

INSTITUTE OF TOWN PLANNERS, INDIA
CONDITIONS OF ENGAGEMENT OF
PROFESSIONAL SERVICES
AND
SCALE OF PROFESSIONAL FEES AND
CHARGES

Effective from 1st December, 2011

Institute of Town Planners, India

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PART – I

1.00 CONDITIONS OF ENGAGEMENT

Urban and regional planning and development refers to a process that harnesses, in a planned manner, the spatial and economic potential of an area for the benefit of the people. Its scope ranges for planning from a cluster of houses to the entire settlement and beyond to a region. An urban and regional planner is professionally trained and has the knowledge, skill and competence to handle all spatial the planning and development tasks.

In rendering professional services, an Urban and Regional Planner and Development Consultant (hereinafter referred to as Consultant Planner) professionally assumes responsibilities to the client who could be an individual, a community, an agency, a corporate body, or a central, state or local government department. The job is highly technical requiring skill and sincerity in planning as well as public dealing. The Consultant Planner, therefore, has to be a person with integrity, capacity, ability, dynamism and imagination. In addition to his professional obligation, Consultant Planner has commitments to his employees, the Institute of Town Planners, India, (herein referred to as the Institute) and planning students. For effectively discharging his professional responsibilities attached to the assigned job he has to coordinate his work with experts of other related professions. These are the factors that determine the value of professional services rendered to a client by the Consultant Planner.

The Client, on his part, is required to make distinct decisions as regard to the professional services to be rendered by a Consultant Planner. These include (a) determination of the planning programme which sets the type and quantity of work, (b) selection of consultant which sets the quality of works and (c) decision on the fee and cost of the work. Keeping these in view, for mutual benefit of both the Client and the Consultant Planner and to maintain the highest standards of practice and conduct, the Institute of Town Planners, India have adopted the following Conditions of Engagement and the Scale of Professional Fees and Charges in relation to the professional services to be rendered for use by all its Corporate Members.

1.10 ITPI'S CONDITIONS OF ENGAGEMENT

All corporate members of the Institute shall follow the conditions of engagement as given hereunder:

1. All regional plans and urban planning projects covering an area of 0.5 ha and more in metro-cities or 2 ha and more in other cities must be handled by a planner who shall be a corporate member of the Institute.
2. Corporate Members of the Institute of Town Planners, India are governed by the Articles of Association and Bye-laws of the Institute for undertaking professional assignments, as per agreement with the client, and maintaining a quality standard.
3. Any failure in the code of professional conduct by the Corporate Members shall be dealt with by the Council of the Institute and its decision shall be final.
4. A Consultant Planner shall be remunerated for the professional services rendered by him as per agreement between him and the Client specifying the scope of work and amount of fee to be paid.
5. Scale of professional fees and charges as described in Part III shall be the minimum desirable payable to a Consultant Planners. However, they are at liberty to charge a lump sum fees as per mutual agreement with the Client, considering their professional standing, higher level of expertise offered, nature and complexity of the assignment, time constraints etc.

6. Any specific work not covered in Part II and Part III or otherwise any difference disputes on the scope of work may be referred to the Institute of Town Planners, India, either by the Client or by the Consultant Planner in writing. The Institute shall take appropriate action within a fixed period of time
7. In case of termination of the project prior to its completion, the Client shall pay to the Consultant Planner, his professional fees and charges for the professional service rendered / work done up to the date of the termination and in accordance with the agreement vide clause 1.10.4.
8. Any difference or dispute arising out of the agreement as per clause 1.10.4, shall be referred for arbitration by one or more persons to be agreed upon between the parties and if agreed by both the parties (Client and Consultant Planner), one of the arbitrator may be nominated by the Institute of Town Planners, India.

1.20 OTHER CONDITIONS

1. The Consultant Planner / Lead Consultant is required to provide, as part of his professional assignment, the planning proposals and not the implementation plans / detailed project report (DPR) of the identified projects unless otherwise specified in the Agreement. These details / DPRs, if required, will be considered as separate services, remuneration for which shall be in accordance with scale of professional charges for such works of appropriate accredited institutions including that of ITPI.
2. The Consultant Planner / Lead Consultant is also responsible to get carried out all necessary primary / basic surveys such as physical survey, land use survey, socio-economic surveys, transport surveys etc. as part of the planning assignments or he may refer and draw upon survey data made available to him by the Client or which may become available through secondary sources only. However, all primary / basic survey work shall be an additional assignment and separate remuneration shall be payable in accordance with the appropriate scale of charges on man-month basis supported by justification.
3. The scope of services and scale of professional charges provided herein, are applicable to professional services to be entrusted to Corporate Members of the Institute of Town Planners, India. Consultancy firms wishing to undertake urban and regional planning consultancy projects shall also be governed by these Conditions of Engagement and Scale of Professional Fees and Charges and shall have a corporate member of the Institute as a part of the consultancy firm.

