



# Compiler guidance note

## Component document: C2: Pricing Data

Records the contractor's prices for providing works in accordance with the provisions of Contract Data and Scope of Works.

### Notes

The Standard for Uniformity in Construction Procurement does not have any requirements for Activity Schedules / Bill of Quantities / Pricing Schedules.

### Commentary:

- 1 The pricing data, as relevant, comprises the pricing assumptions (or more correctly the pricing assumptions) and the pricing schedules which might be in the form of activity schedules or bills of quantities. The pricing assumptions, where provided, should describe the criteria and assumptions which will be assumed in the contract that the tenderer has taken into account when developing his prices, or target in the case of target contracts.
- 2 The activity schedules or the bills of quantities should record the contractor's prices for providing supplies, services, engineering and construction works in accordance with the requirements of the scope of work.
- 3 The terms of payment and the provisions for price adjustment for inflation, if applicable, are established in the contract data. These items should not be described in the pricing data.
- 4 The pricing assumptions should where appropriate reference standard systems of measurement.
- 5 The tenderer's obligations in pricing the tender offer and the employer's undertakings in the checking and correction of arithmetical errors are dealt with in the CIDB Standard Conditions of Tender .

It should be noted that the Standard Conditions of Tender address issues such as the inclusion of taxes in the rates (F2.10.1), the indicating of VAT as a separate item (F.2.10.2), currency for the rates and prices (F2.10.4), completion of documents in legible non-erasable ink (F.2.13.2), and the correction of arithmetical errors (F.3.9).

- 6 The pricing data must reflect the selected pricing strategies. Commonly encountered pricing strategies include:

Strategy	Description
Activity schedules	The Contractor undertakes to break the scope of work down into activities and price each activity as a lump sum, which he is paid on completion of the activity. The total of the activity prices is the lump sum price for the contract work.
Bill of quantities	The Contractor is paid an amount for the item of work in the bill which is the rate for the work multiplied by the quantity completed
Cost reimbursable	The Contractor is paid an agreed percentage fee to cover his overheads and profit and is reimbursed at market related rates for predefined cost items..
Target cost	The Contractor is paid for work done on a cost reimbursable basis and the difference between the final cost of the works and a target price agreed at the conclusion of the contract is shared between the Contractor and the Employer in accordance with a pre agreed formula.
Time-based contract	Payment is based on agreed hourly, weekly or monthly rates for staff named in the contract and on agreed rates and reimbursable items . Typically, a ceiling amount is provided for.
Retainer and / or contingency contract	The retainer fees are fixed and the success fee is usually based on a percentage of the sale price or the assets.
Percentage contract	Based on the estimated or actual project construction cost or the cost of goods inspected or procured.

Strategy	Description
Indefinite Delivery Contract (Price agreement)	Unit rates are agreed. Payment based on time actually used.

- 7 The bills of quantities should be based on industry standards, i.e.:
- Model Bills of Quantities based on the Standard System of Measuring Building Work for Small or Simple Buildings as published by the Association of South African Quantity Surveyors. (May 2001)
  - Model Bills of Quantities for Electrical Work as published by the Association of South African Quantity Surveyors (July 1994)
  - Model Bills of Quantities for Refrigeration, Air-conditioning and Ventilation Installations as published by the Association of South African Quantity Surveyors (July 1990)
  - Standard System of Measuring Building Work as published by the Association of South African Quantity Surveyors (Sixth edition (Revised)).
  - COLTO Standard Specification for Road and Bridge Works for State Authorities (1998 edition)
  - Clause 8 of the SABS 1200, *standardised specifications for civil engineering works*, and SABS 0120-4, *Code of practice for use with standardized specifications for civil engineering construction and contract documents Part 4: Typical schedule of quantities*

## Engineering and construction works contracts

### Examples of Pricing Assumptions for engineering and construction works contracts

#### Example 1: Activity schedule

- 1 The contractor must plan the work in this contract as a set of activities. These should be the same activities as he shows on his programme.
- 2 The activities are described as indicated below and a lump sum price for each activity is entered in the Price column.
- 3 The contractor is to take note that payment is made for each activity only when it is complete.
- 4 Changes (if any) to the Prices are made in accordance with the Conditions of Contract.
- 5 The Contractor is to include in the Prices in the Price List the costs and profit associated with the following items as no separate payment will be made for such items:
  - Soil testing and test pits
  - Engineering fees and costs
  - Excavation of all boulders
- 6 The contractor is to price for normal strip footings / slab on the ground foundations in accordance with the provisions of the Home Building Manual.
- 7 The contractor is not required to price for:
  - Blasting and the removal and importation of material associated with blasting work.
  - Transfer duties and costs
  - Local authority charges
  - Bond registration costs and fees.

