

ENGINEERING & ASSOCIATED
CONSULTANTS SELECTION BOARD

EACSB HANDBOOK

HANDBOOK ON SELECTION,
APPOINTMENT AND ADMINISTRATION
of ENGINEERING and
ASSOCIATED CONSULTANTS

EACSB Secretariat

Revision No.15 (December 2016)

FOREWORD

This Handbook is issued by the Engineering & Associated Consultants Selection Board (EACSB) specifically for use with consultancy agreements which come within the jurisdiction of the Board. It provides guidance on matters relating to the selection and appointment of consultants, their terms and conditions of employment, and their management throughout an agreement.

The current system for the selection and remuneration of engineering and associated consultants provides an element of fee competition in the selection process and aims as far as possible to base the remuneration of consultants on a fixed lump sum fee independent of the cost of the works project. The current system facilitates managing departments to employ the most suitable consultants at fair and reasonable fees; and provides the capable consultants with a level playing field for the bidding of consultancy assignments.

The Handbook will be reviewed and updated where necessary to ensure continuing suitability and effectiveness.

The parts of the Handbook shown in green¹ should only be updated by Works Branch of Development Bureau.

EACSB Secretariat

Revision No. 15 (December 2016)

¹ The following sections of the Handbook include contents to be updated by Works Branch of Development Bureau only:

Sections 2.1 to 2.5, 3.1 to 3.3, 3.4.1 to 3.4.2, 3.5.1 to 3.5.3, 3.6 to 3.7, 3.8.1 to 3.8.2, 3.9 to 3.10, 3.11.1 to 3.11.3, 3.11.5 to 3.11.7, 3.12 to 3.13, 3.15, 3.18, 4.5 to 4.7, 4.16, 4.22, 4.23, 5.3.2 and 5.4.2(b);

Appendices 3.1A, 3.4B, 3.13, 3.13A, 3.15, 3.16, 3.18, 4.2, 4.3 to 4.6, 4.10 to 4.18, 5.2 to 5.3 and 8.2.

ISSUE OF HANDBOOK AND REVISIONS

This Handbook is accessible through Internet under the Civil Engineering and Development Department (CEDD) Home Page (under the section “Publications”) at http://www.cedd.gov.hk/eng/publications/handbook_circulars/index.htm. The version of the Handbook on the internet is always of the latest version and should be read together with relevant Development Bureau Technical Circulars (Works), Financial Circulars and EACSB Circulars, if any, issued after the last Revision of this Handbook.

Anyone wishing to enquire about downloading of this Handbook may contact the EACSB Secretariat at telephone number 2762 5173.

First issue	May 1999
Revision No. 1	May 2000
Revision No. 2	May 2001
Revision No. 3	May 2002
Revision No. 4	May 2003
Revision No. 5	May 2004
Revision No. 6	May 2005
Revision No. 7	May 2006
Revision No. 8	December 2007
Revision No. 9	August 2009
Revision No. 10	October 2010
Revision No. 11	October 2011 (note 1)
Revision No. 12	December 2012
Revision No. 13	November 2013
Revision No. 14	October 2014
Revision No. 15	December 2016

Note :

1. Relevant Circulars (e.g. Development Bureau Technical Circulars, Financial Circulars etc.) issued before 31 October 2011 have been suitably incorporated or referenced.

Action List for EACSB Handbook Holders
Revision No. 15 (December 2016)

<u>Main text/ appendix</u>	<u>Action</u>
Front cover	Replaced
Issue of Handbook and Revisions	Replaced
Contents	Replaced
Main text	Replaced
Appendix 1.1	Replaced
Appendix 3.1	Replaced
Appendix 3.1A	New
Appendix 3.2	Replaced
Appendix 3.2A	Replaced
Appendix 3.3	Replaced
Appendix 3.4	Replaced
Appendix 3.4A	Replaced
Appendix 3.4B	New
Appendix 3.5	Replaced
Appendix 3.6	Replaced
Appendix 3.7	Replaced
Appendix 3.8	Replaced
Appendix 3.10	Replaced
Appendix 3.11	Replaced
Appendix 3.13	Replaced
Appendix 3.13A	Replaced
Appendix 3.16	Replaced
Appendix 3.18	Replaced
Appendix 4.2	Replaced
Appendix 4.3	Replaced
Appendix 4.4	Replaced
Appendix 4.5	Replaced
Appendix 4.6	Replaced
Appendix 4.11	Replaced
Appendix 4.16	Replaced
Appendix 6.4	Replaced

1.	INTRODUCTION.....	10
1.1	Purpose of Handbook.....	10
1.2	Need to Employ Consultants	10
1.3	Authority to Employ Consultants	11
1.4	Funding for Employment of Consultants.....	11
1.5	Consultants Selection Board	11
1.6	Departmental Consultants Selection Committees (DCSCs).....	12
1.7	Consultancy Assignments with Fees Not Exceeding the Quotation Limit	14
2.	ENGINEERING AND ASSOCIATED CONSULTANTS SELECTION BOARD	15
2.1	Composition of EACSB.....	15
2.2	Terms of Reference of EACSB.....	15
2.3	EACSB Administrative Structure	16
2.4	Consulting Engineers' Committee	16
2.5	Consultancy Agreements Committee.....	16
2.6	EACSB Information	17
3.	PROCEDURES FOR SELECTION AND ENGAGEMENT OF CONSULTANTS	18
3.1	Outline of the System	18
3.1.1	Fee Competition Element	18
3.1.2	Selection	18
3.1.3	Stages of Selection.....	19
3.1.4	Alternative Technical Proposal.....	20
3.1.5	Direct Selection	20
3.1.6	Agreements Based on Time-charges	21
3.1.7	Exceptional Procedures	21
3.2	Types of Submission to the EACSB	21
3.3	Details of Submissions.....	21
3.3.1	General Format of Submissions to the EACSB	21
3.3.2	EACSB Meetings and Deadline for Submissions	22
3.3.3	Submissions for EACSB's Consideration by Circulation	23
3.4	Pre-submission Procedures	24
3.4.1	Preliminary Steps.....	24
3.4.2	Allocation of Agreement Number	24
3.4.3	Assessment Panel	25
3.4.4	Avoidance of Conflicts with Private Interest.....	25
3.5	Longlisting of Consultants.....	26
3.5.1	Consultants' Information	26
3.5.2	Selection Criteria	26
3.5.3	Invitation for Expression of Interest.....	28
3.5.4	Open Invitation for Expression of Interest	28
3.6	Shortlisting of consultants	29
3.6.1	Forming of the Shortlist.....	29
3.6.2	Stage 1 EACSB Submission (Shortlisting Stage).....	29
3.6.3	Validity Period of the Shortlist of Consultants	30
3.7	Marking Scheme for Technical Proposals	30

	Page
3.8	Invitation for Technical and Fee Proposals 31
3.8.1	Procedures relating to Invitation for Technical and Fee Proposals 31
3.8.2	Invitation for Submission of Technical and Fee Proposals 33
3.8.3	Invitation Letter of Technical and Fee Proposals 33
3.8.4	Changes in Circumstances..... 35
3.9	Pre-submission Meeting with Shortlisted Consultants 36
3.10	Submission and Assessment of Technical Proposals 36
3.11	Submission and Assessment of Fee Proposals..... 39
3.11.1	Fee Proposals 39
3.11.2	Additional Services 42
3.11.3	Notional Resident Site Staff On-Cost..... 44
3.11.4	Opening of Fee Proposals..... 44
3.11.5	Pre-tender Estimates and Examination of Fees and Rates of Consultancy Proposals..... 45
3.11.6	Combined score assessment 47
3.12	Stage 2 EACSB Submission (Nomination Stage) 47
3.13	Notification of Technical Marks, Fees and Manpower Input to Shortlisted Consultants..... 48
3.14	Release of Information on Consultancy Studies 48
3.15	Direct Selection of a Single Consultant for Fee Negotiation..... 49
3.16	Summary of Steps in Appointment of Consultants..... 50
3.17	Variations – Submission to EACSB..... 50
3.18	Procedures in the Selection of Consultants for Small Consultancy Assignments 51
4.	THE AGREEMENT..... 53
4.1	Types of Agreement 53
4.1.1	Feasibility Study Agreement 53
4.1.2	Investigation Agreement..... 54
4.1.3	Design and Construction (D & C) Agreement..... 54
4.1.4	Investigation, Design and Construction (IDC) Agreement 54
4.1.5	Other Types of Agreement..... 54
4.2	Components of the Agreement 54
4.3	Memorandum of Agreement 55
4.4	General Conditions of Employment 55
4.5	Special Conditions of Employment 55
4.6	The Schedule of Fees 56
4.6.1	Payment Schedule 57
4.7	The Brief 61
4.8	Design Certificate 63
4.8.1	Background..... 63
4.8.2	Standard Form of Design Certificate..... 63
4.9	Standard Documents for Direct Employment of Resident Site Staff by Consultants..... 63
4.10	Standard Forms 64
4.11	Reimbursable Items 64
4.11.1	Fair and Open Competition 64

	Page
4.11.2 Definition.....	64
4.11.3 Procedures	64
4.12 Computer Facilities	66
4.13 Quality Management System Certification of Consultants	66
4.14 Electronic Dissemination of Tender Documents	66
4.15 Environmental Monitoring and Audit (EM&A) Programme – Arrangement of Consultancy for Implementation of EM&A for Projects undertaken by Consultants.....	67
4.15.1 Introduction	67
4.15.2 General Principle	67
4.15.3 Standard Arrangement	67
4.16 Interest on Overdue Payments for Consultancy Agreements	68
4.17 Safety Training for Resident Site Staff	68
4.18 Electronic Dissemination of Invitation Documents for Consultancies.....	68
4.19 Electronic Submission of Consultancy Proposals on Removable Media	68
4.20 Adherence to Staff Proposals.....	68
4.21 Professional Indemnity Insurance.....	69
4.22 Project Implemented in Phases	69
4.23 Use of Legal Consultants in Connection with Works-Related Consultancy Studies.....	69
4.24 Site Supervision of Civil Engineering Contracts	70
4.25 Review of Preliminary Design before Proceeding with the Detailed Design	70
4.26 Confidentiality Clauses	71
4.27 Ethical Commitment by Consultants	71
4.28 Retention of Documents and Inspections	71
4.29 Retention of Money Payable to Non-resident Consultants for Settlement of Profits Tax.....	71
4.30 Setting Off Money due to the Government from Defaulting Consultants.....	71
5. FEE REMUNERATION	72
5.1 General	72
5.2 Types of Fee Remuneration	72
5.3 Fixed (lump sum) Fee	73
5.3.1 Applicability	73
5.3.2 Adjustment of Lump Sum Fee for Inflation	73
5.3.3 Guidelines on Negotiation of Lump Sum Fee	73
5.4 Time Charge Fees	74
5.4.1 General	74
5.4.2 Basic Rates	74
5.4.3 Reimbursable Disbursements	75
5.4.4 Application of Rates	75
5.5 Fees in Foreign Currencies	75
5.6 Compulsory Insurance	76
6. DIRECT EMPLOYMENT OF RSS BY CONSULTANTS	77
6.1 Normal Arrangement	77

