



19 OCTOBER 2018

## TRIBUNAL DECISION ALERTS

### ***Managing costs and a client's budget – determination of the Architects Tribunal***

*The Architects Tribunal has found that two architects were careless in their practice with respect to costs and their clients' budget.*

*The two architects were directors of a company that provided architectural and other design services. The clients engaged the company to provide a design for a new residential dwelling and granny flat at their property in Belgrave. The project initially involved the potential use of shipping containers. The property was sloped and subject to a high Bushfire Attack Level. The clients' budget was fixed, however the brief and instructions changed during the engagement.*

*Ultimately, the architects' design exceeded the clients' budget and the project did not proceed.*

*The two architects admitted that they had been careless or incompetent with respect to informing themselves and their clients about likely costs.*

*The Tribunal found that that the architects:*

- ***failed to inform themselves about the likely costs to construct a building at the site based on their design; and***
- ***failed to adequately inform the client about the likely costs and if they could design a building within the clients' budget.***

*The architects were cautioned and ordered to pay the costs of the inquiry.*



*This matter illustrates that architects have an important role to play in managing costs and must have regard to a client's budget. At times it may be necessary for an architect to advise a client (or prospective client) that the outcome they want simply cannot be achieved within their budget. This also forms part of an architect's obligations to communicate with a client, including the obligation to provide relevant information and inform a client as set out in paragraph 7 of the Victorian Architects Code of Professional Conduct (**Code**).*

*The determination of the Architects Tribunal can be found by clicking [HERE](#)*

*The Code can be found [here](#). If you have any queries regarding compliance with the Code or other conduct issues relating to architects, please contact the Board's Compliance Consultant at [compliance@arbv.vic.gov.au](mailto:compliance@arbv.vic.gov.au) or on 0437 912 922.*