

MINUTES OF MEETING No. 10 OF “FORUM OF QS PRACTICES”

HELD ON TUESDAY, 23 FEBRUARY 2010, AT 15h00 IN THE OFFICES OF THE ASSOCIATION OF SOUTH AFRICAN QUANTITY SURVEYORS, THORNHILL OFFICE PARK, MIDRAND

1 WELCOME

Mr Egon Wortmann, Executive Director of the ASAQS, welcomed everybody present at the meeting.

2 PRESENT

ASAQS	Mr Egon Wortmann (Chairman)	(EFW)
Vddb	Mr Leonard van der Dussen	(LvdD)
Pentad	Mr Leon Cronje	(LC)
delQS	Dr Corne' de Leeuw	(CPdL)
Narker Pougnet Kriel	Mr Hedley Pougnet	(HP)
Quanpro	Mr Herlu Smith	(HS)
Chris Chalmers	Mr Chris Chalmers	(CC)
Quanticost	Mr Charles Sprong	(CS)
Davis Langdon	Mr Kevin Pickup	(KP)
MW&S	Mr Qinisani Mbatha	(QM)
TUT	Mr Tjaart van der Walt	(TvdW)

3 APOLOGIES

De Leeuw Group	Mr Chris de Wet	(CdW)
TMS	Mr Gert Meyer	(GM)
Syscom	Mr Karl Heinrich	(KH)
T&T	Mr Ian Donaldson	(ID)
NNAQS	Mrs Nonku Ntshona	(NN)
SBDS	Mr Dennis Robinson	(DR)
Schoombie Hartmann	Prof Tinus Maritz	(TM)
SACQSP	Prof Gaye le Roux	(GLR)
MLC	Mr Peter Neep	(PN)

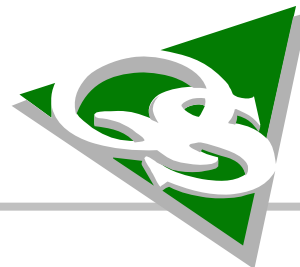
4 NOTICE OF THE MEETING

Notice of the meeting was taken as read. Notice for the meeting had been sent out per e-mail as well as a general invitation extended to all ASAQS members via the ASAQS website.

5 APPROVAL OF PREVIOUS MINUTES No. 9 – 17.11.2009

Minutes of the Forum of QS Practices (No. 9) meeting held on 17 November 2009 were adopted and approved with the following corrections :

- Item 3 – Name of Mr Charles Sprong to be removed from “Apologies”
- Item 3 – W&S should read MW&S
- Item 7.5 – IDC to be added to list
- Item 7.10 – Certificates should read valuations



- Clause 7.13 (two paragraphs) were re-drafted on request as follows:

In our professional capacity as QS's and as tax-payers, Mr Smith suggested that an approach be made to Government to assist with the improvement of proper management of public funds. A case needs to be made that QS's should be appointed by Government on low cost housing projects.

This matter would be referred to the upcoming Board meeting (10-11 March 2010), at which time a decision will be taken as to how to approach this matter on an orderly and structured manner.

- Clause 7.14 (two paragraphs) were re-drafted on request as follows:

Mr Smith expressed his concerns about the detail contained in the signed BEE Construction Charter. For full details of his written concerns, please refer to the attached details, referenced "Attachment A".

This matter would be referred to the upcoming Board meeting (10-11 March 2010), at which time a decision will be taken as to how to approach this matter on an orderly and structured manner.

6 CLARIFICATION OF PURPOSE OF THE MEETING

An open invitation had been extended to all ASAQS practitioners to attend the meeting and in an informal format to share their ideas and concerns, with a view to seeking solutions with the assistance of the ASAQS. All are welcome to attend the meeting, with representatives from both large and smaller practices.

It was reiterated that whilst Mr Wortmann offered to facilitate the process, it must be understood that the views expressed at this meeting do not necessarily represent the official views of the ASAQS per se, but rather the personal views expressed by the individual members in attendance at the meeting. This forum does not carry any formally elected standing of any kind.

