

# ACE CAE Cost Information Systems Workgroup

Fees for Architectural Services in Ireland

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# Irish Historical Background

- The RIAI has not had recommended, minimum or mandatory fees scales since 1986.
- The RIAI did publish fee scales based on informal surveys undertaken by the RIAI for the purposes of negotiation between client and architect.
- The Irish Competition Authority wanted to prevent the publication of any fee scales even if only recommended. It is essential therefore to find a way of recording fee scales to inform both clients and architects.
- The Irish Competition Authority accept independent fee scale are an appropriate method of supplying consumer information.
- The Office of Fair Trade in the U.K. hold a similar viewpoint.
- Architects were increasingly working in a much wider range of building types including conservation, restoration, interior work, fit-out etc., where the traditional recommended fee scales provided little guidance.

In the year 2004 the RIAI Commissioned an Independent Fee Survey by an International Market Survey Company Millward Brown IMS.

The fee survey covered a three year period 2001- 2004



In 2005 another independent fee survey was commissioned covering the years 2002- 2005.  
In 2008 a third fee survey was commissioned covering the years 2003- 2007.  
With responses coming from 168 practices .



# How the Independent Fee Survey Works

- The RIAI decided on the category of building types to be surveyed, including the range of construction costs.  
This formed the survey questionnaire.
- The RIAI supplied the survey company with the names of the 457 RIAI Practices to be surveyed and took no further part in the survey.
- The questionnaire was distributed by the survey company and the survey returns were analysed by the survey company who prepared the graphs
- A 33% response was received, which is considered acceptable
- The RIAI published the results received from the survey company.



# Typical Graph Showing Building Costs and Fees Obtained – On Off Housing up to Euro 1 million

Analyse the Fee Survey by Using the Graphs.



# Survey Information in Graph Format

- There 13 Main Categories of Building Type
- Each Category is subdivided into specific types.
- All the survey returns for each category are included in the graph using a diamond symbol.
- A “line of best fit” shows the average fee.
- Fees obtained are for a Full Architectural Service
- Value Added Tax is excluded from Building Costs and Fees

# Building Types Surveyed

- Single Housing
- Private Housing and Apartments
- Public Housing and Apartments
- Leisure
- Office Buildings
- Car Parks
- Industrial
- Health
- Education



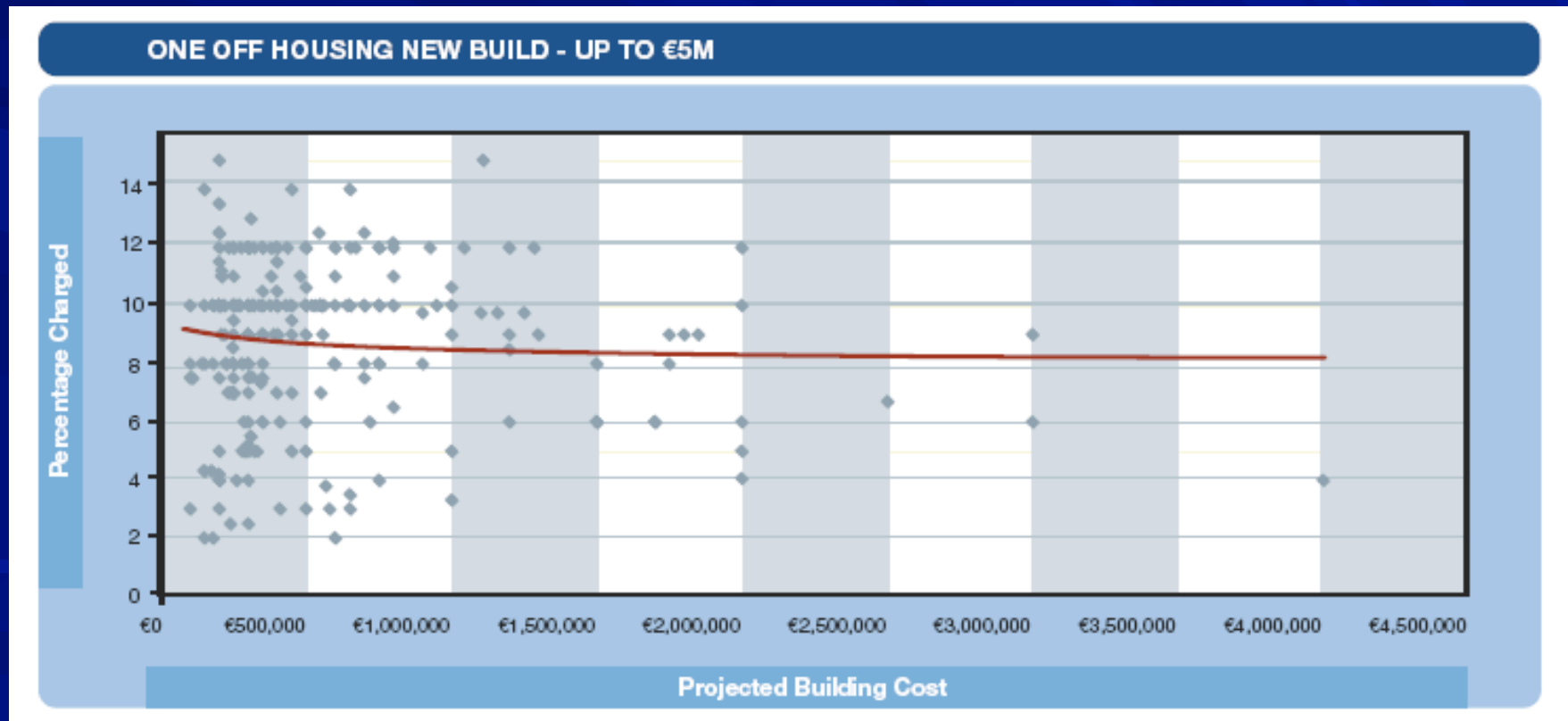
# Building Types Surveyed cont.