#### Example 2: Bills of Quantities used in conjunction with the COLTO Standard Specification for Road and Bridge Works for State Authorities (1998 edition)

1. Measurement and payment shall be in accordance with the relevant provisions of the COLTO Standard Specification for Road and Bridge Works for State Authorities (1998 edition) as amended in the Scope of Works and the provisions of Option B: Priced contract with bill of quantities of the NEC3 Engineering and Construction Contract read in conjunction with the Contract Data. The Contract Data shall have precedence in the interpretation of any ambiguity or inconsistency between it and the COLTO Standard Specification for Road and Bridge Works for State Authorities.

2. The units of measurement described in these Bill of Quantities are metric units. Abbreviations used in these Bill of Quantities are as follows:

%	=	percent
h	=	hour
ha	=	hectare
kg	=	kilogram
kl	=	kilolitre
km	=	kilometre
km-pass	=	kilometre-pass
kPa	=	kilopascal
kW	=	kilowatt
l	=	litre
m	=	metre
mm	=	millimetre
m <sup>2</sup>	=	square metre
m <sup>2</sup> -pass	=	square metre-pass
m <sup>3</sup>	=	cubic metre
m <sup>3</sup> -km	=	cubic metre-kilometre
MN	=	meganewton
MN.m	=	meganewton-metre
MPa	=	megapascal
No. =		number
Prov sum	=	Provisional sum
PC sum	=	Prime Cost sum
R/only	=	Rate only
sum	=	lump sum
t =		ton (1000 kg)
W/day	=	Work day

3. For the purpose of these Bill of Quantities, the following words shall have the meanings hereby assigned to them:
- Unit: The unit of measurement for each item of work as defined in the COLTO Standard Specification for Road and Bridge Works for State Authorities (1998 edition).
- Quantity: The number of units of work for each item.
- Rate: The agreed payment per unit of measurement.
- Amount: The product of the quantity and the agreed rate for an item.
- Lump sum: An agreed amount for an item, the extent of which is described in the Bill of Quantities but the quantity of work of which is not measured in any units.
4. Unless otherwise stated, items are measured net in accordance with the drawings, and no allowance is made for waste.
5. It will be assumed that prices included in the Bill of Quantities, unless otherwise stated in the Scope of Work, are based on Acts, Ordinances, Regulations, By-laws, International Standards and National Standards that were published before the closing date for tenders. (Refer to [www.stanza.org.za](http://www.stanza.org.za) or [www.iso.org](http://www.iso.org) for information on standards)
6. The prices and rates in this Bill of Quantities are fully inclusive prices for the work described under the items. Such prices and rates cover all costs and expenses that may be required in and for the execution of the work described in accordance with the provisions of the Scope of Work, and shall cover the cost of all general risks, liabilities, and obligations set forth or implied in the Contract Data, as well as overhead charges and profit.
7. Where the Scope of Work requires detailed drawings and designs or other information to be provided, all costs associated therewith are deemed to have been provided for and included in the unit rates and sum amount tendered such items
8. An item against which no price is entered will be considered to be covered by the other prices or rates in the Bill of Quantities. A single lump sum will apply should a number of items be grouped together for pricing purposes.
9. The quantities set out in these Bill of Quantities are approximate and do not necessarily represent the actual amount of work to be done. The quantities of work accepted and certified for payment will be used for determining payments due and not the quantities given in this Bill of Quantities.
10. Reasonable compensation will be received where no pay item appears in the Bill of Quantities in respect of work required in terms of the Contract and which is not covered in any other pay item.
11. The short descriptions of the items of payment given in these Bill of Quantities are only for the purposes of identifying the items. More details regarding the extent of the work entailed under each item appear in the Scope of Work.
12. The item numbers appearing in the Bill of Quantities refer to the corresponding item numbers in the COLTO Standard Specification for Road and Bridge Works for State Authorities (1998 edition).

