



# C E S A

Consulting Engineers South Africa



Your Partner in Enabling Consulting Engineering Excellence

## **CESA PRACTICE NOTES WEBINAR**

## **NEW ECSA GUIDELINE MARCH 2021**

**CESA PRACTICE NOTE 45: APPLICATIONS GUIDE  
ECOSA SCOPE OF SERVICES AND REMUNERATION FOR  
CONSULTING ENGINEERING SERVICES**

**ECOSA GUIDELINE PROFESSIONAL FEES**


**(Scope of Services and Tariff of Fees for Persons Registered in  
terms of the Engineering Professions Act, 46 of 2000)**

**Government Gazette 44333, 26 March 2021**


**Board Notice 22 of 2021**

**Commencement Date not stated but assumed to be 26 March 2021**

## **BACKGROUND TO ECSA GUIDELINE**

- **2000 - 2012 ECSA published “old” Guideline, updated every year**
  - **2012 – 2016 revised Guideline, no tables of fee percentages**
  - **February 2020 – ECSA commenced process of developing a new Guideline**
  - **September 2020 – after consultation with Member firms, CESA provides detailed comment to ECSA on a draft Guideline**
  - **March 2021 – ECSA publishes the 2021 ECSA Guideline incorporating many but not all of CESA’s comments.**
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# HIGHLIGHTS OF THE 2021 ECSA GUIDELINE

- **Preamble: “This guideline is not prescriptive but has been published as an aid to assist a client and the consulting engineer in reaching an equitable agreement on fees for services offered.**
  - **Many small, subtle changes – study the Guideline carefully!**
  - **Some changes to Definitions and Preamble**
  - **Financial administration services not highlighted**
  - **Off-site inspection and testing regarded as additional services**
  - **No clarity about contractor failure to perform.**
  - **Construction Monitoring does not clearly state what is regarded as normal services**
  - **Method for calculating percentage fees now replaced by Tables of recommended fee percentages**
  - **Some lack of clarity regarding application of adjustment factors, use with care!**
  - **“Error “ in fee tables**
  - **Hourly rates not published**
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# **CESA PRACTICE NOTE 45: APPLICATIONS GUIDE: MARCH 2021 ECSA SCOPE OF SERVICES AND REMUNERATION FOR CONSULTING ENGINEERING SERVICES**

Practice Note PN45 is intended to inform clients and consulting engineers about best practice with respect to the procurement and appointment of consulting engineers and the determination of appropriate fees for consulting engineering services. The Practice Note does not prescribe what fees must be charged.

- **History of procurement of consulting engineering services in SA and determination of fees**
- **The importance of a professional relationship in the modern business environment**
- **Summary of processes for procurement of consulting engineering services**
- **Brief description of the structure of a typical professional services agreement**
- **Explanation of the ECSA Guideline scope of services for normal and additional services**
- **Different methods for determining fees for consulting engineering services, time, percentage, lump sum and other.**
- **Factors in the ECSA Guideline which may influence the fee calculation**
- **A brief comment on fee discounting.**

**THANK YOU!**