

europeans spend 90% of their time inside of buildings
80% of the europeans are living in cities bigger than 10T inhabitants



since 2008, the same amount of people live in cities and in the countryside

year 2050, 2/3 of mankind (6 billion) live in cities



Therefore the quality of the built environment is essential for the quality of life



2 WAYS TO BUILD, 2 SYSTEMS, 2 CULTURAL HABITS

SEPARATION OF DESIGN AND CONSTRUCTION

The client, public or private is commissioning a planner, an architect

Including all planning services, design, detail design,
Tender documents and procuring the executing companies

Procuring material performance is possible to be price-based as all material can be described with precision and therefore is comparable

The planning entity is responsible for this process, is taking care of the contracts, is surveilling the execution, controlling, and taking care of the correctness of the billing

In this system the architects is sitting on the side of the client, the executing companies are sitting on the other side of the table

INTEGRATION OF DESIGN AND CONSTRUCTION

The client is commissioning a company which takes care of the whole process

For this procurement process the client needs a detailed discription of its needs without having a design.

Therefore it needs a complex procuring process, taking care of the quality of the design as well as of the price.

The architects are mostly subcontractors and are developping a design under the control of the main contractor.

In this system the architect is sitting on the side of the contractor

SEPARATION OF DESIGN AND CONSTRUCTION

design

You cannot describe a building in advance adequately
You can describe the needs, the functions, the m²,
the general target

Describing the target of planning doesn't lead to
one unique solution

Therefore it makes no sense to ask for the lowest
price for planning works

construction



The result of material works (construction) can
be described precisely on basis of the project

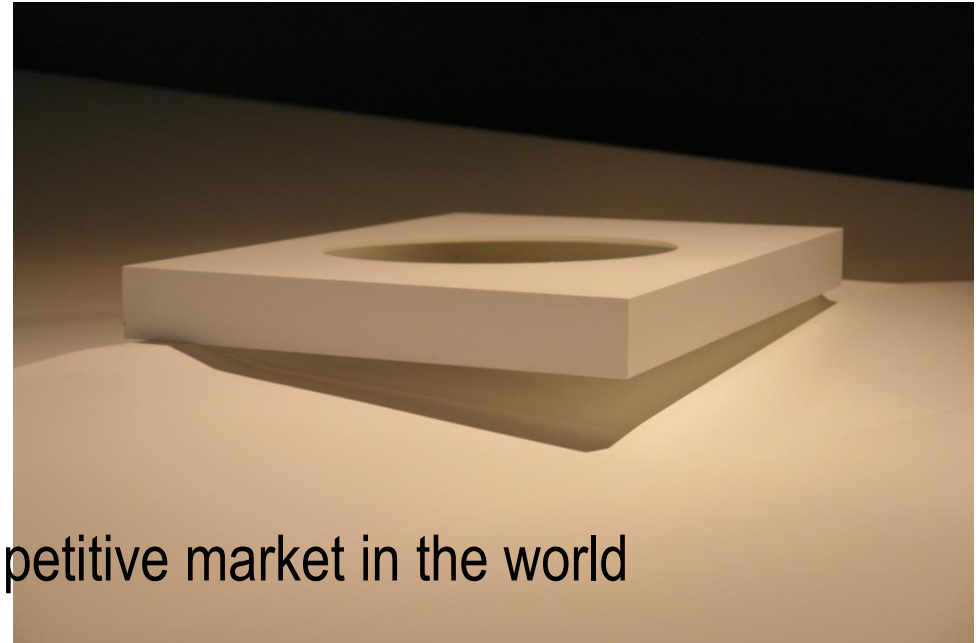
Material works lead to the same
solution/result by all tenders

Therefore you can procure material works
on basis of the lowest price

Planning costs represent app. 10-15% of the overall costs



Saving of planning costs is like saving the cost of the shovel when digging a hole