- Civic Buildings
- Retail
- Protected Structures
- Religious Buildings
- Miscellaneous – Specialist
- Additional Services
- Hourly Charges

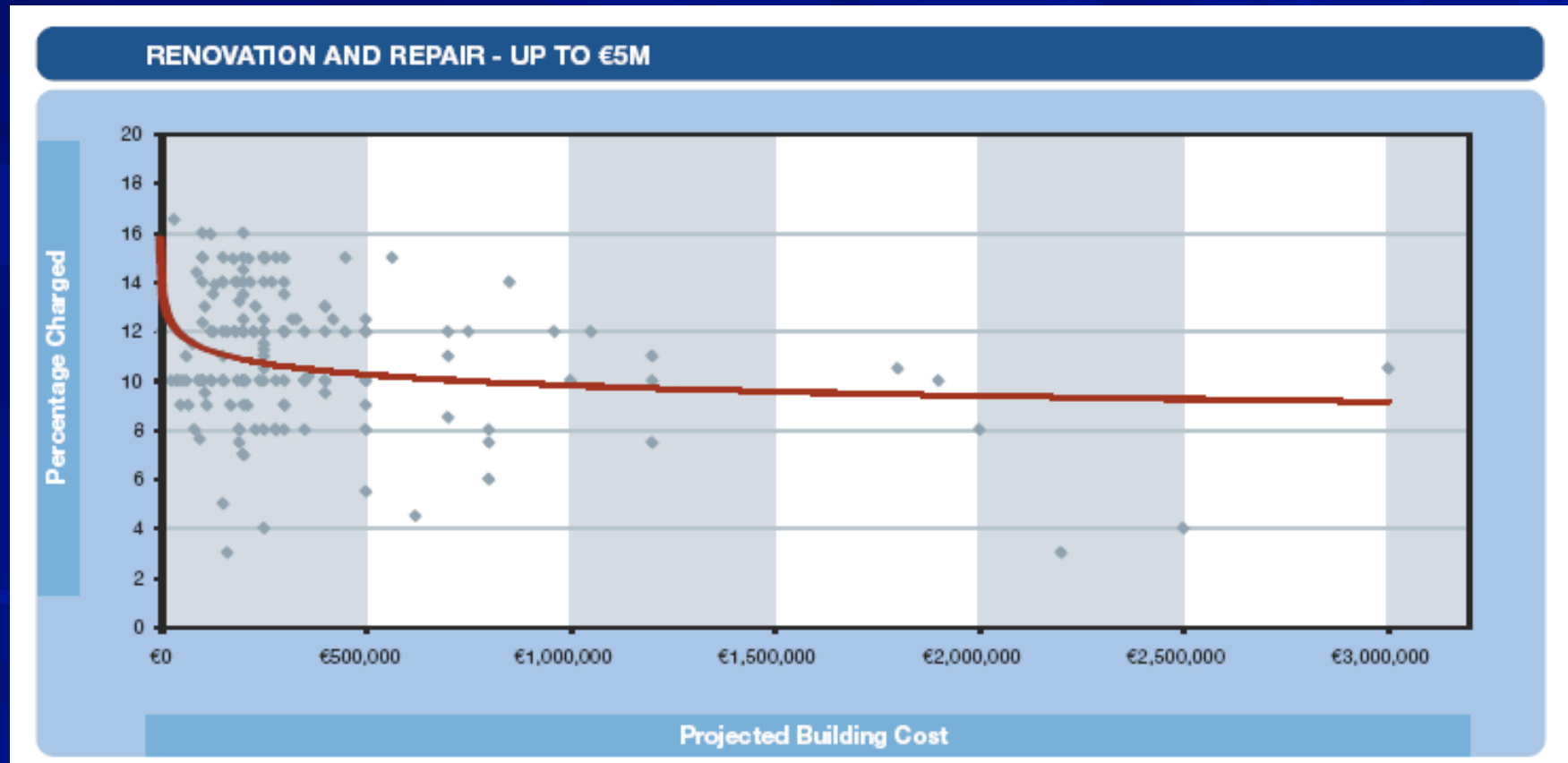
## An Example of a Sub Group:

- Hotel New Build – up to Euro 100m
- Hotel Renovation – up to Euro 50m
- Bar/ Restaurant - New Build – up to Euro 20m
- Bar/ Restaurant Renovation – up to Euro 4m
- Sports Club/Hall - New Build -up to Euro 10m
- Swimming Pool /Hall - Renovation
- Sports Club/Hall - New Build up to Euro 20m
- Sports Stadia - New Build

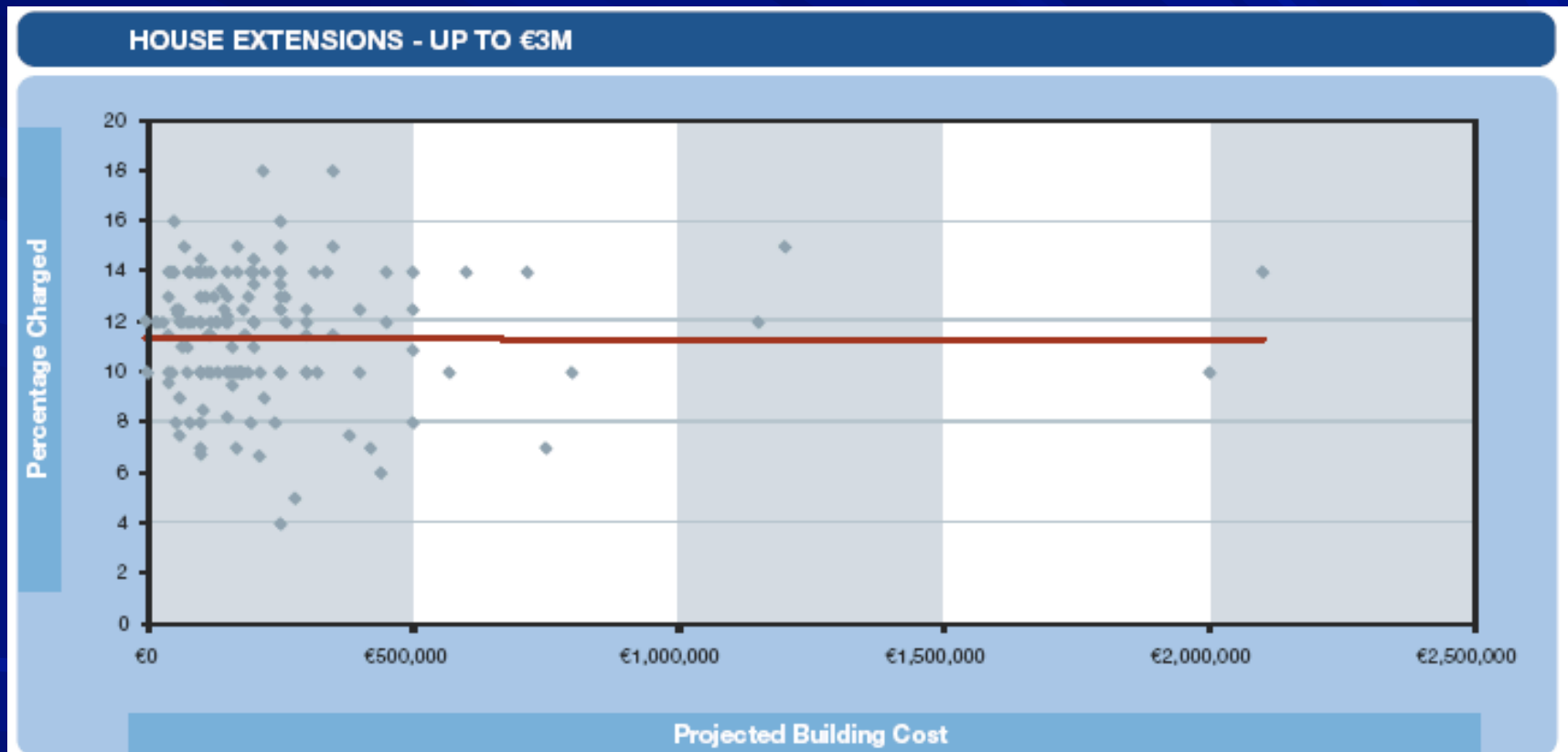
# Graph for One Off Housing New Build Up To Euro 5 Million



