



South African Council
for the Architectural Profession



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PROFESSIONAL PRACTICE EXAMINATION PAPER 2

Examination Instructions

- a) Candidates must answer ALL questions.
- b) Questions must be answered in the order presented. All answers must be clearly numbered.
- c) This is an OPEN BOOK examination. The use of notes, supplementary documents, or online sources is strictly prohibited.
- d) All responses must be provided in the candidate's own words, where applicable.
- e) Any answers found to be duplicated, plagiarised, or copied will result in ZERO (0) marks being awarded.
- f) Instances of duplication, plagiarism, and/or copying may be subject to further investigation and may lead to penalties and/or disciplinary action.
- g) **Total marks: 150**
- h) Pass requirement: A minimum of 50% must be obtained in each of the two papers.
- i) Time allocation: 3 hours



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QUESTION 1 (35 marks)

1.1	Explain what is meant by <i>Practice Professional Indemnity Insurance</i>. In your answer, discuss: (2 marks each) a) The purpose of Practice Professional Indemnity Insurance Professional Indemnity Insurance (PII) for RPs provides financial protection against claims of professional errors, omissions, or negligence. b) The types of risks or claims it is intended to cover; It covers legal costs, safeguards the architect's assets, maintains client trust, complies with regulatory requirements, and ensures business continuity. c) Why is maintaining Professional Indemnity Insurance important for professional architectural practice and the protection of the public PII covers claims arising from errors, omissions, negligence, or breaches of professional duty, safeguarding the RP's personal and business assets. Protects the public – Ensures that clients and third parties have recourse to compensation if they suffer financial loss due to professional mistakes.	(6)
1.2	Climate change poses significant risks to the built environment and places a professional responsibility on architectural professionals to respond through design. Explain how architecture should respond to the climate change challenge through professional design practice. Design strategies for reducing carbon emissions and environmental impact; Energy-efficient and resource-conscious design approaches; Design responses that improve climate resilience and long-term building performance; and the architectural professional's responsibility in promoting sustainable and climate-responsive design RPs address climate change by designing buildings that reduce carbon emissions, use energy and resources efficiently, and improve resilience to extreme weather. This includes strategies like passive design, renewable energy, sustainable materials, water efficiency, and adaptable building systems. Architectural professionals have a responsibility to promote climate-responsive design, educate clients, comply with environmental standards, and ensure long-term building performance for the benefit of both people and the planet.	(10)

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1.3	Architectural professionals initiate and influence the entire life cycle of a building. Explain how this role can be enhanced to position architectural professionals as leaders in the built environment. In your answer, discuss: - The influence of architectural professionals at the various stages of the building life cycle (1) - The impact of early design decisions on sustainability, cost efficiency, and long-term building performance (1) - The leadership and coordination role of architectural professionals within multidisciplinary project teams (1) - The professional responsibilities of architectural professionals in promoting quality, sustainability, and the public interest in the built environment. (1) Architectural professionals influence the entire building life cycle, from conceptual design to construction, supervision, and eventual adaptation or reuse. (1) Early design decisions significantly affect sustainability, cost efficiency, and long-term building performance, making the RP's role critical in shaping responsible and efficient outcomes. (1) By leading and coordinating multidisciplinary teams, architectural professionals ensure integration between design, engineering, and construction objectives. (1) Their professional responsibility extends to promoting quality, sustainability, ethical practice, and the public interest, thereby positioning architects as leaders in delivering built environments that are functional, resilient, and socially responsible. (1)	(4)
1.4	In terms of Rule 1.9 of the Code of Conduct, Registered Persons have an obligation to declare business interests to a potential client. Detail three types of interests that must be disclosed. (3) Shall declare to any potential client any business interests, including any interest in the business of trading in land or business of property developers, property auctioneers, estate agents, building contractors, subcontractors, suppliers in or to the building industry, or in a design-and-build practice, the existence of which interest, if not declared, could raise or may be likely to raise doubts about their integrity and impartiality as independent professionals.	(3)
1.5	A registered professional advises a client to appoint a particular contractor and/or subcontractor for a building project and later receives a commission or remuneration from that contractor/subcontractor, without informing the client in writing. With reference to Rule 1.8 of the Code of Conduct, evaluate whether the registered professional's conduct is in compliance with the Code of Conduct. (3) This conduct violates the Code of Conduct in that the Registered Person received commission or remuneration for recommending a particular product, supplier, service provider, or contractor to a client for work on a building project, without informing the client in writing.	(3)
1.6	Explain the professional obligations of a registered architectural professional in relation	(6)