7 ITEMS FOR DISCUSSION

7.1 EDUCATION AT TERTIARY INSTITUTIONS

(a) Questionnaire to Practices

As this matter had remained outstanding for some time, it was requested that the draft of the questionnaire be finalised and sent out to all QS practices by latest end March 2010.

EFW

(b) List of Accredited Tertiary Institutions

It was reported that the latest list of tertiary institutions that were accredited by the SACQSP was available on the SACQSP website (www.sacqsp.org.za). It was further reported that currently the CPUT is not accredited by the SACQSP.

This item to be removed from the next Agenda.



(c) University Qualifications

It was reported that most Universities currently offer three year BSc degrees, followed by the fourth year BSc Hons degree, which has been the situation for many years already. This was also the case of WITS University.

In terms of the WITS University, it was reported that:

- A repeated appeal was expressed to employ WITS students during their years of study.
- The appointment of the Dean of Faculty had not yet been finalised. There was apparently a heavy emphasis on the correct academic qualifications of the candidates under review.

This item to be removed from the next Agenda.

7.2 JBCC EDITION 5.0 UPDATE

(a) JBCC (TM)

Although there were ongoing developments to update the current JBCC documentation, there was nothing specific to report here. The next JBCC revision is likely to be issued around October/November 2010, which will have a separate Addendum provided for State use.

It was further noted that the two QS representatives on the JBCC Technical Committee are Profs Tinus Maritz and Ronnie Schloss.

(b) Preliminaries (CPdL)

It was reported that the latest version of the Preliminaries (Bill No. 1 of the Model Bills of Quantities) had been updated and is dated April 2009 (and not the earlier November 2007 version). This latest revision had been forwarded to WinQS and QSPlus for updating of their programmes.

Mr Wortmann was tasked with advising all QS member practices of what the correct and latest version is as follows:

- On website
- Via newsletter.

EFW

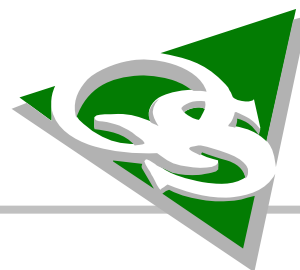
(c) Practice Notes (EFW)

It was reported that the latest Practice Notes were placed on the ASAQS website some months ago. It was however emphasised that copies of these should be distributed to all members as a matter of urgency.

Any additional and new Practices Notes should be considered and finalised by the Good Practice Committee. This should include an indication of the CPAP definitions of the "base month" and "current month".

7.3 ASAQS SALARY SURVEY

It was reported that the ASAQS Salary Survey 2009 report had been finalised and the results formed the basis of the following, both of which had already been formally published and gazetted:



- Recommended Tariff of Fees 2010
- Recommended Hourly Rates 2010

The questionnaires for the Salary Survey 2010 would be issued to all member QS practices as soon as the draft questionnaire had been finalised by the Fees Committee.

This item to be removed from the next Agenda.

7.4 BUILT ENVIRONMENT PROFESSIONS EXPORT COUNCIL (BEPEC)

It was reported that the Built Environment Professions Export Council (BEPEC) was actively going on with its business.

It was pointed out that the vast amount of information being produced by BEPEC on an ongoing basis would in future only be forwarded to member practices that had actually become subscription members of BEPEC. There is simply too much ongoing information for distribution to non-members.

This item to be removed from the next Agenda.

7.5 AFRICA ASSOCIATION OF QUANTITY SURVEYORS (AAQS)

Dr de Leeuw reported that the AAQS was nearing the position where it would be in a financial position to employ a part-time secretariat to concentrate on the affairs of the AAQS. This person would be based in the ASAQS offices in Midrand and would fall under the control of Mr Wortmann (Honorary Treasurer of the AAQS). A general appeal was extended to all practices to support the AAQS financially.

It was reported that the Postgraduate Research Project (researching the different forms of contract currently in use in Africa) was progressing well (funded by the Education Support Fund of the ASAQS).

The following programme of meetings for 2010 had been finalised and confirmed:

- AAQS Exco meeting – Gaborone, Botswana – March 2010
- AAQS Council meeting – Cape Town – October 2010.

