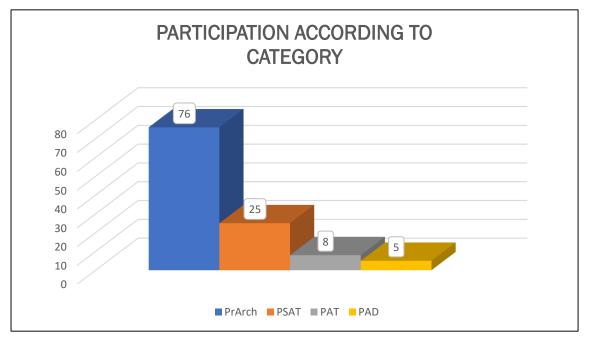


# REPORT ON IMPACT OF TENDERING FOR ARCHITECTURAL WORK IN THE PUBLIC SECTOR SURVEY June 2020

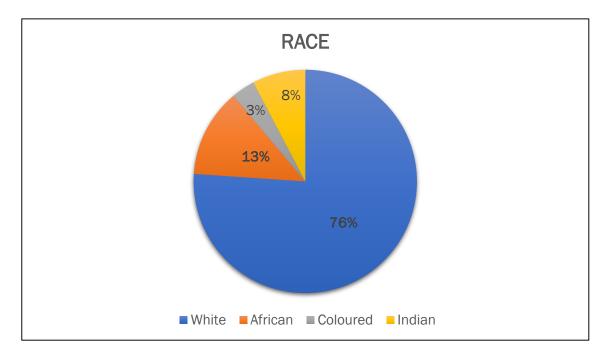
**114** of registered persons participated on the survey.

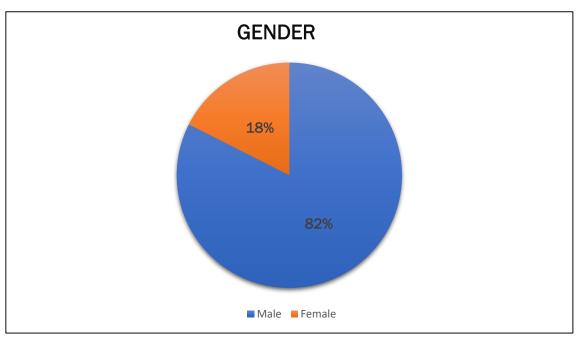
The following are the results of the survey.

## 1. CATEGORY OF REGISTRATION.

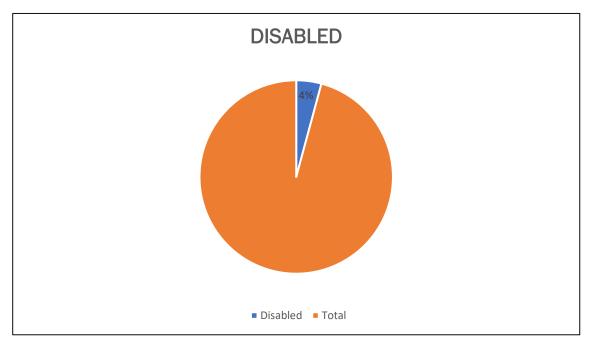


# 2. CLASSIFICATION

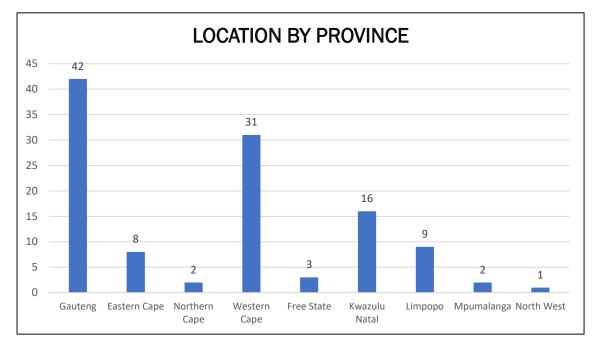




5 out of **114** are people living with disability.

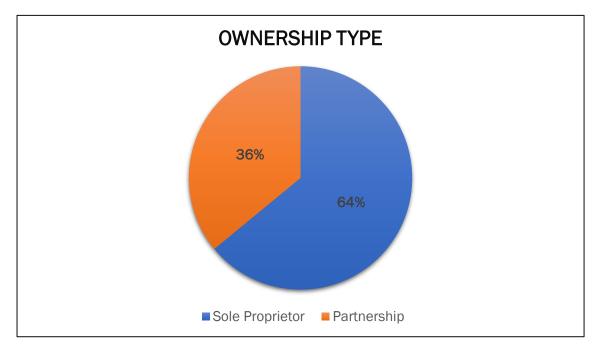


# 3. PROVINCE WHERE PRACTICE IS LOCATED

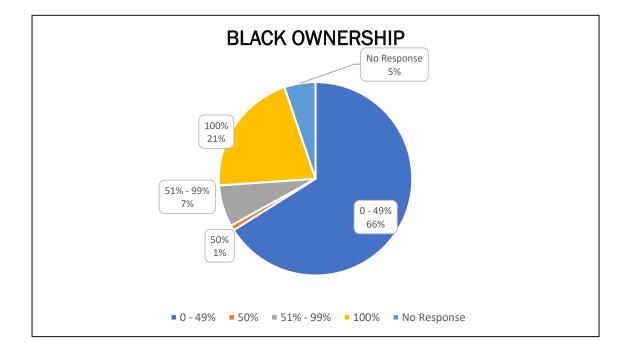


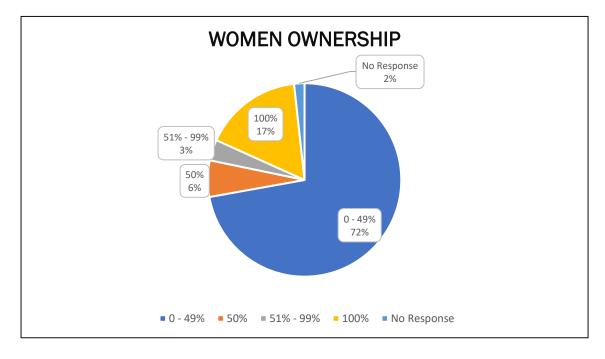
# 4. DISTRICT WHERE YOUR PRACTICE IS LOCATED;

### 5. TYPE OF OWNERSHIP



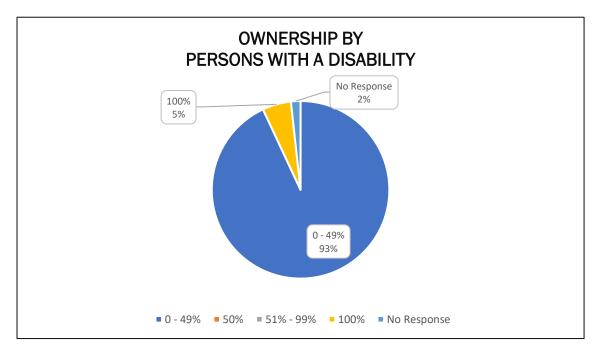
# 6. PERCENTAGE (%) OF BLACK OWNERSHIP



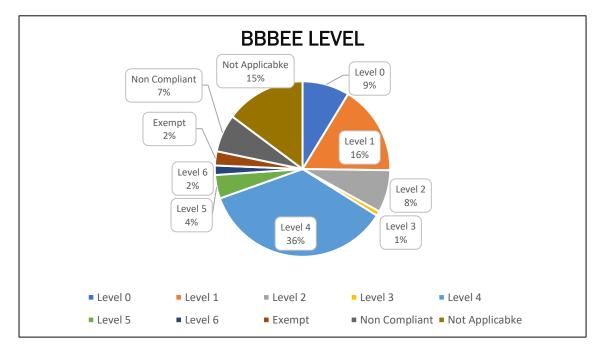


#### 7. PERCENTAGE (%) OF THE PRACTICE THAT IS OWNED BY FEMALES

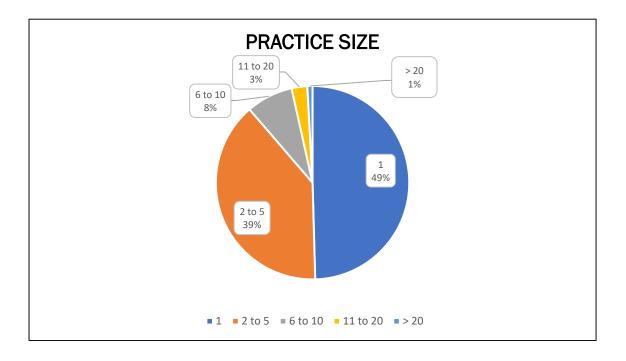
### 8. PERCENTAGE (%) OF THE PRACTICE THAT ARE OWNED BY PERSON(S) WITH DISABILITIES

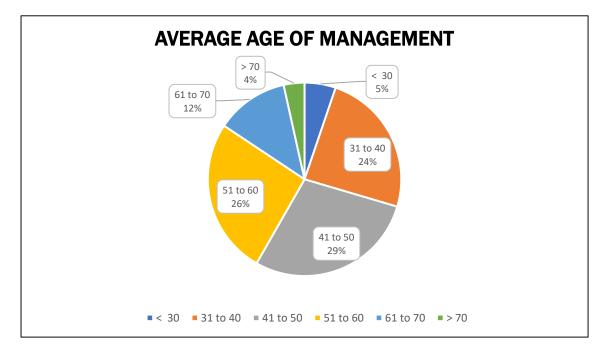


### 9. PRACTICE BBBEE LEVEL



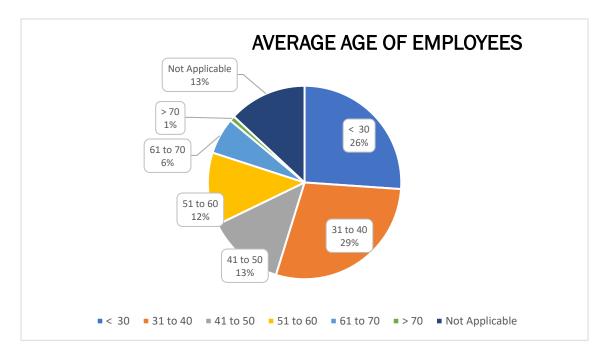
### 10. NUMBER OF ARCHITECTURAL PRACTITIONERS EMPLOYED AT THE PRACTICE



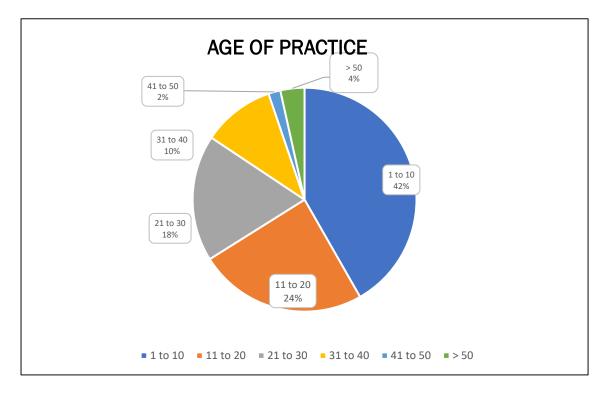


### 11. AVERAGE AGE OF THE MANAGEMENT OF THE PRACTICE

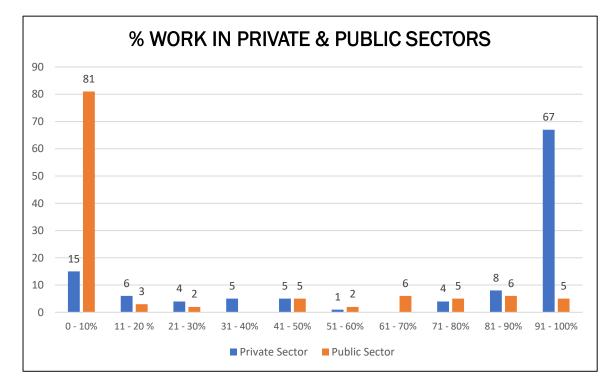
# 12. AVERAGE AGE OF THE EMPLOYEES OF THE PRACTICE

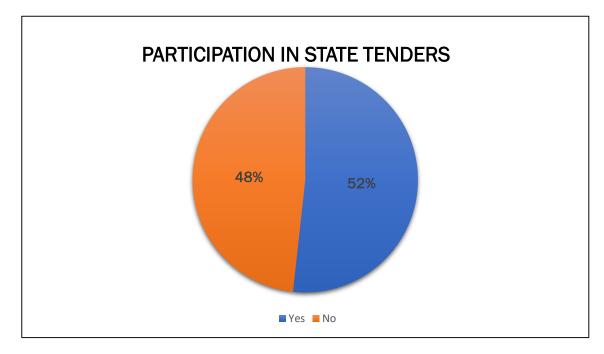




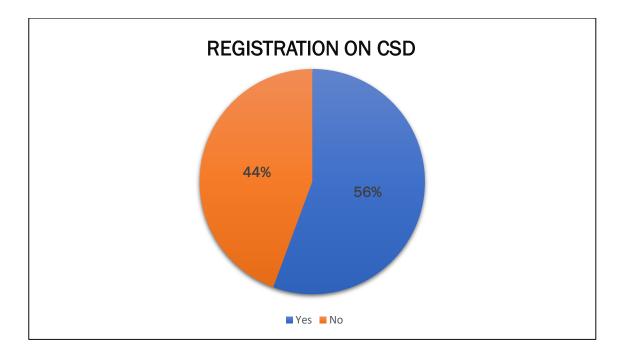


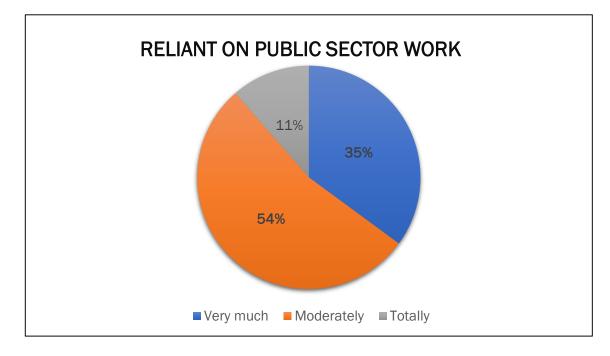
# 14 & 15 PERCENTAGE (%) OF WORK THAT IS UNDERTAKEN FOR THE PRIVATE SECTOR





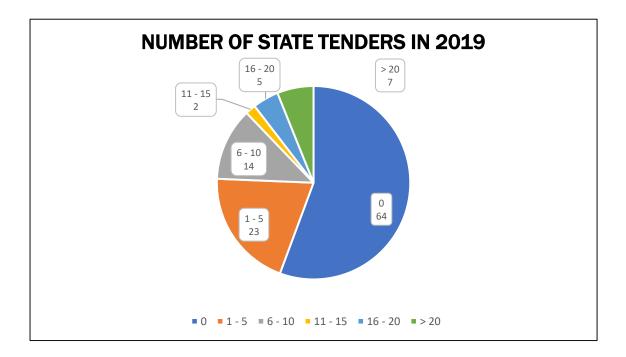
17 PRACTICE REGISTERED ON TREASURY CENTRAL SUPPLIER DATABASE (CSD)



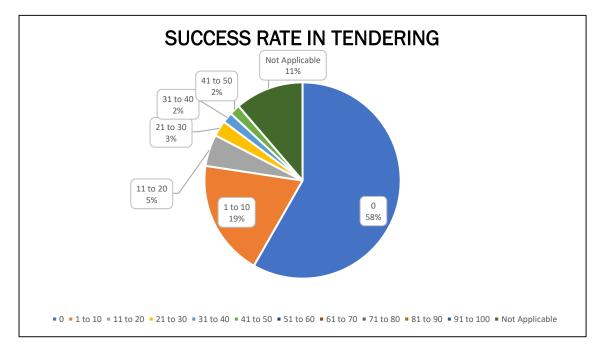


### 18 HOW RELIANT ARE YOU ON SECURING STATE WORK TO SUSTAIN YOUR PRACTICE?

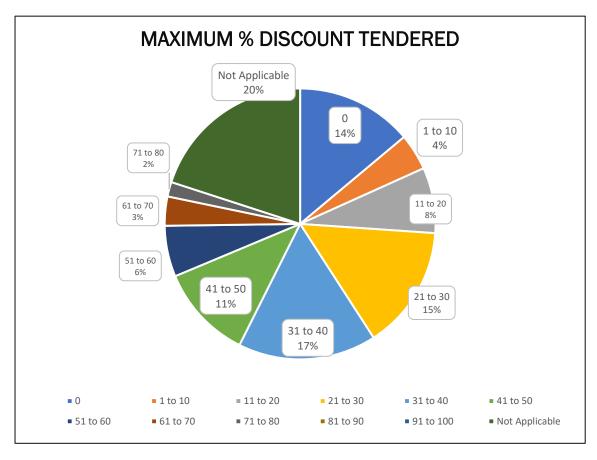
# 19 HOW MANY STATE TENDERS HAVE YOU SUBMITTED OR PARTICIPATED IN DURING 2019?

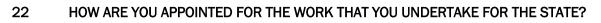


#### 20 PERCENTAGE SUCCESS RATE IN TENDERING



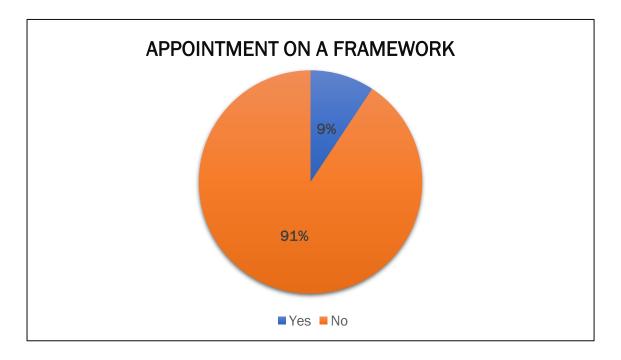
#### 21 WHAT MAXIMUM DISCOUNT (PERCENTAGE %) HAVE YOU TENDERED, RELATIVE TO THE STATUTORY FEE GUIDELINES?

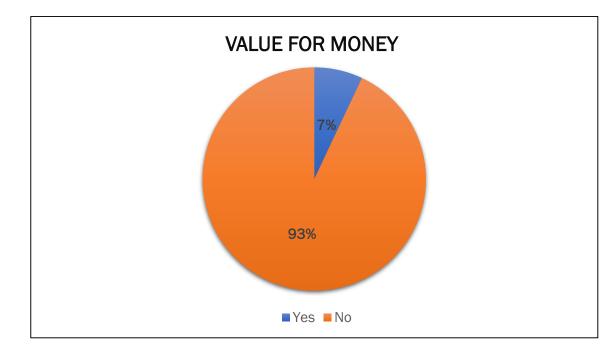






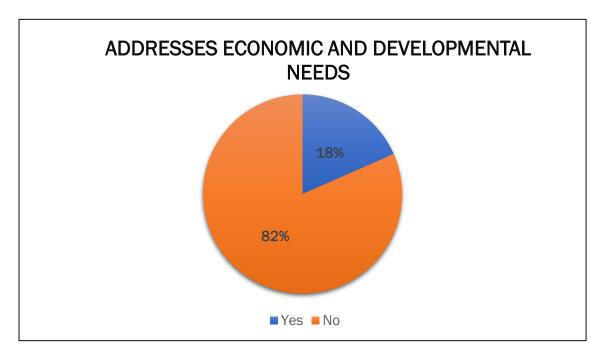
23 HAVE YOU BEEN APPOINTED ON ANY FRAMEWORK FOR ARCHITECTURAL SERVICES FOR A FIXED PERIOD OF TIME FOR PROJECT TYPOLOGIES OF SIMILAR VALUE AND/OR COMPLEXITY?