Page

6.2	Minimum Qualification and Experience and Duties of Resident Site Staff	77
7.	EXECUTION OF THE AGREEMENT	78
7.1	Authority to Enter into Agreement	78
7.2	Consultants which are Limited Liability Companies	78
7.3	Prevention of Bribery and Declaration of Interest.....	78
7.4	Preparation of Documents	78
7.5	Signing the Agreement.....	79
7.6	Distribution of Documents.....	79
8.	MANAGEMENT OF CONSULTANTS.....	80
8.1	General.....	80
8.1.1	Purpose of Management	80
8.1.2	Principles of Management.....	80
8.1.3	Role of the Managing Office	80
8.1.4	Distribution of Documents to Consultants	82
8.1.5	Policy Steering Group	82
8.1.6	Project Steering Group	83
8.1.7	Change of Core Personnel in the Consulting Team.....	84
8.2	Detail.....	84
8.2.1	Introduction	84
8.2.2	Programme	84
8.2.3	Progress Reports	85
8.2.4	Supervision, Checking and Reporting on Consultants	85
8.2.5	Payment of Fees	85
8.2.6	Feasibility Reports.....	86
8.2.7	Management during Design, Construction & Commissioning	87
8.2.8	Variations to Consultancy Assignment.....	88
8.2.9	Retrospective Approval of Variations.....	89
8.2.10	Variations for Additional Services that are within the Approved Scope of the Project.....	89
9.	MODIFICATION TO AN AGREEMENT	90
9.1	Need	90
9.2	Submission to EACSB.....	90
9.3	Justification.....	90
9.4	Negotiation and Execution.....	90
9.5	Novation.....	91
9.6	Change of Company Name.....	91
9.7	Suspension or Termination	91
10.	CONSULTANTS' PERFORMANCE	93
10.1	General.....	93
10.2	Consultants' Performance Information System	93
11.	CONCLUSION OF THE AGREEMENT	94
11.1	Scope of Assignment Not to Be Exceeded	94

	Page
11.2 Summary of Steps to be Followed on Completion of an Agreement	94
11.3 Completion of Agreement.....	94
11.4 Letter of Completion.....	95
11.5 Technical Audit on Completed Contracts	95
11.6 Final Report on Completion of Agreement.....	95
11.7 Post-Completion Review on Major Consultancy Agreements	95

	FIGURES	Page No.
Figure 3.1	Consultants Selection Procedures	52

APPENDICES

Appendix 1.1	Supplementary Procedures for Selection, Appointment and Administration of Engineering and Associated Consultants approved / to be considered by DCSCs
Appendix 2.1	Consultant's Profile Proforma
Appendix 2.2	Consultants' Services Directory
Appendix 3.1	Sample Invitation Letter for Expression of Interest
Appendix 3.1A	Sample Template for Shortlisting Criteria
Appendix 3.2	Sample Memo for Shortlisting Stage Submission to EACSB
Appendix 3.2A	Sample Memo for First Submission to EACSB before Invitation of Technical and Fee Proposals (for One-stage Consultants Selection)
Appendix 3.3	Sample Notice of Inviting Expression of Interest through Internet
Appendix 3.3A	Sample Notice of Inviting Submission of Technical and Fee Proposals through the Internet (for One-stage Consultants Selection)
Appendix 3.4	Sample Invitation Letter for Technical and Fee Proposals
Appendix 3.4A	Sample Invitation Letter for Technical and Fee Proposals (for One-stage Consultants Selection)
Appendix 3.4B	Sample Template for Guidelines for Preparation of Technical Proposal
Appendix 3.5	RSS Provisions to be added to Sample Fee Proforma
Appendix 3.6	Assessment Panel on Consultants Selection
Appendix 3.7	Sample Memo to Request for Release of Fee Proposals
Appendix 3.8	Sample Memo for Nomination Stage Submission to EACSB
Appendix 3.9	Standard Memo Notifying EACSB of Signing of Agreement
Appendix 3.10	Reference Procedures for One-stage Consultants Selection

Appendix 3.11	Standard Form for Summary of Technical and Fee Proposals
Appendix 3.12	Standard Special Conditions of Employment: Disclosure of Fee Payable to the Consultants
Appendix 3.13	Sample Fee Proforma
Appendix 3.13A	Suggested Categories of Staff for Services and Additional Services
Appendix 3.13B	Sample Fee Proforma for Time Charge Assignment
Appendix 3.14	Sample Summaries of Assessments
Appendix 3.15	Procedures in the Selection of Consultants for Small Consultancy Assignments
Appendix 3.16	Details on Checking of Compliance with Specified Percentage Range, Worked Example for Ascertaining Fee Quality Score and Sample Template for Defining Degree of Non-compliance with Minimum Academic/Professional Qualifications and/or Minimum Experience
Appendix 3.17	Sample Letter to Bidders with Unreasonably Low Bids
Appendix 3.18	Feedback and Debriefing to Unsuccessful Bidders for Consultancy Agreements
Appendix 4.1	Standard Forms of Memorandum of Agreement
Appendix 4.2	Standard Form of Schedule of Fees
Appendix 4.3	Guidelines on the Preparation of Briefs for Feasibility, Investigation, Design and Construction Assignments
Appendix 4.4	Typical Format of the Brief for a Feasibility Assignment
Appendix 4.5	Typical Format of the Brief for an Investigation Assignment
Appendix 4.6	Typical Format of the Brief for a Design and Construction Assignment
Appendix 4.7	Standard Form of Design Certificate
Appendix 4.8	Sample Summary for Reimbursable Items Under Consultancy Assignments
Appendix 4.9	Sample Report on Tenders for Reimbursable Items Under Consultancy Assignments
Appendix 4.10	Standard Special Conditions of Employment: Interest on Overdue Payment
Appendix 4.11	Standard Special Conditions of Employment: Approval of Major

	Revisions to Approved Documents and Referral and Reporting by Consultants of Variations, Claims and Delay in Works Contracts
Appendix 4.12	Standard Special Conditions of Employment: Projects Implemented in Phases
Appendix 4.13	Standard Special Conditions of Employment: Conflict of Interest and Debarring
Appendix 4.14	Standard Special Conditions of Employment: Retention of Documents and Inspection
Appendix 4.15	Standard Special Conditions of Employment: Retention of Money Payable to Non-resident Consultants for Settlement of Profits Tax in Consultancy Agreements
Appendix 4.16	Standard Special Conditions of Employment: Adaption to New Arbitration Ordinance
Appendix 4.17	Standard Special Conditions of Employment: Professional Indemnity Insurance
Appendix 4.18	Standard Special Conditions of Employment: Contracts (Rights of Third Parties) Ordinance
Appendix 5.1	Sample Hourly Rate Charge Calculation Sheet
Appendix 5.2	Consultants Remuneration – Fees Based on a Percentage Basis (Applicable only to certain old ongoing agreements)
Appendix 5.3	Adjustment of Consultants’ Remuneration by the Civil Engineering Works Index (Applicable only to certain old ongoing agreements)
Appendix 6.1	[not used]
Appendix 6.2	[not used]
Appendix 6.3	[not used]
Appendix 6.4	Reference for Managing Department in Preparing the “Schedule of Resident Site Staff Standards and Duties”
Appendix 7.1	Sample Letter to Successful Consultant
Appendix 8.1	General Range of Documents for Consultancy Agreements
Appendix 8.2	Change of Core Personnel in the Consulting Team
Appendix 11.1	Standard Form of Letter of Completion

Appendix 11.2	Post-completion Review on Major Consultancy Agreements Under Public Works Programme
---------------	---

1. INTRODUCTION

1.1 Purpose of Handbook

This Handbook is for the use and guidance of officers of departments which employ the services of consultants in the engineering and associated fields for the study and implementation of government projects. Officers using this Handbook are expected to have acquired prior knowledge of the relevant Stores and Procurement Regulations (SPR).

The Handbook is issued by the Engineering & Associated Consultants Selection Board (EACSB) specifically for use with consultancy agreements which come within the jurisdiction of the EACSB. It provides guidance on matters relating to the selection and appointment of consultants, their terms and conditions of employment, and their management (where appropriate) throughout an agreement.

This Handbook has been written so as to be comprehensive with regard to the selection, appointment and administration of consultants. Its first issue of May 1999 took full account of directives and guidance given in relevant Works Branch Technical Circulars and Financial Circulars issued prior to June 1999, and it superseded EACSB Circulars issued prior to June 1999. This Handbook is normally reviewed and updated annually to take account of new Development Bureau (DEVB) Technical Circulars, Financial Circulars and EACSB Circulars. It should be noted that this Handbook does not replace the relevant DEVB Technical Circulars, Financial Circulars and EACSB Circulars. It should also be noted that relevant new DEVB Technical Circulars, Financial Circulars and EACSB Circulars may be issued from time to time prior to the next updating, which may supersede the relevant contents of this Handbook. The managing department should, in conjunction with the use of this Handbook, also refer to all the relevant circulars issued after the latest update of the Handbook. These may be found under “Useful Information/Administrative Handbooks & Manuals/EACSB Handbook and Related Guidelines/Circular Memoranda” at the Works Group Intranet Portal.

Anyone wishing to enquire about information relating to engineering and associated consultants selection given in this Handbook may contact the EACSB Secretary in writing c/o Civil Engineering and Development Department, 16/F Civil Engineering and Development Building, 101 Princess Margaret Road, Ho Man Tin, Kowloon, or at telephone number 2762 5018.

1.2 Need to Employ Consultants

Before a department approaches the EACSB, the need to employ a consultant must first have been established and the necessary financial authority obtained.

There are two main reasons for the employment of consultants, namely :

(a) to supplement existing staffing resources :

- (i) to provide extra staff,
 - (ii) to cope with fluctuating demand for resources, or
 - (iii) to accelerate time scales, and
- (b) to provide a qualitative dimension not currently available :
- (i) to provide specialist expertise not available in the department,
 - (ii) to provide an independent view on a particular project/problem, or
 - (iii) to facilitate a multi-disciplinary approach.

1.3 Authority to Employ Consultants

Agreement from the Head of Department (HoD) must first be given and policy support from the relevant Director of Bureau or a public officer authorised by him (see SPR 410) must also be obtained, for the employment of consultants for a project.

1.4 Funding for Employment of Consultants

Managing Departments must ensure that all funding requirements for the employment of consultants promulgated by Financial Services and the Treasury Bureau (FSTB) are satisfied (as promulgated under SPR 416 and Financial Circular No. 5/2016). Submissions to the EACSB which do not meet these requirements will be returned to the relevant department for corrective action.

Under no circumstances may an agreement be entered into or extended until funds have been approved for the agreement or for the extension.

1.5 Consultants Selection Board

Unless authority has been specifically delegated to departments and consultants selection boards, the Permanent Secretary for Financial Services and the Treasury (Treasury) (PS(Tsy)) is the approving authority for appointment of consultants for the provision of consultancy services. The Financial Secretary (FS) / Secretary for Financial Services and the Treasury (SFST) appoints the following selection boards to advise on the selection and appointment of consultants for assignments with a value exceeding the quotation limit stipulated in SPR 220(a) (see SPR 425):

- (a) The Central Consultants Selection Board (CCSB) advises PS(Tsy) on the selection and appointment of consultants, other than those selected and appointed by the Architectural & Associated Consultants Selection Board, the Engineering & Associated Consultants Selection Board and Departmental Consultants Selection Committees (DCSCs).

- (b) The Architectural & Associated Consultants Selection Board (AACSB) approves the selection and appointment of architectural and associated consultants for government projects other than those selected and appointed by DCSCs.
- (c) The Engineering & Associated Consultants Selection Board (EACSB) approves the selection and appointment of engineering and associated consultants for government projects other than those selected and appointed by DCSCs. The main client departments for consultancies in this category are the Civil Engineering and Development Department, Drainage Services Department, Electrical & Mechanical Services Department, Environmental Protection Department, Highways Department, Planning Department, Transport Department and Water Supplies Department.