Europe wants to become the most competitive market in the world

Competitive market in Europe means competitive intellectual services

Successful intellectual services are based on quality

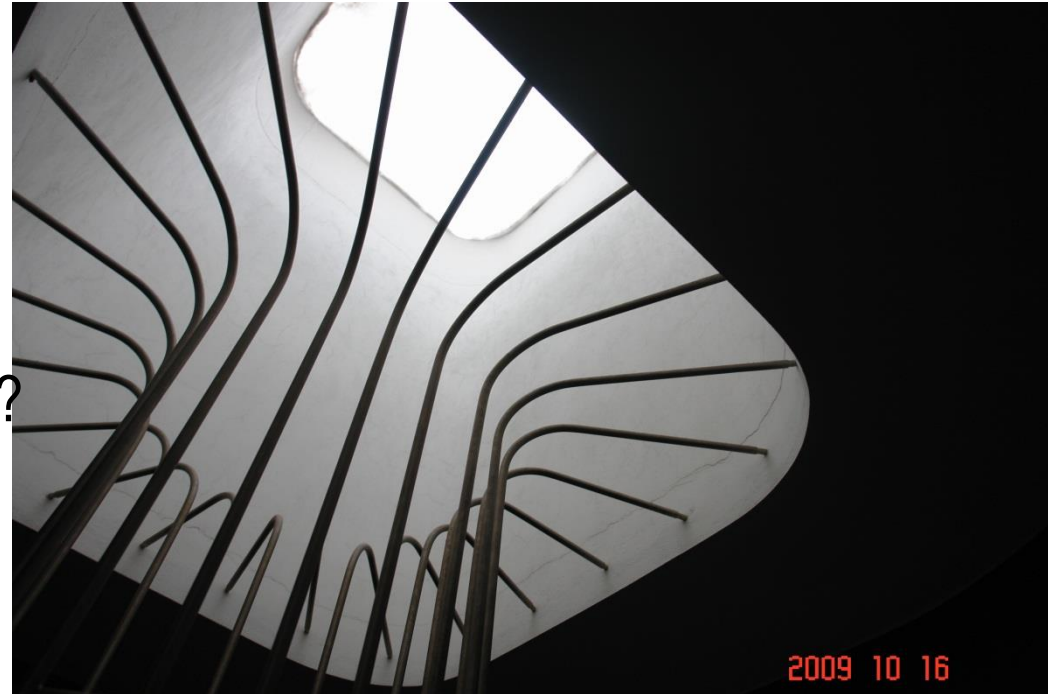
**means to achieve quality in
architectural services ?**

How do we get quality?

by asking for the **lowest price** ?

by asking for the **biggest company** ?

by asking for the **fastest delivery** ?



or selecting planners or projects by quality based criteria ?



QUALITY IN PROCUREMENT?

Quality of the companies selected?

Quality of the offer done by a company?

Quality of the forthcoming process?

Quality of the forthcoming designs?

Quality of the completed building?

What is the most important?

How do these correlate - do they?

2009 8 30

PRICE– QUALITY assessment

issues of different scales cannot be added

Example: if we assume, the more kids and the more money an individual has,
The happier he is

Happiness= amount of kids +amount of money

Family has 3 kids and 100 €. Happiness is $100+3=103$

Family crosses the street and finds 1 euro at the same time one kid is overdriven by a car

Happiness remains the same ($2+101=103$)



two ways for **quality based selection** when procuring architectural services

we can choose a **team**

team orientated selection

we choose the team on basis of its references

we trust the team to find a good solution for the task

best practice for projects with high complexity and a combination of various expertise

the decision is based on a view to the past

we can choose a **project**

project orientated selection

we choose the best project

we find the best project and solution in an **architectural design competition**

best practice for clearly defined project tasks

design competitions are transparent and reflect democracy and equal chances

the decision is based on a view to the future

The architectural design competition is a project orientated and quality based selection procedure

Among several proposals a competent jury, composed by experts and representatives of the client chooses the best project matching the requirements.

one single office can never make as many different proposals for a task as can be achieved by several competitors

The winning entry is a matured solution and saves further planning time

According to several studies the cost of the resulting building is lower than estimated in the preliminary phase.

Architectural competitions are transparent procedures, the results are exhibited and the jury work is reported in protocols. Transparency leads to better acceptance of the project and prevents corruption.

International design competitions are one of the best tools to increase cross border services

LEGAL ASPECTS

Decisions taken in a negotiated procedure

- Publication of the relevant documents
- Selection of participating entities
- Shortlisting of participants in several steps
- Negotiations
- Decision
- Publication of the decision

Risk: Centrepiece of decision (choice of the architect): Contestable!

Decisions taken in a architectural design competition

- Publication of the relevant documents
- Decision of the jury
- Publication of the decision to negotiate with the winner of the adc
- Negotiations
- Decision
- Publication of the decision

Less Risk: Centrepiece of decision (decision of the jury): Not contestable!