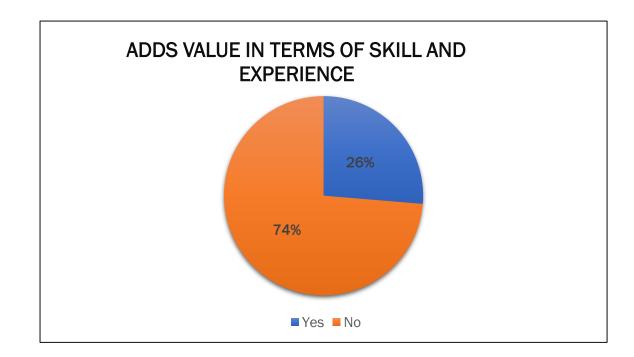




24 DOES COMPETITIVE TENDERING, WITH PRICE BEING THE MAJOR CRITERIA, OFFERS VALUE FOR MONEY

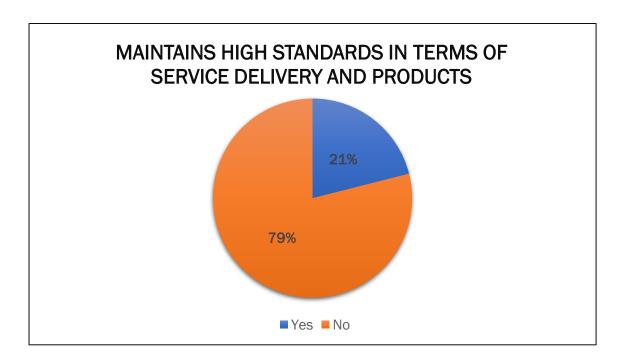
25 COMPETITIVE TENDERING ADEQUATELY ADDRESSES BOTH THE ECONOMIC AND DEVELOPMENT NEEDS OF DESIGNATED GROUPS



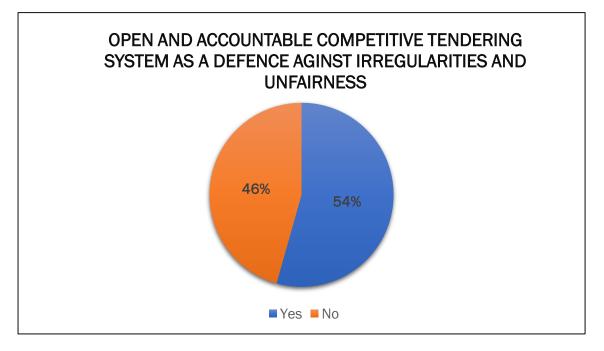


26 COMPETITIVE TENDERING ALLOWS FOR ADDED VALUE IN TERMS OF THE SKILL AND EXPERIENCE PROFILE OF THE PROFESSIONAL:

27 WILL COMPETITIVE TENDERING ENSURE THAT HIGH STANDARDS IN TERMS OF SERVICE DELIVERY AND PRODUCTS ARE MAINTAINED?



28 WILL AN OPEN AND ACCOUNTABLE COMPETITIVE TENDERING SYSTEM ACTS AS A DEFENCE AGAINST UNFAIRNESS AND IRREGULARITIES IN THE APPOINTMENT OF BUILT ENVIRONMENT PROFESSIONALS.



# ANY FURTHER COMMENTS WITH REGARDS TO WHETHER COMPETITIVE TENDERING ENSURES THAT HIGH STANDARDS IN TERMS OF SERVICE DELIVERY AND PRODUCTS ARE MAINTAINED.

ANSWER TEXT	
My answer is biased based on our field of expertise : our experience (and verbally expressed by our clients) is th practices inexperienced in this particular field do not understand the complexities of the projects and underbid consequently the services offered on a low bid are not sufficient to meet the demands of these more complex p As stated above, you get what you pay for: Low prices result in low standard of work and incomplete projects. Th true also for contractors. If you want a quality service or product, you must be prepared to pay for that service or product.	- rojects iis is
Again, tenders are awarded to the cheapest largest vendor. Profit margins are tight and Project Management companies need to make large fees as privately owned enterprises. They hire the cheapest professionals (often experienced) and ensure that construction costs are kept at a minimum. This inevitably reduces standards and substandard delivery.	
Not at all true.	
My experience is that some Consultants documentation is a total mess. How can underpaid architectural firms exceed at service delivery when the project is not managed correctly by t relevant government department?	he
With lower fees, the attention afforded to a project usually matches.	
All competitive tendering forces the professional to spend less time on the project. This is done to somehow try the project profitable at the end of the day.	
Low fees encourage poor firms to operate at rock bottom prices. This means that poor services are offered and standards cannot be maintained.	high
less service is offered as the client does not compensate the professional adequately.	
Architectural practices are businesses. If the fees are low, fewer hours will be spent on a project to keep it profi and this results in lower standards of service delivery and projects.	table,
Low fee, low commitment, low standards.	
This will make that all professionals be professional in their field of expertise	
The outcomes of tenders do not allow for good service delivery. The cost savings on professional fees will often miniscule to the cost of the project and may result in higher costs due to the lack of time that can be allocated t planning for projects.	
BEE – eliminates equal rights	
In our experience, competitive tendering in no way ensures high standards. It appears that mediocre work is bee an acceptable norm in most cases. Often projects are delayed due to consultants not being able to attain the re standard of work.	
Cost being the main criterium makes "ensuring high standards" an oxymoron	
Fees should be standardized and projects awarded on merit rather than reduced fees.	
Yes, it does but it ends up killing the market because in most cases it includes unrealistic discounts.	
I cannot see how it would	
It is not the best firm which wins the tender	
Best practice and quality work.	
Sure! and if you look towards the western sky on a clear evening you will see flocks of little piggies flying home v-formation. If you look VERY carefully.	e in a
With discounted fees, comes discounted service - Pay peanuts - get monkeys!	
High standards can only be fully achieved within projects in which fees are properly assessed, costed and programmed, and professional resources are properly remunerated. If fees are reduced to unsustainable levels, professional standards and the end-product do suffer, as has been demonstrated in numerous inappropriate ar poor-quality designs and developments produced commercially and in the public sector over the past two decac	nd
Selective competitive tendering for certain projects.	
The contrary is true - see above.	

Same principles as noted previously.

The lowest tender never provides the best service.

see comments above about race, gender and quality, etc.

As mentioned before, tendering has resulted in loop holes due to corruption.

This corruption compromises on the quality and standards as it is not always the practices with the best standards that are appointed.

Any measure that provides a subjective measurement of competence, or compliance that is not detailed and open is not going to deliver the high standard.

No no no! The same answer as above. Competitive tendering ensures the lowest price, therefore the least amount of time and effort, therefore the lowest possible standard.

Corruption in tender procurement remains the biggest barrier to effectiveness of competitive tendering, that combined with the cumbersome standard bidding requirements leads to lots of inefficiencies which makes projects cost more and take longer to finish than necessary as well as keeping designated groups from participating.

Low prices = shoddy work

Competitive tendering leads to a lowering of standards because the system does not adequately allow for practice size and experience

the opposite is true.

Only if the choice of tenderer with the lowest price has the best skills for a specific project.

If this was the case, all state-owned projects would have been completed successfully. How many projects across all state entities (schools, roads, hospitals, housing, CBD upgrades, municipal maintenance/upgrades...) have been abandoned halfway?

The lower the tender the less time is afforded to ensure highest quality work

It has shown that it does not work. Comments from my colleagues suggest that high discounts are given and that inferior work is delivered to the Department

If cost is the only criteria, then high standards has no place in this.

As long as there are no corruption or self-gain to selected few Individuals are a determining factor

It does not, in my view.

If the price is driven down, work will not remain at a high standard.

There is absolutely no guarantee of high standards etc....

To quote the late John Glenn, NASA astronaut: I felt exactly how you would feel if you were getting ready to launch and knew you were sitting on top of 2 million parts- all built by the lowest bidder on a government contract.

Competitive tendering emphasises price to the detriment of high standards of service delivery and products

you get what you pay for

Sometimes too much work is allocated to a single firm which does not give them time to adequately provide the client with the necessary time and quality of work that would have been given under a standardised fee structure. So, the professional only do the minimum of what is stipulated in the tender document, which in most cases is a document ill prepared by someone who does not know which services architects provide under a standard appointment.

Only if competition is based on an actual product you deliver. This is not a yes, no type question

High standards will not be met in terms of service delivery, i believe that projects need to be given to local practices to ensure that high standards are met and quality is of the best, my reasoning is that if you are appointed to a project locally you spend more time on the project also because of the pride you would take in local projects (as we do for our projects locally). You tend to overlook quality due to not being meticulous about what you doing when you are in a hurry to get to the next meeting or you need to get back to work which would probably be 300-900kms away.

This is no insurance at all. Experience and work completed to date informs the quality of work & service delivery.

The opposite is actually true; standards drop significantly, mostly due to costs being cut to try and eke out a living from the low prices tendered. All Government entities dealing with BEP tenders will attest to this fact.

Low cost = low quality

cheapest is not always the best route to follow .. you get what you pay for

It ensures bare minimum is done and ensures those in it for financial purposes survive while those that prefer to do a job thoroughly die off.

Highly discounted rates ultimately require that the quality of work be jeopardised in order to keep the firm afloat. Thus, the service delivery is compromised and thus it compromises the perception of the industry.

In my opinion competitive tendering works well if the bidders are all on the same level in terms of experience and skills to undertake the required.

In principle competitive tendering should bring the best service to front, but it does not always happen. Corruption is still a very big possibility.

If the practice who won the tender is competent with experience the product will be delivered within time and a realistic budget

If my fee is going to have to be cut in half, do you really think you have the time to detail and document every aspect as is required of your profession? No, you do basic drawings and leave the rest up to the contractor.

IF POLITICIANS CAN BE ELIMINATED IN THESE PROCESSES THEN IT WILL PUSH HIGH STANDARDS OF QUALITY AND SKILLS.

no standards can be expected

Professionals cut corners to maintain profitability

See comment about alternative price tendering above.

I've seen too many tenders being awarded at -70% and -80%, where it is clear that the firm will financially not even be able to finish stage 3 of a project.

Why is it necessary for 'competitive tendering to prevail' in an unequal situation where there is far from clarity as to what is required to be developed?

It is after all the very reason why BEPs are engaged to develop an 'idea' into a workable concept with representative costs and a realistic timeframe for implementation to be approved by the Client body before one knows what the 'product' is actually like.

If the main aim of the professional employed for a project is to cut the cost of their service delivery as much as possible in order to survive, it is impossible to maintain high standards in terms of service delivery and products.

I have experienced it where the tenders have come in below the disbursement costs of a project, never mind any profit! On a R20 million school based in the Newcastle are, a Durban based company tendered 1,5% fees! All research in this regard has shown that at any discount 30% below the gazetted fees, it becomes difficult for the business to remain competitive or stay on the forefront of the technology used in Architecture these days. The fact that that technology is purchased or leased in Dollar terms is also not helping either.

High standards are maintained in the Professional sphere by suitable qualification, continued professional development and the monitoring thereof and significant skills and experience development.

Public Sector procurement should be aligned with the responsibility of significant skills and experience development by allowing designated groups proper access via focused procurement processes.

Products belong in a different category and should be dealt with separately.

Oversight, transparency and accountability needs to be a priority on all tenders.

Tendering leads to low standards. Architects need to allocate less time on tendered projects and produce the minimum amount of drawings to align the service with the tendered price.

they are not related

Competitive tendering calls for the lowest possible price, inevitably standards of service delivery and products will suffer because of that.

Compromises quality of work, appointment of consultants with NO experience, BEE based

DEFINITELY NOT. Refer all comments above

Exactly the opposite is happening because of tender prices so low with the result of a drop in standard of work as the only result.

Lower fees usually mean lower/limited service levels which also has a direct impact on standards of service delivery and products.

It can achieve its goals if open and transparent with accountability

Undercutting one another will simply bring the profession into disrepute - you won't get the tenderer's full efforts because it is not financially viable

Competitive tendering results in a discounted fee for the same service. It is not possible to maintain a high standard, if one has to a reduce the scope of work and service, and at the same time deliver high standards in service delivery and products.

It doesn't allow companies that are started by architects who deliver high standards during employment to tender successfully.

How can you offer a good professional service when your fees are cut? You end up giving more to those projects that pay fairly and based on a gazette fee scale.

The more a company has to trim its profit margin, the less likely that company can operate efficiently or effectively, short cuts will made to trim costs, quality control suffers.

A higher chance that a company won't be able to survive the duration of a project. This is disastrous and works against the initial saving

#### GIVE ANY FURTHER COMMENTS WITH REGARDS TO THE VALUE ADDED IN TERMS OF THE SKILLS AND EXPERIENCE PROFILE OF THE PROFESSIONAL BY COMPETITIVE TENDERING:

My answer is biased based on our field of expertise : our experience (and verba	
practices inexperienced in this particular field do not understand the complexit consequently the services offered on a low bid are not sufficient to meet the de projects.	ies of the projects and underbid -
Competitive tendering may result in inexperienced professionals being appoint prepared to manage. This results in waste of expenditure and failure to comple	
Large companies who win tenders need to make biggest profit for themselves a professionals – often interns or the newly graduated. There is no money for exp projects so I don't believe the state gets the most skilled options.	and will use the cheapest option of
If the process is fair. Lowest tender is not fair.	
Average tender as per i.e. France is quality service. Value is added by the final design, the exploration of spaces and the overall ap of which are not requirements in an architectural tender. Value is also added by knowledge to candidates, but competitive tendering, by its very nature, does not	y passing on experience and
Skilled professionals are experienced and that only comes with time. Time cost offered today is why clients don't want to pay.	
There is no added value to either the client or the professional with competitive run a greater risk. The professional indemnity insurance is also at risk of greater	
Limits it	
Once tenders are awarded, this does not guarantee that the firm has been awa undertakes the job with the stated professional with the requisite Skill and exp sustainability of low fees quoted in order to get the work through competitive te the skilled professionals as they cannot afford to compensate them.	erience. This again comes back to the endering. Firms are unable to retail
As with everything in life, you get what you pay for. Architectural practices with the right resources for projects cost more than inexperienced, less qualified arc	
I don't believe this is of any benefit - low fee, low involvement, low skills develo	pment.
People like me with 35years experience in Architecture & 33years in Building control at various countrywide municipalities are underutiliz country of the real value that exists in the Built environment. A proper record of be as a matter of urgency, be carried out under the CBE. To many Local authoric control officers with sometimes no experience, ineffective Town planners are g name. The Constitutional court's decision in the Walele vs Cape Town case is to Authorities. My advice to the CBE is to get us with this experience on board to s years I asked for courts at District municipalities to handle the illegalities in the overburden.	f the real experience in this field must ities get away with murder. Building iving the Built environment a bad otally ignored by some Local streamline the Built environment. For
This will make that all professionals be professional in their field of expertise	
South Africa is very unfair in awarding tenders to the right professional people	who can actually do the job in genera!
Invariably the skill of the professional is overlooked and price becomes the bas	se point
The money earned does not allow for development of staff. Profits are margina	l if at all.
BEE - eliminates equal rights	
We doubt, with reason, that the skills and experience profile is checked by the experienced first-hand that an Electrical Engineer was appointed as Structural Works SA on no less than two projects that we were appointed to. Furthermore by appointments but by mentoring junior members to the profession.	Engineer by the Department of Public
Skilled and experienced professionals have value that cost slashing cannot affer	ord.
Competitive pricing reduces opportunity to hire skilled/experts' staff. Projects r delay and inferior detail.	not serviced adequately run risk of
Most companies are not appointed on merit but favour.	
Added value comes in this case as any experience adds value to a person	
No, it boils down to forcing professionals to do work for no profit at all.	
Are you kidding?! What value is there in the sheer terror of trying desperately to survive from month to month? I am embarrassed to admit I am an Architect when I see the crap that is dished Real skills and experience are gained when we work in an environment where o viable circumstances then mentors are able to pass on real skills.	l up nowadays by my "profession".

Skills and experience can only be fully applied within projects if properly remunerated. If cost is reduced, time is reduced. If time is reduced to ridiculous levels through cut-throat tendering, then application of skills and experience is heavily compromised. The cheapest possible resources are applied under these circumstances, for the least possible time. This is a Value Subtract situation, and not the inverse!

Selective competitive tendering for certain projects.

Competitive tendering, with price and B-BBEE being major role players, anything but guarantees value, skills or experience. It actually creates a gateway for the opposite, in 99% of cases.

It adds no value. You spend days on tenders and almost never gets awarded any. It's more a frustration than anything else.

self-evident

Experience and qualifications as a tender scoring criterion allow for practitioners with the skills and adequate experience to be appointed.

The disadvantage however is that it blocks opportunities for young emerging professionals who may have the skills and qualifications but not the required experience as per the tender criteria.

The additional value of the skills and resources available. The realisation of the delivery must be supported by a solid process.

No no no! Competitive tendering causes the most economically desperate person to convince themselves that they are able to produce the work required at a rate which is impossible to attain ending up in disastrous work quality due to a tender that is too low. The minimum work gets done to meet the scope. Any value that would usually have been assumed automatically now has to be cut.

There are many so-called large consulting practices who are top heavy where professionals have multiple satellite offices with no registered professionals or very junior professionals working on complex projects without the skills and experience of the professionals being directly applied to the projects.

There are also practices who have a lot of CV's of ghost employees on file who receive work which does not receive the required skill and experience.

The correlation between the skills and experience stipulated to be required on the bids with the actual project complexity is also something which is rarely considered.

And lastly there is a tendency to appoint consulting practices from the large metros in smaller towns and rural areas where these skills already exist.

Well it is supposed to contribute to a well-developed built environment.

Competitive tendering has very little to do with skills

If you only consider price as the criteria, then definitely no.

The client will get maximum value

the pricing should be based on the same fee scale, and not enter in to the qualification for the tender. the professional ability and experience should be the basis for the delivery of the project, and not the discount that you offer.

As stated above, experience and competence are an important factor to consider. More experienced professionals will most likely deliver a better product.

The experienced professional might not get chosen for a project because of the lack of BBEEE standards in that particular office. No skills or experience ever reach the possible project. Another firm have BBEEE compliance, with a medical practitioner owning 51% of the architectural company, therefore winning the tender. Again, no skills or experience ever reach the possible project.

We feel they can drop the required experience to a minimum of 5 years. Some of the tenders have a minimum of 15+ years which isn't fair.

Appoint taking into account skill and experience by categorising all professionals

Experience

Knowing the area well

There are none in my view.

Competitive should not be used as a discount mechanism. This is what drove the profession to where it is.

Quite the opposite. Yes, the tenderer has to put a team together with the necessary experience and expertise, but it is primarily price / cost driven.

In being unable to procure such work, there is no opportunity to add value in terms of skills and experience

Architecture is an Art, the best practitioner should receive the work, not the cheapest. You get what you pay for!!

Less fees the less time experienced professionals spend on the project.

Please define competition on what grounds? Price? Skin colour? If those two no. If competition is based on quality, yes

As i explained earlier, because of the rate at which companies are discounting fees, companies are neglecting their duties as professionals and competency is no longer there. Companies are forced to neglect the supervision of work done by the junior associates in the company and are forced to focus on the projects that bring in the most remuneration. Site inspections are done in a hurry to minimize expenses and because the companies are working from far (companies from Johannesburg working in rural Eastern Cape) they need to spread the site inspections and meeting as far as possible where they use to do meeting every two weeks it's become the case that they will have meetings once a month.

Experience and expertise of the practice should have a greater weighting. Ideally the more experienced teams that are involved, the more successful the design, the project and the execution of the contract.

Having high level of skills and experience enables one to save on time to produce the required product, thereby reducing costs.

As tenders are mostly price driven, individuals with the skills & experience required perhaps "out bid" themselves as they understand fully the amount of work required to complete the job efficiently.

The only "value add" is an infinite amount of additional paperwork for both BEP's and Government departments. Other than that, it adds no skills or experience.

Only if the projects are at the scale and complexity that the appointed professional can handle.

Skills and experience should count when tendering

Competitive tendering does not ensure one gets the best solution for the project. It ensures that professionals do not have the resources (time and money) that would allow for the best execution of the job. Instead it ensures the bare minimum is done - penny wise pound foolish.

Competitive tendering can allow anyone that achieves the minimum threshold to be appointed regardless of skill or experience.

Skills and experience should be considered not only by your SACAP designation especially for the previously disadvantaged individuals. A lot of us have for more skill and experience than that what is identified by the regulatory body. our biggest challenge is that we do not hold a designation even though we are more than capable of undertaken the required tasks perfectly.

If the client needs a highly qualified professional, or one with forty years' experience, it will come at a higher price.

Skills and experience cannot always be quantified. Someone new to a field can often come with better solutions.