PART – II

2.00 DESCRIPTION OF CONSULTANCY SERVICES

This Part presents the various types of consultancy services to be rendered by a Consultant Planner and also describes the other details including job output.

2.10 TYPES OF CONSULTANCY SERVICES

The various types of consultancy services can be as provided in the following paragraphs.

2.11 Regional Planning

This includes the following:

1. Perspective Policy Plan / vision of a state / region / district / metropolitan area;
2. Development Plan of a region / district / metropolitan area;
3. Annual Plan of a region / district / metropolitan area;
4. Schemes and Projects as a part of any of the above plan such as roads, sharing of water, etc;
5. Services as a part of the above plan and applicable to regional planning and development

2.12 Urban Planning

This includes preparation of:

1. Perspective Plan / Vision / Structure Plan;
2. Development Plan / Master Plan / City Development Plan;
3. Sub-city Plan / Divisional Plan / Zonal Plan / Special Area Plans;
4. Ward Plan / Local Area Plan;
5. Annual Plan;
6. Schemes and projects, as a part of the above plan, like action plan; sector plan; site plans of residential / commercial / industrial / recreational areas; TP schemes, SEZ; slum improvement plan, redevelopment, upgradation; etc.; and
5. Services required for the preparation of above plans / schemes such as physical surveys - base maps, remote sensing and GIS, digital mapping and analyses, socio-economic and household surveys, traffic surveys, inventory of roads, utilities and services etc.

2.13 Planning and Development Management

2.14 Specialised Sectoral Plans / studies

Specialised Sectoral Plans / studies include capacity building plan; cost benefit analysis / studies; consultancy document preparation; EIA; landscape plan; environmental management plan; industrial development plan, infrastructure plans, mobility plan, real estate development, redevelopment plan, SEZ plan, slum rehabilitation plan, special area plans, tourism development plan, traffic and transport plan, village development plan, disaster management plan; project management consultancy; prefeasibility reports; waste management plan; rainwater harvesting; city development plan / programme (CDP); slum-free city plan; GIS based property mapping; any other special sectoral plan / study related to land, land use and land management.

2.15 Detailed project reports (DPRs)

2.16 Advisory Services, Arbitration and Techno-legal Inputs

2.17 Education. Research & Training pertaining to Urban and Regional Planning and Development

2.20 SCOPE OF WORK

For the various types of consultancy services, as given under section 2, the scope of work and deliverables will be as specified under Terms of Reference (TOR) forming part of the Agreement and required under relevant, applicable statute / rule. In addition to this, for specialised Sector Plans (section 2.14) / schemes, the deliverables will be as per TOR forming part of the Agreement. The following sections describe the scope of work for various plans and should serve as a guide to specify deliverables in the TOR.

2.21 Regional Plan / Regional Vision Document / Regional Perspective Policy Plan

A region could be a state as a whole; a specific region like resource region, hill region, coastal region; a city region or metropolitan area, a district or any other sub-region of a region. A regional plan consolidates plans to urban and rural local bodies and other central and state government departments and agencies and provides policies and strategies for achieving spatio-economic development and social justice. The output will be in the form of text including illustration and maps on 1:50,000 to 1:250,000 scale and the TOR may include any or all of the following:

1. History, regional setting and profile;
2. Existing characteristics and issues: population; social structure; employment - primary, secondary and tertiary; agriculture and rural development; physical and natural resource; land utilisation; pattern of urbanisation and settlement pattern; natural hazard prone areas; environmentally sensitive areas and heritage zones; infrastructure - education, health, water and sanitation, energy, communication; transportation – road, rail, air, water (as applicable); fiscal resources; institutional framework;
3. Development vision, goals and objectives;
4. Regional development policies and strategies: agricultural and rural development; development of industry, trade and commerce; economic development, tourism; social welfare, poverty alleviation and employment generation; disaster management, conservation of heritage, forest and environment, urbanisation, settlement pattern and transport network; integrated infrastructure development covering water, sanitation, energy, education, health, recreation, communication and other utilities, facilities and services;
5. Development policies for special areas, if any, such as new towns, SEZ, integrated townships, backward areas etc.
6. Identification of priority projects and institutional framework;
7. Fiscal resource mobilisation strategy;
8. Phasing of the plan in periods of five years preferably so as to coincide with the state Five Year Plan.

For professional fees see Table 3.1, Part III.