13. The contractor shall bear all the costs and charges for special and temporary rights of way required by him in connection with access to the Site. The Contractor shall also provide at his own cost any additional facilities outside the Site required for the purposes of the Works.
14. Those parts of the contract to be constructed using labour-intensive methods have been marked in the bill of quantities with the letters LI in a separate column filled in against every item so designated. The works, or parts of the works so designated are to be constructed using labour-intensive methods only. The use of plant to provide such works, other than plant specifically provided for in the scope of work, is a variation to the contract. The items marked with the letters LI are not necessarily an exhaustive list of all the activities which must be done by hand, and this clause does not over-ride any of the requirements in the in the Scope of Works.

NOTE: Compiler should omit item 14 if not appropriate.

**Example 3: Bills of quantity used in conjunction with the JBCC Series 2000 Principal Building Agreement and SANS 1921**

1. The Bills of Quantities have been drawn up in accordance with the Standard System of Measuring Building Work (as amended) published and issued by the Association of South African Quantity Surveyors (Sixth Edition (Revised)), 1999. Where applicable the:
  - a) civil engineering work has been drawn up in accordance with the provisions of the latest edition of SABS 1200 Standardised Specifications for Civil Engineering Works.
  - b) mechanical work has been drawn up in accordance with the provisions of the Model Bills of Quantities for Mechanical Work, published by the South African Association of Quantity Surveyors, July 2005).
  - c) electrical work has been drawn up in accordance with the provisions of the Model Bills of Quantities for Electrical Work, published by the South African Association of Quantity Surveyors, (July, 2005).
2. The agreement is based on the JBCC Series 2000 Principal Building Agreement, prepared by the Joint Building Contracts Committee, Edition 5 July 2007. The additions, deletions and alterations to the JBCC Principal Building Agreement as well as the contract specific variables are as stated in the Contract Data. Only the headings and clause numbers for which allowance must be made in the Bills of Quantities are recited.
3. Preliminary and general requirements are based on the various parts of SANS 1921, Construction and management requirements for works contracts. The additions, deletions and alterations to the various parts of SANS 1921 as well as the contract specific variables are as stated in the Specification Data in the Scope of Work. Only the headings and clause numbers for which allowance must be made in the Bills of Quantities are recited.
4. It will be assumed that prices included in the Bills of Quantities are based on Acts, Ordinances, Regulations, By-laws, International Standards and National Standards that were published 28 days before the closing date for tenders. (Refer to [www.stanza.org.za](http://www.stanza.org.za) or [www.iso.org](http://www.iso.org) for information on standards).
5. The drawings listed in the Scope of Works used for the setting up of these Bills of Quantities are kept by the Principal Agent or Engineer and can be viewed at any time during office hours up until the completion of the works.
6. Reference to any particular trademark, name, patent, design, type, specific origin or producer is purely to establish a standard for requirements. Products or articles of an equivalent standard may be substituted.
7. Where any item is not relevant to this specific contract, such item is marked N/A (signifying "not applicable")
8. The Contract Data and the standard form of contract referenced therein must be studied for the full extent and meaning of each and every clause set out in Section 1 (Preliminaries) of the Bills of Quantities
9. The Bills of Quantities is not intended for the ordering of materials. Any ordering of materials, based on the Bills of Quantities, is at the Contractor's risk.
10. The amount of the Preliminaries to be included in each monthly payment certificate shall be assessed as an amount prorated to the value of the work duly executed in the same ratio as the preliminaries bears to the total of prices excluding any contingency sum, the amount for the Preliminaries and any amount in respect of contract price adjustment provided for in the contract.
11. Where the initial contract period is extended, the monthly charge shall be calculated on the basis as set out in 10 but taking into account the revised period for completing the works.
12. The amount or items of the Preliminaries shall be adjusted to take account of the theoretical financial effect which changes in time or value (or both) have on this section. Such adjustments shall be based on adjustments in the following categories as recorded in the Bills of Quantities:
  - a) an amount which is not to be varied, namely Fixed (F)
  - b) an amount which is to be varied in proportion to the contract value, namely Value Related (V); and