Experience and reduction of risk and bribery

If your fees are cut you use cheaper staff on the project i.e. less experienced and do the min. The old adage - you get what you pay for.

NONE

maybe financial savings for the state only

Professional service may become more effective

I have 25 years' experience in the design and construction of educational facilities. For government educational tenders, this will not be taken into account. Rather appoint me at a cost + basis which allows me to train young professionals to take this experience forward.

The statement 'Competitive tendering.....the professional' is, in my view an inherent contradiction.

How can one possibly link/correlate skills & experience with competitive tendering on an 'unlevel playing field'? Tenders are often awarded to well-connected individuals rather than the best firm so skills and experience are not transferred to the people who need it most

The experienced and skilled professional is not able to offer the service at the massively discounted rate that a less experienced and skilled professional will offer.

My skill and experience mean NOTHING! I am too white and too old to even be considered, so I am forced to tender as sub-consultant to companies that are BBBEE compliant.

As per answers to the above questions, the tendering model is so narrow, that the result is that the same entities are repeatedly appointed for most Public Sector projects at the expense of a larger number of professionals who should qualify for those projects but are hardly successful.

If you don't win tenders you don't qualify for future tenders either - it's a vicious cycle.

Previously successfully completed/or unsuccessfully completed need to be taken into account.

Tendering reduces the value. Work has to be done in the shortest possible time by the fewest possible staff in an effort to make profit. There is simply no time to transfer skills.

Firms should only be given projects that they have experience in.

Why give a hospital project (complex project) to a small office that can't handle it and will require a JV to get the work out? Mentor the small office so that they have the skills and knowledge to tackle these projects in the future.

If you have to give a large amount of discount on your tendered fees, in order to be competitive, you cannot over commit personnel to the project.

Compromises quality of work, appointment of consultants with NO experience, BEE based

The lack of a proper professional service resulting from highly discounted fees leads to disjointed coordination, lack of detail, the inability to extend young professionals' experience and knowledge, and a subsequent unsuccessful project

No value added.

1. Competitive tendering usually results in much lower fees than the indicated norm, which means that service/skill/experience provided must be lowered as well to make ends meet.

2. It takes time and money to hone skills and obtain experience. Competitive tendering does not really take much regard for this and allows e.g. someone who has just completed their training to compete with someone with 20 years' experience in the specific field

in my opinion, skills and experience have the opportunity to improve the architectural quality of buildings and spaces. In order for skills and experience to improve overall in the architectural profession across all categories established practices must be encouraged to mentor/form an association with newly established businesses and graduates. Given the economic climate effect on the architectural profession in the recent years it is difficult to employ candidates and professionals on a long term / permanent basis

Undercutting one another will simply bring the profession into disrepute – you won't get the tenderer's full efforts because it is not financially viable

Competitive tendering assumes that all professionals have the same level of skill and experience, and does not allow for professionals with specific skill and experience to add value to projects.

It allows only the established firms to get work

I agree. It simply means the appointment is based mostly on value for money instead of design skill and experience. Professionals in other fields (other than built environment) are not required to compete on costs. This used to be prohibited by our Institutes for good reason.

I would assume competitive tendering works against the value and skill of the professional to be competitive, remunerations of skilled labour employees have to be kept to a minimum

# DO YOU HAVE ANY FURTHER COMMENTS WITH REGARDS TO ECONOMIC AND DEVELOPMENTAL NEEDS OF DESIGNATED GROUPS?

ANSWER TEXT
As a practice that specialises in Healthcare, where it is particularly not sustainable to offer high discounts due to the complexity of the work, we find we are often outbid by firms with limited or no healthcare experience that then get themselves into difficulties on those projects. About 40% of our work involved being appointed to take over a failed project (which we had originally bid on and were outbid), but the successful bidder failed
Discounts in fees result in less service being rendered at poorer quality; i.e. You get what you pay for.
As mentioned previously, state tenders are only ever awarded to large companies or JV's meaning that there are many players that need to make money making it the least effective option. Using consultants in various disciplines within the process could reduce cost and create more value for money for the state.
Not sustainable. Lots of trouble with Consultants due to low tender price. Government does not keep to their time tables for planning Very negative to students from Technical Colleges – cannot employ these people with quotation prices. Pricing cannot be a major criterion in a creative professional field. How can one price a good and appropriate design by time or cost? The only result is a mediocre design driven by cost administration rather than the creative spirit that is the essence of architecture.
Usually, the service is reduced and the level of service is desperate
The more desperate the practice is for work, the greater the tender price discount. This is a very dangerous & unsustainable combination for both the client and the registered professionals.
Price should be fixed – appointments should be based on quality of service
This has led to a race to the bottom where the cheapest tenderer gets the job not necessarily the most qualified. This has led to many tenderers undercutting each other on price as many firms will pass the technical criteria. This has over the years resulted in more and more firms cutting the price to unsustainable levels. This leads to poor work being produced as many firms look for ways to cut cost including using under qualified architectural personnel to reduce on overheads.
competitive tendering means architects struggle to offer the correct level of service within a fee.
As the built environment has such an important and long term impact on our cities and how people experience them, the quality of architecture is much more important than the short term cost of the professional team, especially if you consider the small percentage this makes up of the overall investment in the project.
we don't believe appointing a consultant on how far fees can be reduced is the correct route in appointing a consultant – of more value is can they do the work, offer a proper full service, can the project be completed on budget, on time and can full responsibility be taken for the service offered. I Would like that the professional fee structure must be made compulsory, this will force clients to pay a professional fee for a
professional service and if a registered professional does not charge according to the professional fee structure, they must be fined. This will illuminate the bad work and cheap work that is out on the market
I think this is stupid and often even the contractors sell themselves short and everyone ends up either collapsing or having nervous breakdowns. The quality of the work and product therefore is very compromised.
When the price criteria are too high the requirement for excessive discounts increases. It also seems to mean that bigger companies use fronts to score on BBBEE and have capacity to give outrageous discounts. The result can only be a reduction in quality of the project or potential extra costs for the client due to mistakes that will no doubt be made when the money earned cannot sustainably pay for the running of a firm.
Competitive tendering mostly results in a firm being appointed at way below a sustainable fee. This results in below standard designs, low standard documentation and inadequate supervision and contract administration.
the practice necessarily decimates quality
Not all practices can afford discounted fees. Competitive pricing means reduced service as our most expensive resource is our staff. If we are not sufficiently compensated, we cannot afford to service the projects as required
It makes practicing architecture less of an artistic endeavour
It is a fundamentally flawed system of tendering an appointing as no qualitative deliverables are set so it is not a like-for-like comparison. The level of design, detailing, documentation and management differs radically between practices and many of the practices offering substantial discounted services of a reduced (qualitative and quantitative) service to be that competitive. This leads to inferior design, buildings, management and all-round average-below average built environment
as a white owned firm, WIEW Architects are now excluded from most state tenders or vendor lists where a minimum BBBEE level of 1 or 2 are mandatory
Submit tenders and submit to be part of database but no appointment for projects
It is all one big scam, with no commitment whatsoever to delivering quality buildings, on time, on a reasonable budget. Britain tried it for a while and had already returned to a roster system before the geniuses in Pretoria had this brain fart. Guess why?!
Comment: Prepare proper budgets including professional services, before making the budget public. Work on a 15-20% (max) discount (for budget) & get projects done on time & within budget
Having worked for 23 years as a senior professional executive in the public sector, I was instrumental in the introduction of affirmative procurement processes and methodologies in SA in the early 1990's. These were sensible processes which prioritised progression of small contractors and artisans through on-site certified education and training, and hands-on experience under larger managing contractors. A similar process was followed in the appointment of professional teams for major projects, which used a "weighted roster" system to share our work opportunities to experienced professionals, which were then required to share the work in a meaningful way with "emerging professionals" still requiring experience. This led to a cycle of improved skills, with previous mentors taking on the role of mentor in subsequent projects. Full fees, based on ACTUAL RESPONSIBILITY within the professional team, but aligned directly with the Gazetted Fee Scales were used in each case, and there was no tendering of fees.

Great value for money was achieved through this process, and fees were capped at a reasonable percentage which suited both the Employer and Consultant. Subsequent major projects became subject to a harsh interpretation of the MFMA / PFMA and new SCM Policy required Professionals to tender their fees. I warned at the time that this was not acceptable and would be disastrous in the longer term, as has been the case. Professional Architects have thus become the equivalent of "suppliers", competing to sell their goods at the lowest cut-throat price. This is wholly inappropriate, and has resulted in corner cutting, reduced services and accountability, claim-oriented professionals, and opportunities for non-registered plan-drawers to find loopholes through which to undercut the professions.

Legal opinion obtained by the public sector institution within I practiced was more recently supportive of a tendering process which enabled Professionals to compete on the basis of Quality only, with a bias towards "designated groups" and within a fixed fee aligned with the Gazetted rates. This still fulfils the constitutional requirement for competitive, transparent and equitable procurement.

The prime cost (and not the lowest tender) plus sustainable profit, must be the basis for the tender.

Production cost depends on many variables and unforeseen forces. These cannot be known during tendering stage. So, when the tender is awarded, the price is fixed and the only aspect that can be varied during service delivery to compensate for and absorb unforeseen matters, is the quality of service rendered. In our experience, the quality of service suffers.

The success rate to win a tender is very low. So, we cut our overheads. Training of students suffers.

I understand why price is important when state funds are used, but it has caused many issues on state projects in our country, as much as B-BBEE criteria has

When the lowest tendered is appointed with a crazy discount it is impossible for that PSP to provide a quality service.

Quality and excellence and sustainability are disregarded whenever price is the major criteria

I think tendering defeats the whole purpose of having gazetted fees. A body like SACAP is to protect architectural practitioners from being undervalued and government is supposed to uphold rules as set out in their gazettes.

Tendering has led to a significant reduction in fees due to competition against each other and provides loop holes for corruption due to the need for 'connections.

Pricing needs to be based on solid values and any comparative needs to cater and provide fully transparent results for public scrutiny. All review processes equally need transparency. All stakeholders will benefit from that principle.

Tendering does not make sense for professional services. The "item" tendered for is subjective and is means something different for each tenderer in terms of quality and the amount of time required to meet the scope of works to the minimum, not delivering the best possible quality product. Therefore, the quality of public work is shocking.

I participated in the tendering processes in the years of 2016 and 2017 with no successful direct appointments. The standardized tender form used by most government departments makes it impossible to accurately gauge how to discount on projects as compared to private projects which offer greater flexibility due to the professional's ability to draft a detailed definition and appraisal document at the commencement stage.

This control allows the professional greater risk mitigation associated with discounting projects, discounting on public projects is done blindly without a clear proportional mitigation of the risk undertaken by discounting. The tender documents are not drafted in a way that creates a succinct appraisal of the work being bid on to gauge what level of professional was required (draughts person, technologist or architect) or what level of intensity was called for to quantify how many. Small uncomplicated projects are often appointed to large complex bidders and vice versa.

And the administrative burden often makes these projects unreachable by smaller bidders who do not have the advantage of administrative support staff and a large insurance cover.

Competitive tendering causes issues as some companies/people will go so low that you have to work more than your office hours to complete the work. It also allows for shoddy work. Sometimes it is good as it depends on who the client is and scope of work.

Competitive tendering can reduce the quality of the service rendered.

You pay for what you get. How do you value time, I, ability, experience, etc?

Valuable experience and competency are compromised

state selects the lowest price with no regard for ability and experience, so it becomes a race to the bottom. Who can survive on the lowest fees, so services are cut or reduced, and poor professional services provided?

Competency should be considered in the choice of tenderer, even if price is the major criteria. You get what you pay for.

If "price" was the major criteria, all would be fair and well. However, the BBBEE rating of each tender is the main criteria, when it should be merit, ability and "price".

They slash the pricing to the bone to get the project. We cannot compete when professionals throw out the fee scale. There should be a minimum fee where tenders get cut off.

Have not tendered for state work but competitive pricing in the private sector has seen fees dropping drastically as the economy slows and fees are now so low it is not possible to cover practice costs.

Does not work for a Practice in the platteland

Experience need to be the criteria

Competitive tendering results in fees being driven down, competent people being driven out of the profession and a lowering of standards as it is often not possible to do the work properly for the amount being paid.

Develop a framework within which appropriate experience vs quality of work vs

We're not really comparing apples with apples are we?

Professional fees amount to a very small percentage of the overall project costs and l'd much rather pay a consultant 10% to sharpen his pencil and apply his mind on a R10m true value for money solution , than 1% on a project where the wheels come off and the project ends up costing say a R100 m at the end of the day.

In desperation to procure work, the tendency is to discount professional fees to the extent that the practice cannot adequately fund the project, thereby jeopardising the ability of the practice to provide a proper professional service

I don't tender on a competitive basis.

I get appointed for the quality of work, not the price.

Architects provide a service, they sell time and knowledge, so should they tender on price the client puts him/herself at risk as the lower the price the less time will be spent on the project. Architectural fees should be standardised so that clients know what they should get for the fees they pay and not put themselves at risk.

Price as only criteria in no ways offer value. It only offers low fees at high risk. Various SCM processes do not take into account the quality of work. In Europe there is a tradition of competition entries, with applicable rules. The number of competitors can be limited, and each competitor can be remunerated for costs incurred. This gives the client options of different approaches. It is not working, especially for us small businesses in the smaller towns. The bigger companies come from the Cities and bid in smaller towns and give huge discounts which we cannot do. They give big discounts and rely on the number of jobs they are awarded and therefore effects the quality of work and we can see it as we observe the work in our small towns.

I think the application of price as a major criterion is a problem. The state will not get the right calibre of practices and experience to do the work. For instance, a smaller firm will discount more as their overheads are less, but then when they win the bid, they need to partner or sub-contract work due to the size of the project or the resources that they require, which should not be allowed.

I think experience & qualification should be the major criteria. You could come in at the lowest price, but it could cost the project more in the long term because inexperience could have costly time & monetary consequences.

As long as a practice can keep tendering the lowest price, they can secure all the work so that work is not spread evenly among practices. Eventually it leads to the demise of those that receive no appointments as well as those that do, as they are constantly working at a loss.

I means that students and new graduates find very few work opportunities, because practices can hardly afford to pay their existing staff, let alone employing students and graduates, even though it is good for a practice to stay abreast of new trends and develop new talent.

Work that is produced is often of a low standard as juniors are employed to work on projects.

A lot of time is wasted before projects are implemented due to the mountains of paperwork to be prepared by both Government entities and BEP's. This is time and cost wasted that could be better spent on actual design and construction.

Tenders are mostly only looked at in terms of the fees tendered. The wasted cost of 10 or 15 (sometimes even 50) BEP's preparing the same tender document is not taken into account. That cost should be deducted from the tendered fee to get a more accurate picture.

Eventually SA's unemployment rate keeps increasing.

The lower the price, the lower quality the work. We pride ourselves in high quality work, so we can't cut our fees to the same level that the people that get the work do.

being cheapest is not always the best route, one needs to look at experience and capability

The skill of architecture and resulting quality is not a factor of price. Architecture is skill driven. If choice is based on price only, you're likely to get what you pay for.

It is undercutting the industry. As mentioned in a previous survey it is our firm's opinion that no practice can complete any architectural work at reduced fees of more than 35% without compromising the quality of work it provides their clients.

The adjudication of tenders should be on a level playing field. Experience, track record, business stability and existence in the market should be greatly considered. I of the tenders with the lowest pricing seem to be business created for the tender with sometimes no prior experience in the field of requirement

If price is the major criteria (and at this stage it is) it will kill good architecture, and eventually it will kill the profession.

I do not believe price should be the only major criteria. What happens when the 25ubstant quoted to low and cannot complete the work?

Small entities cannot compete with larger entities based on discounts.

None if it is above board and competitive with no backhanders

Government has a gazetted fee scale for all professions. Doctors in private practice charge more than the gazetted and in public or medical aid rates at gazetted rates. Architects can't even get gazetted rates so why even gazette the recommended fees, especially if government can't even honour these rates. The problem is not only that the architect has discounted his fee, but every other member on the professional team which is dangerous and very often means non experienced staff and poor service levels. No consideration for experience in tendering and the scope of the work at time of tender is so limited to work out an accurate fee.

I HAVE BEEN TOLD ITS FOR SA CITIZEN AND DUE TO POLITICS INVOLVED I DON'T BOTHER.

it is a form of usury and does not substantiate quality and excellence

Leads to reduced service levels

Indiscriminate price-based tenders results in unrealistic fees, where the tenderer can only perform the minimum service. I prefer the following with private tenders: Say 6 tender submissions are received. Omit the highest and lowest prices. Calculate the average price between the remaining 4. Appoint the tenderer whose price is closest to the average. This system causes tenderers to price realistically.

I started my career at the Dept of Education and Training. On the architectural side, the office had 3 architects and 2 architects in training – NATIONALLY. From this office, consultants were appointed and projects coordinated. At any given moment, we had 400 schools under construction (new, additions, renovations). Standards, designs, specs, processes were 100% streamlined for maximum efficiency.

Our practice was appointed as subcontractor for a major construction company to design and build a government school 5 years ago. The Gauteng Education office has a substantial staff complement with personnel that comes and goes, no standards, huge administrative difficulties, EXTREMELY costly, nobody seems to know what is going on. The whole system fell apart. This is a nightmare to professionals and I will certainly not be been so keen to accept such a commission again.

As registered professionals into Acts of Parliament and extensive responsibilities and accountability one must ask the question – why is price a determining factor in awarding a tender?

- Furthermore, given that the basis of tendering is not a 'level playing field' by any stretch of the imagination:
- a How does one know what is the 'right price'?
- b.. Are those making the decision fully conversant with the nature of the project and the professional services required to be able to assess the 'right price'?
- c. how do you justify price when for a '1-man practice' with little experience submits a much lower price than that from an experienced practice with competent professionals and a substantive workforce making a positive contribution to GDP growth and job-creation?
- It is basically unfair practice and should cease.

Often companies tender very low to get the tender but they can't actually do the work for the tendered price, discounts of almost 70% are offered, we cannot compete with that and still give a good service

When price is the major criteria for appointment, it becomes difficult or impossible to offer the required service for the discounted priced. The lowest tenderer is also not selected on the basis of ability or experience. There is no motivation to offer an use the tenderer is a second by the tenderer is also not selected on the basis of ability or experience.

excellent service, merely to cut costs as much as possible to secure the work and keep head above water Architecture, by nature is an artform. How can the Rand and cent of a tender reflect the abilities of the person or practice? The same criterium design by Frank Loyd Wright, will look completely different form the design by Frank Gehry or Mies van de Rohe! It is like trying to compare Van Gogh with Picasso! There is no realistic comparison that can be done, by only looking at fee values.

With the Private sector being so restrictive in terms of access, the Public Sector should consider assisting in levelling the playing fields so to speak by making BBBEE status and professional experience the most heavily weighted criteria (not necessarily in a tendering environment).

Heavy discounting, by as much as 70% is unethical and common, but is a scenario borne out of the tendering format. Also the experience of a tenderer should not be framed as a question of, for example in a tender for the Building of a New School, whether the tenderer has worked on schools before. They would not have, if they never win tenders, but they may have experience in far more complex Private Sector projects which will probably more than equip them with the skills to tackle a school project.

Tenders shouldn't go to the lowest bidder or to those with any government connections.

It is killing our profession. Price as a major criterion do not stimulate good architecture. Low pricing does the opposite and architects need to reduce their service to align with the tender price. At the time of tendering the design outcome is not known. Price needs to be related to skills and abilities.

No point tendering based on price against a 1-man office who is working from a garage with zero staff or overheads (or experience) as they will always win.

Appointments should be based solely on experience if govt actually wants the projects to be completed – on time and in budget. It is a flawed system which leaves little room for a smaller firm to be competitive (pricing/discount) and remain financially sustainable.

If price is the major factor, quality is often compromised.

Compromises quality of work, appointment of consultants with NO experience, BEE based

Competitive tendering in the public sector has all but decimated smaller, emerging practices due to the excessively high discount percentages required to even be remotely successful. I have been in contact with various public sector officials, who, to a person, have stated their dissatisfaction with the quality of service supplied by young professional architects, 100% due to excessive discounts and the subsequent inability to perform to the full extent as a result

The system is absolutely ridiculous and and as a result is ruining architecture as a profession and a huge drop in standard of services due to tenders being to low.