For selection and appointment of engineering and associated consultants, the total value of services as referred to in SPR 205 should include the estimated values or actual values of lump sum fee, notional value for additional Services (or subsequent cost of variations/claims of the consultants), on-cost for Resident Site Staff (RSS), inflations etc.

1.6 Departmental Consultants Selection Committees (DCSCs)

SPR 426 sets out the functions and formation of DCSCs appointed by the respective Controlling Officers in their departments to approve the selection and appointment of engineering and associated consultants for consultancy assignments up to \$5 million.

Engineering and associated consultancy assignments beyond the quotation limit stated in SPR 220(a) and approved / to be considered by DCSC should be regarded as also under the purview of EACSB and comply with the same submission procedures (other than the different approving authority), requirements on use of standard documents, consultant administration procedures, performance assessment procedures and other related requirements. Departments should, unless specified otherwise, follow the relevant consultants selection procedures stipulated in SPR, this handbook, Financial Circulars and DEVB Technical Circulars (Works), as appropriate. Under this situation, any reference to EACSB made in this handbook should in general be regarded as reference to DCSC. In addition, a set of supplementary procedures at Appendix 1.1 should be followed.

The delegation promulgated in SPR 426 includes the authority to approve the list of consulting firms for inviting consultancy proposals, consultancy briefs, marking schemes for assessing consultancy proposals, pre-contract negotiations, appointment of consultants and cancellation of consultants selection exercise. Notwithstanding this delegation when the financial limit of \$5 million is not exceeded, the following special cases still warrant submissions to EACSB for approval, in order to better ensure consistent treatment among departments.

- (a) Shortlisting stage (Stage 1) submissions where -
 - (i) less than three consultants are shortlisted;

- (ii) one-stage selection process for special cases as mentioned in the last paragraph of Section 3.1.3.1;
 - (iii) the total value of reimbursable items exceeds \$1.3 million or 20% of the estimated lump sum fee of the Agreement (See Section 4.11.3(a)); or
 - (iv) a deviation from any of the following standard guidelines in EACSB Handbook/Technical Circular in respect of :
 - the marking scheme stipulated in DEVB TCW No. 2/2016;
 - the technical/consultancy fee/fee quality weightings recommended in Section 3.8.1; or
 - the requirements on payment schedules as stipulated in Section 4.6.1.
- (b) Nomination stage (Stage 2) submissions where -
- (i) only one conforming consultancy proposal is available for consideration of award;
 - (ii) rejection of the most advantageous bid recommended under the combined score assessment;
 - (iii) acceptance of consultancy proposal with total value of services exceeding \$5 million;
 - (iv) acceptance of an alternative technical proposal is recommended (Section 3.1.4 refers);
 - (v) notional value for additional Services exceeds 10% of Lump Sum Fee (Section 3.11.2 refers); or
 - (vi) the Stage 1 submission for the Agreement has been approved by EACSB.
- (c) Other submissions where
- (i) an initial list of less than 10 consultants is adopted for one-stage consultants selection (Section 3.1.3.1 refers);
 - (ii) direct selection of consultants for fee negotiation or for their subsequent appointment is involved (Sections 3.1.5 and 3.15 refer);
 - (iii) the delegated authority of DCSC to approve variations as stipulated in the SPR will be exceeded or the variations are outside the approved scope of the consultancy assignment (Section 3.17 refers); or

- (iv) approval is sought for invitation of tenders or report on tenders on reimbursable item of value exceeding \$5 million (Section 4.11.3 & Appendix 4.9 refer).

For the above special cases, departments should make a self-explanatory submission to EACSB. If there are submissions previously approved by DCSCs for the same agreement, requirements of submissions in Section 3.12(g) should be followed.

Under other special cases where there will be general implications to other consultancies, or where the existing rules/guidelines do not apply, departments may, upon DCSC's advice, seek EACSB's approval. The reasons for seeking such approval and DCSC's advice should be detailed in the submission to EACSB.

1.7 Consultancy Assignments with Fees Not Exceeding the Quotation Limit

For the procurement of engineering and associated consultancy services not exceeding the quotation limit set out in SPR 220(a), approval of the DCSC is not required.

The procedures laid down in Chapter II of SPR and the relevant DEVB Technical Circulars (Works) (in particular, DEVB TCW No. 3/2013 on small consultancy procurement procedures) should be followed. Alternatively, if Controlling Officers prefer, consultants selection procedures in Chapter IV of SPR could be followed but the approval of DCSC will be required in this case.

2. ENGINEERING AND ASSOCIATED CONSULTANTS SELECTION BOARD

2.1 Composition of EACSB

The Chairman and Members are appointed by FS / SFST. The up-to-date information on the membership and terms of reference (as in Section 2.2 below) of the EACSB is published in the current issue of the Civil and Miscellaneous Lists of the Government of the Hong Kong Special Administrative Region.

Chairman : Director of Civil Engineering and Development

Members : (a) Deputy Secretary for Financial Services and the Treasury (Treasury)³ or Principal Assistant Secretary for Financial Services and the Treasury (Treasury)(Works)

(b) Deputy Secretary for Development (Works)² or Principal Assistant Secretary for Development

Secretary : Senior Engineer/EACSB, Civil Engineering and Development Department

In attendance : A representative (at D2 rank or above) of the Department concerned for a particular submission.

2.2 Terms of Reference of EACSB

The terms of reference of the EACSB are :

- (a) to approve the selection and appointment of engineering and associated consultants for government projects other than those selected and appointed by DCSCs;
- (b) to advise the Secretary for Development (SDEV) on selection procedures, conditions of employment and remuneration of engineering and associated consultants and to recommend changes as necessary;
- (c) to promulgate guidelines on selection and appointment procedures approved by the EACSB; and
- (d) to review the performance of engineering and associated consultants.

It should be noted that, the EACSB's jurisdiction covers consultancies in the following fields:

civil engineering, geotechnical engineering, structural engineering (excluding Architectural Services Department), mechanical engineering, electrical engineering and electronics, development, planning, transportation, water resources, environmental planning and engineering, and chemical engineering.

2.3 EACSB Administrative Structure

The EACSB's authority is derived from FS / SFST as set out in the SPR. Policy relating to the selection, appointment, remuneration and administration of engineering and associated consultants lies with the SDEV. Established policy on the selection, appointment and remuneration is implemented through the EACSB.

The administrative structure within which the EACSB operates as promulgated originally under WBTC No. 16/91 has generally been subsumed hereunder and archived. In addition to the EACSB itself, there are two other related Standing Committees involved in related policy development, namely:

- (a) Consulting Engineers' Committee (CEC); and
- (b) Consultancy Agreements Committee (CAC).

2.4 Consulting Engineers' Committee

The Consulting Engineers' Committee (CEC), which is chaired by the Permanent Secretary for Development (Works), provides a means for regular liaison between the Government and the Association of Consulting Engineers of Hong Kong (ACEHK) on matters relating to the employment of engineering and associated consultants.

2.5 Consultancy Agreements Committee

Formerly known as the Engineering Consultancy Agreements Committee (ECAC), the Committee is originally established as an in-house standing committee with the main task of keeping under review the related consultancy agreement documents including the forms of agreement, conditions of employment and schedules of fees, etc.

At its meeting held on 9 October 2003, the then ECAC agreed to be renamed as the Consultancy Agreements Committee (CAC). Chaired by the Deputy Secretary for Development (Works)², the CAC is a government committee which deals with matters relating to the appointment and administration of engineering and associated consultants.

2.6 EACSB Information

Information on engineering and associated consultants is compiled and kept by the EACSB Secretariat. The following central records, being classified as Restricted (Contract), are maintained:

- (a) **Consultants' Services Directory** which contains the names and addresses of consulting firms that have expressed an interest in working for the Government of the Hong Kong Special Administrative Region on a consultancy basis, who provide services in the engineering and associated fields, and who have completed a standard "EACSB Consultant's Profile" form (see **Appendix 2.1**). The Directory lists each firm alphabetically, giving fields of declared interest/expertise and also lists firm's staff resources for each discipline. The consulting firms should provide updated Profiles to the Secretariat if there are any changes. The Secretariat may from time to time require a consulting firm to verify its own information that was found incorrect or dubious. In case that the clarification/response provided by the consulting firm is not satisfactory or not within the specified deadline, the information of a consulting firm will be removed from the Directory.

It is stressed that the Directory confers no status on the firms listed. The Directory is neither a registration list nor an approved list of consultants. The function of the Directory is similar to that of the "Yellow Pages to Consumers". The information provided by the consulting firms is not vetted. The Directory only serves as a source of information in addition to departments' other suitable sources of potential consultants. Selection of consultants should not be restricted to the firms in the Directory. All consulting firms having the potential to provide the services should be considered. A sample form of the Directory is given at **Appendix 2.2**.

The managing department could approach Engineer/EACSB for the Directory upon obtaining approval and policy support to employ consultants (Section 1.3 refers).

- (b) **Profiles on Consultants** as submitted and updated by the consulting firms contain information from which the Directory is compiled.
- (c) **Record of Approved Consultancy Agreements**, which lists all active agreements approved by the EACSB or DCSCs, is used by the EACSB and DCSCs for reference.

3. PROCEDURES FOR SELECTION AND ENGAGEMENT OF CONSULTANTS

3.1 Outline of the System

3.1.1 Fee Competition Element

As originally promulgated under WBTCs Nos. 16/95, 16/95A and ETWB TCW No. 16/95B the relevant content of which has now been subsumed in this Handbook, the Government's current system for the selection and remuneration of engineering and associated consultants provides for an element of fee competition in the selection process and aims, as far as possible, to base the remuneration of consultants on a fixed lump sum fee independent of the cost of the works.

3.1.2 Selection

The selection of consultants for all consultancies, including Feasibility Study, Investigation, Design and Construction (D & C), is determined on the basis of assessment of technical merit combined with proposed consultancy fees. Consulting firms are required to submit, in separate sealed envelopes, both a Technical Proposal and a Fee Proposal.

The Fee Proposals are opened for assessment after assessment of Technical Proposals using a pre-determined marking scheme. On the basis of a pre-determined system of evaluation and weighting, the Fee Proposals are then combined with the technical assessment to determine which consultant should be awarded the consultancy.

As originally promulgated under ETWB TCW No. 16/95B in the situation where the scope of design and construction services for a D & C project cannot be adequately defined until the Investigation stage has been carried out, the project should be split into two separate consultancies - one for investigation services and the other for design and construction services. Submissions for the D & C consultancy should be invited only after the scope of design and construction services has been adequately defined in the Investigation consultancy to enable consultants to submit competitive lump sum Fee Proposals.

In the situation where the full scope of investigation, design and construction (IDC) services can be adequately defined at the start for the purposes of inviting competitive lump sum Fee Proposals, the use of single IDC consultancies is encouraged to expedite project delivery. In these cases, the Controlling Officer should be satisfied that the risks of major scope changes following the Investigation stage are low, and that it is appropriate to invite bids on lump sum basis. Such Controlling Officer's satisfaction with the use of IDC arrangement should be clearly indicated in the EACSB submission, under the heading "Background/Argument" (see Section 3.3.1).

3.1.3 Stages of Selection

Selection of a consultant for a consultancy can either be through a one-stage or a two stage process.