- c) an amount which is to be varied in proportion to the contract period as compared to the initial construction period excluding revisions to the construction period for which no adjustment to the contractor is not entitled to in terms of the contract, namely Time Related (T).
- 13 Where no provision is made in the Bills of Quantities to indicate which of the three categories in 12 apply or where no selection is made, the adjustments shall be based on the following breakdown:
- a) 10 percent is Fixed;  
 b) 15 percent is Value Related  
 c) 75 percent is Time Related.
- 14 The adjustment of the Preliminaries shall apply notwithstanding the actual employment of resources in the execution of the works. The contract value used for the adjustment of the Preliminaries shall exclude any contingency sum, the amount for the Preliminaries and any amount in respect of contract price adjustment provided for in the contract. Adjustments in respect of any staged or sectional completion shall be prorated to the value of each section.

**Example 4: Bill of quantities used together with SANS 1200 Standardised Specifications for Civil Engineering Construction**

- 1 Measurement and payment shall be in accordance with the relevant provisions of clause 8 of each of the SABS 1200 Standardised Specifications for Civil Engineering Construction referred to in the Scope of Work. The Preliminary and General items shall be measured in accordance with the provisions of SABS 1200-A, *General*.
2. The units of measurement described in the Bills of Quantities are metric units. Abbreviations used in these Bills of Quantities are as follows:
- |                      |   |                       |
|----------------------|---|-----------------------|
| %                    | = | percent               |
| h                    | = | hour                  |
| ha                   | = | hectare               |
| kg                   | = | kilogram              |
| kl                   | = | kilolitre             |
| km                   | = | kilometre             |
| km-pass              | = | kilometre-pass        |
| kPa                  | = | kilopascal            |
| kW                   | = | kilowatt              |
| l                    | = | litre                 |
| m                    | = | metre                 |
| mm                   | = | millimetre            |
| m <sup>2</sup>       | = | square metre          |
| m <sup>2</sup> -pass | = | square metre-pass     |
| m <sup>3</sup>       | = | cubic metre           |
| m <sup>3</sup> -km   | = | cubic metre-kilometre |
| MN                   | = | meganewton            |
| MN.m                 | = | meganewton-metre      |
| MPa                  | = | megapascal            |
| No.                  | = | number                |
| Prov sum             | = | Provisional sum       |
| PC sum               | = | Prime Cost sum        |
| R/only               | = | Rate only             |
| sum                  | = | lump sum              |
| t                    | = | ton (1000 kg)         |
| W/day                | = | Work day              |
3. Unless otherwise stated, items are measured net in accordance with the drawings, and no allowance is made for waste.
4. The prices and rates in these Bills of Quantities are fully inclusive prices for the work described under the items. Such prices and rates cover all costs and expenses that may be required in and for the execution of the work described in accordance with the provisions of the Scope of Work, and shall cover the cost of all general risks, liabilities, and obligations set forth or implied in the Contract Data, as well as overhead charges and profit. These prices will be used as a basis for assessment of payment for additional work that may have to be carried out.
5. It will be assumed that prices included in these Bills of Quantities are based on Acts, Ordinances, Regulations, By-laws, International Standards and National Standards that were published 28 days before the closing date for tenders. (Refer to [www.stanza.org.za](http://www.stanza.org.za) or [www.iso.org](http://www.iso.org) for information on standards)
6. Where the Scope of Work requires detailed drawings and designs or other information to be provided, all costs associated therewith are deemed to have been provided for and included in the unit rates and sum amount tendered such items

7. An item against which no price is entered will be considered to be covered by the other prices or rates in the Bills of Quantities. A single lump sum will apply should a number of items be grouped together for pricing purposes.
8. The quantities set out in these Bills of Quantities are approximate and do not necessarily represent the actual amount of work to be done. The quantities of work accepted and certified for payment will be used for determining payments due and not the quantities given in the Bills of Quantities.
9. Reasonable compensation will be received where no pay item appears in respect of work required in the Bills of Quantities in terms of the Contract and which is not covered in any other pay item.
10. The short descriptions of the items of payment given in these Bills of Quantities are only for the purposes of identifying the items. More details regarding the extent of the work entailed under each item appear in the Scope of Work.
11. Descriptions in the Bills of Quantities are abbreviated and comply generally with those in the SABS 1200 Standardised Specifications.