1. The whole profession has suffered as a result of people, desperate for work, tendering at fee levels where service levels had to be cut to make ends meet (although not necessarily indicated to the client).

2. To be able to accurately evaluate different tenders all factors must be compared, which is not possible in most cases as information on the tenders are limited (e.g. site not yet finally identified, detail scope of works not available, time frames not set, etc.)

3. Preliminary estimates/budgets provided by the client for tender purposes are in most cases a very broad thumb suck, which means a % based fee can vary very much in total funds and as a result cause a feasible discount provided in expected fees to become a total loss as a result of the final project cost. (Especially also taking into account that many projects are delayed by the client into. approvals, date of tender, etc.

4. Tendering at this stage gives advantage to large firms, which can even absorb a loss on a project(-s) and in effect then limits the competition, as smaller competitors are forced out of the market as a result of not being able to secure a tender.

Due to the lack of work some PR PR actioners offer as much as 60% reduction on fees. This leads to minimum resources being allocated to the project in our experience as resources are allocated to projects that have better returns

This is a practice that is dangerous. People undercutting one another to try and get fees to survive, they then apportion the amount of effort based on the fees they get, so more than often you get works without 100% consideration or effort

With price being the criteria to win a tender, many practices who win will submit a highly discounted fee and a reduced scope of work. This often results in problems of quality, when practices have to actually undertake the work at a discounted fee. Many clients are left with poor quality work.

There is a contradiction SACAP motivates that fee discount should be avoided but the tendering process encourages discounting of fees.

Price overrides experience and skill when tendering.

Answer yes and no. Better value for the client, but not for the professional

FURTHER COMMENTS AS TO WHETHER AN OPEN AND ACCOUNTABLE COMPETITIVE TENDERING SYSTEM ACTS AS A DEFENCE AGAINST UNFAIRNESS AND IRREGULARITIES IN THE APPOINTMENT OF BUILT ENVIRONMENT PROFESSIONALS. **ANSWER TEXT** 

Yes, it may have an impact to limit the same people and companies from having too much work at a time. Competitive tendering has the challenge of changing contract sum later and the project goes back or even beyond original estimate.

Are the current competitive tendering systems open and accountable? The appearance is that there are irregularities in the current system.

Tender processes are extremely prone to unfairness and irregularities in the appointment of built environment professionals. The processes are by no means open and/or accountable. We have regularly experienced incompetent consultants being appointed for projects.

Unfortunately, though the current system is not transparent enough and is definitely not fair.

I still believe using consultant professionals that are not directly employed by winning vendors means a level of objectivity. Code of Conduct talks about professionals needing to have client's best interests at heart but if they are employed by a JV a large company that executes the tender, their loyalties are not with the State but rather the private vendor.

If it is FAIR, open & accountable it ought to be.

There is no record that his is the case. The same firms get the appointments for mediocre service and badly designed buildings.

Yes, it does

Competitive pricing reduces the quality of the service in most cases. In a lot of cases, the services cannot be rendered for the quoted price.

Any tendering process is open to irregularities. A transparent roster system seems to have worked the best in the past.

Yes, but depends on the openness

There are some rogue tender adjudication committees so this does not guarantee an always fair system. The system needs to open the tender adjudication to avoid mischief in closed adjudication processes.

openness will assist

An open and accountable tendering system should allow all stakeholders the opportunity to evaluate the winning tender and to understand what the criteria is.

That is the way it should work.

Read the abovementioned comments.

This will make that all professionals be professional in their field of expertise

Professionals offer different skills sets and specific sets of knowledge and can often not be compared

All tender results should be made public including who and how much the discounts are.

BEE – eliminates equal rights

Openness and accountability are terms that are used quite frequently without any basis to substantiate it. The evaluation of tenders is often not conducted in a transparent way which leaves the door open for appointment of incompetent consultants which has obvious negative consequences on a project.

As long as it is really open and accountable, any system should work. That my firm chooses to not participate in an open and accountable competitive system based purely on cost, remains our prerogative.

More detail required as to what would constitute open and fair. If the fees were stipulated upfront then all tenderest are competing in fair conditions

Local government must together with sacap protect professional architecture so by making sure that people who practice are well informed on what is require to do these economic and development jobs.

Prices and information are leaked before submitting.

This in unlikely

System Corrupt

If there were a standardised set of deliverables and related documentations standards, then maybe but in most instances, the more expensive proposals (that have adequate funding required to produce the suitable levels of design, documentation, details and management) are overlooked in favour of those that undercut them by offering substandard services. This is possible because there are no real standards when it comes to design, documentation and related products + processes

tender systems are fraught with irregularities and unfairness as evident from the many cases investigated by the SIU (and myself)

Fair appointment is important.

The situation could not get more corrupt, opaque and obstructive than it is right now, so please help me to understand the question ... or is it some hypothetical concept in another bloody "consultant's" cranial void?

It only creates a platform for "white-collar crime" (false partners) & very often leave an uncompleted project that has to be re-tendered then busting the (original) budget

An open, fair, transparent and accountable procurement system, managed by ethical, well trained and knowledgeable specialists and with effective oversight may be able to act as a defence against unfair and irregular practices in appointments of professionals. It is necessary, in terms of the Constitution to have "COST EFFECTIVE" and "COMPETITIVE" procurement processes. The definition of "cost-effective" in relation to "competitive" needs to be explored; as one does not at all achieve the other. At a macro scale it is certainly not cost effective to have underpaid professionals cutting corners to build cheap buildings which will have high maintenance costs, and lead to unhappy and unproductive inhabitants over many many years; just in order to save a very small percentage of the appropriate professional fees.

Yes, accountable competitive tender has built-in defences against those.

Very few tenders we have participated in have been fair and transparent. We have seldom received feedback on tenders submitted and awarded.

It does, as long as the people governing and administering the process are not corrupt or incompetent.

self-evident

Theoretically yes.

Its required for these results to be an open public scrutinised document process available to all public on digital media and on-line.

No no no, because it still remains unfair if the lowest tenderer is appointed but the level of quality of their work is appaling. Architecture is subjective and therefore needs to be appointed based on the quality of their delivered work. The tendering system in south African is only open and accountable on paper; in practice a much more sinister reality exists as per the points highlighted above and the continuous negative findings by the auditor general as well as the various well reported stories of corruption in the public space.

Everyone can see who has tendered and you will eventually see if there is nepotism and corruption happening.

BEE should be scrapped in SA. We have been living a lie in the south African economy for the past 25 years.

An open and competitive system can only work if the practices tendering has the same level of expertise. There can be a system that groups practices in terms of size and type of projects wherein they have expertise.

criteria can not only be based on price

It will ensure the correct professionals are appointed and the corrupt nature of current appointments eliminated

yes

When it comes to State projects, there is unfortunately not much else but irregularities and corruption.

Yes, an open and accountable tendering system acts as a defence against unfairness and irregularities, if the system is open and accountable.

It should be able to work.

Not sure that this is happening. What I have heard is that it is not fair and that irregularities in the appointment of built environment professionals are happening.

Any system that relies on the lowest tender being accepted cannot be fair. This applies to professionals tendering or to contractors tendering. It drives quality down.

Yes, but subject to specific

Again, the emphasis on price makes the appointment of built environment professionals unfair and irregular

In a perfect world. We do not live in a perfect world.

No, procurement is done by people that does not understand what architects do and how their services are structured. It is not buying stationary where you buy a ream of paper. Architectural services are a service which cannot be compared by price.

this depends on too many variables to be a yes/no answer

Open and accountable tendering would be a great defines against corruption, practices who are monopolizing on projects and fair opportunities for youth and small businesses.

Many tenders that we have issued are never followed through, and are cancelled, aborted, extended, etc. It should also be known what other tenders priced at and who were appointed for the various projects – most times this information is not given.

In an ideal world this should be true, however our experience on the ground paints a vastly different picture, especially when it comes to District Municipal and Municipal level. Stories abound of even DPW National tender fraud.

Certain practices have 'connections' within Departments that ensure them the work.

transparency is essential

These systems can still be manipulated. Open and accountable is subject to interpretation.

Only open and accountable tenders that are not exclusionary of all participants can be seen as fair. Irregularities will persist as long as there are I individuals willing to do anything to ensure that things are not done fairly.

the processes that review and adjudicate the bidders should be reviewed and more stringent measures should be put into place.

In principle it should cut out corruption, but in practice corruption still occurs. It is not the system that needs to change. It is the attitude of all the people of the country that need to change.

Definitely not.

The biggest problem that we have experienced since our last public works projects for the Gauteng Government and SANPARKS is that the work is handed to incompetent professional for fees far exceeding our bid. The projects we bid on are still after many years not complete.

Disagree totally – the same people are awarded tenders because they cut their prices to the bone resulting in substandard service – DPW should speak to their own project managers. I received more appointments on a roster system than trying to tender.

POLITICS AND CORRUPTION IS THE DEVIL IN THE ROOM.

no - it opens up doors for corruption - as we all know

The awarding on pricing is contra productive

The old system of fixed project-based fees worked much better as the focus was more on whether a company has the relevant experience, size, financial backup etc that is needed to successfully complete the project. In the current climate where employment in general and specifically in the building industry is at a low, instead of applying BEE criteria, rather focus on the training, mentoring and learnerships that can be created BY THE SPECIFIC TENDER.

Speaking under correction, the former Minister of Finance, Trevor Manuel, when Chairperson of the National Planning Commission, is attributed to have said whilst Chair of the NPC that 'Supply Chain Management is the anathema of Development'.

'State Capture' which has become a common phrase in society proliferating over the past 10+years, has provided plenty of evidence at the Zondo Commission of immense and extensive irregularities in the tender process.

Surely, this will provide ground for not only prosecuting wrong-doers but radically changing the system.

An open and accountable tender system existed for decades. However, professional services were not procured through such a system. Professional consultants were appointed based on competence on composition.

As long as the tender process is open and transparent it should defend against unfairness and irregularities.

I disagree. The tendering process is aimed primarily at obtaining the lowest price for a service. There are many ways that the mere tendering process can become a tool for manipulation and corruption, which means it is no longer transparent and fair. The history of tendering in this country only needs to be viewed for this premise to be confirmed. I do not agree with this statement.

I would like to see statistics on how the built environment has changed since the introduction of the CIDB and the tendering for professional service. In my experience we have a 50% fail rate in contracts being cancelled, overruns in costs, overruns in time and in general pathetic (not poor, but pathetic) quality of end product. All a combination of poor planning (as the fees were cut to the bone the project was handed to a junior associate?), poor execution (CIDB said this guy has done project of this nature and value before, but he has no clue. Did he 'buy' his 7GB Level?). The political interference and the appointment of useless contractors, only because they have a certain skin colour, BBBEE profile or political affiliation, is killing the industry I once loved.

I for one am looking at other avenues, as I cannot continue in this industry in good faith!

The entire tendering procedure should be revisited.

In its current form it falls short.

Public transparency is required. Strict payment for services delivered accurately and on time. No upfront payments "Pay as you deliver scenario within the set contractual obligations". Penalties for non-delivery need to apply and have to be recouped as per contractual obligations.

Yes, but at what cost? Is tendering the only way to monitor and fight against unfair/irregular appointments?

An open competitive tendering system does not ensure a defense against unfairness in the appointment of professionals.

Should use a roster in appointment of consultants

No. In my experience, and as noted above re officials in the public sector, some professionals tendering to a high degree of discounts are not adequately suited or qualified to perform the necessary service. If price levels then become the main selection criterium the profession as well as the client suffers

You cannot destroy a profession which is a national asset because of corrupt Government officials who should in the first place not be in a position to make appointments.

1. As indicated earlier, competitive tendering can only be open and accountable if the tenders are truly open and all information required is available for the tenderers.

2. At this stage tenders are not truly open, as only BEE Level 1 and 2 are accepted for tendering purposes.

3. Tender detail information is also usually insufficient to allow for truly competitive tenders as many assumptions have to be made by the tenderers.

4. It is clear that unfairness/irregularities still happen with evaluating/approving tenders.

It will achieve these goals if open and transparent with accountability

There is widespread and rampant corruption in the current system. Non-architectural entities tendering and then subcontracting to registered professionals who are expected to work for laughable fees and the other entity takes their cut for simply winning the tender

Any form of competitive tendering is exclusionary, even if it professes to be "open and accountable". The system of tendering requires the "human factor" to receive, close, determine functionality, adjudicate, report and award. Competitive tendering therefore has to rely on the honesty and integrity of the adjudicator and others in the system. As competitive tendering is managed by civil servants, the system is still subject to manipulation by members of the ruling party and politicians.

A roster system is fairer

Transparency and the opportunity to compare and analyse the various tenders

# WHAT ARE YOUR VIEWS WITH REGARDS TO AN APPOINTMENT AS A RESULT OF WINNING AN ARCHITECTURAL DESIGN COMPETITION WITH A FIXED STATUTORY FEE?

#### ANSWER TEXT

This is going in the right direction as it may open new way of thinking and ideas to the built environment. There is need to guard against the abuse of the architectural competition.

I think this is potentially reasonable.

It is a good idea in principle for extraordinary projects. However, companies cannot be expected to work for no pay, at their own cost. So, NO - this is not a good idea for normal projects.

This system could potentially bankrupt a company - especially a smaller one. If the scope of the project increases after the award and the work required grows a lot, the costs of employing resources to get the job done could be too high to make the project profitable. It has happened in the past that competition awards have crippled architectural professionals. Everyone knows these are not done for monetary reasons, but rather exposure.

Not true - only cater for stage 3

Competitions have been shown to be a farce to appoint the firm originally earmarked for the job, but procurement policies don't allow for this. Definitely not a fair process unless all rules and price money are properly upheld.

I think the fee should be variable instead of fixed to allow for flexibility in terms of changes that might occur.

That is how the profession should operate. A statutory fee is the best norm if it is fixed at least you know what you can work with.

There can only be one winner, but several submissions. Everyone other than the winner will be at a financial disadvantage. The amount of work that must be done by the registered professionals to compete in an Architectural Design Competition is just too costly with little to no prospect of payment for the time spent in preparation. This is generally a very uneconomical approach for most Architectural Professionals to get work.

Agree to some extend with this system

I agree with this

This is unfair. Architectural competitions should compensate all firms which participate in the competition. The winner should then be appointed and the gazetted fee should apply.

the architect's fees should always be based on real value of a project which cannot be ascertained until the extent of the design is provided.

Excellent idea. This will result in competition based on quality. It will be very important for the adjudicators of these tenders to be knowledgeable in the field of architecture, to make an unbiased decision based on the quality of the design instead of personal taste.

Great for the winner - extremely bad for all the consultants that will endlessly have to work at risk. this will come at huge and unfair cost to the profession at this stage. Personally, we can no longer afford too work at risk. It should be noted that to the Client work is at risk, FREE - for consultant monthly costs of salaries, rent... etc. are not at risk.

Will only work for some.

The professional that can perform and impress with talent will succeed

Nonsense! It wastes the time of a practice and only those with high volume resource (funds and human resources) available can make a competition entry "look good"...

I am open to this - however a fixed fee must be set to a fixed scope and not to an open-ended movement of goalposts. There must be the ability to renegotiate the said fee should the terms of the project change.

This can work.

I would recommend it since the research was done in the design competition.

Competitions give a more appropriate weighting to skills required. They should be encouraged for all important public works projects. However, they need to be carefully considered that they do not skew results towards a certain sector of the profession. They need to be transformed- the promoters, briefing and judges should be carefully considered. Competitions for smaller projects become unrealistic as they are initially costly but they can give good value for money in the challenging of briefing but ensuring the best designs are built.

Yes - depending on the fixed fee...

In principle it would be acceptable, but this route may also be prone to manipulation of the relevant appointing body/adjudication panel.

Good for the winner, A huge waste of resources for 30 losers.

This is the fairest option

Not much of a problem.

Rephrase question

Rubbish.

good practice

Support definitely - client will receive value for money

Generally, a very good way to go - would strongly recommend that these competitions get advertised via the SACAP,
SAIA and local Institutes as that would be the best way to guarantee as many firms as possible are aware of the same
not good; architectural design competitions force professionals to bleed out all their resources in order to be seen as
the winning entity. also, lots of opportunity for bribery, corruption and the negative spinoffs of subjective views on the
submissions
Considering the tough economic situation, it is not bad practice, you are as good as your last project.
In principle that can work in an ideal world.
However, it has to be run by the SAIA and very clear, objective rules regarding the competence of the adjudication
panel and criteria set in concrete.

Great idea, but limit the work that is required for the competition winner to be awarded.

The Architectural Competition Process, if properly regulated and overseen by responsible and knowledgeable professionals will usually result in a high-quality design. It is important, though, that the competition judging criteria is comprehensive, and includes all aspects required for "Good Responsive Architecture" (including cost, social benefit, functional, sustainable and long-term aspects), rather than just the aesthetics or quirkiness of response. If the identity of completion entrants is maintained, this is probably the fairest method for procuring a suitable outcome; but the expense for unsuccessful Architects to compete in this way needs to be carefully factored in. I would support a two-stage process which includes payment of the top five or so competitors to progress their concepts after shortlisting of a very simple first stage submission. Transformation can be achieved through an obligation to a sharing and mentorship process, to be carried out in the project under the control of the winning Architect.

I think Statutory fee is well- researched.

Design competitions will promote the quality of architecture, but should be used as a procurement mechanism only in certain projects of public interest. It takes a tremendous effort to participate in design competitions and is not sustainable if a firm's bread-and-butter depends on competitions.

It sounds like a good idea, but it all depends on how well the project was put together, briefed, priced, etc. And also, how well it is managed going forward. If the project was and is not properly managed then the project can easily spin out of control in terms of budget, and then a fixed fee might lead to a project falling apart.

Good, but competitions are not always the best way to go. For instance, maintenance work which is not always design driven.

The positive side of this is that quality and design response to a given brief/problem becomes the major parameter which in turn increases the quality of the proposed solutions and final products.

The downside is competitions tend to require a significant input of resources eg. Time and money which is not always available.

Imagine tendering for 20 projects in a year and doing competitive work for all of them only not to win a single one. If the briefing has been fixed, then the fee can be fixed. Any deviation in the process after the briefing changes the fee resulting from those changes. When margins are tight then all amendments attract a revised fee.

It ensures the quality of the design but involves risk. The risk must be mitigated by selecting participants on a preapproval basis and providing compensation for entries to help cover overheads.

On paper this seems like a good idea but the questions such as who does the judging (same old guard?), who writes the appraisals? who is allowed to participate (locals only or include outside players?), what are the entries judged on? Is it judge by the future users or politicians or online communities? all these questions add a complexity which makes this less and less attractive for public projects which belong to us all.

Is this a competition only or a competition for the job by submitting a design? If the latter it will waste the professionals time and cost them money. Competition - suppose it is fine.

As long as it is in line with the proposed fees by the SACAP.

Competitions often favor the bigger companies that have the resources to devote to a competition. On the other hand, a small practice may win the competition but would not have the expertise or staff to complete the project successfully.

It may exclude many excellent companies who just don't have the time or money to expend on a competition.

I limit on-risk work as much as possible.

Competitions equate to risk work - the profession is not sustainable based on risk work

as long as designs are not done on risk.

Good plan

Design Competition amongst professionals are very good. I would participate as it is not discriminatory as the current tendering laws. Would the "winner" also have to comply to a long list of racial requirements or would the "winner" win on merit?

We love this idea because it is fair and everyone knows what the payments will be. If you know what the fee will be upfront then you can decide to join or to walk away.

Agree

Worth investigating as long as the costs of the competitors are paid and not just the winner

The winner must be appointed

It takes preference, and creates more out of the box and forward thinking, modernizing the built environment, but should not be a determining factor

Such an appointment is very good for the winner but unfortunately results in an increase in work done for pay received for the many practices that do not win. It is a very good way to choose the best teams for high profile and important state work but is hopeless for the vast majority of appointments

This is what we need; Ditch the SACAP fee structure and legislate a minimum fee for architectural work. Don't come with competition commission excuses. Other professions have sorted this out.