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	to ensuring continuity of service in the event of incapacity, absence from work, or inability to perform professional duties (3 marks) and three potential risks if appropriate arrangements are not made in such circumstances. (1 mark each) An RP shall, where reasonably possible, make appropriate arrangements for the fulfilment of professional obligations in the event of incapacity and/or absence from work, and/or inability to perform work. If appropriate arrangements are not made for the fulfilment of professional obligations during incapacity, absence, or inability to perform work, the following risks may arise: - Projects may be delayed, poorly coordinated, or left incomplete, resulting in financial loss or contractual disputes. - Lack of professional oversight may lead to errors, non-compliance, or compromised health and safety standards in the built environment. - The RP may be exposed to claims for negligence or breach of contract if obligations are not fulfilled. - Failure to ensure continuity of professional services may constitute unprofessional conduct under regulatory requirements. - Loss of client confidence and harm to professional reputation may affect future work opportunities.	
1.7	With reference to Rule 3 of the Code of Conduct, explain a professional's responsibilities regarding the promotion of services, crediting of work, and use of another professional's work. (3) Firstly, a professional must promote their services truthfully and only in relation to the categories of registration and scope of work undertaken within the practice. Misleading claims, exaggeration of experience, or representation of work outside the professional's competence or registration are not permitted. Secondly, professionals are required to properly credit architectural work undertaken while employed by or associated with another practice. The contribution of the original practice must be clearly acknowledged to ensure transparency and fairness in professional representation. Thirdly, a professional may not use, reproduce, or present architectural work prepared by another registered professional without obtaining written authority from the originating professional. This protects intellectual property rights and maintains professional integrity within the profession.	(3)

QUESTION 2 (42 marks)

2.1	In the JBCC, the employer proposes the use of Retention as the sole form of security, arguing that a Construction Guarantee is too cumbersome. As an architectural professional acting as Principal Agent, explain: a) The purpose of security in a building contract (1)	(8)
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- b) How Retention operates and its advantages and disadvantages (5);
- c) How a Construction Guarantee differs from Retention (1)
- d) The professional responsibility of the Principal Agent in advising the employer on the appropriate form of security (1)

Purpose of security in a building contract

Under the JBCC Principal Building Agreement, security is intended to protect the employer against the risk of contractor default, non-performance, or failure to remedy defects. Security provides financial assurance that the works will be completed in accordance with the contract and that the employer will not suffer financial loss should the contractor fail to fulfil contractual obligations.

Retention: operation, advantages, and disadvantages

In terms of the JBCC, retention is a percentage deducted from interim payment certificates issued by the Principal Agent. The accumulated retention is typically released in two stages: half at practical completion and the balance at the end of the defect's liability period, provided defects have been remedied.

Advantages:

- Simple to administer through the payment certification process.
- Encourages completion of outstanding work and rectification of defects.
- Does not require third-party financial arrangements.

Disadvantages:

- Reduces the contractor's cash flow, which may affect performance or pricing.
- The amount retained may be insufficient if the contractor defaults or becomes insolvent.
- Does not provide immediate access to sufficient funds to complete the works in the event of major default.

Difference between a Construction Guarantee and Retention

Under the JBCC, a construction guarantee is provided by an approved financial institution or insurer and serves as a separate form of security. It allows the employer to call on the guarantee in the event of contractor default. Unlike retention, it does not reduce interim payments to the contractor and generally provides greater financial protection, as the guaranteed amount is immediately available if required.

Professional responsibility of the Principal Agent

In terms of the JBCC, the Principal Agent must act fairly and impartially when administering the contract. The Principal Agent has a professional responsibility to advise the employer on the implications, risks, and adequacy of retention versus a construction guarantee, ensuring that the chosen form of security appropriately manages project risk while maintaining fairness between