### Example of a Bill of Quantities

Item	Description	Unit	Quantity	Rate	Amount

#### Summary

Section No	Description	Amount
1	.....	
2	.....	
3	.....	
.....	.....	
<b>Sub total</b>		
Value-Added Tax (VAT) at 14%		
<b>Total of the Prices</b>		

### Example of an Activity Schedule

Item No.	Programme Reference	Activity description	Price

### Professional service contracts

- 1 The NEC3 Professional Services Contract provides for payment mechanisms for a number of risk allocation options, namely:
  - Option A: Priced contract with activity schedule
  - Option C: Target contract
  - Option E: Time based contract

- Option G: Term contract

Compilers are referred to the NEC3 Professional Services Contract (PSC) Guidance Notes and Flow Charts for full details of how the PSC works.

The provisions of the PSC3 require that the *Consultant Provides the Services in accordance with the Scope* (core clause 21.1). 'Provide the Services' is a defined term (core clause 11.2(9)) and embraces all things necessary and incidental to completing the *services*.

It should be noted that Clause 50.3 (Payment) states that:

*The amount due is*

- *The Price for Services Provided to Date,*
- *The amount of expenses properly spent by the Consultant in Providing the Services and*
- *other amounts to be paid to the Consultant less amounts to be paid by or retained from the Consultant.*

The contract data must make provision for either the Employer or the Consultant to state the *expenses* or indicate that such expenses are described in the Pricing Data.

The term "Time Charge" is defined as *the sum of the products of each of the staff rates multiplied by the total staff time appropriate to that rate properly spent on the work in this contract*. Payments due and adjustments to the Prices in respect of compensation events may be based on Time Charges. *Accordingly*, the contract data must allow the Employer or the Consultant to state the applicable *staff rates* or indicate that such expenses are described in the Pricing Data.

Generally it is the Consultant who prepares the Activity Schedule as part of his tender by breaking down the work described within the Scope of Work into suitable activities which can be well defined, priced as a lump sum and shown on the programme. The Employer, in the Pricing Assumptions, may have listed some items that he requires the Consultant to include in his Activity Schedule and be priced accordingly. If the services are not well defined or typical based on other applications, then Option A should not be used. Instead option C (or E, which is a time-based contract), should be specified.

The Prices are defined in clause 11.2(12) of Option A as the *lump sum prices for each activity on the Activity Schedule unless later changed in accordance with the contract* and the Price for Services Provided to Date (PSPD) (the amount due to the consultant) is defined as *the total of the Prices for the activities which have been completed*. Hence activities in the Activity Schedule for an option A contract should be structured so as to provide an acceptable monthly cash flow as they are only assessed for payment on the assessment date if they have been completed.

The Price for Services Provided to Date in Option C (11.2(16)) is different as the consultant is paid on the basis of tendered staff rates multiplied by time applied for each staff member. At the end of the contract the total of the Prices in the tendered Activity Schedule is compared with the total amount paid, and the difference is shared in accordance with a formula stated in the Contract Data.

In the case of Option A, if the Consultant has decided not to identify a particular activity, the cost to the Consultant of doing the work must be included in, or spread across, the other Prices in order to fulfil the obligation to complete the services for the tendered total of the Prices. There is no adjustment to the lump sum Activity Schedule price if the amount, or quantity, of work within that activity later turns out to be different to that which the consultant estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event. See Clause 60.1. However, the Consultant does not have to allow in his Prices for matters that may arise as a result of a compensation event. Adjustment of the Prices for inflation would only apply if secondary option X1 is included in the contract.

In the payment clauses, the amount due to the Consultant is stated as the Price for Services Provided to Date plus payment for expenses in Providing the Services as stated in the Contract Data. *Accordingly*, unless the Employer states in Pricing Assumptions that he requires expenses to be included within the Activity Schedule Prices (and has provided an additional condition of contract in Option Z to change the above wording), the expenses listed and rate priced in the Contract Data are paid at the rates stated in the Data as and when incurred.