2.22 Development Plans / Master Plans / City Development Plan (Programme) / City Vision / Perspective Policy Plan / Sub-City Plan / Divisional Plan / Zonal Plan

The above plans are instruments that guide socio-cultural, economic, and spatial development of an urban area or part thereof through judicious land use-transport planning and development mechanisms as per relevant Act. The output of these plans master plan will be in the form of text supported by illustrations and maps drawn to scale ranging from 1:5,000 to 1:25,000 and will provide all or any of the following and as detailed out in the TOR:

1. Evolution, regional setting and profile;
2. Existing conditions and development issues; demography; economic base and employment generation covering formal and informal sectors and land use pattern, housing, transportation; infrastructure covering: utilities like water supply, electricity, sewerage, drainage, refuse collection and disposal; facilities pertaining to education, health, recreation; services like communication (e.g., postal and telephone), protection (e.g., police, fire) and others; and shelter development; environmental protection;
3. Assessment of deficiencies and projected requirements;
4. Development vision, aims and objectives;
5. Proposals incorporating:
 - a. Concept of development;
 - b. Proposed land use: Residential, Commercial (formal and informal), Industrial, Public and semi-public; open spaces system; Conservation, renewal and redevelopment areas;
 - c. Transport system;
 - d. Social infrastructure (socio-cultural, education, health, recreation etc.);
 - e. Physical Infrastructure (water supply, sewerage, drainage, power and solid waste management)
6. Implementation:
 - a. Phasing
 - b. Identification of projects / schemes by phase and implementing agencies including private, cooperative and corporate sectors and priority.
 - c. Resource Mobilisation (land and fiscal);
 - d. Development promotion rules/ regulations (where applicable).
7. Monitoring and Review.

For professional fees see Table 3.1 or 3.3 in Part III.

2. 23 Special Area Plan/ Urban Renewal Plan / Redevelopment Plan / Local Area (ward level) Plan / Sub-Divisional Plan / Sector Plan / Village Development Plan

Conceived within the framework of a relevant Plan given under 2.22, the above plans are prepared on a scale of 1:500 to 1:2,500 and include:

1. Location and other physical characteristics of the area;
2. Aims and objectives and schedule of area requirements as per provision of the relevant Plan;
4. Alternative concepts, their evaluation and selection of a preferred concept based upon aims and objectives and stakeholders' consultation (where applicable),
5. Preparation of plan based upon the preferred concept;
6. Planning (not engineering) details of infrastructure (water supply, sewage, drainage, electricity, road network and arboriculture);

7. Implementation:
 - a. Phasing
 - b. Identification of projects / schemes by phase and implementing agencies including private, cooperative and corporate sectors and priority.
 - c. Resource Mobilisation (land and fiscal);

For professional fees see Table 3.1 or 3.3 in Part III.

2.24 Projects / Schemes

Details of the scope of work for specified projects and schemes emerging out of any plan proposals will vary from the deliverables shall be as per TOR forming part of agreement with the Client.

Professional fee for such projects / schemes will be as per Table 3.2 or 3.3 in Part III.

PART – III

3.00 SCALE OF PROFESSIONAL FEES AND CHARGES

For the various types of professional services, listed in Part II, to be rendered by the Consultant Planner, the scale of professional fees and charges shall be in accordance with the provisions of this part Three. As mentioned under 1.10 sub-section 5, this scale of professional fees and charges shall be the minimum desirable payable to a Consultant Planners. However, they are at liberty to charge a lump sum fees as per mutual agreement with the Client, in consideration of their particular professional standing, higher level of expertise offered by their organisation, nature and complexity of the assignment, time constraints etc.

3.10 BASIS OF FEE CALCULATION

The factors that have governed the professional fees and charges include specific cost to the Consultant Planner's office in rendering the service and his consultation fees. With a view to introduce simplification and transparency, this cost has been expressed in terms of agreed / assigned population or percentage of cost of land development or cost of total project; or in the form of 'man-month' where one man month includes fees of the Consultant Planner and overheads for one month. The man-month method, however, may also be used for fees calculation for the services specified in this document with the condition that the lower of the two shall be the chargeable fees.

Since consultancy services related to planning management, advice, arbitration, techno-legal advice etc., as given in Part-II, may be provided based upon time charges per day or on retainership per month, these have been accordingly included in the scale of professional charges. The time charges shall relate to actual number of days or part thereof spent on the consultancy work by the Consultant Planner and includes his professional fee and overheads.

3.20 SCALE OF PROFESSIONAL FEES

The professional fees for various consultancy services shall be as given in the following Tables 3.1 to 3.5.