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	employer and contractor. The advice must be objective and aligned with the proper administration of the contract and the successful completion of the works.	
2.2	In terms of the JBCC, as the Principal Agent, you are required to advise your client on the appointment of contractors or subcontractors. a) What is the best form of building contract you would recommend for this appointment? (3) b) Explain why this form of contract is most suitable in this context, considering risks, responsibilities, and compliance requirements. (3) Recommended form of building contract The most appropriate form of contract to recommend is the JBCC Principal Building Agreement (PBA) for the appointment of the main contractor, together with the JBCC Nominated/Selected Subcontract Agreements, where subcontractors are to be appointed through the main contractor. Reasons for suitability The JBCC Principal Building Agreement is widely used in South Africa and is specifically developed for building projects where the architectural professional acts as Principal Agent. It clearly defines the roles, responsibilities, and risks of the employer, contractor, and Principal Agent, thereby reducing ambiguity and potential disputes. The agreement provides balanced risk allocation, with established procedures for payment certification, variations, extensions of time, practical completion, and defects liability. This supports effective contract administration and ensures compliance with industry standards and legal requirements. The use of JBCC subcontract agreements ensures that subcontractors are contractually aligned with the main contract, maintaining consistency in obligations, quality standards, programme requirements, and dispute resolution processes. This reduces coordination risks and protects the employer from fragmented contractual arrangements. In addition, the JBCC suite is recognised by financial institutions, insurers, and industry stakeholders, promoting transparency, fairness, and compliance with accepted construction practice.	(6)
2.3	In terms of the JBCC Agreement, the Principal Agent is responsible for the preparation and issuance of Payment Certificates. Explain in detail the role of the Principal Agent in this process. (12) Regular Issuance of Payment Certificates (Clause 25.2) The Principal Agent is required to issue payment certificates to the contractor on the due date at regular agreed intervals, including the final payment certificate. A payment certificate may show a positive or negative amount depending on the	(12)



amounts due to either party. A copy must also be provided to the employer. This means the PA must consistently and timely assess and document the value of work executed and amounts due in accordance with the contract schedule.

Valuation of Work and Inclusion of Contract Components (Clause 25.3)

Each payment certificate must show:

- A fair estimate of the value of work executed.
- A fair estimate of the value of materials and goods (where contractually allowed).
- Adjustments for security, cost fluctuations, tax, interest, and other non-taxable amounts.
- The gross amount certified and previously certified amounts, plus the net amount due to the contractor or employer.
- The PA's assessment must align with the quantities of work done and contractual terms.

Recovery Statements and Subcontract Notifications (Clause 25.7)

Concurrently with issuing each payment certificate, the Principal Agent must also provide:

- A recovery statement showing amounts due between the employer and contractor.
- A statement of amounts certified for each subcontractor.
- A subcontract payment notification to each subcontractor showing amounts included in the payment certificate and dates of issue.
- This ensures transparency and that all parties understand how values are calculated and distributed.

Interim vs Final Payment Certificates (Clause 25.6)

The PA must certify 100% of the final account (including any contract adjustments) in the final payment certificate once all valuations and adjustments have been concluded.

This distinguishes interim certificates (which may simply reflect progressive values) from the final account, which concludes financial settlement under the contract.

Professional and Contractual Obligations of the PA

In carrying out this role, the Principal Agent must:

- Act impartially and professionally, fairly assessing values in accordance with the contract.
- Ensure certificates reflect only work executed in terms of the JBCC PBA and supporting documentation.
- Administer payments with consistency, accuracy, and in the timeframes required by the contract.



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	Legal and Practical Significance Payment certificates issued by the Principal Agent carry contractual weight and can be enforceable as liquid documents — meaning they may be used to obtain a provisional sentence in court if unpaid by the employer on the due date. This underscores the importance of accuracy and timeliness in certification.	
2.4	In terms of the JBCC Agreement, explain when the Practical Completion Certificate should be issued. In your answer, include the criteria and conditions that must be met before issuing the certificate, and the responsibilities of the Principal Agent in this process. (6) Practical Completion Certificate in Terms of the JBCC In terms of the JBCC Principal Building Agreement, the Practical Completion Certificate (PCC) is issued by the Principal Agent (PA) when the works have been substantially completed in accordance with the contract. The PCC marks the point at which the contractor has fulfilled all obligations to the extent that the employer can occupy or use the building for its intended purpose, subject only to minor defects or incomplete items (the defects liability period applies thereafter). Before issuing the PCC, the following criteria must be satisfied: • The building works must be substantially complete and in accordance with the contract documents, drawings, and specifications. • All necessary inspections, approvals, and certifications (e.g., municipal approvals, compliance certificates) must be obtained. • All major defects must be rectified; only minor defects that do not affect use or safety may remain. • All subcontracted work must be complete or appropriately handed over. • Required documentation, such as operating manuals, warranties, and as-built drawings, should be submitted to the employer. • The final account must be assessed, including adjustments for variations, retention, and other contractually agreed amounts. Responsibilities of the Principal Agent The Principal Agent must: • Conduct thorough inspections to verify that the works meet the contractual requirements. • Ensure compliance with statutory and safety requirements, confirming that the employer can safely occupy or use the building. • Prepare and issue the PCC formally, documenting any outstanding minor defects to be addressed during the defect's liability period. • Advise the employer and contractor on the implications of issuing the PCC, including the start of the defect's liability period and retention release procedures. • Maintain impartiality and professional judgment throughout the	(6)