There is no provision in the PSC for the *Consultant* to be paid on the basis of a percentage of the cost to the *Employer* of the construction works carried out by others.

Options A and C require a priced Activity Schedule

Option G will be used when an Employer requires to have a contract with a Consultant for a specified term for work probably not yet specified, or specified but only needed on an intermittent basis, such as a geotechnical investigation service for various projects that may arise during the term of the contract, or advisory services of a specified nature on an ad hoc basis. The Task Schedule is accordingly a schedule of rates (a shopping list) of people and other resources likely to be used by the Consultant when work is carried out. Clearly such a schedule could include the use of special equipment (plotters, etc ) or subconsultants or subcontractors.

The Price for Services Provided to Date is, for each Task, the total of the Time Charge for work which has been completed on time based items on the Task Schedule and a proportion of the lump sum price for each item on the Task Schedule that is a proportion of the work completed on that item. Accordingly, the Consultant is paid on a cost reimbursable basis at the rates stated in the Task Schedule for the period (term) of the contract. Changes to the rates in the schedule can arise from compensation events, and adjustments for inflation would apply if secondary option X1 is included.

There is no provision in the NEC3 PSC for the Consultant to be paid on the basis of a percentage of the cost to the *Employer* of the construction works carried out by others. Additional conditions of contract in the form of a Z clause needs to be developed to provide for this option.

Example of Z clause for Percentage fee contract		
<b>Option P: Percentage fee contract</b>		
<b>Identified and defined terms</b>	<b>11</b>	The Price for Services Provided to Date is the fee determined in accordance with the provisions of the Pricing Data for a stage that has been completed or in proportion to the work completed towards the completion of a stage.
<b>The Consultant's obligations</b>	<b>21</b>	The <i>Consultant</i> prepares forecasts of total <i>expenses</i> for the whole of the <i>services</i> and submits them to the <i>Employer</i> . Forecasts are prepared at the intervals stated in the Contract Data from the <i>starting date</i> until Completion of the whole of the <i>services</i> . An explanation of the changes made since the previous forecast is submitted with each forecast.
<b>Acceleration</b>	<b>34</b>	When the <i>Employer</i> accepts a quotation for an acceleration, he changes the Prices, the Completion Date and the Key Date accordingly and accepts the revised programme.
<b>Accounts and records</b>	<b>52</b>	The <i>Consultant</i> keeps accounts and records of his <i>expenses</i> and allows the <i>Employer</i> to inspect them at any time within working hours.
<b>Quotations for compensation events</b>	<b>62</b>	The cost of preparing quotations for compensation events is not included in the assessment of compensation events.
<b>Implementing compensation events</b>	<b>65</b>	The changes in the Prices, the Completion Date and the Key Dates are included in the notification implementing a compensation event.
<b>Note:</b> Reference should be made in the contract data to the effect that the <i>expenses</i> and <i>staff rates</i> are as provided for in the Pricing Data.		

- 2 Pricing Data is defined in the CIDB Standard Professional Services Contract as *data that establishes the criteria and assumptions that were taken into account when developing the Contract Price and the record of the components that make up of the Contract Price*. Clause 14 states that *the Employer shall remunerate and reimburse the Service Provider for the performance of the Services as set out in the Pricing Data*.

Clause 14 also provides some default provisions.

This form of contract accordingly allows the employer to specify remuneration in the pricing data in a number of ways including:

- Lump sum for each activity to be provided,
- Percentage fee based on the value of works to be constructed by others,
- Hourly rates, or
- Reference to published remuneration guidelines.

**Note:** Tenderers may be required to tender a percentage up or down of a guideline tariff of fees.

<b>Example Pricing Assumptions</b>	
1	The Consultant is to allocate an approximate budget to each activity in the activity schedule.
2	All activities must be invoiced on a monthly basis, based on the actual hours spent on the activity.
3	Payment will be based on the actual hours spent on such activities provided that reasonable progress towards the completion of the activity within the estimated budget is demonstrated.
4	The budget allocated to each activity and the total of prices for the activities shall not exceed 15% without the written agreement of the Employer.

