

By post and by fax at 2521 9682

6 November 2015

Development Bureau
Works Policies 2 Section
15-16/F & 18-19/F, West Wing, and 17/F, East Wing,
Central Government Offices,
2 Tim Mei Avenue, Tamar, Hong Kong

[Attn: Ir Terence C K LAM]

Dear Ir LAM *Terence*

Draft Documents relating to AACSB / EACSB Consultant Procurement and Performance Reporting

Thank you for the letter of 6 October 2015 inviting the Institution to put forth our views on the captioned subject.

In response to the subject, the Hong Kong Institution of Engineers is pleased to provide herewith our views and suggestions for your consideration.

Thank you for your kind attention.

Yours sincerely



Ir CHAN Chi Chiu
President
The Hong Kong Institution of Engineers

Enc

Enclosure

**Views from the Hong Kong Institution of Engineers on
Draft Documents relating to AACSB/EACSB Consultant Procurement and
Performance Reporting**

Introduction

The Hong Kong Institution of Engineers (HKIE) supports reviewing AACSB/EACSB Consultant Procurement and Performance Reporting for further improvement and better management of consultants. We would like to provide our views on the subject for each Annex as set out below for consideration.

ANNEX A - Key Procedures for Assessment of Consultants' Proposals

2. The introduction of Fee Quality Score in late 2013 is believed to allow the Government to select the consultants based on more technical aspects rather than the fee proposal. This will help minimise the acceptance of exceptional low bid proposals.

Long-listing

3. For the step *Long-listing* in the selection of consultants for EACSB Agreements, we opine that the Assessment Panel should well understand the consultant industry to select consultants with main resources.

Invitation of Technical and Fee Proposals and Assessment of Proposal

4. The HKIE has no objection to the proposed unified Specified Percentage Range Requirement for the part of Fee Proposals between the time charge "*staff rates for additional services*" and "*staff rates in the lump sum fee*". This can help minimise the use of low rates in the lump sum calculations while proposing high time charge staff rates for additional services.

5. In considering the principle of minimising exceptional low bid proposals, the weighting for Technical Score to Consultancy Fee Score should be higher to reflect the importance of Technical Score. Meanwhile, as consultancy services may not be required for straight-forward assignments, the Straight-forward type of agreements in the table of *Weightings for Different Complexity of Projects for Technical Score/Consultancy Fee Score (%)* in Paragraph 11 may not be required. It is also suggested including Technical Score/Consultancy Fee Score of 72/18 for specialist services such as New Engineering Contract (NEC) advisory services. When adopting 63/27 Technical Score/Consultancy Fee Score fee weighting for NEC advisory services consultancy which requires more

specialists and senior staff to advise on NEC contract administration, it results that the weighting of fee being too high. It is suggested to put more weighting on the Technical Score side.

6. It is noted that the details regarding the Fee Quality Score in Paragraph 21 differs from the current assessment. The current assessment for Fee Quality Score adopts the median rates for different grades of staff to derive the modified notional value for additional services and adjusted consultancy fees. The new proposal is based upon the median of the input and lump sum fee and seems to be simpler in assessment.

Appendix B - Guidelines for Preparation of Marking Scheme

7. It is understood that the *Subsection (c) Manning schedule* for *Section 7 Appendices* is expected to show the input in bar chart format and the period normally exceeds 12 months. As the use of A4-size paper is too small to show the whole picture, it is recommended that A3-size paper be allowed for easy reading and presentation, as 1 mark will be deducted if not complying with the requirements on size of font and paper in the text and appendices.

Appendix C - Assessment of Adequacy of Professional and Technical Manpower Input

8. It is considered that employing the ratio of 6:3:1 for three Staff Groups of “*Partners/Directors and Chief Professional*”, “*Senior Professional and Professional*”, and “*Assistant Professional and Technical*” for calculations of weighted total manpower input reasonable as the ratio simulates the rates of the Staff Groups.

ANNEX B - Reporting and Management of Consultants’ Performance

Consultant’s Performance Reporting

9. We believe that the reporting officer should be fair and should refer to assessment for the stage when reporting. For example, the officer should assess the consultant’s performance for the construction activities in the construction stage instead of assessing the quality of the design which has been assessed in the design stage. It is also suggested that sufficient time should be allowed for uploading the consultant’s performance report into The Consultants’ Performance Information System (CNPIS) to take into account of any possibility in getting any appeal from the consultant instead of making amendment to the uploaded Past Performance Rating (PPR) data afterwards.

Appendix B - Guidance Notes for Completion of Consultants' Performance Reports

10. It seems that the Consultant's Score may be reduced if an item in the Stage Assessment is not applicable because the applicable maximum score of non-applicable item is set zero. For example, if in the earlier quarter in Design and Contract Stage of the assignment there are no tendering activities, the Tender Assessment under Design and Contract Stage under Paragraph 2.4 will then be not applicable. The maximum score in the Stage Assessment will be 35 instead of 40. It seems not fair to the consultant of that assignment at that stage.