3.1.3.1 One-stage Selection

To streamline the procurement procedures, as promulgated in June 2013 under Financial Circular No. 4/2013, Expression of Interest (EOI) is not a mandatory requirement. Under this one-stage selection, each consulting firm should be asked to declare in their submissions any involvement or interest as described in Section 3.5.3. The Assessment Panel may agree to invite technical and fee proposals directly from an initial list of consulting firms for suitable assignments, if it is considered in the best interest of the Government having regard to:-

- (i) the factors as mentioned in SPR 440(b); and
- (ii) resource implications to the consultants for preparing technical proposals for complex consultancies and to the departments themselves in assessing more technical proposals when EOI is not adopted.

For assignments for projects with estimated value exceeding \$1,000 million and adopting a 72%/18%/10% technical/consultancy fee/fee quality weighting, the Assessment Panel should obtain HoD's approval to adopt one-stage consultant selection process and the HoD should personally be satisfied that the one-stage selection process is suitable for the consultancy concerned.

Drawing reference to experience gained through simplified one stage consultants selection process since 2008 (DEVB's memos of reference (01QKC-01-9) in DEVB(PS) 106/43 dated 8 April 2008 and (021QS-01-6) in DEVB(PS) 106/43 dated 13 July 2009) and considering the inflation in the intervening period, the following assignments are generally suitable for adoption of the one-stage selection subject to the considerations given in the first paragraph in Section 3.1.3.1:-

- (a) Assignments of values (lump sum fee or time charge ceiling) not exceeding \$5 million and adopting a 63%/27%/10% technical/consultancy fee/fee quality weighting or lower; and
- (b) Assignments of values not exceeding \$9 million of the following specific types of consultancies where considerable number of consulting firms with long history of relevant and proven experience in similar consultancy assignments are available and adopting a 63%/27%/10% technical/ consultancy fee/fee quality weighting or lower :
 - (i) Landslip prevention and mitigation(LPMit) projects;
 - (ii) Road reconstruction and minor improvement projects;

(iii) Waterworks projects; and

(iv) Drainage and sewerage improvement projects.

In general, one-stage selection should not be applied to those consultancies adopting small consultancy procurement procedures, because of the lack of certainty to have adequate number of qualified consultants to submit Technical and Fee Proposals.

The reference procedures for the one-stage consultant selection process are given at **Appendix 3.10**.

There are special cases of one-stage selection. In cases where there is a very narrow field of potential consultants or a genuine need to shorten the consultants selection process, there might be justification for inviting Technical and Fee Proposals from normally four consultants, instead of a initial list of consultants. Normally, under these circumstances, Technical and Fee Proposals will be invited by letters rather than both by letters and through the internet (subject to approval of EACSB as referred to in Item (a)(ii) of Section 1.6). Also, if there is sufficient justification, the EACSB may agree to negotiation of the D & C consultancy exclusively with the Investigation stage consultant.

3.1.3.2 Two-stage Selection

A two-stage selection comprises longlisting (see Section 3.5) and shortlisting (see Section 3.6).

3.1.4 Alternative Technical Proposal

On occasion, the managing department may receive from a shortlisted consultant an alternative Technical Proposal in addition to a conforming Technical Proposal. In such a case, if, in the opinion of the managing department, acceptance of the alternative Technical Proposal, even taking the corresponding fee into account, will clearly be advantageous to Government, then the managing department may make a fully-justified case to the EACSB to recommend adoption of the alternative Technical Proposal and appointment of the consultant. Such a recommendation should only be made on condition that the consultant has submitted, in addition to the alternative Technical Proposal, Technical and Fee Proposals in conformity with the requirements of the Brief and standard Fee Proforma, and that the Fee Proposal for the alternative Technical Proposal is also in conformity with the standard Fee Proforma. Negotiation of the fee is not permitted.

3.1.5 Direct Selection

The EACSB may, in very exceptional circumstances, agree to the direct selection of a consultant for a consultancy. In such event, all fee packages should be negotiated as far as possible as a lump sum fee not expressed in terms of the final costs of the works. Circumstances warranting direct selection of a single consultant are set out in Section 3.15.

3.1.6 Agreements Based on Time-charges

If it is not feasible to invite competitive lump sum Fee Proposals for a consultancy, the EACSB may agree to inviting competitive Fee Proposals based on time-charges.

3.1.7 Exceptional Procedures

Justification for adoption of any of the exceptional procedures mentioned in Sections 3.1.3.1, 3.1.4 to 3.1.6 above must be fully documented in the submission to the EACSB.

3.2 Types of Submission to the EACSB

The most common types of submission to the EACSB are for :

- (a) shortlisting stage - recommendation of a Shortlist of suitable consultants (Stage 1 submission); followed by
- (b) nomination stage - recommendation of a preferred consultant (Stage 2 submission); or
- (c) recommendation of the direct selection of a consultant for fee negotiation; followed by
- (d) recommendation of the appointment of a directly-selected consultant (nomination stage);
- (e) request for approval for variations to consultancy agreements/additional Services; and
- (f) request for approval for cancelling the consultant selection exercise (see SPR 470)

If the managing department have any other issues that require the EACSB's consideration, they should submit a self-contained EACSB paper with all relevant details following the general format outlined in Section 3.3.1 and Appendices 3.2, 3.2A or 3.8 as appropriate. The managing department should not simply copy documents to the EACSB or its Secretariat and assume the EACSB would consider any relevant issue automatically.

3.3 Details of Submissions

3.3.1 General Format of Submissions to the EACSB

All submissions should be made by the HoD, or an officer of D2 rank or above on behalf of the HoD. All submissions should be addressed to Chairman, EACSB (through Secretary, EACSB), copied to DS(Tsy)3, FSTB and DS(W)2, DEVB and should include all relevant information which should be self-contained in each submission under the following headings :

- (a) Consultancy Agreement No. and Title;
- (b) Authority to Employ Consultants (provide details of Public Works Programme (PWP) Item No. & title, together with estimated fee, estimated manpower input and source and confirmation of approved funding);
- (c) Approval Requested;
- (d) Previous Submissions to the EACSB / DCSC (if applicable) (in tabulated form) regardless of whether approval was given as requested;
- (e) Background/Argument (provide full justification for the recommendations and the adoption of exceptional procedures, if any); and
- (f) Attachments, e.g. Brief; any non-standard Special Conditions of Employment (SCE); Schedule of Fees; Fee Proforma; details of the Assessment Panel, marking scheme and score summary; a breakdown of fees, etc.

The managing department should ensure that all standard documents such as Brief, Schedule of Fees, Fee Proforma and marking scheme etc., conform to the standard requirements of relevant circulars and the EACSB Handbook. The EACSB will only examine in principle the documents appended to the submission and advise the managing department to address any obvious shortcomings. If the managing department considers it necessary to deviate from the standard requirements of the Handbook or relevant circular promulgated by government bureaux / departments, consent from Development Bureau and legal advice from LAD(W) should be obtained as appropriate. Such deviation and/or use of non-standard requirements should be highlighted under "Background/Argument" in the submission, together with full justification for the EACSB's attention. Details should be provided in the attachments.

Submissions which do not conform to the above should be returned to the managing department for corrective action and subsequent re-submission.

EACSB submissions should be precise and concise. Only documents that require the EACSB's attention according to the EACSB Handbook should be included. Documents such as repetitive information; correspondence between the managing department and consultants; revised draft brief; individual Assessment Panel members' score sheets; General Conditions of Employment (GCE) etc., should not be attached. Appendices to the Draft Brief, except general layout plan(s), should not be included.

EACSB submissions should be printed on double sides as far as practicable.

3.3.2 EACSB Meetings and Deadline for Submissions

Normally, the EACSB meets on a Friday morning, twice each month, unless notified by the Secretary, EACSB to the contrary. The Secretary, EACSB will notify departments the schedule of EACSB meetings once a year, and will arrange to upload the schedule to the DEVB Works Group Intranet Portal (under "Useful

Information/Administrative Handbooks & Manuals/EACSB Handbook and Relevant Guidelines/Circular Memoranda”).

The deadline for receipt of submissions by the Secretary, EACSB is 17:00 hours, one week prior to the particular meeting unless otherwise notified by the Secretary, EACSB. Copies to DS(W)2, DEVB and DS(Tsy)3, FSTB should also reach the copy addressees by the same deadline. Late submission will not be accepted. In exceptional circumstances, late submissions may be considered at the Chairman's discretion. The late submission must be accompanied with a written justification requested by the HoD in such circumstances for urgent consideration by the Chairman.

3.3.3 Submissions for EACSB's Consideration by Circulation

Exceptionally, papers for urgent consideration, or which cover minor matters in relation to consultancy agreements, may be considered by circulation.

As stipulated in the then S for W's memorandum ref. (46) in WB(PS) 106/44 dated 24 April 2002, in order to expedite the approving process, the provision of consideration by circulation is extended to Stage 2 submissions (i.e. request for approval of a recommended consultant).

It must be indicated that the paper is for the EACSB's consideration by circulation, must be copied to DS(Tsy)3, FSTB and DS(W)2, DEVB, and must include reasons why consideration is required ahead of the normal EACSB meeting.

Papers will be considered “by circulation” at the EACSB's discretion and only if adequate justification for urgent consideration is included.

3.4 Pre-submission Procedures

3.4.1 Preliminary Steps

Before the EACSB is approached for the approval of a proposal, the managing department must have :

- (a) identified the need and obtained (i) policy support from the relevant Director of Bureau or a public officer authorised by him for the employment of consultants, and obtained funds for employing consultants, or (ii) approval under delegated authority to proceed with consultants selection, prior to the availability of funding;
- (b) defined the scope of the project, including order of cost, estimate of time for completing the consultancy Agreement, estimate of fees with due reference to the prevailing market prices and any other relevant information, and estimate of manpower input required;
- (c) prepared a preliminary draft Brief;
- (d) obtained a consultancy Agreement number from the EACSB Secretariat;
- (e) convened an Assessment Panel; and
- (f) identified an initial list / longlist of consultants with the necessary expertise.

3.4.2 Allocation of Agreement Number

After obtaining approval and policy support to employ consultants and prior to proceeding with the consultants selection process, the managing department should approach the EACSB Secretariat for the allocation of an Agreement number. This may be done by phoning up Engineer/EACSB at 2762 5173 and providing a copy of such approval and policy support to employ consultants in the first instance, and confirmed in writing by the managing department.

DEVB TCW No. 3/2016, Annex I, paragraph 17, stipulates that regarding the taking of regulating actions, consultancies are to be categorised such that the suspension of consultants from bidding due to adverse performance will generally be confined to the category concerned. Details of the categories are as follows :

Category

CE	Civil infrastructure and development
DS	Drainage and sewerage
EM	Electrical and mechanical
EP	Environmental
GE	Geotechnical and slope
HY	Roads and associated structures
TP	Town planning

TT	Traffic and transport
WS	Waterworks
SP	Specialists

The category should be indicated in bracket in the agreement number. For example, the agreement number should read CE 93/2001 (HY) if the category of the agreement is “Roads and associated structures”. The managing department should indicate the category when obtaining the agreement number.

The Agreement title should be concise and accurately reflect the nature of Services and type of Agreement, conforming to the following format :

[Brief title] – [type of Agreement]
e.g. Penny’s Bay Reclamation – Design and Construction

The type of Agreement should follow the standard description (see Section 4.1), i.e. “Feasibility Study”, “Investigation” or “Design and Construction”.

3.4.3 Assessment Panel

An Assessment Panel, normally comprising three to five marking members, depending on the size and nature of the project, should be established at the longlisting stage to assess consultants. The Assessment Panel should be chaired by an officer ranked preferably at D2, but not lower than D1, and comprise members of not lower than a senior professional level from appropriate government departments. Non-marking officers, if any, except the Chairperson and/or the Secretary, should not participate in Assessment Panel meetings. Details on the functions, setting up and operation of the Assessment Panel are given at **Appendix 3.6**.

