000 -N\$ 64 000 000	N\$1 176 355	3,32% on balance over N\$32 000 000
N\$ 64 000 000 -N\$128 000 000	N\$2 238 755	2,79% on balance over N\$64 000 000
N\$128 000 000 - N\$256 000 000	N\$4 024 355	2,58% on balance over N\$128 000 000
N\$256 000 000 - and over	N\$7 326 755	

(5) The **appropriate percentage** shall be as follows:

Category	Appropriate percentage		
	Contracts with bills of quantities, provisional quantities or schedule of rates	Contracts without bills of quantities	Cost-plus contracts
1	2	3	4
Alteration works	150	75	80
Building works	100	65	70
Civil engineering works: Category I	55	45	55
Civil engineering works: Category II	70	45	55
Electrical engineering works	70	45	55
Industrialised building works	70	60	65
Mechanical engineering works	60	45	55
Multiple procurement contract building works	110	70	75
New works to existing structures	125	75	80
Principal agent	25*	25*	25*
Process engineering works utilising detail isometric drawings	55	45	55

Process engineering works utilising general arrangement drawings	85	45	55
Project manager	45*	45*	45*
Redecoration works	175	85	90
Replication works:			
Prototypes and other non-replication work	100	65	70
First replication of prototype	70	55	70
Next five replications of prototype	50	40	70
Remaining replications of prototype	40	30	65
Schedule of materials on projects for which the quantity surveyor has not prepared bills of quantities	120**	120**	120**
Small or simple building works	75	n/a	n/a

* Exclusions mentioned in subparagraph (c) of the definition of "final value of the contract" as set out in paragraph 1 not applicable.

** Calculated on the total value of such materials.

(6) An additional fee shall be charged in respect of the following:

Category	Percentage of fee calculated in accordance with subparagraphs (4) and (5)
1	2
Cost norms	7% (exclusions mentioned in subparagraph (c) of the definition of "final value of the contract" as set out in paragraph 1 not applicable)
Locational bills of quantities	Negotiated

(7) The fee shall be apportioned to the stages as follows:

Category	Percentage of fee			
	Stage A Estimating and cost advice stage	Stage B Documen- tation stage	Stage C Contract admini- stration stage	Stage D Final account stage
1	2	3	4	5
Bills of provisional quantities contracts	7,5	22,5	40	30
Bills of quantities contracts	7,5	42,5	30	20
Contracts without bills of quantities	12,5	22,5	50	15
Cost norms	40	20	30	10
Cost-plus contracts	12,5	12,5	65	10
Multiple procurement contracts	7,5	17,5	45	30
Principal agent	5	20	55	20
Project manager	15	15	55	15
Replication of prototype*	5	10	60	25
Schedule of materials	n/a	100	n/a	n/a
Schedule of rates contracts	7,5	12,5	40	40
Small or simple building works:				
Bills of provisional quantities contracts	10	20	45	25
Bills of quantities contracts	10	35	40	15

*Applicable only to **replication**

- (8) (a) The **fee** for single unit **affordable housing** shall be calculated by adding together the charges in the following table:

Primary charge	Charge for prototypes	Charge for replications
1	2	3
N\$26 000	N\$3 600 plus 5% of the combined final value of all prototypes	0,3% of the combined final value of all replications

- (b) For purposes of subparagraph (a), the final value (exclusions mentioned in subparagraph (c) of the definition of "final value of the contract" as set out in paragraph 1 not applicable) of prototypes and of **replications** shall include a *pro rata* proportion of the preliminaries costs.
- (c) The **fee** for site works and services other than that which is ancillary to building works shall be separately calculated in accordance with the provisions of the tariff of fees.
- (d) A time charge as determined in subparagraph (13) shall be applicable to services rendered in respect of the following -
- (i) requirements of individual owners or tenants;
 - (ii) preparation of procurement documentation for turnkey projects and the evaluation of same.
- (e) the **fee** in respect of material source handling and control, excluding the cost of the storage infrastructure, security and insurance, shall be as follows:

Value category (exclusions mentioned in subparagraph (c) of the definition of "final value of the contract" as set out in paragraph 1 not applicable)	Basic fee	
	Primary charge	Marginal rate
1	2	3
Up to -N\$ 1 000 000	N\$ 50 000	0,00% on balance over N\$ 0
N\$ 1 000 000 - N\$ 2 000 000	N\$ 50 000	4,25% on balance over N\$ 1 000 000
N\$ 2 000 000 - N\$ 4 000 000	N\$ 92 500	3,50% on balance over N\$ 2 000 000
N\$ 4 000 000 - N\$ 8 000 000	N\$ 162 500	2,75% on balance over N\$ 4 000 000
N\$ 8 000 000 - N\$ 16 000 000	N\$ 272 500	1,75% on balance over N\$ 8 000 000
N\$ 16 000 000 - N\$ 32 000 000	N\$ 412 500	1,10% on balance over N\$ 16 000 000
N\$ 32 000 000 - N\$ 64 000 000	N\$ 588 500	0,90% on balance over N\$ 32 000 000
N\$ 64 000 000 - N\$128 000000	N\$ 876 500	0,80% on balance over N\$ 64 000 000
N\$128 000 000 - N\$256 000000	N\$1 388 500	0,70% on balance over N\$128 000 000
N\$256 000 000 and over	N\$2 284 500	0,60% on balance over N\$256 000 000

The cost of the storage infrastructure, security and insurance shall be separately dealt with by arrangement with the client.

- (f) The **appropriate percentage** related to single unit **affordable housing** shall be as follows:

Category	Appropriate percentage	
	Contract with bills of quantities*	Contract without bills of quantities
1	2	3
Estimating building cost	5	5
Construction cash flow budgets	2,5	2,5
Design criteria advice	5	5
Preparation of procurement documentation	30	15
Preparation of schedule of rates	-	10
Calling for tenders and evaluating tenders	5	5
Cost management and reporting	15	15
Preparation of payment certificates	30	35
Settling contractual and financial disputes	Time charge	Time charge
Compilation and settlement of final account	15	10
Quality inspection	45	45
Acting as project manager	45	45
Acting as principal agent	25	25
Time management	25	25
Project administration	25	25
Acting as construction manager	100	100
Client and consultant co-ordination	20	20
Assist in setting up creative financing schemes	Time charge	Time charge

***Small or simple building works documentation**

- (9) A time charge shall be levied for services in respect of the following:

Category	Percentage of time charge calculated in accordance with subparagraph (13)
1	2
Feasibility studies	100
Tenant requirements	100
Default by either party to a building contract	100
Disputes, litigation or mediation (assisting in the settlement of disputes, attending meeting and attending at court)	100
Expert witness (preparation, attending meetings and attending at court)	110 (minimum of three hours)
Mediator (time spent in establishing procedural matters with the parties, attending the mediation hearing, studying the evidence and framing and publishing his opinion)	125 (minimum of three hours)
Arbitrator or umpire (time spent in establishing procedural matters with the parties, attending the arbitration court, studying the evidence and framing and publishing the award)	125 (minimum of three hours)