On the question of the challenges to secure sustainable funding for the AAQS, it was suggested that the following avenues still be investigated:

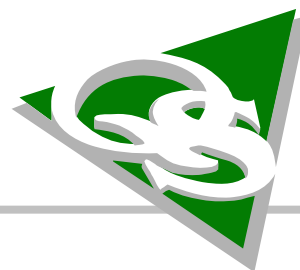
- BEPEC
- DTI
- DBSA
- IDC (Qinisani Mbatha to assist?)

CPdL/EFW

Dr de Leeuw also appealed for member support for the “pricing of items” initiative undertaken under the auspices of the AAQS.

7.6 PROCSA CLIENT CONSULTANT SERVICES AGREEMENT

It was reported that the entire suite of the PROCSA Client Consultant Service Agreement (August 2009) was available for purchase from the ASAQS offices, as well as electronically on subscription from “Contracts on Demand” in the JES format. The documents include the following :



- Document 1 – Terms and Conditions (applicable to all professions)
- Document 2 – Profession specific documents comprising:
 - Annexure A – Schedule of Variables
 - Annexure B – Scope of Services
- Matrix

It was pointed out that the new “Matrix” document was now also available, as it had only very recently been published.

This item to be removed from the next Agenda.

7.7 CENTENARY PUBLICATION

Mr Wortmann reported that the ASAQS Centenary Publication was complete and available for purchase from the ASAQS offices as follows:

- R300,00 (inclusive of VAT – across the counter price)
- R350,00 (inclusive of VAT and postage - sent as parcel counter to counter).

It was pointed out that all advertisers would receive their complimentary copies directly from the publishers, based on whatever was agreed at the time.

This item to be removed from the next Agenda.

7.8 STANDARD SYSTEM OF MEASUREMENT

Mr Wortmann reported that the SSM Committee had ongoing meetings to review the update of the SSM (edition 1999). The SSM Committee, under the chair of Dr Gerhard Brummer, had resolved (with the support of the Board) on the following process forward:

- That an update would be undertaken and that this should be completed as a matter of urgency
- That the revised format would be based on a tabulated format (similar to the SMM 7 from the UK)
- That Mrs Elmarie Edwardes (with the support of Michael Raaff) be tasked at a fee to prepare the revised draft.

This item to be removed from the next Agenda.

7.9 JBCC CPAP SUB-COMMITTEE

It was reported that in terms of the BCAC (Haylett) formula, the following definitions have been applicable since around 2005 as follows:

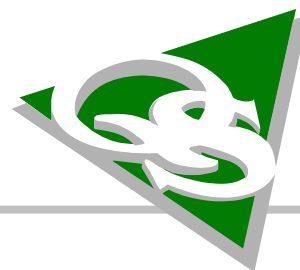
- Base Month = end of month to end of month
- Current month = mid month to mid month.

It was not commonly known by the members that there had been a change to the definition of the base month, introduced by the JBCC committee around 2005. It was agreed that a Practice Note should be sent to all members in this regard.

EFW

Mr Pickup appealed to all member firms to support the BER statistical questionnaires, when requested to fill these in.

This item to be removed from the next Agenda.



7.10 MORALITY OF QS PROFESSION

Concerns were expressed about the sometimes poor morality and unprofessional behaviour of some professional QS's. It was agreed that Practice Notes should be issued by the Good Practice Committee to advise members on professional behaviour in terms of the following (amongst others) :

EFW

- Payment for materials on site
- Payment for unfixed materials
- Overpayments on valuations
- Underpayments on valuations
- Payment of deposits on appointments
- BCAC definitions of "base month" and "current month"

This item to be removed from the next Agenda.

7.11 UNREALISTIC DISCOUNTS ON FEES

It was earlier reported with concern that during tendering for fees, some practices are offering unrealistically large discounts to secure appointments. This was not only restricted to State projects but also to private projects. It was believed that this practice may undermine good business practice for the profession and possibly lead to shortcutting of services and general poor service due to reduced fees.

It was nonetheless recognised that very little could be done to combat this problem as this was the manner in which some practices endeavoured to secure appointments, regardless of the possible negative consequences. It was agreed that this matter should be taken up with the NDPW through the BEG Grouping initiative, and that Ms Nonku Ntshona should be tasked to drive this initiative.

