



## **LIMITED SERVICES – MINIMISING YOUR RISK**

NZACS had previously expressed concerns for the unacceptable risks associated with limited services and the almost inevitable low fee earned. Where such commissions are entered into too many members appear not to have adopted techniques to manage the risks created.

As an outcome of this earlier warning NZACS was requested to provide advice or measures to reduce risks associated with limited services.

The Society has obtained legal advice which will assist. This advice was given assuming that a written agreement for services between architect and client exists. This should be based on NZIA/AAS2 or Short Form.

On this basis it is suggested that members include in a covering letter of engagement, clauses on the following lines:

1. You have commissioned us to prepare only drawings sufficient to obtain a building consent and not to observe the contractor carrying out and completing the project. As a consequence we will not be liable to you (in contract, tort or otherwise) for any claim, damage, liability, loss or expense incurred by you arising in any way in relation to the Contractor not carrying out or completing the contract works as required by you or stated in your projects construction contract.

OR

2. As you have commissioned us to only:
  - prepare drawings sufficient to obtaining a building consent, and
  - attend the site as requested to clarify construction details and to check the quality of finish, we will not be observing the contract or carrying out or completion inspections.

As a consequence of this limited service we will not be liable to you (in contract, tort or otherwise) for any claim, damage, liability, loss or expense incurred by you arising in any way in relation to the Contractor not carrying out or completing the contract works as required by you or stated in your projects construction contract.

NZACS recommends strongly members take notice & ensure the extent of the services included in each commission is clearly recorded and agreed, with an appropriate “waiver of liability” included in the signed engagement document.

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