

MINUTES OF MEETING No. 9 OF "FORUM OF QS PRACTICES"

HELD ON TUESDAY, 17 NOVEMBER 2009, 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)
De Leeuw Group	Mr Chris de Wet	(CdW)
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)

3 APOLOGIES

MLC	Mr Peter Neep	(PN)
TUT	Mr Tjaart van der Walt	(TvdW)
Quanticost	Mr Charles Sprong	(CS)
TMS	Mr Gert Meyer	(GM)
Syscom	Mr Karl Heindrich	(KH)
T&T	Mr Ian Donaldson	(ID)
NNAQS	Mrs Nonku Ntshona	(NN)
W&S	Mr Qinisani Mbatha	(QM)
SBDS	Mr Dennis Robinson	(DR)
Schoombie Hartmann	Prof Tinus Maritz	(TM)
SACQSP	Prof Gaye le Roux	(GLR)

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. 8 – 08.09.2009

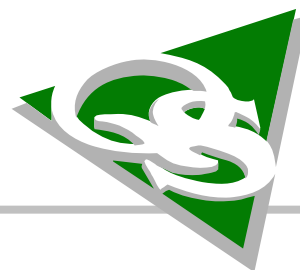
Minutes of the Forum of QS Practices (No. 8) meeting held on 8 September 2009 were adopted and approved without corrections.

6 CLARIFICATION OF PURPOSE OF THE MEETING

An open invitation had been extended to all 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. Everyone was welcome to attend the meeting, with

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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.

7 ITEMS FOR DISCUSSION

7.1 EDUCATION AT TERTIARY INSTITUTIONS

(a) Questionnaire to Practices

Mr Peter Neep was requested to approve the final draft of the questionnaire so that these could be sent out to all PMAQS and MAQS members at earliest convenience.

PN

(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). Also following a recent SACQSP newsletter, the accredited institutions were announced as follows:

<p><u>UNIVERSITIES</u></p> <ol style="list-style-type: none">1 CAPE TOWN2 FREE STATE3 KWA-ZULU NATAL4 NELSON MANDELA METROPOLITAN5 PRETORIA6 WALTER SISULU7 WITWATERSRAND
<p><u>UNIVERSITIES OF TECHNOLOGY</u></p> <ol style="list-style-type: none">1 TSHWANE2 DURBAN3 NELSON MANDELA METROPOLITAN

Mr Pougnet suggested that it would be helpful if we could have a summary of how many students were registered at each of the above institutions. It was suggested that this information be sought from the SACQSP, failing which the respective institutions should be contacted to obtain this information.

EFW

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.



(b) Preliminaries (CPdL)

It was reported that the revised Preliminaries (Bill No. 1 of the Model Bills of Quantities) had been updated and should have been distributed to all members. As this had not yet been done, this should be attended to as a matter of urgency.

EFW

It was however pointed out that programme service providers such as WinQS and QSPlus have had this information as part of their package since it was released.

(c) Practice Notes (EFW)

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

EFW

Any additional and new Practices Notes should be considered and finalised by the Good Practice Committee.

7.3 SALARY SURVEY 2009

It was reported that the questionnaire for the ASAQS Salary Survey 2009 had been sent out to all member practices and the returns were currently being assessed by Industry Insight (Elsie Snyman). As soon as these are returned, they shall form the basis for the following documentation :

- Recommended Tariff of Fees 2010
- Recommended Hourly Rates 2010

It was reported that the Recommended Tariff of Fees 2010 (based on the PROCSA defined 6 stages) would be completed and finalised in good time for gazetting (by the SACQSP) and coming into effect on 1 January 2010.

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.

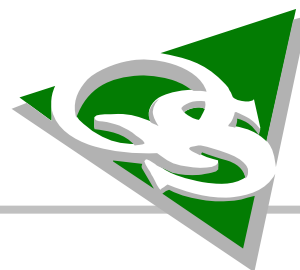
It was pointed out that the vast amount of information being produced by BEPEC on an ongoing basis would in future only be forwarded to member practices that had actually become subscription members of BEPEC. There is simply too much ongoing information for distribution to everyone.

7.5 AFRICA ASSOCIATION OF QUANTITY SURVEYORS (AAQS)

Dr de Leeuw reported on the events of the recent visit to Kampala, Uganda, by the AAQS Executive Committee (early November 2009).

It was further 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). It was further noted that applications for membership were awaited from the Associations from the following countries:

- Cameroon
- Ivory Coast.

The following programme of meetings for 2010 were under consideration:

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

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

- BEPEC
- DTI
- DBSA

CPdL/EFW

7.6 PROCSA CLIENT CONSULTANT SERVICES AGREEMENT

It was reported that the entire suite of the revised PROCSA Client Consultant Service Agreement (August 2009) was available for purchase from the ASAQS offices. 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

Dr de Leeuw also reported that the Joint Venture (JV) agreement between PROCSA and the respective participating associations had been finalised and agreed.

