



South African Council for the Architectural Profession
PROFESSIONAL PRACTICE EXAMINATION
OCTOBER 2024

PAPER 2 – MEMORANDUM

- Candidates are required to answer **ALL** the questions.
- Questions must be answered in **SEQUENCE**. Ensure that your answers are clearly **NUMBERED**.
- This is an **OPEN BOOK** paper. No notes, supplementary documents or online referencing is permitted.
- All answers must be **in your OWN words** where appropriate.
- Candidates must take note of the mark allocation of each question in order to provide enough information in their answer.
- Where answers are duplicated between candidates, plagiarised, or copied, **ZERO** marks will be granted.
- Take note that duplicated, plagiarised and/or copied answers may be subject to further investigation, penalties and/or disciplinary action.
- Total marks for paper one – **150 marks**
- Pass mark – a minimum of **50%** in each of the two papers.
- Time allocation – **3 hours**

QUESTION 1 - CONTRACTUAL UNDERSTANDING & LEGAL CONCEPTS

18 marks

1.1	Provide appropriate terminology, words or phrases to the below::	
1.	An agreement with a serious intent is referred to as: contract ⁽¹⁾	(1)
2.	An agreement which has not been upheld by a party constitutes as: a breach of contract	(2)
3.	Contracts can _____ when all contractual obligations have ended. Expire, Terminate	(1)
4.	Offers which reject initial ones and propose alternatives are referred to as: counter offers	(2)
5.	When an agreement is not upheld, a stipulated form of resolving the matter is referred to as: Remedials/Remedies	(2)



51 Wessel Road, Right Wing,



Email: info@sacapsa.com



Rivonia, Sandton, 2128



Web: www.sacapsa.com

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1.2	Parties of a contract can face issues upon realising that the agreement is null and void. To avoid this, contracts are required to abide by specific criteria to be seen as valid. Explain the criteria required in detail.	(10)
	<p><i>Any of the following or in a similar vein (2 marks each – total of 10 marks):</i></p> <ul style="list-style-type: none">▪ Consensus: the parties to the contract must have the same intention of creating a legal obligation with certain legal consequences between them.▪ Contractual capacity: the parties must have the legal ability to form an intention.▪ Legality: the contract must be legal and must therefore not be in conflict with either common law or legislation.▪ Possibility: the performance (or non-performance) in terms of the contract must be possible and determined (or determinable).▪ Formalities: the contract must be reduced to some visible form as required or prescribed.	



QUESTION 2 - PROJECT LIFE CYCLE & CONTRACT SELECTION

30 marks

2.1	<p>Your friend Tshepo recently used an Artificial Intelligence persona to discuss the requirements of selecting the appropriate contract for a project - from inception to construction.</p> <p>As an AI chatbot, it still needs to learn about contract specifics in the design and construction process.</p> <p>Help train its data by providing it with a base understanding of:</p> <ul style="list-style-type: none">- <i>The design phase</i> (encompassing conceptual design, council submission processes and documentation)- <i>The construction phase</i> (encompassing the site handover, the construction process with final dates of completion and defects liability periods) <p><i>3 marks for the discussion of each of the above processes or in a similar vein (total 6 marks).</i></p>	(6)
2.2	<p>To further understand this process in detail, the AI chatbot requires fine-tuning. Help it provide more accurate answers by correctly answering its questions below:</p>	(2)
2.2.1	<p>An appropriate contract to use at the design phase of a project is _____.</p>	
	<p>PROCSA, CAA</p>	
2.3	<p>The following diagram is a representation of which part of a project's life cycle?</p>	(2)



<p>South for the Arc</p>		
<p>the Construction Phase</p>		
<p>2.4</p>	<p>Domestic subcontractors belong to which phase of the project lifecycle process? To support your answer, provide their characteristics as well: <i>2 marks for each of the following (total 6 marks):</i></p> <p><i>The construction phase</i></p> <ul style="list-style-type: none"> ▪ the contractor has chosen and awarded ▪ employer has no right to approve or disapprove ▪ contractor is wholly at risk 	<p>(6)</p>
<p>2.5</p>	<p>There are two (2) additional subcontractors which are also part of the above stated phase. Name them.</p> <p><i>Nominated⁽²⁾ and selected subcontractor⁽²⁾</i></p>	<p>(4)</p>
<p>2.6</p>	<p>Which form of subcontractor exposes the contractor to the greatest level of risk?</p> <p><i>Domestic subcontractor as they are chosen by the contractor</i></p>	<p>(3)</p>
<p>2.7</p>	<p>Which form of subcontractor exposes the employer to the greatest level of risk?</p> <p><i>Nominated subcontractor because they are chosen by the employer</i></p>	<p>(3)</p>
<p>2.8</p>	<p>Design contracts for the design of buildings exist between various parties. Identify:</p> <ul style="list-style-type: none"> - the role players - the relationship between role players <p><i>a Design Contract primarily comprises of:</i></p> <ul style="list-style-type: none"> - The Employer - The Design Consultant/The Principal Consultant <p><i>The contract for the design of the building exists between the principal consultant and the employer</i></p> <p><i>The Employer is responsible for payment of services rendered by the Design Consultant</i></p>	<p>(4)</p>