Yes, it definitely has merit and previously only considered an option on more prestigious projects, but again subject to Proper panel of adjudicators by SACAP or SAIA etc. Biggest challenge possibly time frames: Government departments cannot spend their budgets and roll out projects as we speak and competitions could possibly cause them to drag their feet even more.... eye.

Acceptable, provided that the fee is able to adequately fund the project

I support design competitions, as it improves the standard of architecture

To properly compete in an architectural design competition drains a lot of work hours(days) from a vast number of professionals that could have been channelled elsewhere. So, it is a waste of time and resources for all the professionals competing except for the winner.

My view is that architectural design competitions are a good idea for prestige projects for the country with regard to maybe special events or memorial buildings, but then it should be only for the professionals of that country.

I think this is a great idea. It gives small companies to get bigger projects and thus to grow.

That would be a good initiative because the competition based on price difference is eliminated, unfortunately it does not root out corruption and back door dealings. How would people be appointed then? would that be based on experience or how big the practice is. The smaller businesses would then be left out, which would then force them into corruption in order to get work.

Our institute, SAIA, does not allow us to compete in 'free' design competitions. Perhaps there needs to be a selected process with fees to cover time for the practice who did not win. In terms of a fixed statutory fee, this would be great as there will (hopefully) not be ludicrous discounting applied and the design which fulfils the objectives will be the winner.

Excellent if the fees are based on recommended fees for the profession.

Competitions ensure best value!

Competitions are very time consuming and a lot of risk is taken on by the Practice that is already struggling to survive. I don't believe that competitions ensure a fair distribution of work.

If the design competition is done in accordance with the SAIA rules for high profile or prestige projects, it will be acceptable. However, for run of the mill Government projects it will be a major waste of time and resources. Properly qualified and impartial judges will be an absolute necessity.

A Design Competition should be the second stage of the process. The first stage should be checking the credentials and experience of the design team.

There needs to be some remuneration for these kinds of competitions, and firm budgets in place. It's easier to undertake a beautiful design with large budgets, so if practices win design competitions with no budget in mind, the projects will come to a standstill when the first Elemental Estimate is done.

i agree

It is a fairer model that rewards skill and grows the profession rather than limiting it. It is also transparent as people know what the prize is and can choose to participate accordingly. The competition itself needs to be thought out as it cannot require too much resource to enter as this may become exclusionary.

I support the notion

Great

if it is regulated correctly, I would support it.

Firstly, the larger practices tend to participate in design competitions due to them having larger resources. A lot of the submissions to these competitions are concept design and never intended for construction. The finished product vs competition winner generally doesn't look anything like each other. The site restrictions and bylaws, both municipal and national are not considered and designed in at competition stage, thus a fixed fee will pose as a high project risk due to secondary applications, studies, surveys that may be required in order to construct

I don't support architectural competitions at all. Only large companies can afford such risk.

It should only be used on very special projects like theaters and museums.

Sounds positive - but once again smaller entities don't have resources available to compete with the well-established entities. Risk work is not an option for most small companies or single entity professionals.

Architectural competitions are notoriously rigged in favour of individuals or practices as we have experienced many times in the last two decades.

Do you know how much work goes into a design to chase after competitions - we are professionals? Should the government only pay doctors for the patients that survive?

THIS IS UNFAIR TO SMALL BLACK AND COLORED OWNED PRACTICES.

waste of valuable time and man power in a country that needs every person to deliver to pull it straight

This can only be for big projects there is not enough fees in smaller projects.

This can work for major prestige projects. It will however eliminate all firms who cannot afford to spend time on impressive 3D walkabout videos created by graphic whizz kids who charge by the minute. It will also attract international submissions, which might not be a bad idea.

It has potential to work depending upon the basis of the tender and the nature of the project. Proposed that a 'Minimum fee scale' should apply.

When asked to advise a major Metro in the lead-up to WC 2010 we recommended a similar 'design competition' as follows:

- a. an independent consultancy was appointed to research and advise on the size and viability of the new stadium the outcome of that report was effectively 'The Brief';
- b. We invited consultant consortia to submit credentials and possible approach to and comments on the Brief' with criteria defined to selected 3-4 shortlisted consortia;
- c. Four of the most responsive consortia were selected to make a Concept Design submission on the basis that one firm got appointed and the other 3 consortia were paid an amount of R1m each ( we recommended R3m each as we thought that was more representative of the costs that each would incur but were turned down!!)
- d. we were not part of the adjudication process which was deemed somewhat 'secretive' and lacked the hoped-for public disclosure of the adjudication and award process. What was also disappointing was that there was never an exhibition of all 4 schemes and reasons why the Appointed Consortium was appointed.
- e. the appointed Consortium was paid fees based on the Statutory Scales as best understood.

This can work but not for every situation. Submission of a Consortium application to a well-defined brief and selection criteria for competency and experience with Statutory or Minimum fee scales, could work as well. Design competitions take a lot of work and only the bigger firms can afford to compete properly as they would have the

resources and funds to do this, smaller firms just simply can't. This process has merit but only in so far as particular, high profile public buildings go. To expect professionals to

undertake design exercises for all public work projects with a minimum chance of successfully procuring the project will not be sustainable.

Here we are expected to do the first 3 stages of our design, without compensation! That is 40% of the fees! I cannot afford to do 40% of the work for no compensation.

Personally, if I had to win a competition that I had entered knowing the criteria and fee upfront, then I would deliver as per that fee.

It doesn't make sense for every project to be a competition unless every one partaking is paid a fee. This works for prestigious projects but not routine type projects.

Design competitions have a place in the private sector - not in the public sector.

This would be much better than a competitive tendering system.

Design competitions are great, but require a great deal of working at risk without the security of being appointed for the Fee. A lot of effort and resources has to go into the design for the competition, which most practices don't have.

It can work

I am of the opinion that this is sound practice, on condition that a limited number of professionals are invited, based on experience and skill, and that the project has at least a 90% chance of going ahead, i.e., that the institution involved ensures that adequate funding is available and political processes do not ultimately derail such projects In theory none. The only problem is that it leads to only big national and international firms that have the equipment to

partake in such competitions.

1. Again the larger firms with dedicated personnel will have the advantage over smaller firms. 2. The cost of competitions will not be able to be absorbed by smaller firms (many competitions vs. few, if any,

2. The cost of cor appointments).

In Agreement if in line with Gazetted Tariff of Fees, however there should be room, within reason, to negotiate by the parties involved

the rules are to be open and fair to all, however, as soon as the milestones are changed, then you can't complain about fees changing

Does work well. Design Competitions are undertaken with the objective is design excellence. A fixed statutory fee should apply to all entrants to avoid the fee being used to compete for the appointment.

No problem as long as it will be the competitors that are nameless

That kind of appointment would ensure that the best design is built

For appropriate iconic projects competitions are most appropriate.

Agree with this way forward for some of the appointments especially in the built-up public areas.

I would understand that this would be a fair appointment and beneficial appointment as the parameters will be consistent allowing for efficient and economic use of their resources without needing to underbid in order to win the competition

# VIEWS REGARDING APPOINTMENTS MADE FROM A PROFESSIONAL SERVICES ROSTER WITH A FIXED STATUTORY FEE.

#### ANSWER TEXT

This ensures that everyone is catered to and provide a basis to diversify the number of people involved. It also brings sanity to the industry with equal opportunity for everyone

I think this is potentially reasonable.

The Roster System was a working and successful system, ensuring appointments for the whole spectrum of professional consultants. This system ensured that not only a few, but all, were in the running for work, and companies did not need to close down as is the current case. The Roster System also ensures that a large spectrum of role players participates in the economic growth of the country.

WHY FIX SOMETHING THAT IS NOT BROKEN?

If this fee is adequate, this system works better than competition wins. Scope is often fixed with an hourly or time related charge above, so the professional does not run the risk of losing money on the project and can therefore give their best experienced approach. I believe that all professionals should be hired this way rather than being project linked to ensure the state is getting the best cost as well as the most experienced professional.

If it is fair, I will support it.

This is the only fair way to appoint professionals as long as the technical capabilities for the specifics of the projects are met during the evaluation process.

I think it's a good idea. I do think though that in order to advance young black owned practices, a collaborative effort should be included, matching experienced practices with young practices to work together on projects. It was the best, if you perform poorly you don't get another opportunity. Appointments should be made after

investigating the experience employed by the practice.

With this system, everybody gets work. The rate is clear from the onset & no disputes arise from unclear tender information. The client will also not be wasting valuable time with pre-tender meetings and costly disbursements to all. The client's workload will automatically be reduced since no tender adjudications will be required. The project planning phase can therefore start much sooner, which means the work on site will benefit many more people in a shorter period of time. The remuneration for the professional service will therefore be on par to assist the industry to grow rapidly and add value to society.

Could work, depending on the detailed level of the roster and openness

This may lead to a select few being on the panel and not allowing anyone else in?

The idea of a Roster is good but the fee should be the gazetted fee not a fixed statutory fee. Projects have unforeseen circumstances that need to be compensated. The fee should be pegged to the contract amount.

if the fixed fee is established and a roster drawn up the state will achieve the best service form its professionals

This is a less viable idea - unfortunately the quality of a professional's service cannot be gauged just from a list.

I believe if the statutory fee is fair - professionals should be supported and compensated for the public service they provide. This will allow the public sector to concentrate on the important matter of consultants actually providing and taking responsibility.

Won't work for me.

The client will be able to review work done and according to experience be able to make better decisions

It could work ...? On a rotating basis? But could be risky if all candidates are not on a satisfactory skilled level.

If every Professional person/practice can enforce this then it will work.

If every Professional person/practice could enforce the statutory fees then, yes!

I would support this. Built in needs to be preference to ensure full transformation. This needs to be open and transparent. Weighting of complexity of projects would need to be interrogated as well as how projects are assigned and ability of firms to perform depending on their capacity and scale of project,

unfair - all should be competition based

The Roster System which was in place for many years worked very well as it ensured that ALL consultants have an equal opportunity to be appointed to a project. The application of the Statutory Fee Scale ensures fair compensation with which a firm can maintain a high professional standard to meet its professional responsibilities. It furthermore ensures adequate capital to train persons in all categories within the profession properly. Our practice has not been in a position for many years to train people due to lack of work and funds where we, in the past, trained quite a few persons who subsequently were able to secure good positions within the profession. The Roster System also eliminates the extensive time wasted on tender processes, thus stimulating economic growth.

It used to work well

Seems fair if the candidate is approved based on experience and design (project related)

There is no transparency on this system a company will be on the rooster for three years without getting any work or participate

Not competitive.

sounds fair

In order - Share of work between firms which are compliant according governments requirements will eliminate corruption and spread of work

Also a very good way to go - allows firms that have the capability but not necessarily the prior experience to "break into" the public sector project space and builds further capacity for the public sector in terms of firms that they can call on (at the moment it is a few of the same firms that get all the work). With the fee competitive taken off the table, appointments can be made on merit/capacity/potential/suitability alone - this will grow the profession and introduce real value, quality and diversity into the services and built environment products commissioned and delivered

This seems fair to all, especially if there is enough work on the drawing board from the State, ensuring that each entity receive a substantial project during a 3-year cycle or less.

Considering our tough economic situation, it is a practical solution.

Again, in an ideal world that is a vastly better option than the current tender system is.

However, it can only work in the current context prevailing in South Africa if managed professionally, by a 100% objective party who is known unequivocally to not be corrupt. Plus, they must control the money - both for the construction as well as for the professional fees.

This is a great idea but should someone be awarded a tender that is "out of range" for the size of the practice - give them the opportunity to establish a "collaboration" team that will be capable. The opposite is also valid: A Huge co. should not be awarded the small job - give them the opportunity to hand it down to someone that is suitable A Professional Services Roster would be a fair method for sharing out the opportunities for public sector appointments. However, it needs to be carefully set up to match building complexity and scale with experience and capacity of professionals. This has been done before, and does work well under effective and ethical leadership; as long as all aspects are absolutely transparent. Weightings for the Roster selection of PDIs or other Designated Groups can be built into the Roster system, so achieving Transformation in a fair, equitable, and cost-effective way.

I think it's ok.

The roster system does result in a fairer spread of work.

It places the focus on the level of service expected and rendered as opposed to the financial viability of the work. The architectural service cost is an extremely small cost compared to the total development cost. Cutting the "small" cost (architect's fee) does not mean the overall development cost will be low. On the contrary, the less effort that is put into planning normally results in a more expensive and less effective result.

See above.

The best way of appointing professionals. If they do not perform, they get removed. If they perform well, they can move up and get better/more work. Appointments should always be based on performance and not price.

may be biased towards unsuitability

This was one of the best methods the public bodies had in place.

All practices relatively got projects depending on the sizes, resources at hand, experience, qualifications and etc.

This eliminated competing against each other and upholding the gazetted fees which gave optimal value to work for the architectural practitioner.

These have been reasonable in the past the reservations have been with the additional services to mentor and develop other stakeholders in the project to ensure a collaborative, coordinated and integrated project is achieved. It can work if distributed evenly, but it seems impossible to get on those rosters, we have been trying for 5 years

without any success to date. Make the process and the rosters more open so that we all can know who is on there and who gets which projects.

This seems like the most balanced method, perhaps with a rating method that ensures that under-performing professionals are not allowed to continue within the system for long or are put on roster with less complexity and lower risks.

I would further add that it should be opened up as broadly as possible, competition could still be applied but limited to those already on the roster of the specific location by invitation.

This is the way to do it. Gives all competence persons an opportunity.

Fees should be enforced in SA. No one should be allowed to work for less than a set minimum!

Not all practices are equal and again this can result in the appointment of an firm who may not have the expertise or staffing. A roster system can only work if, again, practices are categorized in terms of size and competency. I'm sure some sort of algorithm could be written for this.

This system could also allow for, let's call it the competent firm on the roster, being paired with a smaller firm which need to gain experience.

Could work. Smaller practices could form an association for a larger project. Have done this before for Public Works Dept.

A roster base appointment is a fair base for equal distribution of work

this is the best method for appointing professionals ensuring everyone gets work, at a workable fee.

Is this not work reservation and therefore against the competition commission's regulations?

It will be very good if it is a sound list of professionals and not a corrupt list of jargon.

We support this

it is a fairer system

Works well as long as there is a system where work is allocated fairly

Very good idea and worked well in the past.

It may guarantee income, which means an individual/company can plan ahead with guaranteed income

If the roster is fairly administered and the fees are realistic it is an excellent method.

This could result in a good distribution of work but specialist work cannot be done this way.

I believe the roster had / has a lot of merit. Yes, it can or was also possibly abuse in the past, but at least it offers opportunities and incentives to practitioners in smaller town and rural areas.

Smaller practices could team up and rather form with bigger firms if and where required, opposed to other way around at this stage, where they get the, if they are lucky....

We should have more MENTORING

This is definitely the correct route to take, having proved to be successful in the past. This system results in every participant getting a "piece of the pie", and being able to provide a fully comprehensive and quality service. I support this system, as architects then compete on the quality of their work, not their price. South Africa is far too much poor architecture, countries like Australia is leading the world in the quality of their design. We need to strive for better design standard.

In my opinion, this is still the best way to ensure that all practices get work and that work is sustainable, which will allow cashflow in practices and the appointment of students to ensure skill transfer. Further this will lead to proper architectural work as there are set standards for architectural services and the responsibility lies with the professional. Thus, minimising the client's risk on all projects. With regard to BBBEE, the system can be structured in such a way that BBBEE compliant firms rotate on a much faster rate that none compliant firms. The roster system will lead to better work standard and job creation, so needed now!

I think this is good as it ensures that adequate resources can be used to achieve the end result.

I believe it would be good for companies to receive the full Statutory fee, due to companies that would not be hungry enough to substitute their loses by bidding excessively and giving huge discounts. I think the Statutory allows for an open field for all professionals, except for small companies lacking experience, who would not be appointed. A holistic approach could bridge the gap, by big companies assisting the small companies with collaborations which will give them experience. Also, if the companies are monitored as to how many projects are awarded to them, this would reduce greed and allow a fair amount of work for all professionals.

This will work

An open and transparent Roster system is an excellent method to allow for equitable distribution of work for all registered Architectural professionals.

Value and delivery could be compromised

Excellent idea. This ensures that every practice gets to work, equally.

This is to me the most appropriate way of procuring Government work. My suggestion is to do away with tendering all together and appoint all BEP's on an open, fair and transparent roster system like DPW National had done in early 2000. This should be a system that can be monitored by the Voluntary Bodies (SAIA, ASAQS etc.) to ensure work is spread evenly among practices. Appoint BEP's on the full fee value of the tariffs issued by each Council and on the full disbursement value as issued by DPW. Then make the appointment condition that a student or graduate be employed on the appointed project for the duration of the project. This can be done on a sliding scale, i.e. one for smaller projects and more for larger projects. That way practices will remain sustainable, young people will have sufficient opportunities for mentorship, Government can insist on a professional service and the unemployment rate will start to be addressed in a meaningful manner. Projects can be rolled out much quicker so that communities can reap the benefits of Government's infrastructure spend, because all the tender document preparation and tendering processes are eliminated and actual design and implementation is the focus.

BEP's will be in a better position to plan cash flow, because they can monitor their position on the roster and anticipate an appointment. Unlike tendering, which is actually just a shot in the dark.

That is great in theory, but the complexity, scale and type of projects need to be categorized so that a professional first year in practice doesn't get a large complex project that is out of their skill level.

i support this

As for the answer above although one needs to guard against ending up with an architect designing something, they have no knowledge about. This can be mitigated by categorization of different practices and skill levels.

I support the mentioned proposal in that it will assist firms to keep covering their overheads while being adjudicated for their skill and not their lowest offer.

Fantastic

it would bring back normality to the professionals that are still surviving in this hard-economic time

We have been awarded 3 projects in this manner and it does work to an extent. again, challenges do occur as we have experienced were the fixed fee had to be reviewed and revised due to the shortfalls with the bid documentation

It's okay, I think.

It sounds fair but what happens when the practice is not interested in the projects. Do they sell the work to another firm?

Maybe a better option - gives everyone a fair chance based on experience and expertise.

I love the idea of a roster if it is administered fairly. Unfortunately, once again the buddy system works in favour of a few practices. I have no problem with a fixed fee.

It worked for years before and there was never any of problems so why was it changed?

i can sure you less firms have got work since the roster was stopped - however I still hear of some firms receiving roster appointments?

A roster can be extremely transparent where there is a system online where one can see which firms are repeatedly awarded work - n more than 2 or 3 current appointments at a time

to be administered properly - fees can be negotiated

am in favour of this approach However cognisance needs to be taken of firm's abilities. Bigger firms cannot execute small projects due to high overheads and small firms does not have the capacity for big projects.

100%. Be fair. Grow the industry.

Benefits:

Allow firms to work at a proper fee which allows firms to grow and train.

Focus on the expertise needed for a specific project.

Allow Bigger firms to joint with smaller inexperienced firms.

Govt is assure that the company is remunerated enough to apply mind and hours to the project.

Govt has greater handle on insisting on quality work.

If remunerated properly and proper attention can be given by the professionals, the red tape and admin load on govt employees will be lessened.

It is a workable system particularly if there are different 'Roster criteria' for different professional firms i.e.

Roster A: Small/medium simple project. Previously unappointed professionals to be considered for appointment;

Roster B: Medium /complex projects. Roster comprises professional consultants previously appointed and having undertaken the work on a Roster An appointment with skill, diligence and dedication. Again the nature of the project and its complexity is a factor and maybe there is a mix of Experienced and less experienced professional appointed to work together;

Roster C: applies to appointed Professional consultants whose performance and execution of their professional duties was less than adequate in either Roster A of B and deemed not a candidate for any further work/appointment!

Fixed Statutory Fee can be confirmed at Stage 3.

not sure, have never been appointed on such a basis

This is the method that will, I believe, offer the best value for money and achieve the fairest distribution of work. It will also offer opportunities for emerging and BEE professionals to increase their skills and experience in a managed way as they are given opportunities for higher grade projects as time goes by. They can also be paired with other experienced partners for particular projects to obtain the necessary skills to undertake projects of this nature in future by themselves. Public officials can the spend their time assessing and managing the actual standard of the work being undertaken by the professionals under their ambit rather than spending huge amounts of time in the tendering and procurement process. The professional can be given the opportunity to grow and stabilise with fair distribution of work to all willing and able practices.