NN

7.12 MEMBERSHIP STATISTICS

It was reported that as requested, details of the ASAQS membership statistics had been placed on the ASAQS website as a news item (not standing item).

This item to be removed from the next Agenda.

7.13 DEPARTMENT OF HOUSING

In our professional capacity as QS's and as tax-payers, Mr Smith suggested that an approach be made to Government to assist with the improvement of proper management of public funds. A case needs to be made that QS's should be appointed by Government on low cost housing projects.

This matter would be referred to the upcoming Board meeting (10-11 March 2010), at which time a decision will be taken as to how to approach this matter in a structured manner.

EFW

7.14 BEE CONSTRUCTION CHARTER

Mr Smith expressed his concerns about the detail contained in the signed BEE Construction Charter. For full details of his written concerns, please refer to the attached details, referenced "Attachment A". Mr Smith also pointed out that an earlier letter of complaint written to the ASAQS in this regard had not been responded to.



This matter would be referred to the upcoming Board meeting (10-11 March 2010), at which time a decision will be taken as to how to approach this matter on a structured manner.

EFW

7.15 NEW ENGINEERING CONTRACT (NEC)

Concerns were expressed about the general use of the NEC 3 contract (as advocated by Mr Andrew Baird) for general building projects. It was nonetheless accepted that the NEC contract is here to stay and that it would be important to get members to be better informed about the NEC contract, and what it is all about.

This item to be removed from the next Agenda.

7.16 HEALTH & SAFETY OFFICERS (SACPCMP)

The meeting was informed that there was a proposal under consideration that formal registrations of the Health & Safety profession be introduced under the auspices of the SACPCMP. Whilst this had allegedly not yet been discussed with or approved by the other statutory councils, this is what the SACPCMP is currently proposing. Further details will be made available when more information comes to hand.

7.17 REPRESENTATION OF BOARDS OF ADVISORY COMMITTEES

HS

Concern was expressed that there appeared to be a general lack of QS representation on the Boards of various Advisory Committees. It was agreed that Mr Smith be tasked to draw up a complete list of such committees that should ideally have some QS representation on their Boards. On completion of that list, further consideration will be given as to how such QS involvement can be achieved.

7.18 TOOLS OF INDUSTRY

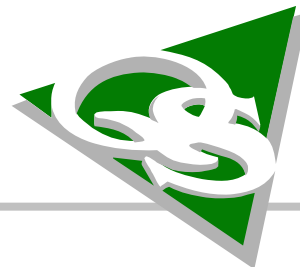
Mr Leonard van der Dussen attended the meeting in response to the open invitation on the website. It should be noted that neither he nor his practice are currently registered with the ASAQS.

He shared with the meeting his interest in information management developments which in his view could make quantity surveying more efficient, and stated that in fact the construction industry in general is lagging behind in utilising the available tools and approaches to information management. He offered to provide insight into the concepts, methods and processes. This could be made available to members through CPD seminars, papers, etc.

8. GENERAL

Mr Smith requested that the minutes of these meeting should be prepared and finalised within seven days. Mr Wortmann responded that that would not be possible due to other matters of priority, but that the minutes would be finalised and distributed at earliest convenience.

It was also pointed out that members attending the meeting should also take their own notes where items of action were concerned, and not necessarily wait for the completion of the minutes before taking the necessary action.



9. DATES OF NEXT MEETING

The meeting agreed on the following:

- Dates of meeting for the rest of this year:
 - **Meeting 11 – Tuesday 18 May 2010**
 - **Meeting 12 – Tuesday 17 August 2010**
 - **Meeting 13 – Tuesday 16 November 2010.**
- Due to traffic problems, all future meetings would start at 15h00 (to around 18h00 latest)
- All meetings will be scheduled at the ASAQS offices (Suite G6, Building 27, Thornhill Office Park, Bekker Road, Midrand).

9 CLOSURE

The Chairperson closed the meeting at 17h45 and thanked everybody for their attendance.

Minutes approved by:

.....
CHAIRMAN

.....
DATE