TABLE 3.1 PROFESSIONAL FEES FOR PREPARATION OF DIFFERENT TYPES OF PLANS BASED ON PROJECTED PLANNED POPULATION

	Type of Plan	Fee (in Rs.) per 1,000 persons
1	Regional Plan	2,000
2	Regional Vision Document / Regional Perspective Policy Plan	800
3	Development Plan / Master Plan	10,000
4	City Development Plan (Programme)	5,000
5	City Vision / Perspective Policy Plan	4,000
6	Sub-City Plan / Divisional Plan / Zonal Plan	15,000
7	Special Area Plan/ Urban Renewal Plan / Redevelopment Plan	20,000
8	Local Area (ward level) Plan / Sub-Divisional Plan / Sector Plan	20,000
9	Village Development Plan	20,000

Note 3.1:

- a. Minimum professional fee for preparation of plans for urban areas shall be Rs. 200,000 and for rural settlements the minimum fee shall be Rs100,000.
- b. **Projected Planned Population:** Estimated population of a region / settlement or part thereof for a planned period of 5 to 20 years as the case may be, given in a published regional plan / master/development plan. However, where there is no such plan available or applicable, the estimated population shall be worked out from the Census data.
- c. For hill areas or inaccessible areas or areas with difficult conditions (due to social, political or other reasons), the professional fee shall be 1.5 times.

TABLE 3.2 PROFESSIONAL FEES FOR PROJECTS / SCHEMES BASED ON LAND DEVELOPMENT COST /TOTAL PROJECT COST

	Description	Fees
1	All Layouts / Projects / Schemes	1.5% of the land development cost
2	Detailed Project Reports (DPR)	2% of the total project cost for which DPR is being prepared

Notes 3.2:

- a. Land development Cost includes cost of provision of water supply, sewerage, drainage, construction of roads, street lighting, arboriculture / landscaping and site levelling based on unit rates as per local PWD.
- b. This fee does not include the preparation of Building Plan.
- c. The minimum professional fee shall be Rs. 200,000.

TABLE 3.3 PROFESSIONAL FEES FOR PREPARATION OF DIFFERENT TYPES OF PLANS BASED ON MAN-MONTHS

Designation	Range* of fees per man-month** (In Rs. Lakh)
Lead Consultant	2.5 to 4.5
Advisor	2.0 to 4.0
Key professional (Domain expert)	1.5 to 3.5
Technical Support Staff	0.5 to 1.5

Notes 3.3:

- a. **Lead Consultant:** a senior Consultant Planner having experience of at least 25 years in the field serving as the team leader.
- b. **Advisor:** an expert Consultant Planner having experience of at least 25 years in the field.
- c. **Key professional (Domain expert):** an expert Consultant Planner having experience of at least 15 years in the specific area of consultancy

* Depending upon the experience fee may be charged within this range.

** One man-month is defined as a period comprising 20 working days (5 days/week) and includes fees of the Consultant Planner and overheads for one month

TABLE 3.4 PROFESSIONAL FEE AS RETAINER ON PER MONTH BASIS

Designation	Range* of fees per month** (In Rs. Lakh)
Advisor	1.50 to 2.00
Key professional (Domain expert)	0.75 to 1.75

Notes 3.4: For definition of Advisor and Key professional see Note 3.3

* Depending upon the experience fee can be charged within this range.

** One man month includes fees of the Consultant Planner and overheads for one month

TABLE 3.5 PROFESSIONAL FEE FOR SHORT-TERM ASSIGNMENTS ON PER DAY BASIS

Designation	Range of fees as time charge per day (In Rs.)
Advisor	10,000 to 20,000
Key professional (Domain expert)	5,000 to 10,000

Notes 3.5: For definition of Advisor and Key professional see Note 3.3

* Depending upon the experience fee can be charged within this range.

PART – IV

4.00 REIMBURSABLE COSTS

The above scale of professional charges in no case would cover any of the following expenses and, according to prior arrangement, be either borne directly by the Client or reimbursed to the Consultant Planner from time to time as may be agreed upon:

1. Expenditure on procurement of satellite imageries / data for base map, base map preparation; large scale basic surveys as per TOR / scope of work;
2. Expenses incurred on travel, full board and lodging, local transport for meetings, discussions, consultations, in connection with the assignment outside the city where he usually works;
3. Furnished site office accommodation outside the city where he usually works, if it is a condition in the TOR;
4. Service tax as applicable; and
5. Six copies of each drawing and report shall be supplied free of cost to the Client by the Consultant Planner. Additional copies shall be chargeable extra.

4.10 ADJUSTMENT IN FEE FOR INFLATION

The professional fee specified in Section II shall be adjusted depending upon the Annual Wholesale Price Index published by the Ministry of Commerce, Government of India.

4.20 MODE OF PAYMENT

For the professional services rendered for any particular work assigned to the Consultant Planner by the Client on the basis of the professional fees and charges and agreed upon by and between the Client and the Consultant Planner, the mode of payment of the professional fees and charges shall be the following:

Stages	Description / Task ¹	Fees Payable as Percentage of Total Fees Agreed
1.	On the date of signing the Agreement / Submission of inception report	10
2.	On submission of preliminary report/plans	30
3.	On submission of draft final report /plans	20
4.	On submission of final report/ plans	30
5.	On acceptance of the final report/ plan by the Client	10
	Total	100

1. The task under each stage should be specified depending upon the nature of work and should form part of the agreement.