Conclusion: the architectural design competition is the legally safer procedure as it contains less decisions, against which remedies are a possible risk



TOOLBOX ?

Seems open minded.....

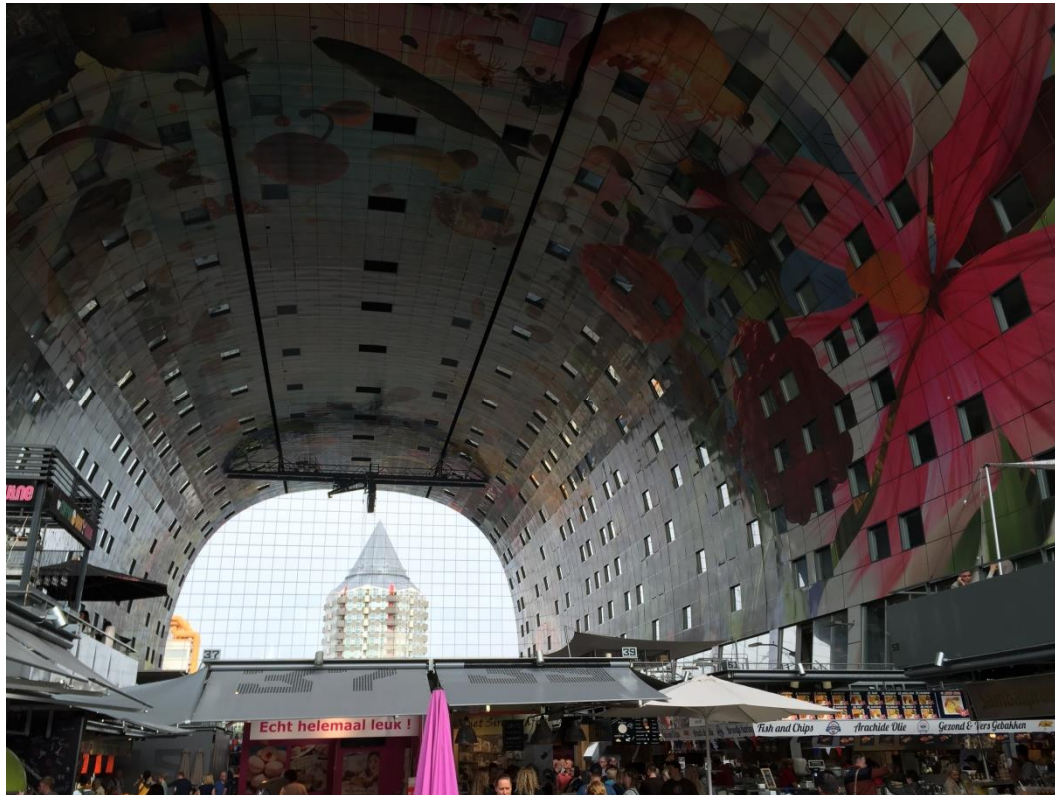
Is it ?

Why isn't there a clear commitment for quality ?

Shouldn't there be a clear priority for sustainable building and planning ?

Is there not a loss of innovative potential ?

We are asking for a clear priority for quality based selections.



georg pendl architect
ACE board member

ARCHITECTS – THE FRAGMENTED PROFESSION

Nearly three quarters of all architectural practices in Europe comprise one person. However, this year there appears to have been a change in the number of architects employed in large practices. More respondents in three countries in particular - Sweden, Denmark, Finland - are working in large practices than previously.