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	process, ensuring that the certificate accurately reflects the state of the works.	
2.5	In terms of the JBCC Agreement, a Principal Agent acts on behalf of the employer and is responsible for ensuring that the contractor or subcontractor performs in accordance with the contract. If the contractor or subcontractor fails to perform satisfactorily, explain four remedies available to the Principal Agent under the JBCC. Remedies Available to the Principal Agent under the JBCC for Contractor/Subcontractor Non-Performance In terms of the JBCC Principal Building Agreement, the Principal Agent (PA) acts on behalf of the employer to administer the contract, monitor performance, and ensure that the contractor or subcontractor complies with contractual obligations. If the contractor or subcontractor fails to perform satisfactorily, the PA may invoke several remedies provided under the JBCC. Issuing Instructions for Remedial Work (Clause 23) The PA can instruct the contractor or subcontractor to rectify defective work or complete incomplete work. Such instructions must be clear, timely, and in writing. The contractor or subcontractor is obliged to comply within the period specified. <i>Reference: JBCC PBA, Clause 23 – Defective or incomplete work.</i> Withholding or Recovering Payment (Clause 25) The PA may withhold interim or final payments to the contractor if work is not performed in accordance with the contract. Amounts due may be reduced to cover defective or incomplete work, including retention money. Payment certificates must reflect these adjustments accurately. <i>JBCC PBA, Clause 25 – Payment.</i> Deduction from Retention or Call on Construction Guarantee (Clause 25.18 / Clause 27) Retention withheld from the contractor can be applied to remedy defects or complete work. If a Construction Guarantee (bank or insurance guarantee) has been provided, the PA can call on the guarantee to recover costs of non-performance. <i>Clause 25.18 – Retention and recovery</i> <i>Clause 27 – Construction Guarantee</i> Termination of Contract (Clause 28)	(10)

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	If the contractor or subcontractor continues to default or refuses to comply, the PA may advise the employer to terminate the contract in accordance with the termination provisions. Following termination, the employer may appoint a replacement contractor, and costs for completion may be recovered from the defaulting contractor or subcontractor. <i>JBCC PBA, Clause 28 – Termination for default.</i> 5. Professional Responsibilities of the Principal Agent The PA must act impartially, professionally, and in accordance with JBCC procedures. All instructions, deductions, or actions must be documented clearly, providing transparency and protecting the employer's and contractor's rights. The PA must advise the employer on appropriate remedial measures to balance contract compliance, project progress, and risk management.	
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QUESTION 3 (16 marks)

- The acronym 'JBCC-PBA' refers to the JBCC Principal Building Agreement.

3.1	Practical completion under the JBCC Minor Works Agreement occurs when the works are substantially complete and fit for occupation, with only minor defects outstanding, all required approvals in place, and is formally confirmed by the principal agent through the issue of a certificate of practical completion. Explain why it is important for the employer to take occupation once practical completion has been achieved? (6 marks)	(6)
	Importance of the Employer Taking Occupation after Practical Completion (JBCC) Marks the start of the defect's liability period – In terms of <i>Clause 30 of the JBCC PBA</i>, practical completion triggers the defects liability period during which the contractor must rectify minor defects. Occupation confirms that the building is fit for use.	