3 The Councils for the various built environment professions are empowered through their respective pieces of legislation to publish in the *Gazette* on an annual basis, after consultation with the voluntary associations, representatives of service providers and clients in the public and private sector, guideline professional fees. The Engineering Council of South Africa, for example, publishes the following two documents in this regard:

- Guideline Scope of Services and Tariff of Fees for Persons Registered in terms of the Engineering Profession Act, 2000; and
- Indicative Time Based Fee Rates

These guideline fees may be used in a competitive selection process whereby consultants are required to tender for percentage up or down from the tariff and the amounts due, are based on the fee calculated in terms of these tariffs plus / minus the percentage tendered. The recommended wording which should be included in the Pricing Data, where this approach is to be followed is set out in as follows:

<b>Service</b>	<b>Pricing Data</b>	
	<b>Pricing Assumptions</b>	<b>Pricing Schedule</b>
<b>Architectural</b>	<p>1 The fee for services rendered in accordance with the Scope of Work shall be calculated in accordance with the RECOMMENDED TARIFF OF FEES IN RESPECT OF SERVICES RENDERED BY A PERSON REGISTERED IN TERMS OF SECTION 19(2) OF THE ACT IN PRIVATE CONSULTING PRACTICE, published in terms of Board Notice 161 of 2001, issued in terms of the Architectural Profession Act, 2000, (Tariff of Fees). No reduction in fee for the firm not being the principal agent shall apply.</p> <p>2 The project cost based fee payable shall be calculated in accordance with the following formula:  <math display="block">\text{Project cost based fee payable} = (1 \pm \text{PFA}) \times \text{FC}</math>           where FC is the project cost based fee calculated in accordance with the Tariff of Fees and PFA is the Project Cost Based Fee Adjustment contained in the Pricing Schedule.</p> <p>3 The project cost based fee payable in terms of 2 shall include all disbursements and travelling time referred to in the Tariff of Fees relating to work remunerated on such a basis, save those for the cost of printing drawings and documents.</p> <p>4 Fees for supplementary and other services, which cannot be calculated as a project cost based fee in accordance with the Tariff of Fees, shall be either paid for on a lump sum basis if scheduled as such in the Pricing Schedule, or on a time and disbursement basis in accordance with the Tariff of Fees.</p> <p>5 The time based fee shall be calculated in accordance with the following formula:  <math display="block">\text{Time based fee payable} = (1 \pm \text{TFA}) \times h \times R</math>           where TFA is the Time Based Fee Adjustment provided for in the Pricing Schedule, h is the number of hours spent in providing the applicable time related service and R is the applicable time based fee in accordance with the provisions of the Tariff of Fees.</p> <p>6 Work of a routine nature undertaken on a time basis shall be paid for under the categories provided for staff., irrespective of whether or not such work is undertaken by persons falling into the category for principals or associates and managers.</p>	<p><b>1 Project Cost Based Fee Adjustment (PFA)</b></p> <p>Plus + ..... % or minus - .....% (complete or delete that which is not applicable)</p> <p><b>2 Lump sum fees for supplementary and other services</b></p> <p>..... : R ...            ..... : R ...</p> <p>2.3 .....</p> <p><b>Total R .....</b></p> <p>..</p> <p><b>3 Time Based Fee Adjustment (TFA)</b></p> <p>Plus + ..... % or minus - .....% (complete or delete that which is not applicable)</p>