QUESTION 3 - Multiple Choice Questions

15 marks

- Select the correct answer from the list provided. There is only one correct answer to each question.
- Provide only the question number and the letter of the selected answer.
- The acronym 'JBCC-PBA' refers to the JBCC Principal Building Agreement.

3.1	Which of the below is a contract of Southern African origin:	(3)
	A. MSC	
	B. FIDIC	
	C. NEC	
	D. None of the above	
3.2	The employer confers special rights to the principal agent, which allows the principal agent...	(3)
	A. to proceed with due diligence, care, skill and appropriate resources	
	B. to have full authority and obligation to act in terms of the agreement	
	C. to be able to manage the building contract	
	D. to register with the SACAP	
3.3	Two forms of payment certificates:	(3)
	A. interim and final payment certificates	
	B. sectional and practical completion	
	C. total design and design development fees	
	D. practical completion and interim completion	



51 Wessel Road, Right Wing,



Email: info@sacapsa.com



Rivonia, Sandton, 2128



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3.4	The principal agent has the right to administer the contract.		(3)
	A.	TRUE	
	B.	FALSE	
3.5	The principal agent must be a registered ECSA professional person.		(3)
	A.	TRUE	
	B.	FALSE	

QUESTION 4 - JBCC SCENARIO CASE STUDIES

45 marks

NOTE: The answers and reasoning to question 4 are provided below. Should candidates provide very different reasons, the marker may be required to assess the candidate's insight and allocate marks accordingly.

Esther, a newly registered Professional Architect, has recently acquired a new client who is keen to design a residence in Mbombela, Mpumalanga.

The JBCC Principal Building Agreement is used. The professional team members on the project include a quantity surveyor and structural engineer, who the employer has duly appointed as agents on the project.

4.1	<p>As this is Esther's first project, her previous mentor has decided to guide her on what her role entails. He sends her on a research exercise to determine what her duties are according to the JBCC.</p> <p>Write in point format what are the points she will be responsible for, as laid out in the PBA relating to:</p> <ul style="list-style-type: none"> ● payment certificates ● completion certificates ● revision of practical completion dates and ● cancellation of agreements. 	(12)
	<p><i>Any of the following reasons or in a similar vein (3 marks each – total 12 marks):</i></p> <ul style="list-style-type: none"> ▪ issue an interim or final payment certificate to the contractor ▪ issue a practical or final completion certificate ▪ grant, refuse or reduce the contractor's application for the revision of the date for practical completion 	



51 Wessel Road, Right Wing,



Email: info@sacapsa.com



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4.2	<p>Esther's next task is to understand how payment certificates work. She heard you are knowledgeable about payment certificates and reached out to help.</p> <p>She asks specifically:</p> <ul style="list-style-type: none">- In which specific contract of the JBCC Suite can she find information on payment certificates- What are the major sections of a payment certificate- Can she create her own unique layout for a payment certificate based on her own understanding- Which clauses in the JBCC refer to payment certificates	(8)
	<p><i>Any of the following steps or in a similar vein (2 marks each – total 8 marks):</i></p> <ul style="list-style-type: none">▪ PBA▪ It is separated in 3 sections: Header, body and footer. Or any detail about the layout of the form▪ No she cannot. She must follow the template provided▪ Clause 25	
4.3	<p>The appointed contractor commenced excavations for foundations and encountered dolomite rocks that existed below the surface. They were not recorded in any prior construction documentation.</p> <p>The contractor is willing to utilise dynamite to disintegrate the rock immediately, however this would be an additional cost.</p> <p>What would you advise as the correct procedures to follow before the contractor commences with this work?</p>	(6)
	<p><i>As this demolition was not expected, there would not have been a monetary allowance for this work in the tender documentation.</i></p> <p><i>The contractor should be advised to provide a price for this work prior to commencement</i> <i>(3),</i></p> <p><i>as Mbombela is generally known for its rocky terrain, and would be entitled for a revision of the date for practical completion with an adjustment to the contract value if this is claimed</i> <i>(3).</i></p>	
4.4	<p>Having carried out the demolition, the contractor has contacted Esther to urgently issue an interim payment certificate.</p> <p>Esther's response is that she will pay him within 3 weeks for his work.</p> <p>Explain why her response is incorrect according to the JBCC.</p>	(4)
	<p><i>Esther is not abiding by the contract. (1)</i></p> <p><i>The frequency of payment certificates is recorded in the Contract Data portion as agreed to by the contractor. (1)</i></p> <p><i>However, it is imperative to know that:</i></p>	