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	Transfer of risk and responsibility – Upon occupation, the employer assumes responsibility for the building's use and operation, while the contractor remains liable for rectifying outstanding defects. Facilitates final account and retention release – Practical completion and occupation allow the Principal Agent to certify the final account and release portions of retention, in accordance with <i>Clauses 25.2–25.6</i>. Ensures compliance and usability – Occupation confirms that statutory approvals, safety requirements, and contractual conditions have been met, making the building legally and functionally usable. Commencement of maintenance obligations – Any warranties, operational manuals, or handover responsibilities begin to apply once the employer occupies the building. Legal and contractual clarity, taking occupation provides a formal milestone under the JBCC, protecting both employer and contractor rights and obligations.	
3.2	In terms of the JBCC Minor Works Agreement, how does a delay resulting from the late issuance of structural drawings impact the practical completion date, and is the employer entitled to levy penalties in this situation? (5 marks) Under the JBCC Minor Works Agreement, the contractor's obligations are tied to the agreed programme and the timely availability of information and documentation from the employer. If structural drawings or other required documents are issued late by the employer, this constitutes an employer-caused delay. In terms of Clause 18.4 (Delays and Extension of Time), the contractor is entitled to an extension of time to the Practical Completion date for delays beyond their control, including delays caused by the late provision of drawings. The Practical Completion date is therefore adjusted to reflect the period of delay caused by the employer. Penalties for late completion (liquidated damages) may only be applied if the delay is the contractor's responsibility. Since the delay in this scenario is due to the employer's late provision of structural drawings, the contractor is not liable for penalties under <i>Clause 18.4 and 18.6</i>, which explicitly allow extensions of time for causes beyond the contractor's control. The Principal Agent must document the delay, adjust the programme, and issue a formal extension of time notice to ensure clarity and fairness	(5)
3.3.	If the employer accepts that the delays were not the contractor's fault and agrees to a revised practical completion date, how will this affect the commencement of the defect's liability period? (5 marks)	(5)



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	In terms of Clause 30 of the JBCC PBA / Minor Works Agreement, the defects liability period commences from the date of Practical Completion. If delays occur due to causes beyond the contractor's control (e.g., late issuance of drawings by the employer) and the employer agrees to a revised Practical Completion date, the defects liability period starts from this revised date, not the original contract date. The defects liability period is intended to cover the period after the employer can occupy or use the building. Adjusting Practical Completion ensures the contractor is not penalized for delays outside their control, while the employer still receives protection for rectification of defects during the full contractual period. The Principal Agent must issue a formal revised Practical Completion Certificate reflecting the agreed new date. The PA should document the reason for the extension, communicate it to both parties, and ensure that the defects liability period is calculated from the revised date in accordance with Clause 30.	
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QUESTION 4 (35 marks)

4.1	Discuss the role and responsibilities of the Principal Agent under a JBCC contract, highlighting their key functions in contract administration, payment certification, progress monitoring, and completion certification. (10) Role and Responsibilities of the Principal Agent under a JBCC Contract The Principal Agent (PA) acts on behalf of the employer but must exercise impartiality, professionalism, and adherence to the contract. Their role is critical to effective contract administration, monitoring, and completion of the project. Contract Administration The PA ensures that the contract is properly administered in accordance with the JBCC PBA, including the management of variations, compliance with the programme, and issuing instructions. Clause 14 – Instructions: The PA can issue instructions to the contractor or subcontractor to clarify scope, quality, or execution. Clause 23 – Defective or Incomplete Work: The PA identifies defective work and instructs rectification. Payment Certification	(10)
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The PA evaluates work executed and prepares payment certificates in accordance with Clause 25 – Payment.

Responsibilities include:

- Assessing the value of work executed and materials on site.
- Adjusting for retention, variations, previous payments, and penalties.
- Issuing interim and final payment certificates to the employer and contractor.

Maintaining impartiality and accuracy, as payment certificates may be treated as liquid documents.

Progress Monitoring

The PA monitors the programme of work, ensuring that the contractor adheres to agreed timelines. In case of delays, the PA evaluates causes and may recommend extensions of time in accordance with Clause 18.4 – Delays and Extension of Time. Progress monitoring includes site inspections, coordination with subcontractors, and reporting on milestones.

Completion Certification

The PA is responsible for issuing key certificates:

- Practical Completion Certificate (Clause 30): Marks substantial completion of the works, triggers the defects liability period, and allows the employer to occupy the building.
- Final Completion Certificate (Clause 31): Confirms that all work, including rectification of defects, has been completed and that final payments and retention can be processed.

Additional Responsibilities

Dispute management: The PA must facilitate dispute resolution in accordance with JBCC provisions.

Documentation: The PA maintains accurate records of instructions, extensions of time, payment certificates, and site inspections.

Compliance: Ensures statutory, contractual, and safety requirements are met throughout the project.

4.2 Discuss the role and responsibilities of the Principal Agent in addressing contractor failures, poor-quality work, or losses under a JBCC contract. (14)

Role and Responsibilities of the Principal Agent in Addressing Contractor Failures, Poor-Quality Work, or Losses under JBCC

The Principal Agent (PA) acts as the employer's representative and has a professional duty to

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ensure that the contractor complies with the contract, delivers work of the required standard, and mitigates financial and operational risks for the employer.