7.7 CENTENARY PUBLICATION

Mr Wortmann reported that the publication of the ASAQS Centenary Publication was nearing completion and the publishers have advised that the publication is expected before year end 2009. These documents would be made available on sale as follows:

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

7.8 STANDARD SYSTEM OF MEASUREMENT

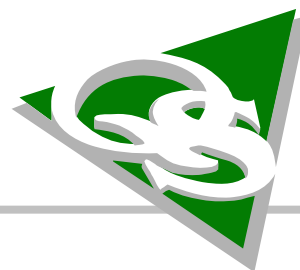
Mr Wortmann reported that the SSM Committee had ongoing meetings to review the revision to the SSM (edition 1999). The meeting, under the chair of Dr Gerhard Brummer, had agreed on the following matters in principle:

- That an update would be undertaken and that this should be completed as a matter of urgency (within 6 months if possible)
- That the revised format would be based on a tabulated format (similar to the SMM 7 from the UK)
- That Prof Thys Sigle' (with the assistance of Mrs Elmarie Edwardes) be commissioned at a fee to prepare the revised draft.

TS/DGB

7.9 CPAP SUB-COMMITTEE

It was reported that the "JBCC CPAP Committee" had again been reconstituted and the following persons represented the ASAQS on this committee:



- Mr Leon Cronje (Pentad)
- Mr Kevin Pickup (Davis Langdon)
- Mr HOFFIE Cruywagen (UP)
- Mr Egon Wortmann (ASAQS)

It was agreed that Messrs Pickup and Cronje would alternate their attendance, but that Messrs Wortmann and Cruywagen should attend all meetings.

It was further confirmed 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

7.10 MORALITY OF QS PROFESSION

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

EFW

- Payment for materials on site
- Payment for unfixed materials
- Overpayments on certificates
- Underpayments on certificates
- Payment of deposits on appointments

Consideration should also be given to prepare clear directives in this regard and then possibly to arrange seminars on this matter in all the Chapter regions.

7.11 UNREALISTIC DISCOUNTS ON FEES

Ms Nonku Ntshona had earlier expressed her concern about the fact that during tendering for fees, some practices are offering unrealistically large discounts to secure appointments on State projects. She believed that this practice would undermine good business practice for the profession and may lead to shortcutting of services and general poor service due to reduced fees.

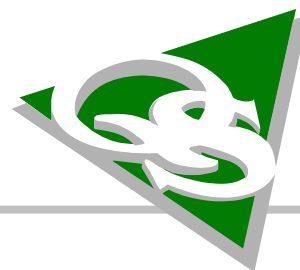
It was nonetheless recognised that very little could be done to combat this problem as this was the manner in which some practices endeavoured to secure appointments, regardless of the possible negative consequences. It was suggested that this matter should be taken up with the NDPW through the BEG Grouping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

NN

7.12 MEMBERSHIP STATISTICS

Mr Hedley Pougnet requested that the ASAQS office should make the ASAQS membership statistics available to all. This is to include the details of the individual members, as well as the member practices. It was resolved that these should be placed on the ASAQS website for general public information.

EFW



7.13 DEPARTMENT OF HOUSING

Mr Pougnet suggested that an approach should be made to Government to assist with the improvement of better controls and management of public funds.

It was proposed that first a survey should be undertaken to establish the extent of the problem, before making a formal approach to persons like Gilberto Martins and Tokyo Sexwale to offer solutions and alternative measures to combat these problems. It was suggested that the Executive Director and say two further senior members be tasked with undertaking such a visit. Mr Pougnet offered his services in this regard.

EFW/HP

7.14 BEE CONSTRUCTION CHARTER

Mr Pougnet expressed his concerns in terms of the cut-offs as indicated in the BEE Construction Charter. He sought further clarity as to the basis of these levels, and how these levels were arrived at, as well as the difference between the DTI Codes and Construction BEE Charter.

It was proposed that he seek clarity on these questions from the IMC of the Construction Charter Council.

HP

7.15 NEW ENGINEERING CONTRACT (NEC)

Mr Pickup informed the meeting that he had recently attended a seminar where the NEC 3 contract was advocated (by Mr Andrew Beard) as the way to go. He was concerned that with this form of contract, the use of traditional Bills of Quantities was not an option. He feared that this may be a threat to the QS profession, and that this development should be carefully monitored.

KP

8. DATES OF NEXT MEETING

The meeting agreed on the following:

- Date of next meeting – sometime during February 2010 (to be advised)
- 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).

NOTE:

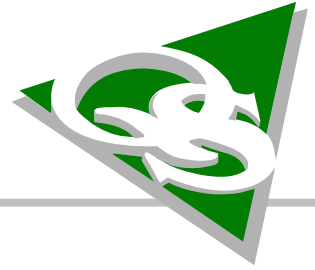
Subsequent to the meeting, the following schedule was proposed in terms of the meetings scheduled for the year 2010 as follows:

- * **Meeting 10 – Tuesday 23 February 2010**
- * **Meeting 11 – Tuesday 18 May 2010**
- * **Meeting 12 – Tuesday 17 August 2010**
- * **Meeting 13 – Tuesday 16 November 2010.**

9 CLOSURE

The Chairperson closed the meeting at 17h40 and thanked everybody for his/her attendance.

**The Association of South African Quantity Surveyors
Die Vereniging van Suid-Afrikaanse Bourekenaars**



Minutes approved by:

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CHAIRMAN

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DATE