Service	Pricing Data	
	Pricing Assumptions	Pricing Schedule
	7 Where an employee of the firm is seconded for extended inspection, the annual reimbursement shall be the total cost of employment plus percent.	
Engineering	<p>1 The fee for services rendered in accordance with the Scope of Work shall be calculated in accordance with the GUIDELINE SCOPE OF SERVICES AND TARIFF OF FEES FOR PERSONS REGISTERED IN TERMS OF THE ENGINEERING PROFESSION ACT, 2000, published in terms of Board Notice ... of ..... (Tariff of Fees), based on ..... (insert description of the works to enable the factor by which the basic fee is to be multiplied – see Board Notice).</p> <p>2 The fee payable shall be calculated in accordance with the following formula:  <math display="block">\text{Fee payable} = (1 \pm \text{FA}) \times \text{FC}</math> where FC is the fee calculated in accordance with the Tariff of Fees and FA is the Fee Adjustment contained in the Pricing Schedule.</p> <p>3 The fee payable in terms of 2 shall include all expenses referred to in the Tariff of Fees relating to work remunerated on such a basis, save those for the cost of printing drawings and documents.</p> <p>4 Fees for additional services, which cannot be calculated as a fee in accordance with the Tariff of Fees, shall be either paid for on a lump sum basis if scheduled as such in the Pricing Schedule, or on a time and expenses basis in accordance with the Tariff of Fees.</p> <p>5 The time based fee shall be calculated in accordance with the following formula:  <math display="block">\text{Time based fee payable} = (1 \pm \text{TFA}) \times h \times R</math> where TFA is the Time Based Fee Adjustment provided for in the Pricing Schedule, h is the number of hours spent in providing the applicable time related service and R is the applicable time based fee in accordance with the provisions of the Tariff of Fees.</p> <p>6 Work of a routine nature undertaken on a time basis shall be paid for under the category C, irrespective of whether or not such work is undertaken by persons falling into Category B.</p> <p>7 Costs that may be recovered in terms of the Tariff of Fees are:  (List items eg traffic surveys, geotechnical investigations, laboratory testing, topographical and land surveys etc if not included in the lump sum fees for additional services)</p>	<p><b>1 Fee Adjustment (FA)</b></p> <p>Plus +..... % or minus -  .....% (complete or delete that which is not applicable)</p> <p><b>2 Lump sum fees for additional services</b></p> <p>..... : R ...  ..... : R ...  ..... : R ...</p> <p><b>Total R ....</b></p> <p><b>3 Time Based Fee Adjustment (TFA)</b></p> <p>Plus +..... % or minus -  .....% (complete or delete that which is not applicable)</p>

Service	Pricing Data	
	Pricing Assumptions	Pricing Schedule
Quantity surveying	<p>1 The fee for services rendered in accordance with the Scope of Work shall be calculated in accordance with the TARIFF OF PROFESSIONAL FEES, effective 1 January 20..., issued in terms of the Quantity Surveying Profession Act, 2000 (Tariff of Fees).</p> <p>2 The fee payable shall be calculated in accordance with the following formula:  <math display="block">\text{Fee payable} = (1 \pm \text{PFA}) \times \text{FC}</math> where FC is the fee calculated in accordance with the Tariff of Fees and FA is the Fee Adjustment contained in the Pricing Schedule.</p> <p>3 The fee payable in terms of 2 shall include all disbursements and travelling expenses referred to in the Tariff of Fees relating to work remunerated on such a basis, save those for the cost of printing drawings and documents.</p> <p>4 Fees for supplementary services, which cannot be calculated as a fee in accordance with the Tariff of Fees, shall be either paid for on a lump sum basis if scheduled as such in the Pricing Schedule, or as a time charge for national and provincial departments in accordance with the Tariff of Fees.</p> <p>5 The time charge shall be calculated in accordance with the following formula:  <math display="block">\text{Time based fee payable} = (1 \pm \text{TCA}) \times h \times R</math> where TFA is the Time Charge Adjustment provided for in the Pricing Schedule, h is the number of hours spent in providing the applicable time related service and R is the applicable time charge for national and provincial departments in accordance with the provisions of the Tariff of Fees.</p> <p>6 Remuneration for the time expended by principals where time charges apply shall be limited to 5 percent of the total time charges for the project.</p>	<p><b>1 Fee Adjustment (FA)</b></p> <p>Plus + ..... % or minus - .....% (complete or delete that which is not applicable)</p> <p><b>2 Lump sum fees for supplementary services</b></p> <p>2.1. .... : R .....</p> <p>2.2. .... : R .....</p> <p><b>Total</b> R .....</p> <p>..</p> <p><b>3 Time Charge Adjustment (TCA)</b></p> <p>Plus + ..... % or minus - .....% (complete or delete that which is not applicable)</p>