Identification and Assessment of Failures or Defective Work

The PA must monitor work progress through regular site inspections.

- Under Clause 23 – Defective or Incomplete Work, the PA identifies defective, incomplete, or non-compliant work.
- The PA assesses the extent, severity, and impact of the defects or contractor failures and records findings professionally.

Issuing Instructions and Rectification Notices

The PA issues written instructions to the contractor to rectify defective work or complete unfinished work.

The PA may set deadlines for compliance in accordance with the contract. These instructions ensure the contractor is formally notified of their obligations and any remedial actions required.

Withholding Payments or Deductions

Under Clause 25 – Payment, the PA can adjust payment certificates to:

- Withhold payments or a portion thereof,
- Deduct costs to cover defective work or incomplete obligations,
- Apply retention funds where necessary to secure remedial work.

Payment adjustments protect the employer from financial loss arising from contractor failure.

Calling on Construction Guarantees or Bonds

If a Construction Guarantee exists, the PA may advise the employer to call on the guarantee to recover costs related to defective or incomplete work (Clauses 25.18 & 27).

Guarantees provide an additional layer of financial security for employer losses.

Advising on Termination of Contract

If the contractor fails repeatedly or refuses to comply, the PA may recommend termination in accordance with Clause 28 – Termination for Default.

Termination allows the employer to appoint a replacement contractor to complete the works and recover associated costs from the defaulting contractor.

Documentation and Professional Conduct

The PA must document all failures, instructions, and communications to ensure transparency and support dispute resolution.



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	The PA is required to act impartially and professionally, balancing the contractor's rights with the employer's interests.	
4.3	List at least four circumstances under which the Principal Agent may recommend termination of the contractor's appointment in terms of the JBCC contract. (4) Termination of Contractor's Appointment under JBCC Circumstances for recommending termination (Clause 28 – Termination for Default) The Principal Agent (PA) may recommend termination of the contractor's appointment in the following circumstances: • Persistent failure to perform contractual obligations despite written instructions from the PA (Clause 23 & 28.2). • Failure to progress work in accordance with the agreed programme or extended Practical Completion dates (Clause 18 – Delays and Extensions of Time). • Non-compliance with statutory or contractual requirements, including defective work that the contractor fails to rectify. • Abandonment of the works or insolvency of the contractor. • Breach of contract that materially affects the completion of the works or exposes the employer to financial risk.	(4)
4.4.	List the main stages of a JBCC contract from the appointment of the contractor to completion. (7) Main Stages of a JBCC Contract (Appointment to Completion) Appointment of Contractor (Clause 7 – Appointment) ▪ The employer appoints the contractor through a formal contract based on the JBCC PBA. ▪ The Principal Agent issues the letter of acceptance, confirming scope, programme, and contract sum. Commencement of Works (Clause 12 – Commencement) ▪ Works begin on the agreed commencement date. ▪ The contractor must mobilize resources, set up the site, and comply with statutory and safety requirements. Administration and Site Monitoring (Clause 14 – Instructions / Clause 15 – Principal Agent's Powers) ▪ The Principal Agent issues instructions, coordinates contractors and subcontractors, and monitors progress. ▪ Variations, site instructions, and clarifications are managed through the PA.	(7)

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Progress Payments (Clause 25 – Payment)

- The contractor submits payment applications; the Principal Agent assesses work executed.
- Interim certificates are issued, accounting for retention, variations, and deductions.

Delays and Extensions (Clause 18 – Delays and Extension of Time)

- The PA monitors progress against the programme.
- Extensions of time are granted for delays beyond the contractor's control, affecting the Practical Completion date.

Practical Completion (Clause 30 – Practical Completion)

- Mark's substantial completion of the works so the employer can occupy or use the building.
- The defects liability period begins from the Practical Completion date.
- The Principal Agent issues the Practical Completion Certificate.
- Defects Liability Period (Clause 30 – Defects Liability Period)
- The contractor must remedy minor defects identified during this period.
- The Principal Agent monitors rectification and may issue further instructions.

Final Completion and Certification (Clause 31 – Final Completion Certificate)

- After all defects are remedied and contractual obligations fulfilled, the PA issues the Final Completion Certificate.
- Retention is released, and the final account is settled between the employer and the contractor.