This system worked 100% while I was based in Vryheid! Under this system I employed between 15 to 20 staff and trained 7 staff to a professional status. Now I battle to generate my own salary.

The realised tax incomes from 20 staff outperforms the apparent additional costs spent on fees and you have 20 more employed people!

I believe that a Professional Services Roster system properly managed, allows more professionals a chance to work on a larger variety of Public Sector Projects.

The roster should be published and work awarded and names of awardees should be published.

Registration of professionals on the roster should be made readily available to new Professionals and new Professional Entities. At the moment municipal rosters are not accessible.

The fee should be aligned with the Professional Fee Gazettes. Significant changes to the scope of work should be assessed and the outcome of such assessment should impact the fee.

I do not like fixed fees, I prefer competitive as well as skill and competence-based selection.

Positive - if the roster is well managed it means everybody will get work and in a normal economy the industry will survive.

Terrible.

You cannot appoint a random firm for a random project and expect a proper outcome. Private clients choose their professionals based on the consultant's appropriate experience and not on a random draw. Fees are negotiated and it works.

This would be much better than a competitive tendering system and if this is done on a rotational basis, it would allow all registered practices to get some piece of the pay at some stage.

A Professional Services Roster have the ability to list qualified Professionals according to complexity and size of projects. This can ensure that the right practice/professional is appointed on projects and projects can be distributed fairly among the industry Professionals. The onus is on the Professional whether they are willing to work for the Fee.

It should be implemented

As long as the roster appointments are strictly applied on a rotational basis, and that rosters are constructed in though through categories of experience and skill, this is a good solution

The system was used pre 94 and was accepted by the profession. Fixed statuary fees for the different levels of qualification should be implemented.

1. We deem this to be most fair system, if handled openly and fairly.

2. Required functionality can still play a role, while dispersing the slices of the cake.

Depends on the implementation of the roster. I have found that many institutions call for professionals but only a limited number are successful in getting onto a roster for a period of three years. Some reasons given for rejection are ludicrous, especially having worked successfully with an institution, when re-applying for the next three years you are told that the project implementation in your tender does not meet the required criteria. In order to get competitive and experienced skills as many professionals should be on the roster and a fair system of implementation should be workshopped with interested parties. The same basic criteria should be applicable throughout the country, simplifying application processes

This is a fair practice and should be considered. It has worked in the past if implemented correctly and the fixed fees need to fall in line with industry standards, however, if at no fault of the professional, the milestone change, then the employing agent is to be aware that there are increases in fees.

Does work well, but for a limited period. Appointments from a Roster with a fixed statutory fee can be fair, and has shown to be successful previously, but failed at some point to be updated over time. The manner in which the value, complexity, experience needs to be done in a way that does not further exclude groups from access to work. The Roster should have an inbuilt rotational system of preference to allow all equal access to work, and should be monitored, reported and evaluated by VAs and interest groups from the profession to be fair and transparent.

I support this system

The roster system is a fare way of making sure that work gets distracted evenly.

I agree with this method.

Preferred option of working. Everyone then works to same fee and has an opportunity to work with government. Over time, government builds up a register of practices who have given good service and value for money. I am pessimistic about the future health of the economy and not enough projects to allocate amongst the registered companies.

The interval between each cycle could stretch beyond what a company needs to sustain itself in the period while awaiting its turn

# VIEWS WITH REGARDS TO THE APPOINTMENT ONTO A FRAMEWORK FOR A FIXED PERIOD OF TIME FOR PROJECT TYPOLOGIES OF SIMILAR VALUE AND/OR COMPLEXITY.

### **ANSWER TEXT**

It a good idea although it may lead to people doing work on paper which never sees the light of day. Having a rotation allows for more people to be involved

I think this is potentially reasonable.

This is not necessarily a bad idea, as this may ensure continuity of work within a professional practice. Care should be taken that this method is not lead to exclusivity and locality should be one of the important determinants.

I think this system works excellently.

I was hired in the banking sector for branch revamp roll outs. I developed skills and expertise that consistently improved the efficiency and project delivery as we progressed. To lose this expertise and retrain professionals each time is counter intuitive and means that the highest quality is not achieved.

I do not agree with this idea. I think a rotational approach "project after project" would work better than a fixed term period and allow opportunity to more practices than just one in terms of project typologies.

This would be preferred, horses for courses. In the past, if the project was bigger than a certain norm two practices would be appointed. Normally a small practice and a larger practice. In this way, experience and expertise is usually shared and mentoring encouraged.

This will allow more stability to the professional practice in terms of long-term job security. It will also assist in the rapid delivery of projects since most of the design elements will have a repeat affect done by the original author of the document.

Could also work

Again, this will only benefit a few, unfair for the rest? It should rather be based on a good track record and service

This is agreeable as long as there is room to grow for firms that are engaged in this manner to take on more complex and bigger projects.

this is fine as long the fee is appropriately calculated and not reduced to the states benefit.

This assumes that all projects are cookie-cutter and the same. Even if every variable on projects are similar, there will still be differences which will influence the time period.

How would professional responsibility be dealt with? how would continuity be dealt with? how would project management deal with this - consultants accepting another's thought process? this needs careful consideration!

Will be good and will lead to better experience

This could also be effective yes?

I think each project has its own merit and a one size scenario does not fit all.

We would look into it when the opportunity arises.

This could work if the statutory fees are divided by the number of months.

This can also be an appropriate solution but excessive discounts are again problematic. There should also be an equitable process of sharing out projects and ensuring that firms can't constantly be appointed onto the same framework

It has merit if managed properly and fairly. The professionals appointed onto the framework must however e thoroughly screened and the data on their applications must be properly checked and substantiated. Refer to other comments in the survey to this effect. The problematic issue with this type of appointment is that it may exclude a number of competent consultants for the validity period.

Should work well if expertise is objectively part of the criteria

More information required in order to adequately answer

If it benefits more architectural companies without gate keeping, I am ok with it.

In order - must be transparent - Not like current PMU and TRU who capture all work

Very useful; one can focus on the projects at hand knowing fees are taken care of. Provided that the deliverables are related timeframes/fees/budgets are aligned, this will facilitate value driven solutions as opposed to solutions that need to be delivered against a tendered fee (often substantially discounted to secure the position, thereby putting the service under pressure)

I have never received a project in this manner; I believe the opportunities are there for unfairness; it also forces professionals to prepare huge amounts of documentation towards responding to these roster requests, without the particular department having any intention or ability to pull projects off the ground

These appointments keep the firms busy with work as opposed to not having any work at all.

I am not qualified to comment, as I do not understand the concept well enough.

Good, if the budget (professionals & construction) are realistic.

In theory, Framework Appointments should work; but in practice they have not. This is mainly as a result of overzealous procurement officials trying to introduce a second competitive process for members of the Panel to compete against each other for specific appointments. This process needs to be fully transparent and accountable, if it is to work. Loopholes in the MFMA / PFMA need to be dealt with to prevent mis-interpretation and exploitation of Clauses intend to support Frameworks.

I think appointment for a fixed period disadvantages other professional, unless jobs are is in abundance.

To be encouraged. This will assist clients (government) where work is planned over numerous financial years.
It works but often the work runs over the time frame. We have been appointed this way before and it works well.
Ideally this should be renewable and not a once off period of time
If the measures are clear, Scale, Type, Complexity and services. Level of Information Need and Digital
transformation requirements It makes sense but if the framework appointment is based on a flawed tender process which only ensures the cheapest product for the lowest price, it is useless and steal valuable designs from the public realm.
I don't understand the meaning of framework within this context, however appointing professionals for limited typologies might lead to unintended lack of fairness if spending on that typology is reduced or increased while the inverse happens to the other typologies; this could lead to certain professionals receiving more opportunities than others
Support it
I think this depends on the time frame. It should not be too long as ideally one would want to have all practices have a chance to grow and gain experience.
In full agreement
as long as the pricing is realistic. Some frameworks expect huge discounts.
Good plan
good
ok with this
Agree
Very good system
I think it is a good idea
Again, great if fairly administered.
No problem. Fantastic! On condition that they pull finger and appoint and roll out! We have had very few government or parastatal projects actually happening on framework appointments. Sad to say: Seems like another smoke screen? So, you end up with an office size (and the overheads) to match the criteria and then nothing happens for 3 or whatever years
Agreeable
I support this concept
Not in favour of it, as it will lead to the exclusion of other upcoming practices for that period.
I think this is good and brings down the cost of procurement
This can be good and bad; it can be good for the fact that the work can be spread out to companies. It could be bad because the projects could be far and few between companies, one typology could be booming and others could be in a slump. I think it should remain open for all project typologies but should be monitored as to how many each company receives.
I believe this will work well. Certain Architects have specific experience and expertise skillsets, and would align expertise with the asset class.
This does not allow for fair opportunities for professional who have not worked on or have little or no experience on these types of projects and does not allow them to expand and enter the market space on these types of appointments.
Good
It doesn't allow enough practices to grown & diversify their portfolio. If hospitals are only given to select practices, then how are other practices supposed to get experience?
It can work, but the system is still open to much fraud and manipulation by those in control of the appointments.
Great idea! Some standardization could then take place.
I agree, and would be very keen to get involved
In principle it could work but the devil is in the detail.

I agree with the notion as long as it is inclusionary of all participants

### l like it

I would support it if it is fair and open

Disagree. Practices should not be limited unless they chose to be. Some of us want to spread our wings and are continuously evolving and should be allowed to undertake more challenging projects.

Not in favour.

I believe it would be sound practice and fair.

This could work – but at the same time bigger companies should be compelled to JV with at least 2 smaller companies or single entity professionals who meet the criteria in terms of experience and skills.

Agree and it will work if the system is transparent and run by competent staff

I have a problem provided it is not tendering.

UNFAIR

worth the try

This allows for fast execution on framework contracts which by nature such that "time is of the essence"

Good idea. This will allow expertise to be built up. It must however be possible for firms with no relevant experience to be appointed as well – either for small commissions and/or as joint partner with an experienced firm. Training and building of skills are imperative.

no

Eminently logical and supported.

from experience this does not work.

This system could have value; however, it could limit the number of practices given the opportunity to do public work. It may also be a system that is more open to corruption and manipulation. Maybe a combination of the roster system and this framework system would have merit.

No in favor of it, as it opens up to possible misuse and bribery. The appointment of such 'adhoc' services through a tender is logical in my view, as the service complexity and value are not determined. Dube Trade port uses such a system that seems to work.

I agree with Professional Services Roster Frameworks.

I don't agree that all Professional categories should be tied to a particular project typology/ complexity for a fixed period of time.

Professional Architects (PrArch) should be able to enjoy participation in as wide a variety of projects as possible, as their university and work place training fosters a focus on methodology rather than typology.

There is already an existing method to calculate repetitive fees for schemes, and the above should take direct reference thereto.

It involves a limited number of companies and practices and does not allow for an even spread of work.

Sounds like it could work

In principal good, but without a defined scope of appointment, you would be at the mercy of the employer to hand out work as they deem fit.

It will work

Excellent solution

We have gone through this exercise but never got any work/appointment from it.

1. This has not worked so far and does not seem to be utilised, although it could be.

2. We had been appointed to such a framework for quite a while, but no work has emanated from this.

Agree, if applied fairly

I would be open to it

Does not work well. I do not have evidence that this can actually work on its own. It requires fixed statutory fee. The manner in which the "similar value and complexity" is determined needs to be done in a transparent way, so that it that does not further exclude groups from access to work. The Framework should have an inbuilt rotational system of preference to allow all equal access to work, and should be monitored, reported and evaluated by VAs and interest groups from the profession to be fair and transparent.

### Will not work

This is also a good approach there should be more of a mixed variety of systems to distribute work

This can work on certain projects but fees should not be reduced unless the projects are under one contract and in close proximity (adjacent sites). Repeat buildings fees should not apply as each site will have its own specific adjustments needed to suit context. Under a certain scale, (say R10 million) the fees for smaller projects with fee reductions for repeated buildings) are not profitable for the professional teams.

There may be positives in terms of equality and equity however the negative consequences would be an inefficient waste of resources. Effectively implying that once a company has filled its quota, they may no longer tender. The skill, experience and expertise gained would become null and void. Skill and experience take time to build, each new entrant would need to grow through the learning curve and this would be counterproductive.

# VIEWS WITH REGARDS TO THE SUB-CONTRACT APPOINTMENT TO IMPLEMENTING AGENCIES TO COMPLETE PROJECTS ON BEHALF OF THE STATE.

### ANSWER TEXT

Although this reduces administrative costs and time on the part of public institutions it may promote distinct powerful groups that bid for such work and excludes others. Some may not benefit in the end as sub contract appointment.

The answer to this is highly dependent on the competence and experience of the Implementing Agent. We have experienced being appointed by an Implementing Agent for a Government Department, and the Implementing Agent having very limited experience on the type of project on hand, to the point where the Government

Department representative has openly questioned why the Implementing Agent is involved and being paid significant fees when they are contributing very little to the process.

Another bad idea. The Department of Public Works should be adequately equipped with professional personnel to oversee the implementation of public projects. Implementing agents should not be necessary. In our experience implementing agents are not well equipped to deal with these projects.

Logistically, it is often easier for the state to use the sub-contractors of implementing agencies but the problem with this is that these agencies often make fees on the contractors' work. Where I have worked in the private sector I have witnessed a lot of exploitation of these contractors as well as huge mark-ups on work that quite frankly cannot always be justified.

Additionally where build costs are set, agencies often cut corners on quality to make extra money off these costs meaning the client receives less value for money.

If professionals and sub-contractors are hired separately without any affiliation, it means that checks and balances exist automatically. Costs can be monitored through a QS or similar professional ensuring that sub-contractors and other professionals are kept in check. If all parties are answerable to the client (The State), the system is self-policing. This works effectively in ongoing projects in the private sector as well.

Only viable if impact of specific Consultant is small in relation to other Consultants input.

Sub-contracting works for engineering disciplines, not Architectural professionals

It's always better to get a sub-contractor from the beginning of the project (start to finish).

Provided that the appointees are qualified and experienced enough to do the project. The Framework system can also apply here with two firms being jointly appointed.

This has proven to be a rather costly exercise to the state. The state did not benefit as a result of value for money. Implementing Agencies are often a cause of serious delays in planning, site implementation as well as payment processing to all involved in the project. Projects should be managed by Department of Public Works from inception to completion.

Think direct employment may be a better option

I agree with this

This is unsustainable. The Implementing Agents tend to be Private firms which then subcontract work on a process that is not usually fair.

this will waste money for the government. Architects are professionals and shoddy be trusted to work in the interest of the country.

Implementing agencies should, in theory, be more specialised in the development and management of builtenvironment projects, and so this system ensures that these projects are run by those with the relevant knowledge instead of state officials who don't necessarily have the related experience.

This will be a one stop for the State/sub-contractor - the background process and problems will however remain the same with the same constraints and problems – that's just how the industry currently operates. It has to be managed no matter which route taken.

Must be transparent.

Will be good and will lead to better experience

I recommend this.

I recommend this.

Our firm has used this strategy as a way of gaining experience in projects that due to our size, BBEEE rating and inability to give such discounts (it would result in closure of the firm- we have marginal profitability even with private sector work). Our subcontract has however been to implementing architects.

No

Implementing agencies are in general not efficient in getting projects activated. They are known for delaying payment of professional fees which places a huge burden on consultant companies. Similarly, appointments are not made based on transparent adjudication processes and it appears that certain companies are favoured above others. It is our experience that there is little experience regarding building projects, especially regarding contractual matters.

Seems open to manipulation

More information required in order to adequately answer

I don't have an idea because of the district I am at now.

The likes of IDT and others they are just clutter frustrating the fast racking of projects, our company has 2013 projects with them which have not been started as yet and our company is expected to charge on the appointment rates date. It is unfair and abusive.

Give us work. Any work.

Not competent companies get appointed - corrupt!

Provided chains of accountability are set, this can be a far more efficient way of procuring projects – the real value would be in rationalising the chain of communication/approvals/budgeting and related decision making.

yes, this is a good option, as it is my view that this may assist the State in the management of resources in order to execute Public Works projects and maintenance programmes. The Implementing Agencies are often headed by young, motivated and highly competent professionals, trained to manage projects and act as a link with the State. These professionals are without fail BBBEE levels 1 or 2, which offers the State that benefit of compliance as well. Subcontracting work from Implementing Agencies is key as long it done fairly and professionals are paid for services rendered.

THAT is one of the main sources of the current problems!!! Connected, but incompetent and corrupt "Comrades" are making a joke (a very sick one!) of the whole system.

FANTASTIC as long as agencies are all treated equal!

The State is simply transferring its responsibility for professional procurement to another entity. This doesn't resolve anything, and reduces the effectiveness and stature of the professional consultants in relationship to the actual Client. It also introduces an expensive "middle-man" to the process, which will put further pressure on professional fees.

lt is ok.

Advantages and disadvantages.

I think it's sad that government has become so incompetent that an additional level of consultancy has to be appointed to execute projects. This is an additional level of expenditure and tax payers' money being spent that our country can actually not afford.

In our case it works, but has the possibility to just become an extra middle man and extend the red tape.

On the positive side, it creates employment. As mentioned earlier, government is the biggest employer in the Construction industry.

On the negative side, some of these implementing agencies are ineffective and therefore a waste of money and time. In such scenarios it becomes better for the projects to be directly implemented by the State.

The values after the projects need review to determine the feasibility for future awards. This review result needs to be made public

That sounds suspicious and as if it will come from previously or current communist countries.

This greatly increases the risk of corruption, project failure and possible collusion. The appointed implementing agents can have undue influence

If the fees are fair it is fine, however why introduce a middleman unless he ia a mentor for work you have not done before.

Implementing agencies often have their own agendas. One of these is to "look good" in the eyes of their employer, the State. This often results in an "unhappy" team and the best work does not result from it.

They are also very good in passing the blame when something goes wrong (rather than managing the situation in the first place)!

Provided it is done on a fair basis and done on a basis where there is no corruption

middlemen don't pay the professionals and inflate charges and fees.

If those agencies are not corrupt, it gives more professionals an opportunity to work with each other in joint projects.

I agree with this if the implementing agency is from the private sector.

Not ok with this - see below

This can work

I'm not sure that that will work.

No subcontracting must be allowed -only direct appointment from the State

Sub-contracting allows smaller to medium enterprises to be incorporated into projects, providing more work for companies that cannot handle larger projects on their own, and gives them more exposure, to ultimately grow their businesses to such a level to be able to provide Sub-contracts to other legitimate companies

If the implementing agents are competent and familiar with all aspects of the field of construction and design work it is fine. This is mostly not the case in practice.

Not quite sure why Government or Public Works need to appoint implementing agents to do ALL their work? Question is: What do they do the government officials do and get paid for?

Yes, at least the implementing agents get the job done, but surely this also comes at a price....

Agreeable

This is a good system, but should also have a prescribed or recommended price structure.

Not in favour of it as it is a waste of expenditure which could have been allocated to the delivery of services. My recommendation would be for the public sector to rather appoint more qualified and EXPERIENCED professionals so that professional appointed on projects can be properly monitored to ensure the work the they deliver is of an acceptable standard. Appointment of implementing agencies only add to expenses and require additional recourses from the public sector to check and monitor their work. So, do away with it.

This can be done correctly, but also abused.

I don't believe it works as an architect it is best to be involved from the beginning, it creates a lot of confusion and mismanagement from the department.

As long as there are relatively comfortable fee baskets so that we don't have prostitute ourselves and heavily discount the fees for all professionals in the team. Happy to sub-contract with accountability and transparency at the forefront.

It does not allow the professionals the opportunity to procure work directly and they become reliant on Implementing Agencies that take the profitability away from the professional. This also permits corruption and preference to certain companies/ individuals.

Valuable process

I think that this can lead to another level of corruption as Consultants do the work, the department pays the subcontractor but they do not pay the Team.

This takes away a lot of finances that should be spent on implementing more projects on infrastructure delivery.