3.4.4 Avoidance of Conflicts with Private Interest

SPR 186 states that departments must state in each tender report whether or not the officers involved in preparing tender documentation (including tender specifications and marking schemes), assessing tenders and conducting negotiations have declared their interest and, where conflicts of interest (actual, potential or perceived) have been identified, what remedial action has been taken. To meet the requirements under SPR 186, managing departments are required to state, where appropriate, in each EACSB submission, including the shortlisting stage submission (Stage 1), the nomination stage submission (Stage 2) and the first submission to EACSB before invitation of technical and fee proposals (for one-stage consultant selection), whether (i) all officers involved in preparing consultancy documentation (including consultancy briefs and marking schemes), and assessment for the shortlisting exercise; and (ii) members of Assessment Panel, have declared their interest in accordance with SPR 186 and in the case where conflict of interest (actual, potential or perceived) has been identified, indicate the remedial action taken. Such statements should be highlighted under the heading “Background/Argument” of the submission.

3.5 Longlisting of Consultants

3.5.1 Consultants' Information

The Assessment Panel should select suitable consultants from all reasonably available sources to form the Longlist based on the agreed selection criteria and marking system. All available information should be used for forming the Longlist, with usually 15-20 consultants depending on the nature of the Services involved.

3.5.2 Selection Criteria

The criteria for screening the Longlist to form the Shortlist will vary depending on the nature of the assignment. These criteria must be determined by the Assessment Panel. In shortlisting consultants at EOI stage, departments should refer to the selection criteria as set out at Appendix A of DEVB TCW No. 2/2016 (summarised below) as a guide :

- | | | |
|-----|--|--------|
| (a) | Appreciation of the key requirements and constraints / risks | 5-10% |
| (b) | Approach and strategy to meet the requirements of the assignment (departments may include sub-criteria where appropriate, to cover the consultants' approach and strategy on innovation, creativity, mechanisation, prefabrication, other productivity enhancements, cost reduction, expenditure leveling, etc.) | 20-40% |
| (c) | Previous relevant experience both in Hong Kong and elsewhere | 5-10% |
| (d) | Knowledge, experience and capability of key staff | 35-45% |
| (e) | Past performance of the consultant | 10-20% |
| (f) | Past performance of sub-consultants | 0-10% |

Other than criterion (b), the above criteria should not be sub-divided. Each panel member should grade each criterion, except past performance (which should normally be marked using the Consultant's Past Performance Ratings in accordance with DEVB TCW No. 3/2016), for the marking of the EOI submission as either "Very Good", "Good", "Fair" or "Poor". The marks that should correspond to these grades are: 100%, 80%, 60% and 30%, respectively. Criteria (a) should be assessed based on the Consultant's appreciation of key requirements and constraints/risks additional to those set out in the brief. If no additional appreciation is included, a "fair" grading at most should be given. For criterion (b), the Consultants' detailed proposals are not expected and should not be assessed in the shortlisting stage but the consultants are encouraged to indicate their broad approach and strategy, particularly on innovative ideas, productivity enhancements, cost savings which may demonstrate their edge in undertaking the assignment.

The Assessment Panel should include a separate agenda item to discuss widely differed marks (marks differing by two grades or more). Such discussion on why marks have been so different and conclusions of the discussion (e.g. whether or not marks have been adjusted following the discussion and the reasons for any mark adjustment; why diverged views/marks have been considered acceptable) should be properly recorded in the minutes indicating clearly the marking members concerned. In circumstances where a certain criterion has been assessed by members as “Poor” or giving negative comments, the Panel’s conclusion/view as to why the consultant is still considered capable of undertaking the assignment despite such rather negative assessment result should be clearly addressed and recorded in the minutes.

In order to render widely differed marks to be easily and readily spotted, the marking on criteria (a) to (c) above should be presented as either “VG”, “G”, “F” or “P” as the case may be instead of the actual marks for each criterion, in the summary of assessment of EOI. A standard form to present the summary is given at **Appendix 3.14**.

A unified approach for rounding marks on assessment of EOI and Technical Proposal, as promulgated in SDEV’s memorandum ref.() in DEVB(W)546/84/01 dated 27 January 2010, should be adopted. Under the unified approach, there should be “no rounding” of figures throughout the marking process. For the avoidance of doubt, “no rounding” means the whole number including all digits to the right of a decimal separator should be employed for calculation purposes. The level of precision recommended is eight decimal places. Managing departments may choose to adopt a different precision level if so justified. As regards presentation in hard copy form (e.g. marking sheet), all figures should normally be “shown” in two decimal places according to the following rule : “round” up the third decimal place if it equals to or exceeds 5 and “round” down if it is below 5. Procuring departments should choose to adopt more decimal places if so justified, e.g. in comparing the final scores. For instance, the final scores of two bidders of 88.88440000 and 88.88450000 should be shown as 88.884 and 88.885 respectively.

If the assessment panel determined that past performance of sub-consultants should be assessed in both the EOI and T&F stages, the decision shall be made prior to the invitation of EOI proposals, and the longlisted and interested consultants shall be so informed in the invitation of EOI. The assessment panel shall also, before the invitation of EOI proposals, determine the marks allocated to the “past performance of the consultant” and “past performance of sub-consultants” for the assessment on EOI submissions and Technical Proposals.

If past performance of sub-consultants is to be assessed in Technical Proposals, some bidders may be tempted to propose sub-consultants with high PPR to increase their chance of winning the consultancy but without the real intention of keeping these sub-consultants throughout the job. The assessment panel should therefore be careful in allocating marks for the “past performance of sub-consultants” criterion to ensure that such marks are not unduly high. The procuring department shall also ensure that the sub-consultants’ input is consistent with the consultants’ manpower proposals made during the T&F stage. Irregularities should be reflected in the consultants’ performance reports.

3.5.3 Invitation for Expression of Interest

Subject to the agreement of the Assessment Panel, the managing department should send an invitation letter (a sample is given at **Appendix 3.1**) to those consultants on the Longlist requesting them to express an interest in being considered for the consultancy. The sample template for shortlisting criteria is shown in **Appendix 3.1A**. The invitation should include a description of the consultancy, the draft Brief, the draft Schedule of Fees, other information sufficient for the consultants to prepare their submissions, the deadline for submission and the requirements of submission. Consultants should be requested to limit their replies to a maximum of six A4 pages. No attachments whatsoever should be included, except for the curriculum vitae of the key staff likely to be employed on the consultancy and the organization chart of the study/project team. Late submissions or submissions that do not conform to the requirements, such as the number of pages, the page size, the font size, and the content attachments, shall not be considered. Each consultant shall also be asked to declare any involvement or interest if it is considered by itself to be in actual, apparent, potential or perceived conflict with the duties to be performed upon its appointment for the consultancy. Any involvement or interest declared should be carefully considered but should not automatically bar the consultant from being further considered in the selection process. The managing department should seek confirmation from the longlisted consultants who are limited liability companies that majority of the voting power in meetings of the company is held by directors who are consulting engineers (or equivalent professionals of associated professions) (see Section 7.2).

To provide consultants with the opportunity to form Joint Ventures, the invitation letter should also include the names of all firms that are being approached.

As stipulated in the then SETW's memorandum ref. (00ZD3-03-1) in ETWB(PS) 106/43 dated 30 March 2006, consultants having linkages to each other, e.g. being subsidiaries, parent or sister companies are not allowed to bid on the same agreement. Only one firm of such consultants should be invited under an agreement. Consultants invited to submit EOIs are required to declare any linkage with other consultants on the longlist. The same rule should apply to all consultants irrespective of the background of their organisations, e.g. traditional consulting firms, academic institutions, etc., and this should be made clear in the letter inviting EOIs (see **Appendix 3.1**). However, the "no linkage" rule does not apply to "linked" consulting firms (including academic institutions) who bid as sub-consultants only for an agreement.

To facilitate consultants' better understanding of the history/status of the project and hence provide better submissions, copies of relevant study reports should be made available to all potential bidders. For environmental friendliness, electronic copies should be preferred.

3.5.4 Open Invitation for Expression of Interest

In addition to the above arrangement of inviting EOIs from longlisted consultants, a notice of inviting expression of interest should also be posted on the website of the managing department. The Notice should contain the original invitation letter for EOIs with the first two paragraphs of the letter replaced by the statements given at **Appendix**

3.3. The Notice should be posted on the website by the time invitation letters are sent to the longlisted consultants. Under this arrangement, other potential consultants can also submit EOIs if they wish. Any amendment made during the EOI period should be notified to the longlisted consultants as well as posted on the website as soon as possible.

The Assessment Panel should screen out those consultants not meeting the longlisting criteria prior to assessing the EOI submissions received.

3.6 Shortlisting of consultants

3.6.1 Forming of the Shortlist

From the EOIs received, a recommended Shortlist of normally four suitable consultants should then be prepared based on the outcome of the assessment carried out by the Assessment Panel.

3.6.2 Stage 1 EACSB Submission (Shortlisting Stage)

The EACSB Submission should include :

- (a) background and scope of project, project estimate, fee estimate, manpower input estimate, estimate of any reimbursable items, details and confirmation of approved funding, breakdown of estimate of consultant's fee as enclosed in the approved funding paper;
- (b) brief report on the longlisting of firms including the longlisting criteria used by the Assessment Panel and the response to open invitation of EOI;
- (c) an assessment of firms, including the shortlisting criteria used and marking scheme, as given at **Appendix 3.14** (also note the unified approach for rounding marks given in Section 3.5.2) and minutes of the Assessment Panel meeting(s);
- (d) recommendation of a Shortlist of consultants and the list of proposed sub-consultants;
- (e) reasons for selecting the Shortlist of firms, taking into account any involvement or interest declared and considerations of the Assessment Panel as to the suitability of any of the firms despite individual negative comments/ratings or relatively low gradings as the case may be;
- (f) reasons for rejecting those consultants that are not considered suitable for the Shortlist;
- (g) statements to the effect that the issue of SPR 186 has been fully addressed;
- (h) proposed non-standard SCE or other requirements, if any, with policy and legal clearance as appropriate;

- (i) a draft Brief;
- (j) a draft Schedule of Fees, including payment schedule;
- (k) marking scheme for Technical Proposals;
- (l) proforma for the presentation of Fee Proposals;
- (m) proposed technical/consultancy fee/fee quality weighting;
- (n) proposed Notional Value for additional Services (covering contingency and designated Services of unknown quantity e.g. site investigation supervision);
- (o) proposed Notional number of man-hours for additional Services for each of the posts to be used for assessment of the adjusted Notional Value for additional Services based on all-inclusive charge rates;
- (p) proposed Notional number of man-months of RSS, where appropriate, to be used for assessment of RSS on-cost charges;
- (q) Proposed weightings of staff composition; and
- (r) name(s), post(s) and contact telephone and fax numbers of the officer(s) who will attend the EACSB meeting when so directed by the Chairman.

A sample submission is given at **Appendix 3.2**.

After the EACSB's approval of a Shortlist, the unsuccessful consultants should be notified promptly, and the shortlisted consultants should be invited to submit both Technical Proposals and Fee Proposals.

3.6.3 Validity Period of the Shortlist of Consultants

The approved Shortlist of consultants shall normally remain valid for one year from the date of Stage 1 approval by EACSB (or DCSC). If Stage 2 submission is not received by the Board (or the Committee) within the aforesaid validity period, the Shortlist of consultants will become invalid and a new Expression of Interest exercise will be required unless justification(s) for extending the validity period is/are provided and approved by EACSB (or DCSC).