- (10) (a) Should a contract incorporating bills of quantities be varied to such an extent that the total value of **measured work** omitted in the adjustment of variations exceeds 10 per cent of the value of **measured work** in the **final value of the contract**, then an additional **fee** of 50 per cent of the marginal rate applicable to the **final value of the contract** shall be charged on the amount of such excess.
- (b) Should a contract incorporating bills of provisional quantities be varied to such an extent that a separately identifiable portion thereof originally included in the documentation is subsequently omitted, then an additional **fee** of 30 per cent of the marginal rate applicable to the **final value of the contract** shall be charged on the estimated value of such omitted work.
- (c) Should the actual construction period, in calendar days, less builders' holidays and any extension of time allowed for additional work, vary by more than 15 per cent from the initial contractual construction period similarly determined, then the quantity surveyor shall charge an additional **fee** for **stage C** based on the excess over the said 15 per cent *pro rata* to the initial contractual construction period.
- (11) (a) Should a commission be terminated or deferred, the **fee** for services completed shall be calculated in accordance with paragraph 2(1), (2) and (3), and the **fee** for services partially completed shall be similarly calculated on a *quantum meruit* basis.
- (b) Should a commission be terminated or deferred after the commencement of **stage B** then, in addition to the **fee** calculated in accordance with subparagraph (a), a surcharge of 10 per cent shall be payable on the difference between the **fee** calculated in accordance with paragraph 2(1), (2) and (3) for **stage A, stage B, stage C** and **stage D** jointly and the **fee** calculated in accordance with subparagraph (a): Provided that where a commission is reinstated or resumed within a period of one year from the date of termination or deferment, such surcharge shall be considered to be partial payment of the **fee** calculated in accordance with paragraph 2(1), (2) and (3).
- (12) (a) The **fee** for surveying a contract in progress, taking particulars and preparing valuations for the issue of interim payment certificates on a contract for which the quantity surveyor has not prepared bills of quantities, shall be 15 per cent of the **fee** calculated in accordance with paragraph 2(4).
- (b) The **fee** for preparing valuations for the assessment of taxation, fire, insurance, expropriation, rental return and similar purposes, shall be as follows -
- (i) where suitable drawings are available for the determination of measurements, 2 per cent of the **fee** calculated in accordance with paragraph 2(4) (exclusions mentioned in paragraph (c) of the definition of "final value of the contract" as set out in paragraph 1 not applicable);

- (ii) where such drawings are not available and measurements are determined on site, 3,5 per cent of the **fee** calculated in accordance with paragraph 2(4) (exclusions mentioned in paragraph (c) of the definition of "final value of the contract" as set out in paragraph 1 not applicable);
- (iii) where the quantity surveyor considers that sufficient accuracy for the particular purpose can be achieved by the application of a square metre rate to the overall area on plan, 50 per cent of the **fee** calculated in accordance with subparagraph (i) or (ii), as the case may be; or
- (iv) where the **fee** as determined in subparagraph (i), (ii) or (iii) is considered to be inappropriate, a time charge as determined in subparagraph (13).

Time charge

(13) Where the work is of such a nature that other provisions of this tariff of fees do not apply, the **fee** shall be a time charge at the following rates per hour or part thereof -

- (a) principals: at rates to be determined from time to time by the Namibia Council for Architects and Quantity Surveyors;
- (b) salaried personnel: 15 cents for each N\$100,00 of **gross annual remuneration** applicable at the time the service is rendered.

Disbursement and travelling expenses

3. (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 professional fees.

(2) Where payment is effected on a percentage basis and the contract site is situated further than 25 km from the quantity surveyor's place of practice, a **fee** in respect of travelling time shall be levied at the rate as determined in paragraph 2(13).

(3) Where payment is effected on a basis of time, travelling time shall be charged in full at the rate as determined in paragraph 2(13).

Interim payment of fees

4. (1) The quantity surveyor shall be entitled to payment, upon submission of an account, of a **fee** on completion of **stage A, stage B, stage C** and **stage D** respectively.

(2) **Stage B** shall be deemed to be completed irrespective of whether the documents for the procurement of sub-contracts have been prepared or not.

(3) The quantity surveyor shall be entitled to -

- (a) regular monthly interim payments for **stage C**;
- (b) interim payments for **stage D**; and
- (c) interim payments for work done in the event of the completion of **stage A, stage B, stage C** and **stage D** being delayed by circumstances beyond the control of the quantity surveyor.

Late payment of accounts

5. The quantity surveyor shall charge his client interest at a rate which is one tenth (1/10) above the rate of interest applicable from time to time to prime borrowers at the quantity surveyor's bank on all accounts, correct and due, not settled within 30 days of submission.