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4.5	<p>The contractor has successfully achieved practical completion on time, and the final completion for the project is now underway.</p> <p>Describe five consequences of the achievement of final completion that have an effect on the rights and obligations of the contracting parties. Mention the effect this has on the variable construction security to ease the contractor's mind as this was taken at the start of the project .</p> <p><i>Any of the following items or in a similar vein (2 marks each – total 10 marks):</i></p> <ul style="list-style-type: none"> ▪ The contractor's obligations in terms of the agreement have been fulfilled ▪ The contractor's public liability in relation to the works ceases ▪ The value of the guarantee for construction (variable) reduces to 2% of the contract sum until the final payment ▪ All subcontractor's guarantees, warranties or indemnities are deemed to be ceded to the employer ▪ The latent defects liability period continues until five years from the date of final completion ▪ The principal agent issues the final payment certificate within 90 calendar days after the certified date of final completion 	(10)
4.6	<p>During the same week, Esther was notified that a project she worked on a few years ago collapsed in a small town in the Northern Cape. The JBCC Suite of contracts were utilised during its construction.</p> <p>Explain the concept of a defect according to the JBCC to conclude your answer.</p> <p>Describe what the potential responsibilities of the contractor would be if this occurred within a 5 year period after final completion.</p>	(5)
	<p><i>Should a defect be identified and linked to the contractor, they can be held liable for this as a result of the definition of defect according to the JBCC:</i></p> <p><i>"Any aspect of materials and workmanship forming part of the works that does not conform to the contract documents." (1)</i></p> <p><i>According to the JBCC, contractor would take responsibility for the event in the following circumstances:</i></p> <ul style="list-style-type: none"> - the event occurred within latent defects liability period which appears to be the case based on the above (1) - <p><i>He would therefore be required to repair the damages to the site at his own cost (1), especially in the case that he used a domestic sub-contractor (1).</i></p>	