3.7 Marking Scheme for Technical Proposals

Appendix B of DEVB TCW No. 2/2016 and **Appendix 3.4B** stipulate guidelines on preparation of technical proposals and marking schemes.

The marking scheme for Technical Proposals should be subject to approval by the EACSB prior to inviting submissions. The consultants should be informed of the

marks allocated to each of the main sections and sub-sections of the Technical Proposal.

The consultants should demonstrate in the Technical Proposal the will to achieve total project cost-effectiveness, and that he has the skills, resources and proven experience to do so. Accordingly, a mark must be assigned to “cost-effectiveness” wherever possible. It should be noted, however, that “cost-effectiveness” relates to a consultant’s ability to propose cost-effective solutions and is in no way related to the consultant’s fee proposal. There may be some consultancies for which “cost-effectiveness” is not meaningful. In such cases, the managing department should not allocate a mark for “cost-effectiveness”. The Assessment Panel’s deliberation in this regard should be recorded in the minutes, and accordingly presented in the submission.

In addition, to promote new design concepts and innovative ideas, the consultants should include in the Technical Proposal its proposed approach and strategy in this regard. The managing departments should allocate marks following the guidelines set out in Appendix B of DEVB TCW No. 2/2016.

As stipulated in DEVB TCW No. 2/2016, the marking scheme should include a criterion on "adequacy of professional and technical manpower input", which is a mandatory sub-section under the section of “Staffing” in the marking scheme and carrying 7% - 12% of the overall marks. The consultants will be required to submit in the Technical Proposals their manpower input under six categories of staff, viz. partners/directors, chief professional, senior professional, professional, assistant professional and technical staff. The minimum academic/professional qualifications and experience requirements corresponding to each staff category are stipulated in Appendix C to DEVB TCW No. 2/2016.

3.8 Invitation for Technical and Fee Proposals

3.8.1 Procedures relating to Invitation for Technical and Fee Proposals

Prior to the invitation of Technical and Fee Proposals, the managing department should :

- (i) establish the categories of staff for the Services and additional Services (with additional categories, and/or further breakdown into different ranks and disciplines if necessary), and minimum qualifications, experience and other requirements for each category of staff (sample at the Appendix 3.13A);
- (ii) estimate the manpower input (having regard to the shortlist of consultants when a two-stage consultant selection is adopted) and lump sum fee for the assignment;
- (iii) determine the specified weightings to be used for the Weighted Technical Score and the Weighted Consultancy Fee Score which together shall total 90%. The maximum Fee Quality Score is 10% thus making up a maximum Combined

Score of 100%;

- (iv) determine the weighting of staff composition for assessing the manpower proposals from consultants;
 - (v) for the purpose of considering consultants' fees for additional Services,
 - (a) determine the “notional man-hours for additional Services” for each category of staff;
 - (b) estimate the all-inclusive time charge rates for each category of staff by making reference to the similar rates proposed by Consultants in recent consultancies and other relevant information; and
 - (c) calculate, based on (v)(a) and (b) above, a notional value for additional Services by adding the totals of the multiplication of the notional man-hours for additional Services and estimated all-inclusive time charge rates for all categories of staff; and
- if applicable, estimate the notional resident site staff (RSS).

Manpower Input Estimate

The managing department should establish the staff categories, and estimate the manpower input and lump sum fee having regard to the scope and nature of assignment, project conditions, service requirements as well as the applicable rates of similar consultancies and prevailing market rates where appropriate.

A proper manpower input estimate by managing department is important to the assessment. For the procurement of consultancy services using a two-stage approach, an opportunity exists before invitation of Technical and Fee Proposals for the managing department to determine this estimate with regard to the shortlisted consultants' and their proposed staff's general level of project experience/acquaintance. This can avoid any over/under-estimation of the required manpower input for better assessment of the shortlisted consultants' Technical and Fee Proposals. Otherwise, the managing department's manpower input estimate, which can be speculated from the “notional man-hours for additional Services”, may drive the shortlisted consultants to artificially adjust their proposed manpower input in the Technical and Fee Proposals in order to secure a higher winning chance.

Weighting of Staff Composition

For assessing the relative significance of the experience of staff in a manpower proposal, the managing department should determine specific weightings of staff composition taking into account the nature, complexity and other circumstances of the assignment. It is assumed that the relative significance of the staff categories toward satisfactory performance of the assignment is in the ratio of 6:3:1 (which may be

substituted by another suitable ratio as may be determined by the Assessment Panel) with respect to the categories of three staff group (viz. “P/D and CP”, “SP and P”, and “AP and T”).

Technical / Consultancy Fee / Fee Quality Weighting

The following table should be taken as a reference in determining the specified weightings to be used for the Technical Score and the Consultancy Fee Score which together shall total 90%. The maximum Fee Quality Score is 10% thus making up a maximum Combined Score of 100%.

Agreement Type	Weightings for Different Complexity of Projects for Technical Score/Consultancy Fee Score (%)		
	Straight-forward	Normal	Complex
Feasibility or Investigation	63/27	72/18	72/18
Design & Construction (D&C) or Investigation, Design & Construction (IDC)	54/36	63/27	72/18

The choice of weighting for a particular project should be made by the Assessment Panel and should be subject to the approval of the EACSB prior to inviting submissions.

Endorsement by the Assessment Panel

The justifications for adopting the weighting of technical/consultancy fee/fee quality and weighting of staff composition should be recorded in the minutes of the Assessment Panel meeting. These adopted figures, together with the marking scheme, should be included in the submission to EACSB for approval prior to invitation of Technical and Fee Proposals. However, the weighting of staff categories should not be disclosed to bidders.

3.8.2 Invitation for Submission of Technical and Fee Proposals

Subject to the validity period of the approved Shortlist (see Section 3.6.3), the shortlisted consultants should be invited to submit a Technical Proposal to the managing department and separately a Fee Proposal to the Chairman, EACSB. The managing department should ensure that all the shortlisted consultants have received the invitation letter by acknowledging receipt. The deadline for submission of Technical and Fee Proposals shall be before 12:00 noon on the date specified. Late submission should not be considered.

3.8.3 Invitation Letter of Technical and Fee Proposals

The invitation letter should include a copy of the draft Brief, together with any additional relevant background information, and should give a deadline for submission of Technical and Fee Proposals. The invitation should also include an outline of the

marking scheme for Technical Proposals, a proforma for the presentation of Fee Proposals, the technical/consultancy fee/fee quality weighting, the Notional number of man-hours for additional Services for each of the posts to be used for assessment of the time-charge rates, and where appropriate the Notional number of man-months of RSS to be used for assessment of RSS on-cost charges. At the time of sending out the invitation letter, a copy of the first two pages of the Fee Proposal proforma (see Section 3.11.1), together with the names of all the participating consultants (including also sub-consultants), should be sent to the Chairman, EACSB through the Secretary, EACSB to notify the Chairman of the submission deadline for the Fee Proposals.

The invitation letter should include guidelines on the preparation of Technical Proposals (DEVB TCW No. 2/2016). It should seek to standardise the format of the Technical Proposals to suit the requirements of the particular consultancy and to restrain the consultants from preparing unnecessary expensive or glossy submissions. In particular, the maximum length of the Technical Proposal should be commensurate with the complexity of the consultancy and should normally be not more than 30 A4 pages. To facilitate consultants' better understanding of the history/status of the project and hence provide better submissions, copies of relevant study reports should be made available to all potential bidders. For environmental friendliness, electronic copies should be preferred.

In order to mitigate against any conflicts of interest, the managing department should prepare a list of all the consultants and sub-consultants involved in making submissions for the consultancy, and should include the list with the letter inviting the submission of Technical and Fee Proposals. The provisions in Section 3.8.4 should be observed for any change in this list. The managing department should specify in the invitation letter a deadline (say at least five working days before the deadline for submission of the Technical and Fee Proposals) for the shortlisted consultants to give notification of any change in their sub-consultants. The invitation letter must state clearly the consequences of not complying with this late notification of the change shall result in the consultant being disqualified. It also needs to explain that a notification shorter than the specified period is not allowed because it will deprive the Assessment Panel of a proper chance to review how the change will affect the shortlist status of the firm and to notify bidders.

Under SPR 530(c), any documents of unsuccessful consulting firms may be destroyed three months after the date the relevant contract has been executed. To avoid misunderstanding and any possible complaints, the above arrangement should be spelt out clearly in the invitation letter to consultants.

The invitation letter should make it clear that shortlisted consultants of which the Technical and Fee Proposals have been completely assessed in the combined score assessment will be informed of the total marks awarded to, and the fee proposed by, each consultant making a submission. The letter should also make clear the requirements of disclosure of fees payable to the consultants as set out in the SCE.

The invitation letter should specify a validity period for Technical and Fee Proposals, as required under the then SETW's memorandum ref.(010Q6-03-2) in ETWB(PS) 106/43 dated 25 April 2006. In this regard, the following related guidelines should also be observed:

- (a) The managing department should ensure that the consultants have provided the required confirmation as specified in the invitation letter for Technical and Fee Proposals at Appendix 3.4 in their submissions.
- (b) After the expiration of the validity period, a proposal cannot be accepted without the written consent of the consultant to extend the validity period.
- (c) If such an extension is anticipated before the deadline for submission of Technical and Fee Proposals, a notification letter should be issued to the consultants.
- (d) If such an extension is required after the deadline for submission of Technical and Fee Proposals but before acceptance by the EACSB (i.e. approval of the nomination stage submission), a letter enclosing a standard confirmation letter for reply (see Appendices 1 and 2 of the then SETW's memorandum above) should be written to the shortlisted consultants asking for their agreement to extend the validity period without changing their original Technical and Fee Proposals. The action should then be justified and recorded, and highlighted in the nomination stage submission, under the heading "Background/Argument".
- (e) If such an extension is required after acceptance by the EACSB (i.e. approval of the nomination stage submission), the letter should be written to the shortlisted consultants asking for their agreement to extend the validity period without changing their original Technical and Fee Proposals. If the successful consultant agrees to the extension unconditionally, there is no need to inform the EACSB. If not, it will be necessary to re-submit the case to the EACSB, recommending another suitable consultant who has confirmed agreement to extending the validity period. It should be noted that a consultant's refusal to extend will render his Technical and Fee Proposals ineligible for acceptance after expiry of the original validity period. Also, a consultant's agreement to extend subject to conditions will be considered as a qualified bid and will be rejected.
- (f) The consultants should be reminded that the letter seeking their agreement to an extension of the validity period does not signify either an acceptance or a rejection of their proposals, all proposals are still under consideration and Government does not bind itself to accepting any proposal.

A sample letter is given at **Appendix 3.4**.

3.8.4 Changes in Circumstances

If, after the EACSB's approval of the Shortlist of consultants, there are changes in circumstances that may have affected the original shortlisting results, for instance change of sub-consultants by any shortlisted consultants, then the Assessment Panel should conduct a review to examine whether the consultant should be excluded from the approved Shortlist. The managing department should revert to the EACSB if the outcome of the Assessment Panel's review recommends change in the approved Shortlist of consultants. Where appropriate, the managing department should issue an updated list of consultants and sub-consultants to the relevant shortlisted consultants after the matter has been finalised.