There is a huge risk in this in that the translation of the drawings may be misunderstood, and substitutes/ changes to critical special and material aspects might be made. The value of the original work would be potentially lost.

i agree, and would be very keen to get involved

A good thing but I feel the Profession needs to get together in order to evaluate, adjudicate and peer review proposals. At the end of the day we want to take limited resource and turn it into beautiful environments, regardless of what function the space is serving.

As long as the Implementing Agencies follow a transparent and accountable process, I support the notion

Not always a good thing

It is a waist of the state's money as all they do is put a mark-up on the projects. Dept of works should be given the opportunity to get their act together.

I have not been personally involved in this type of appointment however i believe that there is a fair amount of risk attached especially if the main bidder is not directly knowledgeable about the specific requirement of the portion of the bid were the sub-contract is required. They will tend to under allocate fees and under assume the project requirements thus compromising the end result.

In favour, as long as the agencies are fair and competent, however it escalates the building project cost.

I believe there will be projects where this could benefit the state and the everyone else involved.

In the current state - it is too open to be subject to irregularities.

Why do you want to change the role of the architect - whose services are clearly gazetted? Keep the architect as a principal agent. The traditional roles worked, bringing in third parties is unnecessary fees and subject to corruption etc.

UNFAIR

too many of them -- corruption and poor quality at the order of the day

Sub contracts can lead to firms taking on projects outside capacity simply resulting in taking of the cream. Sometimes it leads to firms subcontracting certain capabilities which is positive.

Yes, if it leads to more streamlined and better value for money implementation.

Largely depends upon the competency of the individuals in whatever 'Client' body they are located. The 'PWD' was traditionally the appointed State entity to handle all sectors of Governments projects.

it was staffed by highly competent and experienced registered professionals who were highly motivated and hugely valuable in assessing proposals for schemes, ec before they were submitted for final approval.

Putting all such procurement under the Department of Public Works makes sense and will provide consistency and clarity . assuming they can be adequately staffed with experienced and skilled professionals.

Not sure, have never experienced such an appointment

This system would lack transparency and will be open to corruption and manipulation. It is unlikely to have the best interests of the client of public at heart.

This is to a large degree how I have survived until now. By subcontracting to other compliant companies. It can work if the weight of responsibilities is agreed to and the fees reflect said responsibility apportionment.

No experience in this regard.

Companies/people that actually deliver the service that they were subcontracted to do (e.g. a state appointed project management company) should be selected based on competition, not just because they are the Agent's preferred supplier.

Implementing agents do not offer value for money - the are being paid huge fees for little input.

Will probably work if the agency is given the ability to make decisions on behalf of the state without state interference.

BUT - the implementing agency MUST have the appropriate experience with the building typology.

Implementing agencies are an unnecessary and costly middle man.

If the Implementing Agencies are capable of managing the projects this can work. If not, this will only add unnecessary extra costs to projects.

It takes much longer to make decisions, on the project.

Increases the cost of the project.

Takes much longer to receive payments of the invoices for the work done

This can work, as I have proved, where the contractual arrangement between the main and sub-contractors is professionally constructed and agreed, which includes a clear and transparent payment agreement

Not in favour of it. Just another middle man with huge costs involved for the government.

1. Implementing Agencies add little, if any, value to projects at this and actually seem to be contra-effective. 2. Implementing Agencies seem to only add cost to a project compared to "normal" projects without really discernible benefits. Many projects actually seem to take much longer to finalise.

3. Implementing Agencies is a huge area where corruption/incorrect procedures being followed is possible/probable.

Our Experience: Not Good too much to handle especially if implementing agent has to provide professional services as well

No non registered person in an architectural field can run an architectural company. This is nonsense as we as registered professionals are meant to act impartially, and should not feel pressured in our decision making. This also goes against guidelines set out by SACAP. If the sub-contractor is a registered professional then that is fine, however, that registered professional needs to realize that they if simply the winning tenderer does not guarantee them the majority of the fee. Very few practices will operate this way and I think it is against one's code of conduct to behave in this manner

Does not work well, as the appointment system and procedure are left entirely to the discretion of the Implementing Agent, and is open to corrupt and unfair practices. Unrealistic discounts are demanded and expected, and nepotism and corruption are rife. Work is packaged in unrealistic sizes and appears to be handed out to certain practices/consortia to complete on a repeat basis. Implementing Agencies do not believe that they have the responsibility to report on tender awards. The procurement and appointment procedures are not monitored, reported or evaluated by DPWI, or the VAs and interest groups.

Will be not practical

Sub-contracting can be unfair as the principal agent will I'm most cases consistently work with the same firms

Negative - doubling up of expenditure to pay for middle man consultants

Totally disagree with this as a middle man is now brought in requiring extra fees off the budget. In our experience these so called "capacity consultants" mostly slow down the processes and add another layer of time related approval to the professional team.

Mostly positive as it allows smaller role players to compete. Outsourcing also lessons the responsibility of the principal company allow the focus to be concentrated on specialised functions rather than spread thinly across too many duties

### VIEWS REGARDING THE DIRECT APPOINTMENT BY A CONTRACTOR OR DEVELOPER FOR TURNKEY PROJECTS FOR THE STATE

### ANSWER TEXT

It may not be the best option since a contractor needs to be put in check. The fact that a contractor is making an appointment makes it difficult for consultants to do their work independently with fear. Turnkey key contract does not work in the long run as the same people may be involved in all works.

This is highly dependent on what prequalification process is undertaken - if the Contractor / Developer has the relevant experience it potentially could be an efficient way. Given the current economic circumstances however, it is likely that the Contractor / Developer may drive a very financially driven policy when it comes to Professional Appointments. These turnkey projects are often challenged by very poorly defined terms of reference and briefs.

We do not believe this is wise option due to being prone to manipulation and does not necessarily ensure professional quality of services. This is open to people getting inferior quality services to ensure that they make the most profit - resulting in failed /poor projects

As mentioned above I think that direct appointment can be effective. As long as the appointment process is fair and transparent. These direct contractors will carry skills and expertise from other government jobs that would help with efficient delivery on newer projects. Additionally the professionals involved have no financial incentive to work with these contractors meaning that the quality would not be effected and value for money will be achieved.

As mentioned above, costs can be monitored through a QS answering directly to the State and not the PM or architectural company meaning that the interest of the State is preserved . If all parties are answerable to the client (The State), the system is self-policing.

It will kill small & medium professional offices.

this can only lead to an inferior final product as this process basically encourages the contracting entity to look for shortcuts and savings.

I don't think that this is a fair process, because people are bias to the people they know or have worked with previously giving them an unfair opportunity and thereby not giving others a chance to compete.

There is a danger here as the Architect should not work for the Contractor. The Contractor is instructed on behalf of the client and quality assured.

The architectural professional should continue to be appointed as an independent consultant that has the client's best interest in mind at all times. The turnkey concept reduces the authority held by the architectural professional. Since the contractor and other professionals now have equal or in some cases even more authority than the architectural professional. This is not a healthy option and could very easily result in projects being completed to the detriment of the overall quality.

Do not think it is the best system

I agree with this - government projects need to be run like a business and they need to be accountable

This is not an advisable position for the State. The relationship between the Developer/Contractor and the consultants is inverted. Instead of the consultants acting in the best interests of the Client (State), they are beholden to the Developer/Contractor. The consultants are the client's representative and this independence should not be compromised by lumping them together with the contractor. this compromises the consultant's ability to reprimend the Contractor and ask for remedial works as the contractor in effect pays the consultant. once again this is just another hand in the pie. professionals are best placed to represent the interests of the public.

Turn key projects are based on the assumption that if the contractor or developer provides a good service, their sub-contractors will, too. This is not necessarily the case, and often results in sub-par quality of overall work. The proposal of allowing implementing agencies to run projects works better, as they can assure the quality of the work at all levels.

This will be a one stop for the State - same as above the background process and problems will however remain the same with the same constraints and problems - that's just how the industry currently operates. it has to be managed no matter which route taken. This route will obviously not lend itself to the same opportunities consultants will have under say a State roster system.

Debatable.

Defiantly will benefit the developer

Question is not clear? Do you mean the "Direct appointment of an Architect by a Contractor or Developer...?" If so, not a good idea. The State should have an art/aesthetic committee with skilled knowledge to appoint architects for turnkey projects.... not contractors and developers!

I do not agree with this as a professional architect I do not want to be appointed by a contractor so that they can strip away half of a building concept and we end up with the resultant bad architecture designed by unqualified people with the architect over a barrel and at the bottom of the food chain.

This is currently working for us.

This is currently working for me.

Not appropriate. Turnkey usually doesn't give sufficient separation of the design and costing process to ensure the best product for good value.

Yes

This is considered a dangerous exercise, prone to many pitfalls and open to corrupt practices.

We have completed three large public sector projects on this basis. It works well as long as the employer has consultants in place to ensure its interests are protected.

More information required in order to adequately answer

I am opposed to appointment of developer for turnkey projects for the state because why should one contract be given to a single company while work can be split to accommodate a fewer company.

Neither here or there, someone must draw something.

Contractors will dictate to consultants and are mostly corrupt

This would make the most sense in my opinion - provided the brief is well defined with budgets, timeframes and other qualitative and quantitative factors; these projects will deliver superior solutions in shorter timeframes and closer to thew original budgets.

Provided chains of accountability are set, this can be a far more efficient way of procuring projects - the real value would be in rationalising the chain of communication/approvals/budgeting and related decision making being outside of the bureaucratic maze they often get stuck/lost in

This is not good; very little control over the design, technical documentation processes as well as true construction costs, which may result in sub-standard projects; furthermore, much can the 'bamboozled' away between the Contractor and the professionals paid by him, rendering the State at risk of corruption and sub-standard deliveries.

Professionals must be appointed by client so as to protect the client's interests rather than the contractor.

I will not personally accept any other appointment than where I am the Principal Agent and my mandate is for the full project from conceptualization to completion.

THAT is the role of an Architect.

Opportunity for unlawful activities.... I don't like it!

The State is simply transferring its responsibility for professional procurement to another entity. This doesn't resolve anything, and reduces the effectiveness and stature of the professional consultants in relationship to the actual Client. It also introduces an expensive "middle-man" to the process, which will put further pressure on professional fees. It will also result in the State having to appoint additional "Transaction Advisors" and other gobetweens in an attempt to protect its interests in the absence / reduction of influence of a proper professional consultant with ethical responsibilities to the client and contractor as well as the Public.

I think it is ok if the contractors are appointed from the roster register.

If sophisticated systems of evaluation and control were availability, this could work. But, in my opinion,

I support such types of projects

It is always a risk if the PSP is appointed by the contractor. It should be the other way around to ensure the best quality. But the standard system where the contractor is appointed by the state end the PSP individual or under the PA work well enough.

may lead to corruptions.

A player cannot be a referee as well.

As a consultant appointed by a Contractor, sometimes it is difficult to implement quality control over the Contractor who is also your employee.

Most profit-oriented contractors who aren't concerned about quality tend to have conflicts with the consults appointed by them or the consultants tend to be lenient out of fear of being fired.

The protocol must be defined, the results must be open.

It will be an honour in doing such projects for the state

A turnkey project ensures a conflict of interest whereby the contractor will compromise severely on design quality and is not accountable to anyone for it. Very bad idea if quality is important.

Again, the risk of corruption and possible collusion increases. Separate appointment of consultants as employers' agents and forming a contract between the employer and the contractor creates the most balanced risk mitigation strategy. The consultants ensure that the contractor produces the best product without being beholden to the contractor while the contractor attempts to find the most efficient way to construct the building.

The contractor focuses on the skill set for which he is trained and the consultants apply the theoretical understanding for which they are educated and trained.

The Contractor or developer would want to take a cut or most of the fees. They expect that because they brought in the work they entitled to do so. I have had cases where the contractor wanted to give me work but wanted most of the fees. I do the work and he make the money. Professionals can be used by the contractor but the contract should be between client and professional. Not all contractors and developer are fair with professional. They want to pay what they think is the correct fee yet charge the full fee.

No one should work for a contractor.

In many ways it is the same as working as a subcontractor for an Implementing agency.

There is also often pressure by a contractor to cut corners to save money and the result often is that the overall design may suffer. And the actual client - the public - does not get the best possible outcome. One should always remember that the State itself is acting as agent for the citizens of the country.

My experience has been that the Developer/Contractor will try to minimize Prof fees in order to be more competitive to the point where its unsustainable for an architect.

Contractors and developers will use this as a tool to negotiate fees with professionals. The independent working relationship between client and professionals will be compromised

good method for delivery of a project.

good

Against this - experienced this before. They choose the cheapest most unexperienced professional so that they can cut cost and win the tender...

Can work if well controlled.

Generally it leads to a number of firms doing a great deal of work for the Contractor/ Developer and only one getting paid.

Good idea, but has a lot of risk

Some contractors are large enough to handle large projects for the State, so there is a need for this

I believe contractors should be appointed by the professional team and not the other way round. It is the responsibility of the professional team to ensure that value is achieved and this cannot be done if the professionals are appointed by the people who employ them.

Heaven forbid! It is tough enough managing the contractor as it is ...Definitely not for the faint hearted to instruct your builder boss to break down and rebuild for instance.

We have done it in the past, but you have got to select your bed fellows very carefully. I say you keep the architect as agent of the client and preferably the principal agent and not the contractor's side- kick!

Agreeable

Not in favour of this as companies or partnerships may only be stabilised for the purpose of that specific turnkey project and once done the partnership dissolves and the client is at risk with regard to any issue pertaining to quality of work and services not properly executed during the project.

I think this undervalues the independence of design professionals. A contractor needs to be held accountable by an unbiased professional

It does work, but how well does it function. The Contractor or developer is given too much power as some are not registered or do not have the correct qualifications. Turnkey is a good solution to projects as it has a collective approach to working together as consultants and contractor. However, there are developers who have their select consultants that they work with and therefor are no opportunities for other professionals.

Would prefer that the professional team (and Architects) are free from a contractor and also a developer. We need to work directly with the state and avoid third party developer fees, or the likes. We will need a Principal Consultant/Project Manager to guide and channel the interaction with the state though.

Can be used for a limited number of appointments only so that all the is equitable distribution of work for all professionals.

Only in a PPP environment

It is an administrative nightmare as the Client & Contractor become one for the Professional. The Professional team have to be employed by the Department, not that Contractor or developer.

This is very dangerous as it is not common in SA. The people doing the procurement needs to be properly trained and contractors with a high level of skill and ethics are required.

Cost becomes paramount in this setup, and the professional architect has no control over substitutes or changes.

no, as this promotes collusion

My worry here is that appointments become cost driven rather than quality driven.

As long as the Contractor and Developer follow a transparent and accountable process, I support the notion

Could be tricky

It is a waist of the state's money as all the contractor prices his risk and put a huge mark up on the projects. Dept of works should be given the opportunity to get their act together.

No issues however the turnkey contractor and his team should be evaluated individually and together as team prior to awarding to ensure that they are capable.

When contractors or developers appoint architectural professionals, they become employees with little or no say. They need building plans. That's it. After that they do what they want and how they want, with nobody to look over their shoulders to check for quality, correct use of methods and materials etc.

If the state does not have the manpower to direct the project this could be a solution.

May work for some types of projects. However, once again smaller entities will be excluded from most of the projects available.

No comment except that developers are notoriously crooked - take Mr. Trump for instance.

As above - the architect is appointed as the principal agent to look after the interests of the client. Once the architect is appointed and paid by the contractor, how much control do you think he will still have?

MOTHER OF CORRUPTION

all the roll players are at the mercy of the main contractor - money seems to the objective

Turnkey projects make for less effective supervision and cutting corners blurs the lines of responsibilities.

We have done it 2x with schools before:

- Design and build by major contractor, leased by govt till a certain date when the properties will be transferred to govt: this worked extremely well. Once the parameters were agreed on, schools were built in record speed, to spec and with little red tape.

- 10 years later the same contractor won govt tender. The collapse of govt structures, constant scope changes caused the project to become a long-winded drawn-out affair, with much frustration. Due to other circumstances, the contractor went into liquidation at the end of the project. We are still owed substantial fees which we have to write off. Fee payments should be done directly and should be adjustable if the project time / scope overruns. Can work for straightforward contracts.

My only concern is that as the Client you are putting ' all you beg in one askit'.

Can lead to difficulties with a 'commercially driven' and not 'professionally-driven' person in charge!!

this should be a fair appointment

The problem with turnkey projects is that the contractor/employer has complete control of the project. They employ the professionals and the professionals are therefore not free to act in the best interest of the end user/client. Because they are being paid by the contractor, they cannot act as independent agents and arbiters in the relationship between contractor and client. This has the potential to undermine quality and design decisions that the professional may make if they were being employed directly by the state. It is also a system that will again result in the professionals that offer the lowest service being employed rather than those that will offer a good service.

Although I am involved in some of these the balance of power is warped. This can only work with contractors that are above reproach and have a very very high level of work ethics. As the employee of the contractor, what power do I have to condemn inferior workmanship? If I do, and the project suffers a loss, I will have to share in that loss, so why would I get involved in a loose - loose project? In the project we are currently involved in the main contractor has done many high-level projects for us, so we have built up a relationship of trust. This is the only way a turn-key project can be beneficial to all involved.

Turnkey Projects are much, much more developed overseas than it is here. Contractors overseas are equipped with the necessary skills, training and knowledge to undertake turnkey projects, which is not the case here.

Turnkey projects in South Africa, place an emphasis on profit and costs at the expense of objective Professional expertise and input, and design and construction standards.

As per its successful application in the United States, this is the way to go. Deliver per contractual obligations, and get paid per said contract.

The danger of turnkey is that the architect works for the contractor and not for the client.

A good idea, but again - developer must have required skills. State will save time and money and the projects will actually be completed.

This may lead to collusion between contractors/developers and professionals.

If only a handful of Contractors/Developers will benefit from this I don't see the value.

It might work but only if procurement documentation is well structured and the assessment panel for the award of the tender is made up of the experienced professional people and it is awarded on price and merit so to not allow loopholes for corruption

From a trusted developer and/or project manager, no problem, but through the Building Contractor's admin, payment and accountability, to be avoided

I would say it could work on specific contracts but not as a norm.

**1**. Turnkey projects give the Contractor/Developer the biggest responsibility. The professional team appointed by them are directly responsible/accountable and as a result influenced by them.

2. Contractors/Developers have almost never really had the clients' interests at heart as the profit is the main factor.

3. Turnkey projects usually limit the professional teams input.

Openess, transparency, accountability required

This is if the companies are renowned for non-performance. If I were to (and I have in the past) work for companies I have had no experience with, I take deposits and then before work is released after it is completed, proof of payment must be provided.

Does not work well as the Architect is at the mercy of the Contractor or Developer who has won the tender, and who now determines what the appropriate professional fee is using the private sector to benchmark the discount. There should be a requirement that the all practices working on any public sector project, should be paid a fixed statutory fee for this work. The cost of the professional fee should not be a factor in the tendered fee from the Contractor/Developer. This system of tendering also further excludes the smaller practice from designated groups,

who cannot afford to work on projects of this scale at discounted rates, thereby often resulting in an unequal proportion of work and fee split.

Only big firm will be able to handle this type of contract

This kind of appointment is only viable for well established companies

Compromises the professionals need to remain impartial and act as the agent for the Client.

Positive, as long as there is transparency to illuminate unfair patronage or nepotism in favour or advantage. However, this would not be possible in South Africa's current administration and will unlikely improve due to the entrenched understanding that this is their inherited and entitled right

### ALTERNATIVE SUGGESTIONS FOR OTHER SYSTEMS FOR PROCURING WORK FROM THE STATE

ANSWER TEXT
It is possible to introduce an appointment classifying all public works by size and complexity. From there a roaster is developed in which all professionals are enlisted. If work was distributed according to each professional person, generally there would be more work for everyone as opposed to companies bidding for work. Introduction of competition based on categories can also provide upcoming professionals to be exposed and limit big companies with large resources from dominating
A roster system with a mix of prequalification and opportunity for development, and provision for mentoring.
The Roster System worked. Get it in place again. We have also had feedback from project managers within the Department of Public Works SA who have voiced their wish that the Roster System could be reinstated. It will be important to build in checks and balances.
I would like to see the state use more skilled consultants to oversee projects. These people ensure that the
interest of the state is preserved and that they are receiving the best value for money. Consultants get a bad name due to past cases where they have earned obscene amounts of money for not doing

much. But if this process can be regulated more efficiently there is a huge skill base in the private sector that can be utilised by the state - not only to complete projects but also to upskill other members. This will also provide potential for white professionals struggling to find work to be employed and their knowledge imparted to upcoming professionals.