# Graph for Housing Renovation and Repair Up To Euro 5 Million



# Graph for House Extensions Up To Euro 5 Million

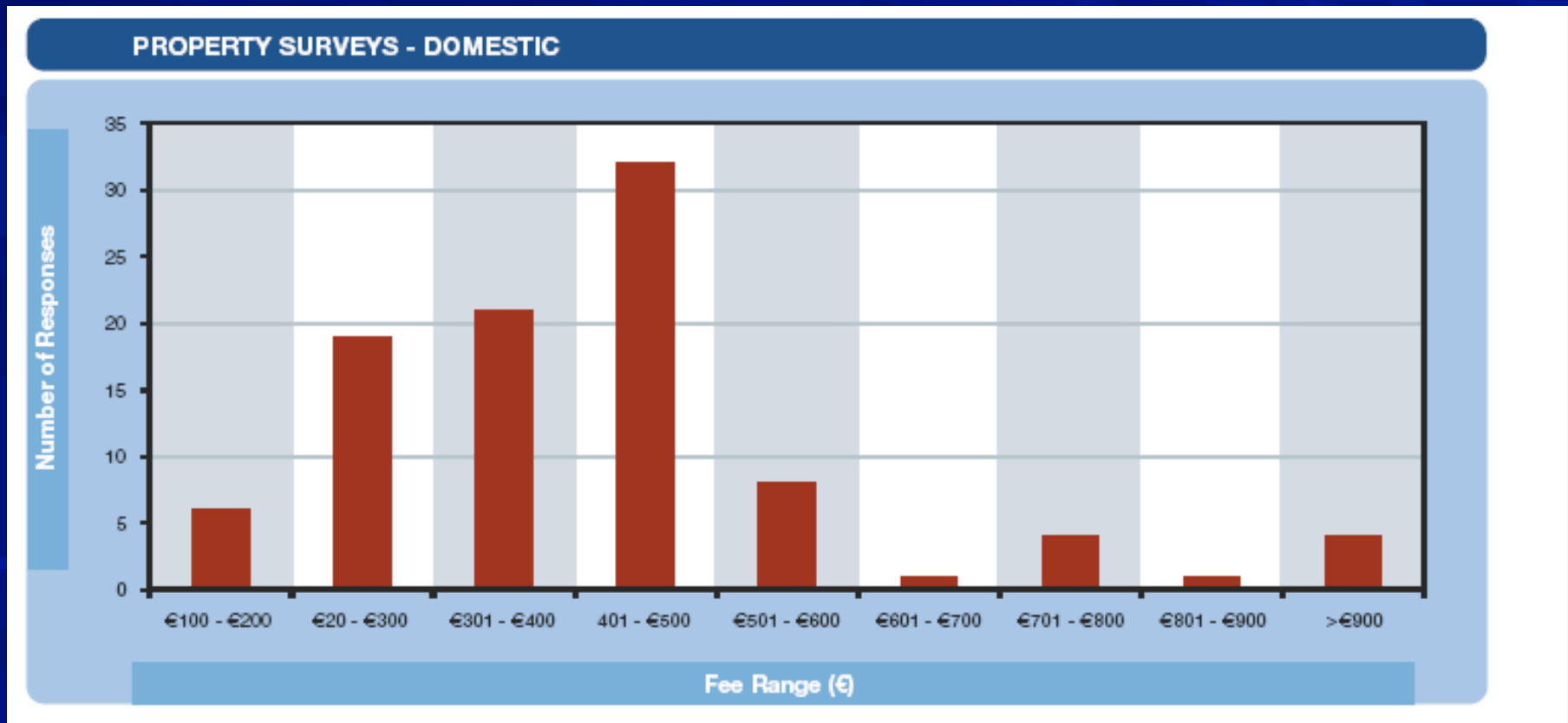




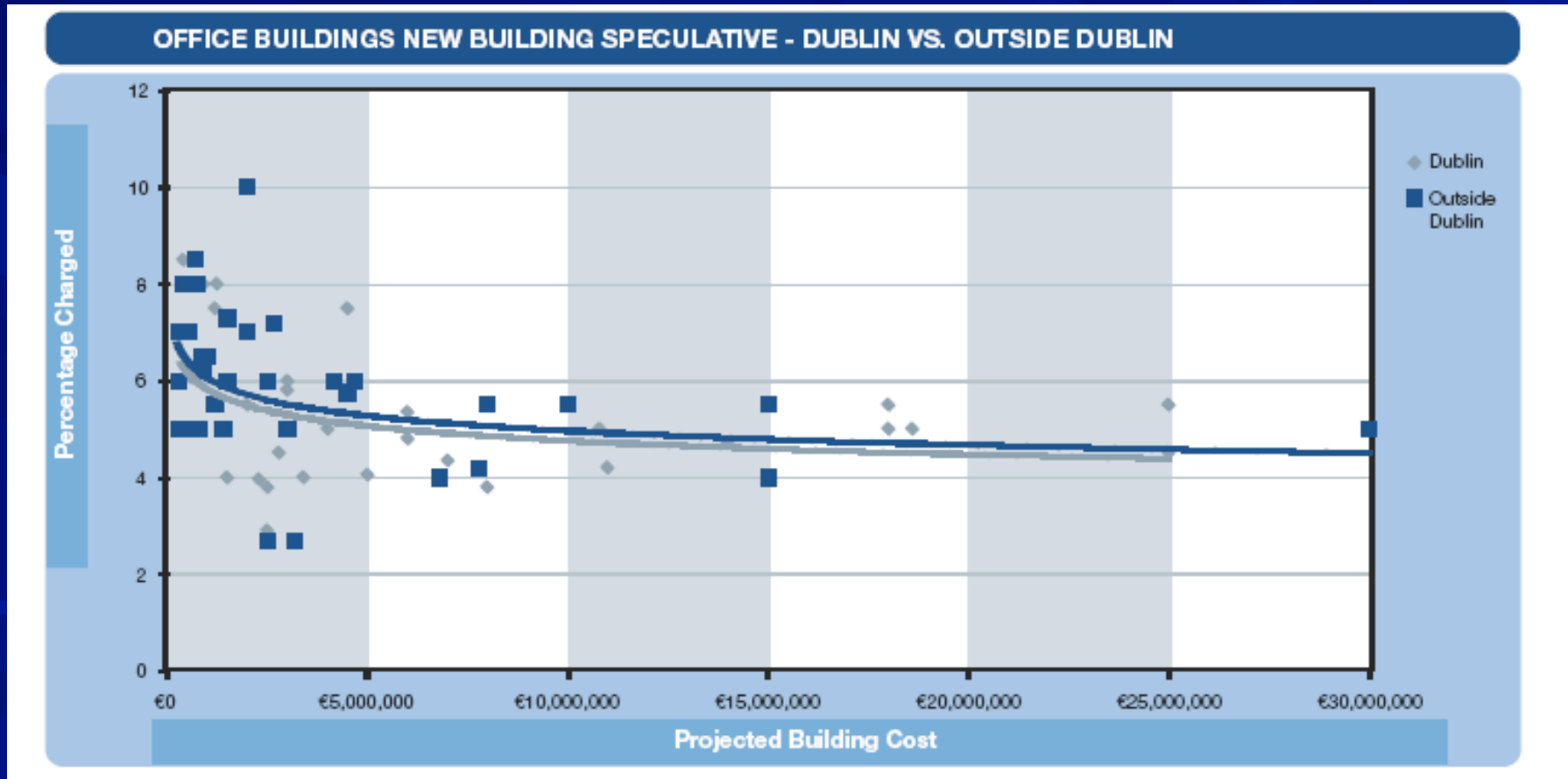
# Additional Services Outside Standard Agreement