3.9 Pre-submission Meeting with Shortlisted Consultants

A single formal pre-submission meeting with all shortlisted consultants should be held to resolve queries and to ensure that the consultants are fully aware of the requirements of the project, and of the requirements for the Technical Proposal and Fee Proposal. The consultants should be invited to comment on all documents relating to the submissions, such as the payment schedule, marking scheme, technical/consultancy/fee quality weighting, Brief and Conditions of Employment etc. Minutes of the pre-submission meetings should be prepared to record down the matters discussed and sent to all shortlisted consultants. Other meetings with individual consultants, if requested by them, are permitted, provided that all shortlisted consultants are informed of any matters of general applicability arising from the meetings, except those matters related to the confidentiality of individual consultants.

Departments should ensure that the consultants are given adequate time prior to the pre-submission meeting to study all the consultancy documents and to formulate any queries they may have.

The Brief and the payment schedule should not be finalized until after the pre-submission meeting, so that they can take the consultants' comments and queries into account. Once the Brief and the payment schedule are finalized, a copy should be sent to the consultants, together with any documents amended as a result of queries at the pre-submission meeting.

Subject to Section 4.6, minor refinement to the payment schedules may be considered.

3.10 Submission and Assessment of Technical Proposals

The Technical Proposals should contain details of the total manpower input under categories of staff (e.g. partners/directors, chief professional, senior professional, professional, assistant professional and technical staff, etc.) specified in the invitation letter in terms of man-weeks. In addition, it should include a Manning Schedule, in a bar-chart form, to show the grouping of key staff under different categories and time inputs of key staff such as Study Directors/Managers and Team Leaders of relevant disciplines. In providing the Manning Schedule, the consultants must not give any information in the Technical Proposals on charge rates or fees.

The Technical Proposals shall be received by the managing department and assessed by the Assessment Panel. Except as specified otherwise, each Technical Proposal should be marked according to the quality of its own against the required standard and selection criteria pre-determined by the managing department and agreed by the Assessment Panel, not according to a relative comparison with other Technical Proposals.

In assessing the “adequacy of professional and technical manpower input” attribute, the Assessment Panel shall calculate the weighted total manpower input of PTE using the ratio of 6:3:1 or another appropriate ratio as determined by the Assessment Panel, usually in the unit of man-weeks. If non-staff charges are expected to be included in

the lump sum fee, the managing department should itemize them in the fee proposal proforma and exclude them from the manpower input estimation. The managing department should clarify with the bidders for any anticipated non-staff charges in the pre-submission meeting as far as possible. Similarly, for each technical proposal (non-conforming bid(s) excluded), the Assessment Panel shall calculate its weighted total manpower input using the ratio of 6:3:1 or another appropriate ratio as determined by the Assessment Panel. The Assessment Panel shall then determine the median weighted total manpower input which is equal to the median of the weighted total manpower inputs of all conforming bids and the PTE.

The marking of the “adequacy of professional and technical manpower input” attribute for each technical proposal shall be determined as follows:

Weighted Total Manpower Input of the Proposal as compared to the Median Weighted Total Manpower Input	Proportion of full mark to be given
≥ 1.0	1.0
$> 0.6 \text{ and } < 1.0$	On sliding scale between 0.6 to 1.0
≤ 0.6	0.3

There may be situations where the consultants’ proposed staff claimed to be in a particular staff category do not meet the minimum academic/professional qualifications and/or minimum experience requirements. If found, the managing department should state the identified discrepancy and seek clarifications from the consultant of factual information in writing but should normally not allow the staff and/or the staff category to be changed to avoid the consultant having the opportunity to improve his submission unless LAD(W)’s advice has been sought for special circumstances. When informing the consultant of the identified discrepancy, the managing department should always include the following:

“In your reply, you are only allowed to provide factual information about the staff and their qualifications and experience and are not allowed to change the proposed staff or change the staff from one staff category to another staff category.

For the avoidance of doubt, in the performance of the assignment, if awarded to you, you are bound to provide the manpower input of the staff in the relevant staff categories as included in your proposal except that if there are any proposed staff not meeting the requirements of minimum academic/professional qualifications and/or minimum experience, you are deemed to agree to replace those staff at your cost with other staff not lower than the qualifications and experience of the proposed staff and meeting the requirements of the minimum qualifications and experience. The replacement shall be subject to the approval procedures as if there is a change of core personnel under the assignment.”

Where the information, together with clarifications from the consultants (if any), reveals non-compliance with the minimum academic/professional qualifications and/or minimum experience for one or more than one staff member, the mark to be given for

the “adequacy of professional and technical manpower input” attribute shall be adjusted by the Assessment Panel using the following as a guide:

Degree of non-compliance in the opinion of the Assessment Panel	Mark shall be multiplied by (exact multiplier to be decided by the Panel)
Minor	0.95 to 0.9
Medium	0.9 to 0.8
Serious	Below 0.8

The adjustment shall not prevent the Assessment Panel from taking into account the discrepancy information in marking other aspects of the technical proposal. A sample template for defining degree of non-compliance with minimum academic/professional qualifications and /or minimum experience is shown in **Appendix 3.16**.

The manpower input of a consultant is normally, prima facie, unacceptably low if the proportion of full mark given for the “adequacy of professional and technical manpower input” attribute is less than 0.6. A bid with the “Adequacy of professional and technical manpower input” attribute graded “Poor” should not be automatically taken as a bid with unacceptably low manpower input. The Assessment Panel should examine closely the tender and exercise their judgement to assess whether it should be considered further and the concerned Fee Proposal should be opened. The examination includes the consultant’s staff organisation and composition with regard to the manpower input of each staff category. A lower manpower input is possible when, for instance, a multi-disciplinary consultant undertaking the whole or majority of the Services of a multi-disciplinary consultancy would minimise interfaces; a very effective/efficient organization proposed would enhance interfacing and communication amongst consultants and sub-consultants; staff with proven experience on the Services being procured or staff acquainted with the nature of the assignment would provide the Services more effectively/efficiently.

The Assessment Panel should focus discussion on widely differed marks (marks differing by two grades or more), and any unusual high or low marks. Discussion on why marks have been so different and conclusions of the discussion (e.g. whether or not marks have been adjusted and the marking member(s) concerned in each case; why diverging views/marks are acceptable; why a certain consultant has been considered suitable by the Panel despite negative comments/relatively low grades given by member(s)) should be properly recorded in the minutes. Reason(s) for mark adjustment(s) should be recorded in sufficient detail as a matter of good practice and proper record. The minutes of the Assessment Panel meeting should also indicate clearly whether the consultants are technically capable of undertaking the assignment. The perceived strengths and weaknesses of each technical proposal discussed by the Assessment Panel should be recorded in the meeting minutes as far as possible. If the Assessment Panel considers that the rating of any section/sub-section, in particular the adequacy of professional and technical manpower input, is unacceptably low, it should further consider carefully the suitability of the consultant in undertaking the assignment. If the consultant is considered to be unsuitable, the Assessment Panel shall make a recommendation to the EACSB whether the proposal should be rejected without opening the respective fee proposals in the Stage 2 (Nomination) submission. In circumstances where a certain criterion of the Technical Proposal has been assessed by members as “Poor”, the Panel’s conclusion/view as to why the consultant is still

considered capable of undertaking the assignment despite such rather negative assessment result should be clearly addressed and recorded in the minutes. .

A summary of the results and the relevant minutes of Assessment Panel meetings should be sent to the Chairman, EACSB through the Secretary, EACSB requesting for Fee Proposals to be opened.

In certain circumstances, the managing department may require the consultants to make short presentations of their Technical Proposals prior to the marking of the Proposals. Such presentations should only be made to the Assessment Panel alone.

Standard disclaimer clauses with reference to paragraphs 4 and 5 of Appendix 3.17 should be included in any post-tender correspondences with the bidders concerned.

3.11 Submission and Assessment of Fee Proposals

3.11.1 Fee Proposals

Details relating to the Fee Proposal were originally promulgated in WBTC No. 15/2001, ETWB TCW No. 23/2003, ETWB TCW No. 23/2003A and ETWB TCW No. 23/2003B which have been archived and their requirements have generally been subsumed hereunder.

With a view to facilitating the Assessment Panel to make accurate assessment on the manpower input and unit charge rates proposed by consultants, the proposed lump sum fee on the first page of the Fee Proposal shall be equal to the total fee for staff and non-staff costs for all stages in the summary breakdown of lump sum fee. The information/data, in particular, the manpower input in the Fee Proposal, shall tally with the Technical Proposal.

Departments should not recommend the acceptance of Fee Proposal in which the lump sum fee on the first page of the Fee Proposal is different from the total fee for the staff and non-staff costs in the summary breakdown of lump sum fee. When a department finds that the lump sum fee is different from the total fee for the staff and non-staff costs for all stages in the summary breakdown of lump sum fee or the information/data, in particular, the manpower input in the Fee Proposal does not tally with the Technical Proposal, the department should request the consultant to rectify it within a reasonable time limit to be specified by the department. The consultant shall be allowed to rectify the Fee Proposal by correcting arithmetic errors or making adjustments to the unit charge rates or amending any information/data to bring it in line with the Technical Proposal, where appropriate. However, the consultant shall not be allowed to make any adjustment to the lump sum fee, all-inclusive time charge rates and on-cost rates on the first page of the Fee Proposal.

Consultants are required to submit in the Fee Proposal a lump sum fee which is derived from their manpower input and the corresponding staff rates (hereafter called “staff rates in lump sum fee” in this paragraph). Consultants are also required to provide in the same Fee Proposal a set of all-inclusive time charge rates for additional Services

(hereafter called “staff rates for additional Services” in this paragraph) to be used for ordering additional Services which are not covered by the original scope. Whilst the staff rates in lump sum fee are derived from pre-determined programme and scope of assignment, the staff rates for additional Services have to cater for the uncertainties arising from the additional Services of undefined scope at the time of submission. Therefore, it is acceptable that two sets of staff rates are different. However, in some of the submissions, there are substantial differences between these two sets of staff rates, which are unreasonable. Therefore a mechanism is introduced to rationalize Fee Proposals submitted by Consultants. A linkage between “staff rates in lump sum fee” and “staff rates for additional Services” is imposed so that the percentage difference between these two sets of staff rates, in respect of both professional and technical staff, shall not exceed a “Specified Percentage Range” of -10% to 40%. Fee Proposals in which the percentage difference between the two sets of staff rates exceeds the “Specified Percentage Range” shall not be accepted.

Departments should incorporate the requirements in the above three paragraphs as conditions in the letter inviting submissions from consultants so that the consultants would be bound to follow the requirements. A set of conditions is incorporated in the sample invitation letter given at **Appendix 3.4**.

The Fee Proposal should include, as appropriate to the project:

- (a) lump sum fee figure (or all-inclusive time-charge rates where it is not feasible to invite lump sum fee);
- (b) all-inclusive time charge rates for additional Services;
- (c) where appropriate, RSS on-cost rates to be used in calculating payment for the administration of RSS;
- (d) breakdown of fee among stages of the Agreement;
- (e) breakdown of fee among disciplines of the project; and
- (f) make-up of lump sum fee for staff cost, in the form of a Manning Schedule with all-inclusive unit rates shown against each staff member.

Consultants shall be required to present their Fee Proposals on a standard proforma prepared by the managing department in the format specified at **Appendix 3.13** with related details at **Appendix 3.13A**. Where appropriate, the provisions relating to RSS as given at **Appendix 3.5** should be added to the end of the Fee Proforma. Provision should be made in the proforma for the consultant to list any items of additional Services that are recommended for inclusion in the Brief. The consultant shall provide an estimated lump sum fee for each item. Such lump sum(s) will only be for the Client/Employer’s reference and shall not form part of the lump sum used in the assessment of Fee Proposals and application of the technical/consultancy fee/fee quality weighting.

