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Advisory services resource pack for Organisations of Persons with Disabilities (OPDs): Resource 3: Setting advisory fees and budgets



This resource provides guidance on setting fees and drafting budgets for delivering advisory services.

Prepared by the Inclusion Advisory Group (IAG) of CBM Global Disability Inclusion, with input from the Pacific Disability Forum.

Setting fees for advisory services

When an organisation of persons with disabilities (OPD) is thinking about the cost of providing advice, it is not just about setting a fee for the time worked (although that is the easiest way to work out a budget). The cost of providing advice also includes:

- The value of the knowledge, expertise, networks, and experience that the OPD has.
- The costs of the organisation associated with supporting the provision of advisory services (such as human resource and IT services, supervisors, replacement staff, as well as financial and office-space costs).
- The value of the OPD's access to the views and lived experience of its members, communities, and networks it belongs to.

Sometimes the organisation will ask the OPD if it can do a piece of work and then ask 'how much will this cost?' This means they are asking the OPD to do the initial work of estimating the cost. This can help influence whether the piece of work goes ahead. For example, if the costing is 'too high' the contracting organisation may ask for a reduction in cost or a detailed explanation of the proposed budget. In other cases, the conversation about the cost does not happen until after there has been an agreement about the scope of the work.

Sometimes the organisation will tell the OPD how much they are prepared to pay for a service, so then the OPD staff need to discuss themselves whether the work can be undertaken for the amount being offered, without being 'out of pocket' and if not, may want to renegotiate the scope of work as outlined in Resource 2.

See [Tool 3.1](#) for questions that can help guide OPDs in setting their professional fees for a specific piece of advisory service work.

Drafting a budget

Writing a budget involves thinking about all the elements involved in delivering advisory work including, planning many aspects of implementation, and making a judgement about what to include and exclude. Costings may include staff time, actual expenses such as travel and communications (which need to be estimated realistically), as well as the cost of reasonable accommodation, as required.

Some contracting organisations may ask OPDs to provide a draft total budget and others may ask for details or a breakdown of the budget estimates. Also, the requesting organisation may have their own format for budgets, so the OPD can ask them to provide this and maybe also ask for advice on how to complete the format, if it is not obvious.

OPDs might also want to be clear about items that are not included in a particular budget. For example, if the OPD is running a workshop for another organisation, that organisation might be responsible for hiring an accessible training venue, hiring interpreters, providing reasonable accommodation for workshop participants, etc, rather than the OPD. OPDs could highlight in the budget any costs that are not included in their budget, but which are important or essential for the contracting organisation to pay for themselves.

See [Tool 3.2](#) for a checklist that can be used to guide OPDs in drafting budgets for delivering advisory services, or reviewing budgets that have been drafted by others.



Tool 3.1: Guidance for estimating advisory fees

The questions below can help guide OPDs in setting their professional fees for a specific piece of advisory service work.

Considering the strategic value of this work:

- How important is it that this particular contract covers the actual cost of providing advisory services?
 - Are there contributions or funds from other organisations which enable the OPD to deliver, such as an existing budget for staff and partnerships?
 - Or is it worth the OPD subsidising this work (e.g., through provision of in-kind work or funds from other sources) to achieve specific outcomes for the OPD?

Estimating professional fees:

- What is the OPD's hourly/daily fee rate for staff involved in providing advice? This should take into account not only the individual's time, but also their level of expertise and organisational support costs/overheads. This helps to determine a charge out rate.
- What fee rates do other consultants charge for their advice per hour or per day in your country or region?
 - Usually there is a range of fee rates, depending on many factors, so the OPD needs to decide where in the range it will 'pitch' its rate. . OPDs may be able to 'benchmark' their rates against what other OPDs or organisations offer.
- What rate does the OPD think is reasonable given the level of experience and knowledge of the personnel involved, including the valuing of the lived experience of persons with disability, in addition to any formal qualifications or technical experience/expertise?
 - It might be reasonable to work out a single rate to charge under each contract, regardless of whether personnel are more or less experienced, to make it easier to manage.
 - Remember not to set too low a rate, when you get started and then feel stuck with using that rate, when you might have more experience in future - don't necessarily feel you should stick to the same rate all the time.
 - Consider the reasonable accommodation and extra costs of the staff with disabilities - transportation fees, personal assistants, sign language interpreters, etc.
- What rate is reasonable for the contracting organisation to pay?
 - While OPDs are generally not-for-profit organisations, some organisations which require OPDs' services have very large budgets and make substantial profits when undertaking their work – OPDs' expertise therefore can be costed quite 'commercially' for organisational sustainability in some contexts.

Estimating other costs:

- What is the cost to the OPD of supervising the staff member, or having the staff member step aside from their other duties, for the time they are required to work on the consultancy?
 - This might include the salary, the cost of funding a salary for a replacement staff member and other costs.
 - This might also include a proportion of the supervisor's salary, for the time they will support the person who is actually doing the contracted tasks.

Tool 3.2: Checklist for reviewing or setting advisory budgets

The checklist below can be used to guide OPDs in drafting budgets for delivering advisory services or reviewing budgets that have been drafted by others.

- Are the professional/daily rates reasonable to charge for the services provided?
 - Consider the pros and cons of low rates (attractive to client, but may be hard to increase in the future) versus high rates (may deter the client if deemed to be unaffordable).
 - A daily/hourly fee rate could be suggested OR a fixed amount for the whole set of deliverables – there are benefits and limitations with each option.
- Does the budget specify any in-kind contributions that the OPD is willing to make?
 - E.g., a number of hours or days or covering the costs of peer reviews or project management.
- Have any reimbursable expenses been estimated and included in the budget?
- Does it cover the costs of organising financial and other reports, including audits upon completion?
- Does it cover any costs associated with ensuring the quality of the services provided, such as monitoring and evaluation, or the costs of having a peer review process?
- Are professional/consultancy fees to be charged for time spent travelling for this work, if required?

- Does the budget include costs of reasonable accommodation, if required?
 - E.g., accessible transport to attend meetings, sign language interpreters, personal assistants. Note this is important for advisors with disabilities, but also illustrates to the client that there are costs in providing reasonable accommodation.
- Will management or administration fees be charged on top of the professional fee or daily rate?
 - Note that this may be a reasonable way for the OPD to avoid being 'out of pocket' due to the time spent on project management, financial reporting or administration, outside of the specific services being delivered.
 - This could be an additional 10 to 20% of costs.
- If a consultancy goes over one year, will higher fees be charged after the first year, to account for inflation (increasing prices over time)?
- Does the budget cover expenses such as travel costs, allowances for persons with disabilities to attend consultations if required, and other direct costs, as well as a fees for management, such as an additional 5% for organising transport, carers, etc.?
- If hourly or daily fees are to be charged, are you prepared to keep records of actual hours worked (time-sheet with dates, times, events, etc.), to be shared if needed?