JBCC Clauses:

Clause 7 – Appointment of Contractor
Clause 12 – Commencement of Works
Clause 14 & 15 – Instructions and Principal Agent Powers
Clause 18 – Delays and Extensions of Time
Clause 25 – Payment / Retention
Clause 30 – Practical Completion and Defects Liability
Clause 31 – Final Completion Certificate

QUESTION 5 (22 marks)

5.	Under the JBCC Principal Building Agreement, the Principal Agent serves as the formal communication conduit between the Employer and the Contractor.	
5.1.	List atleast two (2) key communication-related responsibilities of the Principal Agent under the JBCC Principal Building Agreement.	(2)
	Four Key Communication Responsibilities of the Principal Agent (JBCC PBA)	



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	- Issue formal instructions to the contractor on variations and site requirements. (Clause 14) - Report progress and performance to the employer, including delays and milestones. (Clause 15) - Communicate payment certificates, showing amounts due, deductions, and retention. (Clause 25) - Notify defects, delays, or defaults, including extensions of time or termination notices. (Clauses 18, 23, 28)	
5.2.	Discuss the importance of clear, accurate, and timely communication by the Principal Agent in maintaining contractual certainty and avoiding disputes under the JBCC Agreement. (3) Importance of Clear, Accurate, and Timely Communication by the Principal Agent under JBCC Maintains Contractual Certainty - The Principal Agent (PA) is the primary conduit between employer and contractor. - By providing instructions, clarifications, and notifications clearly and accurately (Clauses 14, 15, 23), the PA ensures that both parties understand their contractual obligations. - This reduces ambiguity in scope, programme, and responsibilities, which supports smooth contract administration. Prevents Disputes - Timely communication of issues such as delays, defective work, or variations allows the contractor to respond appropriately and take corrective action. - Early identification and formal notification of potential defaults or delays (Clauses 18, 23, 28) helps avoid misunderstandings that could escalate into disputes. Supports Accurate Payment and Financial Clarity - The PA communicates payment certificates clearly, showing work executed, retention, variations, and deductions (Clause 25). - Transparent financial communication prevents disagreements over amounts due and protects both employer and contractor. Enables Effective Decision-Making - Accurate progress reports and instructions allow the employer to make informed decisions regarding extensions of time, remedial work, or termination (Clauses 18, 28). - This ensures the project remains on schedule, within budget, and	(3)

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	aligned with quality requirements.	
5.4.	During the construction of a building project, the Contractor experiences delays arising from circumstances beyond their control. The Contractor submits a written notice requesting a revision of the Date for Practical Completion in terms of the JBCC Principal Building Agreement. a) Outline the steps the Principal Agent must follow to assess the Contractor's request and to formally revise the Date for Practical Completion in terms of the JBCC Principal Building Agreement. (6) Assessment and Revision of Practical Completion Date by the Principal Agent When a contractor experiences delays beyond their control and requests a revision of the Practical Completion (PC) date, the Principal Agent (PA) must follow these steps: - Receive and Review the Contractor's Written Notice (Clause 18.4 – Delays and Extension of Time) - The contractor submits a formal notice detailing the delay, causes, and requested extension period. - The PA reviews the notice to ensure it is timely and complete, with sufficient justification and supporting evidence. Investigate and Verify the Causes of Delay - Conduct site inspections and consult relevant parties (subcontractors, suppliers) to verify that the delay is beyond the contractor's control. - Consider whether the delay is due to employer actions, force majeure, statutory approvals, or unforeseen circumstances. Assess the Impact on the Programme - Evaluate how the delay affects the overall project timeline and completion date. - Adjust the contractor's programme if necessary to determine a realistic revised Date for Practical Completion. Issue Formal Recommendation and Decision (Clause 18.4) - Document the PA's assessment and formally recommend approval, modification, or rejection of the extension to the employer. - Ensure the recommendation aligns with the contract clauses and protects the interests of both parties. Issue a Revised Practical Completion Date - Once agreed, the PA issues a written notice revising the Practical Completion date, formally amending the contract timeline.	(6)