It would also be great if projects could be broken down more into sectors of expertise so that smaller businesses could tender for parts of projects. This would give the state more control and heighten transparency rather than just handing everything over to private companies with no supervision. Additionally providing opportunities for smaller enterprises.

Yes, use average system for quotations.

Without researching it now as I understand it - All tender - disregard lowest & highest tender - calculate average - company with price just below average is awarded tender.

No one can manipulate average tender prices ( Client or Consultant)

Architectural tenders, if this ludicrous system should continue, needs find competing criteria other than price and should limit the discount on guideline fees to 15% max to sustain an already crippled construction and build environment. Our industry is losing its members and brains to other countries were the professions are respected to fulfil their professional obligations and mentor & pass on experience & knowledge whiteout taking a pay-out.

The states requirements in terms of experience don't give SMME's a chance to compete in terms of procurement. If the state could develop more reasonable requirements for SMME to be able to compete that would be very helpful i.e. opportunities for collaborations with larger practices in order to get the experience.

Spread the work - Jointly appoint firms that can benefit from the experience and the involvement in these projects. When there is no corrupt system and high codes of ethics and moral standards are applied, the economy will benefit and restructure the Architectural profession.

The state should only appoint professionals if they have a registered functioning office within the said province. A service provider ROSTER should have a fee threshold that is equally applied across all registered practices & the ROSTER should be transparent for all to view at any given time.

Use of a CSD on a rotational basis for awarding work to firms with full fees. The system can be boosted to monitor all works awarded by state to ensure fairness in procurement of services. The system can also be designed to monitor the designated groups are awarded work on an affirmative action basis.

roster would be best with a layered level for location and complexity or project type.

I think the State needs to take full responsibility for the work they require, including procurement.

Fees seems to be the biggest problem - a new thought on how fees are dealt with that will apply to all on an equal basis needs to be established - after all do civil servants, or departments work at discounted salaries? If a fee that's equal to all is established the state can get down to the business of implementing projects with the most appropriate resources. at the end of the day fairness to all parties in the Public Sector needs to prevail! Opinions from the experience in the Built environment must be gathered. that's the only way it will work in a

democracy. Must not be authoritarian like it seems. All registered professional practices to be registered on the state database and work allocated to all on a rotation basis and according to experience and maybe appoint a professional with less experience to work with experience professionals to uplift and equip professionals with experience

I think parties should be appointed for the work as required on merit and for a proper fee without discount and be accountable for that as it us that carry the risk and apply the professionalism.

The price tendering systems implemented by DHET for framework contracts are highly problematic. The tenders ignore SACAP recommended rates and even go so far as rejecting them and replacing with the old outdated rates that do not recognize the current cost and time required to undertake architectural work. Their tender process is flawed at best, but also highly manipulative in examples as to how one can calculate costs, profits are incorrect. These calculations do not reflect a reality as to how much it costs to run projects. Their formulas should be rejected. Formulas should use the SACAP rates as a basis for any discount if really needed. The type of contracts proposed should also be interrogated. NEC is an engineering contract and does not understand the architectural profession. Public sector does not provide the necessary time for NEC to be properly implemented.

Eliminate BEE

The roster system works and takes into consideration ALL relevant professionals and practices. The roster system should make provision for ongoing evaluation of consultant competence.

The roster system is an excellent system to limit bribery and corruption.

The roster system also ensures that professionals based in a specific province is appointed for work based in the same province, minimising unnecessary expense. It will, however, be important to screen practices to ensure that they do not operate from ghost offices in a province which is common practice.

Lacking objective criteria other than cost, a roster system remains a blindly impartial system

I would love more information on how to register and procure work.

Have transparency procedures and council/ board must give professional architecture benefits (just like what doctors have in their careers as they practice)

I am sure we can study at how other countries are doing things. I.e Singapore, South Korea, Finland, Germany, and Rwanda.

Open up the playing field. Let all levels of professional's work. Being a draughtsman does not equate to being mentally handicapped. And being an Architect does not mean God-status.

free the economy from the state

Implement Point System with following criteria:

Performance, Capacity, Capabilities, Locality, Resources, BBEEE, Financial, etc.

Professionals must be rotated for work as long as they are compliant.

I am sincerely trying to be constructive, but as I think about how to make any positive contribution to this question, I despair.

The real bottom line is that our country needs a radical transformation of society at every level - which this Covid-19 crisis may yet deliver?

Until we can really become the society that Madiba raised our hopes to believe in, where we move past race and politics and prejudice and victimhood, to start to treat one another as fellow human beings who all need a leg up to cope with this really challenging life, we will not be able to deal with matters like procurement of professional work in a productive way that most are comfortable with.

Please prove me wrong.

Budget, budget, budget.... REALISTIC!!!!

Public Tender evaluated only on the basis of the quality of submissions and proposals relevant to a very carefully structured Brief. Fees are fixed at Gazetted Rates, apportioned in accordance with actual responsibilities. This takes the best aspects of a "Design Competition", and places them into a statutory process. Whichever process is applied, TRANSPARENCY & FAIRNESS must be the over-riding consideration. SACAP and CBE should be involved in the process on behalf of members; to help set proper criteria for Briefs, and to establish accountable processes for evaluation, in order to achieve the best outcomes for all concerned.

Drop B-BBEE and pricing as primary drivers for development of the country. 25+ years have shown that it has done something, but actually hampered growth and supported corruption and incompetence more than anything else.

Framework would be my choice. But it must be open and based on a clear set of rules.

should be merit based

Publish the past history of the protocols, making a comparison of each before the final advisory can be presented for better decisions.

Two stage design competitions. Stage one is expression of interest so that client can evaluate teams proposed and shortlist invitations. Those invited will be paid a stipend for submissions. Top three gets paid more. Winner does the project at full statutory fees.

There is no perfect system, my recommendation would be to try and find the most balanced system and build in as much flexibility and adaptability into it to constantly be able to adapt it to the changing times.

Also, the use of technology would help in monitoring the systems and improving them, e.g all architectural professionals are registered with SACAP which maintains the profiles and updates as and when they change, why is this system not used at municipalities to check if a person submitting plans is still registered or not or to confirm if the members shown on a submitted bid are appointed by the company submitting a bid?

Roster system depending on competencies.

Yes. BEE should be scrapped!

I'm not sure that there is a perfect system! the tendering system could work if the tenderers are of the same "grade" (however that grade is determined). They could then be coupled with a 2nd firm in order to transfer experience. There should also be a minimum fee standard - this is fairly easy to determine. Any well-run practice would know that they would not make any profit under a certain limit. I think most architects would prefer the roster system. But with some major changes as suggested earlier. These are the only 2 systems I would consider with whatever variations needed to give our real clients, the citizens, the best quality work for their tax rands! Compile a list of the available architects in that region with particular emphasis on expertise and experience and allocate projects accordingly. Where the project warrants it, a no of smaller firms can be appointed in association. All professionals should get a fair and equal chance to compete for work without prejudice based on skill and experience

PPP and full fee fixed price projects.

A fair tendering system based on experience and merit of the architectural firm, alone. May the best tender win. This is not the case with South African Statutory Tenders today. The only way to secure Statutory work is 1) Know someone at Government level.

2) Have a level 1 BBEEE certificate (whether there are ANY architects/experience/ability in the firm, doesn't matter).

3) Employ any person from any profession in one's architectural office that is seen as "black" on the BBEEE definitions, with no architectural experience required at all. THEN the practice can qualify, THEN the practice might get a tender awarded.

Include younger firms and specify this in the scope of work - for example tender only open for professionals registered for 5 years or less or companies with turnover less than R1mil. It needs to be a fair playing field. At this stage we smaller guys are competing against major players for small renovation jobs. The big guys and established firms can then leave the small jobs for us to gain experience and grow into the big jobs while building up a track record. The big firm in turn can then focus on bigger projects.

Look at firm's capability and categorise all firms and appoint for appropriate work in appropriate areas at a fee in accordance with a sensible structuring.

None, except that a roster system worked well

Reinstall the roster system

Allow 1-man SMME's to also partake in State Projects that is not able to be BEE compliant

A believe a roster based on appointing local professionals with expertise in a particular field (medical, conservation, education) is important particularly if the practice is unexperienced. Pairing of practices should be encouraged or required where necessary to enable smaller practices to get experience and mentoring. Unfortunately, not at this stage, but thanks for your efforts to try and address the current system. On a slightly other topic: possibly for our architectural graduates unable to find employment? Surely, they can be a great asset in any Public Works or municipal office even checking or approving building plans!

None other than returning to the Roster System

If these are more design based, and less price based, and open to white people I would consider tendering.

Appoint professionals/practices on their qualifications, experience and track record and appoint allow smaller firms or newly established firms on smaller project so that they can grow and also become a contributing partner in the economy of South Africa. We are all willing to help and have the skills, but I feel that it is now the time to embrace all the skills available in SA to get this economy fired up and create a brighter future for all.

Competition entries based on minimum pre-selection criteria.

These criteria should only focus on quality, nothing else

Firstly, Local Companies must be prioritized, currently a low percentage of work is given to local businesses this is bad for the local economy as companies out of the town do not contribute to local economy. There are companies that have satellite offices in small towns however they are mostly working in the Cities, this needs to be strictly monitored. Secondly each registered company needs to be monitored as to how many projects they receive, so work can be evenly distributed. Thirdly, big and small companies can collaborate on big projects as to develop skills, this needs to be monitored too as big companies aren't open to this and are most likely not going to allow small business in on the work.

The use of an Open and Transparent Roster System that allows for equitable distribution of work for all registered professionals.

PPP

Can this not be done on a roster system as with the Municipality? This will ensure that everyone gets a portion of the work and no one practice is favoured. Everyone has to submit documentation, and meet a criterion, to get on to the panel. This ensures a more balanced playing field related to experience & skills, Then the price predetermined, perhaps a state tariff similar to SACAP's set up and the work is equally balanced financially on the roster. So, you either get 1 big project while another practice gets 5 smaller projects but they both equal the same monetary value to fee.

People who procure work should have at least worked in the private sector so that they understand how the various BEP disciplines fit together and how construction flows from that.

Experience needs to be a criterion

open the tendering to all practices regardless of race, promote open and fair opportunity, just because I am white, I mean I cannot do the work.

An engagement of the professional bodies and voluntary associations to mediate appointments and critique projects to ensure state projects are not only functional but also contribute to a better environment both physically and psychologically.

A round-robin form of appointment regardless of BB-BEE contribution level or Ownership percentage with a fixed percentage fee that is fair to both parties, i.e. 7.5%.

any system should be fair, open and persons in charge should be accountable

Get rid of BBEEE.

Give everybody a fair chance irrespective of race.

Give smaller companies a chance to tender for smaller jobs. Like Technologists and Draughtsmen are completely ignored in the tender process.

The requirements to be able to do work for the public sector should be dropped.

The local governments in Canada appoint firm on a competitive basis. In my opinion the system works.

Go back to the roster system, keep it transparent by appointments shown online, lining the number of current appointments - all those that want to be on the roster agree to a standard discount on fees. In the private sector, if one has a client that gives you work repeatedly, it is not uncommon to give a standard discount – called goodwill! ALLOW ALL REGISTERED PERSONS FROM ALL CATEGORY TO TENDER FOR ANY WORK THEN THEY CAN HIRE ANY FIRM TO WORK WITH. MOST BIG FIRMS GET WORK THEN SUBCONTRACT DRAUGHTSPERSONS /TECHNICIANS TO RENDER SERVICES FOR ALMOST NOTHING.

combination of smaller practice in ventures where possible - appointments according to their abilities - also working together with bigger practices to gai skills.

Rotation through firms in a specific area Firms based in Stellenbosch should not be appointed in Polokwane for example as this will increase disbursements and reduce effectiveness

In summary of above:

- Bring back departmental construction offices, from where a small but qualified and experienced professional team can manage the outsourcing of projects to private professionals. Standards and specs must be very clear, functional and purpose driven. Return to the system of standard designs (where possible and/or necessary) with full BoQ's and product specs, aimed at functionality and cost of long-term maintenance.

- Bring back recommended and realistic fee scales. Time is money. The % based fees is an indication of the amount of time a firm can spend on the project. -70% fees tendered means -70% time available for the project. - Award tenders on the "Mean Average" system (as described above) – this required realistic tenders rather than price driven tenders.

- Do away with BEE criteria. Harness the existing expertise better to aide training and upliftment of inexperienced firms. Award points in tender evaluation for either "want to team up with inexperienced firm" AND "want to team up with experienced firm" and pair teams where suitable and agreed.

- For smaller work, ask for prices amongst local service provers. Building offices at municipalities and councils could be invaluable in this process.

- Make it easier for small and medium firms to get suitable govt appointments.

- Have 1 central database for ALL government work. It is easy to set up and maintain a system where one registers once only. Have a number of criteria options. It should be very easy to identify 3x companies (who complies with all the formal criteria such as tax clearance, qualifications etc) with expertise in health care facilities, in the Hessequa and surrounding district, willing to partner with a "partner in training" suitable to tender for a R5m project.

There is no doubt that the current system/process to tendering is fraught with difficulties. It also assumes that the professional team 'know how to build' which is also a mistake.

The current process is 'adversarial' when in truth, all efforts ought to be directed towards completing a product of excellence. A 'collaborative' approach is advocated by the process outlined below.

The Contractors knowledge and experience needs to be harnessed into the process. My proposal using a modified 6-Stage process is as follows:

Stage 1.: Inception.

Process towards defining the Brief and appointing the professional consultant team;

Stage 2: Concept design.

Professional team prepares sketch concepts and costs in response to a brief. Approval in principle by the Client;

Stage 3: Design Development.

The Concept Design forms the basis of the Tender Document with Provisional Quantities and Provisional Sums issued for Contractors to tender on. The Contractors response must address the adjudication criteria to select say 3 responsive tenderers based on:

- a. Competency and experience in constructing projects of a similar nature;
- b. Competitive pricing of BQ Rates, P&G and Mark-up;
- c. Process to involve local sub-contractors & suppliers and proposed participation targets;
- d. Proposed Skills training and Capacitation of smaller contractors;
- e. Comment on the 'buildability' of the proposed Concept scheme and suggestions for modification/improvement with potential cost and time savings, etc;
- f. Proposed list of tenderers for Provisional Sum tenders.

Most responsive 3 Tenderers get interviewed by the Professional team and Client. Most responsive Tenderer approved for appointment.

Work on Stage 3 progresses and Design Development Stage completed inclusive of Design, Costs, Programme and implementation plan endorsed by the professional team AND the appointed contractor;

Stage 4: Construction Documentation.

Professional Consultants prepare all the necessary construction drawings which are regularly reviewed and assessed by the appointed Contractor to ensure it fully understands and concurs with what is being documented. Recommendations of the Contractor are to be assessed by the professional team and incorporated where deemed appropriate.

Tenders are called for all Selected Sub-contract works, adjudicated and preliminary recommendations made on the appointment of the SSC for the respective specialist works.

As documentation draws to a conclusion the Contractor is required to study and satisfy itself that it understands all the drawings, agrees with the projected tender award value, that it has reviewed the SSC works with the proposed parties to be appointed and has submitted a detailed programme with the necessary resources and programme-

linked cash flow and confirms to the Employer that it can deliver as documented.

This forms the unequivocal basis for the Tender Award Document and Contract. The Client/Employer approves Stage 4 on this basis and instructs that that work proceed on site accordingly.

Stage 5 : Construction Implementation Contractor implements the work in accordance with the approved and awarded contract and reports on progress and dealing with challenges that may arise in collaboration with, and not in conflict with, the professional team.

Stage 6 : Close out.

Consultants and Contractor compile all the necessary documentation and record for the Client/Employer.

It is sincerely hoped that this 'Collaborative team approach' is considered as a mechanism to optimise on all efforts to deliver contracts of excellence.

the tender process should just be fair and open and 58transparent so that we do not just appoint well connected individuals instead of competent firms

I believe that a roster system together with a framework for value typologies with a fixed, fair tariff rate will offer the state the safest, best value for money service as well as encouraging the growth and stabilisation of the built environment profession whilst allowing for true transformation in line the principles of Black Empowerment. The roster system worked well. One can even say that the fees will be gazetted less 25% with disbursement

negotiated at appointment and capped. Companies that do not perform are blacklisted.

Apply a roster at multiple geographic levels.

Publish the roster and awardees of projects.

Make registration on rosters easily accessible, with names, contact details, emails of individuals who can assist with registration.

Within this system ensure qualification, experience and BBBEE designation allows access to a portion of work set aside for previously disadvantaged groups only.

Mindset change required - "small professional entities" does not mean limited capacity. Professional relationships are constantly changing.

Award projects to small entities. This is where the socio-economic impact will be felt.

I prefer clean, clear-cut competition, not based on anything other than skill and experience.

Roster system based on a proven track record similar to CIDB where a company starts with smaller projects and can only be adjudicated bigger projects if the previous ones are successfully completed.

Yes - a mentorship program for consultants to up-skill coupled with a developer (with the appropriate skills and not the right rating) to lead the team.

Should work

This is my reply to Q34 - there is a glitch on this form

An "Open and Accountable Competitive tendering process" - aka "Red tape"- just bogs down actual appointments and in turn service delivery.

Give the jobs to firms that have the skills, experience and abilities to handle the contracts. As a prerequisite to getting these jobs have these appointed firms up-skill others so that the other firms can learn. When there are multiple firms that can handle a certain building typology then put that out to tender.

when there are multiple innis that can handle a certain building typology then put that but to tender

Appoint professionals from a database of registrations, based on conceptual design proposals.

Have to consider experience of the tenderer, implement roster system, check properly the performance of the tenderer on previous projects, not to base the decisions only on BEE status

A fair and open roster system would be the most likely system to obtain the required objectives.

simplify, secure electronic submissions especially when practices are located away from the central offices / offices calling for tenders

I have always tried to help young developing professionals but in recent years have had to turn them away because I am a white male, and I am unable to secure suitable government works which would sustain their employment. Recent 3 years the private works has only been sufficient to sustain myself.

A "set aside" (by value of work/spend, eg. R500M) for designated groups (black and women), over a specific period, in order to achieve economic and developmental objectives. Linked with Roster/s depending on how the "set asides" are structured. Establish a "DPWI temporary roster" to deal with current distress and ensure that practices do not close down. Establish a "DPWI comprehensive Roster". Linked with a Professional Development Programme. Rosters located at DPWI Professional Services. Include a monitoring, reporting and evaluation system with VAs and interest groups for transparency.

Appoint a professional team to handle the procuring of work

System that supports new architecture companies

The previous roster-based appointments with government gazetted fee scales were the best in my opinion and should be reinstated. Checks and balances to avoid any firm getting too much work in a small space of time to the expense of others need to be put in place.

There is no suggestion that can justify the time or energy necessary to develop it into anything substantial to work with. The system as it is is exclusionary and favours the elite who have a stronghold grip on the control of the network and role player who will remain in place at all costs, and have the power to do so. This vice-grip is further enabled by regulations designed to suppress new entrants and throttle existing competitors. Bureaucratic and Regulatory compliance create hurdles and obstacles that limit and suppress productivity and generate high wastage of resources, time and energy.

My personal point of view is an opinion unfortunately strongly influenced by my own pessimistic predictions for South Africa's future. A future based on a determined effort to shun investors, strangle economic activity, destroy the foundations of its own wealth and capital, strip and erode the value of its assets rendering them worthless, encouraging brain drain and skill loss all while failing its society who are progressively getting poorer, less educated, devoid of opportunity and no prospect for hope.

Conclusion: I don't think there will be much economic activity in the built environment for an extended period of time, there won't be economic strength to support any. The connected will hold onto their grip and further their monopoly. The undermining of property rights would further add risk and no incentive to develop. The value of existing property will further erode as maintenance becomes unfeasible due to the low value of the property. Finally, my opinion is rendered useless. Regulations discriminate along race-based clauses that prohibit my eligibility. My skills and experience are being rendered obsolete as my worth and standing is expelled from the system.