QUESTION 5 - DISPUTE RESOLUTION

7 marks

5.1	<p>A contract lawfully comes to an end upon...:</p> <p>Upon the completion of the performance of all contractual obligations</p>	(2)
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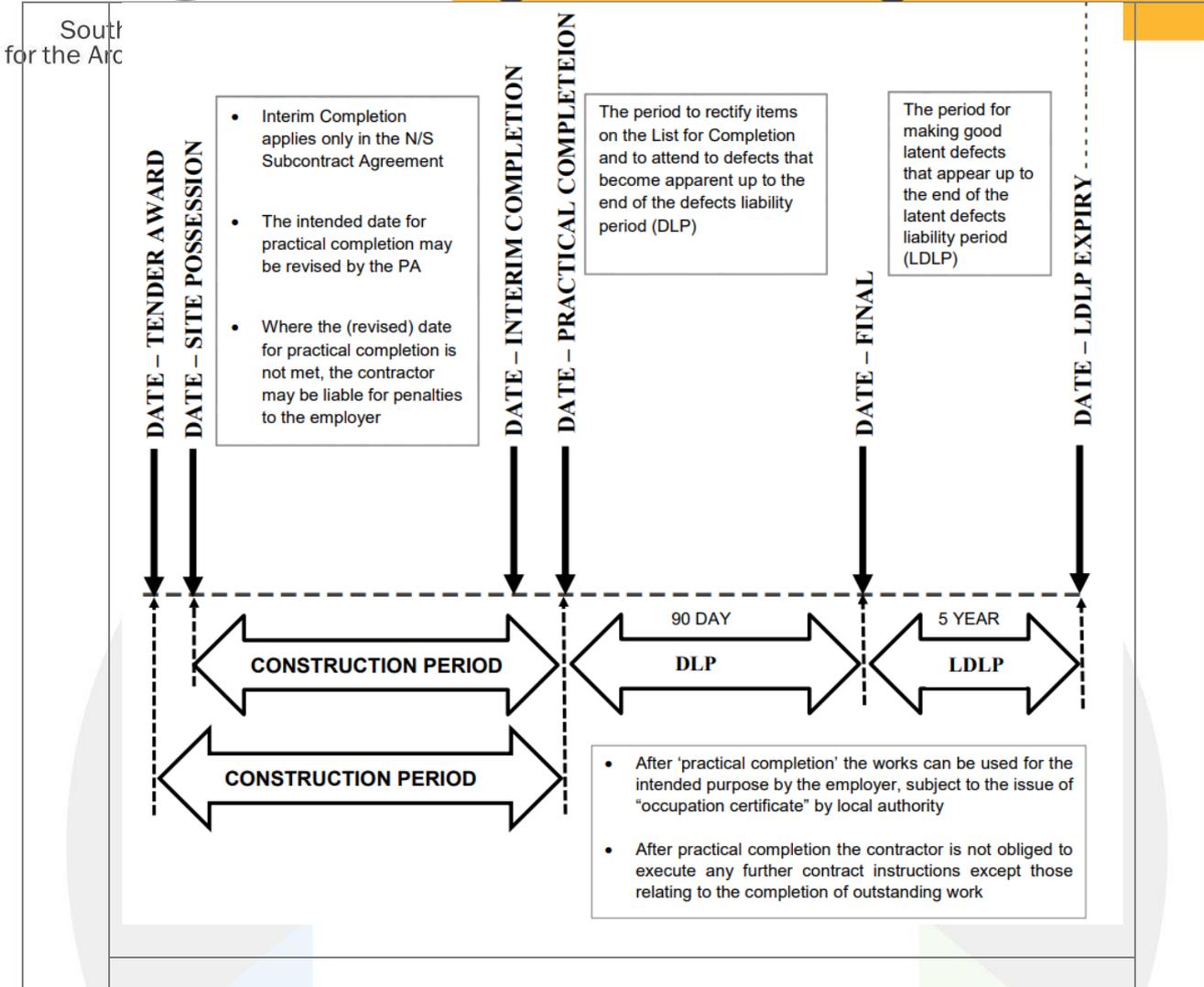
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5.2	Which method of dispute resolution is preferred in a construction setting?	(1)
	Adjudication	
5.3	When a dispute has exhausted all alternate forms of resolution, what is the final form of resolution?	(2)
	Litigation and these involve legal proceedings in a court of law	
5.4	Which form of dispute resolution preserves relationships between parties to the largest extent?	(1)
	Mediation	
5.5	Which form of dispute resolution is usually one in which a neutral party makes a binding decision?	(1)
	Arbitration	

QUESTION 6 - JBCC DEFECTS LIABILITY PERIOD

5 marks

6.1	Review the diagram below and answer the True or False questions which follow.	
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6.1.1	The 90 Day Defects Liability Period commences from the date of practical completion	(1)
	True	
6.1.2	Interim completion occurs within the construction period	(1)
	True	
6.1.3	After construction has completed, a contractor can 'make good' issues to the works for an indefinite period of time.	(1)
	False	
6.1.4	The date for practical completion is fixed and cannot be revised	(1)
	False	
6.1.5	The construction period runs from the date the tender was awarded to the date of LDLP expiration.	(1)
	False	

QUESTION 7 - TERMINOLOGY

5 marks



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7.1. Latin words and phrases are associated with specific legal consequences to specific events. Identify the appropriate latin term which suits the event below:

7.1.1.	A non-exhaustive list of a party's obligations in a contract <i>Inter Alia</i>	(1)
7.1.2.	Payments made to the design consultant in proportion to the time spent on conceptualising the design <i>Pro rata</i>	(1)
7.1.3.	An contractor claims an excuse of ignorance to his responsibilities of the latent defects liability period under the construction contract <i>non excusat ignorantia juris</i>	(1)
7.2. Answer the following with the appropriate phrase or word		
7.2.1	What is the name of the term used to describe the transfer of responsibilities from one party in a contract to another? <i>Cession</i>	(1)
7.2.2	When one cedes their responsibilities, it is referred to as: <i>Cession</i>	(1)

QUESTION 8 - JBCC PAYMENT CERTIFICATES

25 marks

8.1	<p>After winning a competition to design a new development, Wonderstar Resorts has selected your firm's design for construction. Construction has commenced and progress is running smoothly.</p> <p>As you have been preparing to write the Professional Practice Exam this year, the principal of your firm thought to give you an opportunity to complete a payment certificate for which a contractor has submitted her claim.</p>	
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The details of the claim are as follows (All excluding VAT):

Employer: Wonderstar Resorts
Contractor: Zamba Construction
Works: Additions And Alterations to Waterfront Resort
Site address: Erf 2399, Strandfontein, Cape Town
The 6th Valuation was done on 18th June 2024.