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	- Update all project documentation, including programme schedules, defect liability starts dates, and payment schedules, to reflect the revised date. Record and Communicate - Maintain clear records of the notice, investigation, assessment, and decision for transparency and dispute prevention. - Communicate the revised date to the contractor and employer to ensure all parties are aligned. Clause 18.4 – Delays and Extension of Time: Outlines procedures for granting extensions due to circumstances beyond the contractor’s control. Clause 30 – Practical Completion: Highlights the link between Practical Completion and the start of the defect’s liability period.	
5.6.	Briefly explain under what circumstances each of the following JBCC agreements may be used: - The JBCC Minor Works Agreement - The JBCC Nominated/Selected Subcontract Agreement JBCC Minor Works Agreement (MWA) - Used for small to medium-sized building projects where the scope is limited and the construction period is relatively short. - Works are straightforward and do not require complex project administration. - Suitable for domestic renovations, small commercial projects, or maintenance works. - intended for smaller-scale projects where full Principal Building Agreement procedures are unnecessary. JBCC Nominated/Selected Subcontract Agreement - Used when a subcontractor is appointed by the employer (nominated) or selected through the contractor for specialist work. - For specialist trades or services not included in the main contractor’s scope. - Enables the employer to directly control the selection of the subcontractor while the main contractor coordinates the work. - Ensures proper contractual relationships and clarity of responsibility between employer, main contractor, and subcontractor.	(4)
5.7.	During the execution of the works, the Principal Agent discovers that the Contractor has installed materials that do not comply with the specifications and construction drawings included in the contract documentation. Explain the actions the Principal Agent should take in terms of the JBCC Principal Building Agreement when materials not specified in the contract	(3)

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	documents are used by the Contractor. - Identify and Document the Non-Compliant Work (Clause 23 – Defective or Incomplete Work) - Inspect the site to verify that the materials do not meet the specifications or drawings. - Record the details of the non-compliance in writing, including location, extent, and potential impact on the works. - Issue a Written Instruction to the Contractor (Clause 14 – Instructions). - Instructs the contractor to remove or replace the non-compliant materials with materials that comply with the contract documents. - The instruction should include deadlines and quality requirements for rectification. Assess Impact on Progress and Costs (Clauses 18 & 25) - Evaluates whether the replacement of materials affects the project programme and may recommend an extension of time if the delay is beyond the contractor's control (Clause 18.4 – Delays and Extensions of Time). - Adjustments to payment certificates may be required if additional costs are incurred due to the non-compliant materials (Clause 25 – Payment). - Monitor Rectification and Compliance (Clause 23 – Defective or Incomplete Work) - Ensures the contractor properly removes, replaces, or rectifies the non-compliant materials. - Conducts site inspections to confirm compliance with specifications and contract requirements. Clause 14 – Instructions: Formal instructions to the contractor. Clause 18.4 – Delays and Extensions of Time: Assess the impact on the programme if rectification causes delays. Clause 23 – Defective or Incomplete Work: Identification and correction of non-compliant work. Clause 25 – Payment: Adjustments for costs arising from rectification.	
5.8.	During construction, the scope of work changes and increases beyond what was originally specified in the contract documents. (4)	
	a) Explain the steps the Principal Agent should take under the JBCC Principal Building Agreement when a variation arises that increases the scope of work. Actions of the Principal Agent When a Variation Increases the Scope of Work (JBCC PBA) Identify and Confirm the Variation (Clause 24 – Variations) - The Principal Agent identifies the proposed change and determines if it constitutes a variation under the contract. - Confirm that the variation is necessary, agreed with the employer, and beyond	



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the original scope.

- Issue a Written Instruction for the Variation (Clause 14 – Instructions)
- The PA formally instructs the contractor to carry out the variation in writing.
- Include details such as description of the work, specifications, deadlines, and quality requirements.

Assess the Impact on Time and Cost (Clauses 18 & 25)

- Evaluate whether the variation affects the project programme.
- Recommend an extension of time if the variation causes delays (Clause 18.4 – Delays and Extensions of Time).
- Assess the cost implications, including adjustments to the contract sum and payment certificates (Clause 25 – Payment).

Agree on the Adjustment of Contract Sum and Programme

- The PA coordinates with the employer and contractor to agree on revised pricing and any extension of time.
- Update the project programme, financial records, and documentation accordingly.

Monitor Execution and Compliance

- Ensure the contractor performs the variation in accordance with instructions, specifications, and quality standards.
- Conduct site inspections and record progress to verify completion and adherence to contractual requirements.

Clause 14 – Instructions: Issue formal instructions to the contractor.

Clause 18.4 – Delays and Extensions of Time: Adjust the programme if the variation causes delays.

Clause 24 – Variations: Defines how variations are managed and approved.

Clause 25 – Payment: Adjust contract sum and payment certificates for variation work

end of examination paper two

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