MIRZA & NACEY RESEARCH

TABLE 3-1
ESTIMATED NUMBER AND SIZE OF ARCHITECTURAL PRACTICES

number (estimate)	size of architectural practice (number of architectural staff)							TOTAL
	1 staff	2 staff	3 to 5 staff	6 to 10 staff	11 to 30 staff	31 to 50 staff	over 50 staff	
Austria	1 076	394	265	79	16	1	0	1 832
Belgium	2 357	499	379	81	27	6	1	3 350
Bulgaria	424	157	232	30	10	2	0	856
Croatia	300	177	172	28	16	1	0	695
Cyprus *	180	36	59	17	2	0	0	295
Czech Republic *	857	776	187	70	22	0	0	1 912
Denmark	1 002	132	125	83	64	7	8	1 422
Estonia *	100	57	74	14	2	0	0	246
Finland	289	81	77	49	25	5	2	528
France	5 897	884	692	181	93	5	1	7 753
Germany	31 378	5 105	3 099	762	206	8	1	40 558
Hungary *	987	194	139	27	9	1	0	1 356
Ireland	450	158	100	24	19	2	1	754
Italy	47 009	4 957	3 192	445	106	7	3	55 720
Lithuania	190	68	50	23	6	0	0	337
Luxembourg	91	34	30	20	14	1	0	190
Malta *	45	15	25	8	6	1	0	99
Netherlands	1 980	961	568	130	38	7	9	3 692
Poland	2 790	503	527	245	59	12	4	4 138
Portugal	1 647	647	887	202	76	16	5	3 479
Romania *	683	293	423	237	24	5	1	1 666
Slovakia	250	114	65	17	4	0	0	449
Slovenia	198	117	107	17	3	1	0	444
Spain	5 651	1 159	1 034	184	34	11	5	8 077
Sweden	709	153	130	57	49	8	8	1 114
Turkey	3 450	2 772	2 937	815	312	32	22	10 341
United Kingdom	4 257	878	1 134	398	273	63	35	7 037
2016 EUR-27	114 247	21 319	16 706	4 243	1 516	202	108	158 342
per cent of practices	72	13	11	3	1	<1	<1	100
2014 EUR-26	120 242	22 423	16 066	3 151	1 069	100	30	163 078
2012 EUR-25	98 193	28 134	22 663	5 247	1 305	151	35	155 725
2010 EUR-23	86 049	19 477	18 963	5 814	1 973	279	83	132 643
2008 EUR-17	37 369	13 489	10 868	5 318	2 014	449	344	69 851

architectural staff includes principals, partners & directors, associates; salaried architects; technical staff; permanent and freelance.
* caution - small sample
Row or column totals may not add precisely due to rounding.

EB7/16/Sector-study
Agenda item 10.1



CHART 3-3
PRACTICES ANALYSED BY SIZE

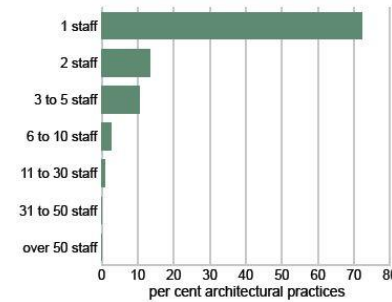
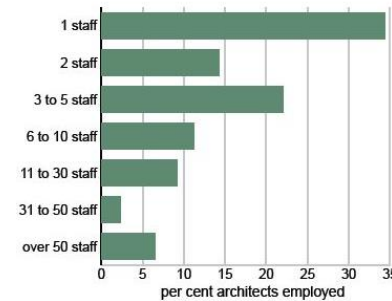


CHART 3-4
PROPORTION OF ARCHITECTS EMPLOYED IN PRACTICES OF DIFFERENT SIZES



But still:

Architects are not an industry

We are not acting neither growing like companies producing material goods.

Even most of the best known architects with high reputation are not one of the „biggest“ entities

And there is another funny phenomenon:

Architectural firms can grow instantly and

Are networking like nobody else in the market.

And this means, that „normally“ used means of scaling, measuring, quantitatively assessing are not adequate



georg pendl architect
ACE board member

There is a general problem

Exclusion of more than 90% of the architects or architectural companies

Why?

There is a clear tendency to implement inadequate eligibility criteria.

This tendency might even be strengthened by the new directive, which is limiting the possible turnover by twice the value of the contract.

Of course this limit is a maximum, but many procuring entities might simply take this figure, as there was no one until now.

This limit looks, on the first hand reasonable. But unfortunately it doesn't fit to the architectural profession.

If we take the threshold of 210K, the limit means 420K as annual turnover. This value is only reached by a single-digit number of architects in Europe.