The payment certificate needs to be issued on the 28th of each month and the payment date needs to be calculated.

The previous amount certified of **R10 200 067.22**

Contract Sum: R18,168,000.00

Value of work executed: R12,150,000.78

Materials and goods on site: R220,560.22

Materials and goods off site: R80,570.00

Security selected: Variable construction guarantee

Authorised adjustments to contract value due to additions : R25 000.00

Cost fluctuations: nil

Fill in the Interim Payment Certificate provided



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Payment Certificate

Issued in terms of Clause 25.0 of the
Principal Building Agreement Edition 6.2 - May 2018

Certificate No:

Interim or Final

Employer

Contractor

Works

Site

Valuation date Issue date Payment due date

	A CONTRACT SUM	B CURRENT CONTRACT VALUE	C CURRENT VALUATION	D CURRENT CERTIFICATION
1.0 Value of work executed [25.3.1]			<input type="text" value="8.10"/>	
2.1 Materials and goods on site [25.3.2]			<input type="text" value="8.11"/>	
2.2 Materials and goods off site [25.3.2]			<input type="text" value="8.12"/>	
3.0 Subtotal			<input type="text" value="8.13"/>	
4.0 Security adjustments applicable [25.3.3] <i>If applicable, state %</i>		<input type="text"/>	<input type="text"/>	<input type="text"/>
5.0 Net contract sum	<input type="text" value="8.14"/>	<input type="text" value="8.15"/>		
6.0 Authorised adjustments to contract value [26.0]		<input type="text" value="8.16"/>		
7.0 Cost fluctuations [25.3.4]	<input type="text" value="8.17"/>	<input type="text" value="8.18"/>	<input type="text" value="8.19"/>	<input type="text" value="8.20"/>
8.0 GROSS AMOUNT CERTIFIED				<input type="text" value="8.21"/>
9.0 Less Previous amount certified [25.3.6]				<input type="text" value="8.22"/>
10.0 NET AMOUNT CERTIFIED				<input type="text" value="8.23"/>
11.1 Less Expense and loss payable to the employer [Recovery Statement subtotal 1.0]				<input type="text"/>
11.2 Less Penalty levied and payable to the employer [Recovery Statement 1.11]				<input type="text"/>
11.3 Add Damages payable to the contractor [Recovery Statement 2.3]				<input type="text"/>
11.4 Add Expense and loss caused by a direct contractor [Recovery Statement 2.4]				<input type="text"/>
11.5 Add Termination of a n/s subcontract agreement, employer's default [Recovery Statement 2.6]				<input type="text"/>
12.0 Subtotal	<input type="text" value="8.24"/>	<input type="text" value="8.25"/>		<input type="text" value="8.26"/>
13.0 Add Tax on 12.0 [25.3.8] <input type="text" value="8.27"/> %	<input type="text" value="8.28"/>	<input type="text" value="8.29"/>		<input type="text" value="8.30"/>
14.1 Less Default interest payable to the employer [Recovery Statement 1.12]				<input type="text"/>
14.2 Less Recoupment from contractor of an advance payment [Recovery Statement 1.10]				<input type="text"/>
14.3 Add Default interest payable to the contractor [Recovery Statement 2.1]				<input type="text"/>
14.4 Add Compensatory interest payable to the contractor [Recovery Statement 2.2]				<input type="text"/>
14.5 Add Advance payment made to the contractor [Recovery statement 2.5]				<input type="text"/>
14.6 Add Other non-taxable amounts [25.3.10]				<input type="text"/>
15.0 TOTAL	<input type="text" value="8.31"/>	<input type="text" value="8.32"/>		
16.0 Currency <input type="text" value="8.33"/> CERTIFIED AMOUNT DUE FOR PAYMENT to the:			<input type="text" value="8.34"/>	<input type="text" value="8.35"/>
17.0 Contract sum execution (Security for construction - variable only)			(D8.0÷A12.0x100)	<input type="text" value="8.36"/> %
Security status				
Mark each box as appropriate: ✓ or ✗	<input checked="" type="checkbox"/> 8.37	<input type="checkbox"/> D17.0 < 50%	<input type="checkbox"/> D17.0 ≥ 50%	<input type="checkbox"/> Practical Completion <input type="checkbox"/> Final Completion <input type="checkbox"/>