## – Domestic Property Surveys

Fee Range Obtained on Horizontal Axis with Number of Respondents for each Range on the Vertical Axis



# Comparison of Fees obtained, between Dublin and the Rest of Ireland for Speculative Office Buildings



# Additional Services- Is the cost of Printing of Drawings included in Fee?

Blue Yes – Brown No

## PRINTING OF DRAWINGS TO CLIENT, SITE, SUB-CONTRACTORS

■ Included in Project Fee 45%



■ Separate Fee 55%

# Additional Services- Are Opinions on Compliance with Planning and Building Regulations included in Fee?

## OPINIONS ON COMPLIANCE

■ Included in Project Fee 18%



■ Separate Fee 82%

# Hourly Charges for Different Types of Architectural Staff from Architectural Technician

HOURLY CHARGES									
	ARCHITECTURAL TECH 0-5 YRS	ARCHITECTURAL TECH 6-10 YRS	ARCHITECTURAL ASSISTANT 10YRS+	ARCHITECT 0-5 YRS	ARCHITECT 6-10 YRS	PROJECT ARCHITECT 10 YRS	PROJECT MANAGER/ ASSOCIATE	PARTNER/ DIRECTOR 0-5YRS	PARTNER/ DIRECTOR 6YRS+
AVERAGE CHARGED PER HOUR	€57.46	€74.76	€88.89	€75.35	€95.92	€120.16	€136.55	€155.96	€157.74
HIGH	€100.00	€150.00	€300.00	€150.00	€200.00	€350.00	€500.00	€600.00	€750.00
LOW	€30.00	€40.00	€46.00	€30.00	€50.00	€57.50	€80.00	€75.00	€75.00



# APPRAISAL

## How did you guarantee representivity?

- The survey was sent to all the practices on the RIAI register approximately 500.

## How has it been received by the profession and by clients?

- Both architects and clients found it useful to know what was the average fee being charged in the market and what are the range of fees being charged.
- Architects have found it a particularly useful tool in negotiations with clients.

## Have you measured dissemination of the survey?

- The only measurement of dissemination would be the number of those sent to practices and the majority of practices seem to have copies. We also show the graphs for domestic work on the RIAI website for customers and we know this is used quite frequently.

## How is the fee survey used in practice?

- Both architects and clients use it as a general measure of fee scales. The fact that not only the average is shown or what is called statistically "the line of best fit" but the range of charges is also shown.

## At what frequency do you intend to review the survey?

Initially the fee survey will be carried out for 3 consecutive years

## How much did it cost?

- The first cost approximately €15, 000 and the second cost approximately €10,000 which includes the payment to the independent survey company and our printing costs.

## Do you have any reservations about the document, or is there anything you would do differently?

- A particular problem is the fact that some of the charges shown are extraordinary low. The respondents were asked only to give a fee when they have provided a full service. It is evident that some of the charges quoted can not possibly be for a full service. There is also pressure from practice and members to include in every increasing number of building types and activities but the problem is there is often not sufficient responses to justify a proper statistical analysis.

# Conclusion

- If there is a possible fault with the Irish survey, it is the lingering question; is the survey accurate, in particular, are all the returns for a full architectural service? A survey of partial service would not be accurate.
- Irish architectural practices have not complained that the survey is inaccurate
- Only by commissioning regular surveys could this question be answered.