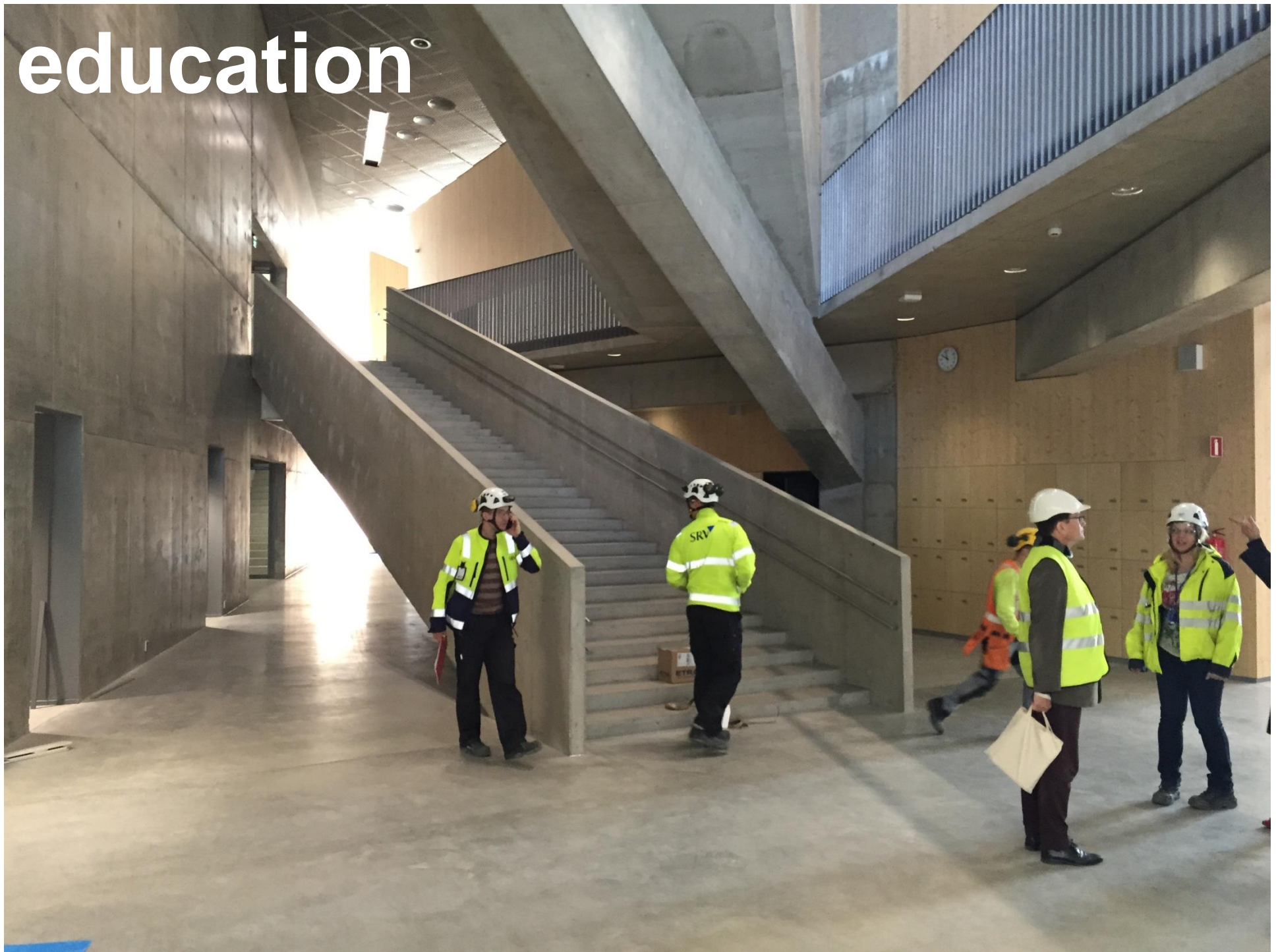
We know that the architect's profession is highly fragmented and consists more or less only of SME or even micro enterprises.

Still, it is quite normal that a small/ young office can take care of relatively huge works



housing

education



Office



leisure



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Public spaces



urbanity



old & new





culture

Remedies in eu procurement

The actual remedies system in the field of public procurement of architectural services is **not working**

There are virtually no cases where an architect has succeeded in obtaining a contract as a result of a successfully pursuing a complaint under the remedies directive; instead there was a high risk of being blacklisted.

Any action is very costly, legal costs to the court and costs of lawyers.

Combining these 2 factors, shows that the system must be changed.

The ACE recommends and is asking for 2 modifications to the remedies directive:

1. Establishment of a right of action / to institute proceedings (complaint competence) for the professional organisations of architects (chambers respectively associations)

2. Establishment of appropriate sanctions (penalties) for contracting authorities infringing public procurement provisions



Foto credits:maurizio tami

thank you