Name and address of the principal agent's practice

Signature _____ Date:

Signed by the principal agent who, as agent for the employer, certifies that the positive or negative amount stated in D16.0 is due and payable by the date stated [CD], irrespective of the date of signature of this payment certificate

© Copyright reserved: JBCC® PBA Edition 6.2 May 2018 PAYMENT CERTIFICATE - Jan 2021

ANSWER:



51 Wessel Road, Right Wing,



Email: info@sacapsa.com



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Payment Certificate

MEMO

Certificate No: 6

Issued in terms of Clause 25.0 of the
Principal Building Agreement Edition 6.2 - May 2018

Interim or Final Interim

Employer Wonderstar Resorts
 Contractor Zamba Contractors
 Works Additions and Alterations to Waterfront Resort
 Site ERF 2399, Strandfontein, Cape Town

Valuation date 18 June 2024 Issue date 28 June 2024 Payment due date 12 July 2024

	A CONTRACT SUM	B CURRENT CONTRACT VALUE	C CURRENT VALUATION	D CURRENT CERTIFICATION
1.0 Value of work executed [25.3.1]			12 150 000,78	
2.1 Materials and goods on site [25.3.2]			220 560,22	
2.2 Materials and goods off site [25.3.2]			80 570,00	
3.0 Subtotal			12 451 131,00	
4.0 Security adjustments applicable [25.3.3] <i>If applicable, state %</i>		n/a %	n/a	n/a
5.0 Net contract sum	18 168 000,00	18 168 000,00		
6.0 Authorised adjustments to contract value [26.0]		25 000,00		
7.0 Cost fluctuations [25.3.4]	n/a	n/a	n/a	n/a
8.0 GROSS AMOUNT CERTIFIED				12 451 131,00
9.0 Less Previous amount certified [25.3.6]				10 200 067,22
10.0 NET AMOUNT CERTIFIED				2 251 063,78
11.1 Less Expense and loss payable to the employer [Recovery Statement subtotal 1.0]				nil
11.2 Less Penalty levied and payable to the employer [Recovery Statement 1.11]				nil
11.3 Add Damages payable to the contractor [Recovery Statement 2.3]				nil
11.4 Add Expense and loss caused by a direct contractor [Recovery Statement 2.4]				nil
11.5 Add Termination of a n/s subcontract agreement, employer's default [Recovery Statement 2.6]				nil
12.0 Subtotal	18 168 000,00	18 193 000,00		2 251 063,78
13.0 Add Tax on 12.0 [25.3.8] 15 %	2 725 200,00	2 728 950,00		337 659,57
14.1 Less Default interest payable to the employer [Recovery Statement 1.12]				nil
14.2 Less Recoupment from contractor of an advance payment [Recovery Statement 1.10]				nil
14.3 Add Default interest payable to the contractor [Recovery Statement 2.1]				nil
14.4 Add Compensatory interest payable to the contractor [Recovery Statement 2.2]				nil
14.5 Add Advance payment made to the contractor [Recovery statement 2.5]				nil
14.6 Add Other non-taxable amounts [25.3.10]				nil
15.0 TOTAL	20 893 200,00	20 921 950,00		
16.0 Currency ZAR CERTIFIED AMOUNT DUE FOR PAYMENT to the:		Contractor		2 588 723,35
17.0 Contract sum execution (Security for construction - variable only)			(D8.0+A12.0x100)	68,53 %
Security status	Mark each box as appropriate: ✓ or X			
	D17.0 < 50% <input type="checkbox"/>	D17.0 ≥ 50% <input checked="" type="checkbox"/>	Practical Completion <input type="checkbox"/>	Final Completion <input type="checkbox"/>

Name
Address

Name and address of the principal agent's practice

Signature _____ Date: 28 June 2024

Signed by the principal agent who, as agent for the employer, certifies that the positive or negative amount stated in D16.0 is due and payable by the date stated [CD], irrespective of the date of signature of this payment certificate