The sample Fee Proforma for time charge assignments at **Appendix 3.13B** should be used for assignments where the bidding and remuneration of the consultant on a lump sum basis is considered to be inapplicable.

In accordance with DEVB TCW No. 2/2016, the managing department should check the compliance with the Specified Percentage Range requirement, as well as assess the consultancy fees and fee quality in the assessment of fee proposal.

Compliance with the Specified Percentage Range Requirement

It is a policy to impose a linkage between the “staff rates in lump sum fee” and the “staff rates for additional Services” so that the percentage differences between the two sets of staff rates are not unreasonable and should not exceed a specified percentage range (SPR).

Whilst the “staff rates for additional Services” are those rates entered by the consultants in the fee proposals, the “staff rates in lump sum fee” shall entail the consultants’ own calculation also in the fee proposals. The “staff rates for additional Services” and the “staff rates in lump sum fee” are normally expressed in the units of man-hours and man-weeks respectively.

The detailed method of comparing the two sets of rates against the SPR is set out at Appendix D to DEVB TCW No. 2/2016 and Appendix 3.16. For all agreements, an SPR of -10% to +40% shall be adopted. If the comparison reveals exceedance of the SPR for any group of staff rates, the consultant’s submission shall not be considered further. This is an important requirement resulting in rejection of the consultant’s submission if the SPR is not met. The managing department should include a clear advice in the letter for inviting technical and fee proposals to draw to the attention of consultants.

If the managing department requires the consultants to submit more than one set of all-inclusive time charge rates, e.g. for additional Services of emergency nature or additional Services of work to be done overseas, such additional sets of all-inclusive time charge rates should not be used in calculating the “staff rates for additional Services”. The procuring department should extract the “staff rates in lump sum fee”, in respect of each staff category, from “Table D” of all stages in the Fee Proposal.

A conversion factor of 40 hours/week shall be adopted throughout the calculation of the “Percentage Difference”.

Assessment of Consultancy Fees

The consultants shall be asked to tender in the fee proposals a lump sum for completing the assignment, all-inclusive time charge rates for various staff categories for use in valuing additional Services, and if applicable, on-cost rates for various ranks of the notional resident site staff establishment.

For the purpose of assessment of fee proposals and their fee quality (i.e. Weighted Consultancy Fee Score and Fee Quality Score), a “consultancy fee” shall be calculated

for each fee proposal by summing (a) the lump sum fee (comprising staff costs and non-staff costs), (b) the adjusted notional value for additional Services (see Section 3.11.2), and (c) if applicable, the notional resident site staff on-cost charges (see Section 3.11.3)..

Assessment of Fee Quality

The Fee Quality Score is an essential component of the Combined Score with the objective of suppressing exceptionally low charge rates. The Fee Quality Score, on a sliding scale of 0 to 10 as shown in the table below, shall be determined based on the calculated Factor for Marking Fee Quality as defined in the following formula.

Factor for Marking Fee Quality =

$$\frac{\text{Lump sum fee of the bid}}{\text{Median of lump sum fees of all conforming bids}^+ \text{ (including the pre-tender estimate)}} \times \frac{1}{M_x}$$

whereas M_x is

$$\frac{\text{Weighted total manpower input of the bid}}{\text{Median weighted total manpower input of all conforming bids}^+ \text{ (including the pre-tender estimate)}}$$

+ For the purpose of determining the medians, those bids not proceeded for fee opening or those with staff rate exceeding the SPR (i.e. non-conforming bids) shall not be considered.

The Fee Quality Score shall then be determined as follows:

Factor for Marking Fee Quality	Fee Quality Score
≤ 0.5	0
> 0.5 and < 0.8	On sliding scale between 0 and 10
≥ 0.8	10

A worked example for ascertaining the Fee Quality Score is given at Appendix E to DEVB TCW No. 2/2016 and Appendix 3.16.

3.11.2 Additional Services

Under Clause 33 of the Government's GCE and Clause 5 of the Schedule of Fees, the Consultants are entitled to payment where additional Services are performed.

For additional Services paid on a time charge basis under Agreements awarded prior to the promulgation of ETWB TCW No. 23/2003, partners and directors were to be paid at a preset fixed rate, whereas professional and technical staff were to be paid according

to the salary costs of the staff actually deployed for the job and the time charge multiplier proposed by the Consultants in the Fee Proposals.

Upon the promulgation of the above TCW in August 2003, the method of determining Consultants' fees for additional Services was revised to eliminate inconsistency and to strengthen competitiveness in consultancy bidding. Under this currently adopted approach/method, consultants are invited to propose all-inclusive time charge rates for different categories of staff for additional Services in their Fee Proposals. These rates should be used to calculate the adjusted notional value (AN) for additional Services which should then be added to other fee components to arrive at a total fee for assessment of Fee Proposals.

Despite the fact that the time charge rates are fixed at the time of submitting Fee Proposals, it is expected that Consultants will deploy the most suitable staff for the additional Services because the quality of their services will be reflected in their performance reports.

Procedures to be Adopted by Departments Before Inviting Consultancy Proposals

Notional Value

Before invitation of Technical and Fee Proposals, the managing department should have determined a Notional Value (N) for additional Services, to cover contingency and any designated services of unknown quantity e.g. site investigation supervision. The managing department should assess the risks of changes to the Brief (including the scope of assignment, service requirements, consultation strategy, etc.), leading to additional Services, and endeavour to reduce the risks as far as practicable. The amount of this notional value will depend on the comprehensiveness of the Brief and the nature of the Assignment, and should not exceed 10% of the estimated lump sum fee unless with full justifications.

If the residual risks are still expected to result in notional value exceeding 10% of the estimated lump sum fee after all risk mitigation measures have been taken practicably, the managing department should seek approval from the EACSB for a higher notional value for additional Services. Alternatively, the managing department may consider switching to time charge mode for procuring a part of the Services where the exact extent still cannot be fully defined before the invitation of consultancy proposals.

To establish the notional value, the department should:

- (i) establish the categories of staff e.g. partners/directors, professional and technical staff (with additional categories, and/or further breakdown into different ranks and disciplines if necessary), for the purpose of considering Consultants' fees for additional Services;
- (ii) specify the minimum qualifications, experience and other requirements for each and every category of staff (sample at **Appendix 3.13A**) ;
- (iii) determine the notional man-hours for additional Services for each and every category of staff;

- (iv) estimate the hourly rates for each and every category of staff by making reference to similar rates proposed by consultants in recent consultancies and other relevant information;
- (v) based on (iii) and (iv), calculate a notional value for additional Services by adding the products of the notional man-hours for additional Services and the estimated hourly rates for all categories of staff.

Procedures to be Adopted by Departments on Reviewing Consultants' Proposals:

The consultant shall in response insert in its Fee Proposal a lump sum offer for performing the Assignment and an all-inclusive hourly rate for each and every category of staff for use in valuing any additional Services instructed.

Adjusted Notional Value

The managing department will use the notional man-hours for additional Services and the consultant's proposed all-inclusive hourly rates entered in the Fee Proposal to calculate the adjusted notional value (AN) for additional Services, by using the formula

$$\text{Adjusted notional value for additional Services} = \sum \left[\text{Notional man-hours for additional Services} \times \text{Proposed all-inclusive hourly rate} \right]$$

The adjusted notional value for additional Services will be added to other fee components to arrive at a total fee for assessment of Fee Proposals.

Fee Ceiling

The fee ceiling for additional Services to be approved by the consultants selection board should be equal to the adjusted notional value for additional Services, or 10% of the Consultant's lump sum offer for performing the Assignment accepted by the Employer, whichever is the lesser except if a percentage higher than 10% has been approved by the EACSB.

3.11.3 Notional Resident Site Staff On-Cost

Where appropriate, estimated requirements of RSS cost and on-cost should be determined by the managing department. The determination of fees relating to RSS directly employed by the consultants and requirements of the relevant standard documents are given in DEVB TCW No. 4/2008 (see Section 6).

3.11.4 Opening of Fee Proposals

The Fee Proposals are to be received by the Chairman, EACSB and kept sealed and secure. To ensure that the Fee Proposals do not influence the technical assessment, the

Chairman, EACSB will open the Fee Proposals only after the summary of the finalised results of the technical assessment are received by the Secretary, EACSB upon the completion of the technical assessment. The Fee Proposals will then be collected by the managing department. The managing department should check the Fee Proposals, apply approved technical/consultancy fee/fee quality weightings in the combined score assessment and make a formal submission and recommendation to the EACSB.

No amendment shall be made to the Fee Proposals except for the correction of arithmetical errors. The details of any inconsistencies or omissions, with recommendations on how they should be dealt with, should be included in the submission to the EACSB. No negotiation of the proposed fees will be allowed.

If, at the time of the technical assessment, the Assessment Panel considers that a consultant is unacceptable on technical or other appropriate grounds and shall not be considered further, the managing department should record the detailed justifications in the minutes of the Assessment Panel Meeting before the Fee Proposals are opened. A sample memo for the release of Fee Proposals is given at **Appendix 3.7**.

As promulgated in ETWB TCW No. 8/2003, it is not in the interest of the Government to accept an unreasonably low bid. Managing departments should adopt a flexible approach and reject bids which have been priced unreasonably low. The head of the managing department must be personally satisfied with and agree to the recommendation made to the EACSB to reject an unreasonably low bid. The recommendation itself must be fully justified. Provisions to supplement the policy are promulgated in SDEV's memorandum ref. (022UY-01-10) in DEVB(PS) 510/10/01 dated 31 August 2009 for unreasonably low bids. A sample letter to the bidders on unreasonably low bids is given at **Appendix 3.17**, which may be amended by project officers to suit the needs of their individual consultancy agreements, and in case of doubt, they should consult LAD(W). Support / endorsement by the relevant HoD for rejecting an unreasonably low bid must be clearly indicated and detailed in the EACSB submission, under the heading "Background/Argument".

3.11.5 Pre-tender Estimates and Examination of Fees and Rates of Consultancy Proposals

(a) Pre-tender Estimates

To ensure that the pre-tender estimates, i.e. the "Estimated Fees" reflect the market prices closely, the managing department should review and update, where appropriate, the "Estimated Fees" prior to inviting EOI by making reference to the prevailing market prices and any other relevant information. In this connection, a list has been compiled in accordance with data extracted from EACSB / DCSC submissions (the List) providing relevant information for department's reference.

The List can be accessed via the Consultants' Performance Information System (CNPIS). It lists out the median values of manpower input and staff rates in lump sum fee, all-inclusive time charge rates for additional Services and RSS

on-cost rates for typical staff categories amongst all conforming bids and the department's estimate.

During the shortlisting stage and after the subsequent pre-submission meeting with the consultants, the Brief may be altered which in turn may affect the "Estimated Fees". While this "Estimated Fees" should reflect closely the market prices, it should normally be expected to remain unaltered after the finalization of the Brief incorporating any comments received in the shortlisting stage and the subsequent pre-submission meeting.

In any event, all necessary revisions to the "Estimated Fees" should be made before the deadline for the submission of the Technical and Fee Proposals. Any such revision to the "Estimated Fees" should be recorded in the submission to the EACSB indicating the time of and the reasons for the revision.

(b) Examination of Fees and Rates

Upon receiving the opened Fee Proposals, an assessment on the reasonableness of fees and rates against paragraph 7 of ETWB TCW No. 8/2003 should be carried out.

A further evaluation of reasonableness of lump sum fee, total fee, staff rates, on-cost rates and non-staff charges of the recommended bid in comparison with the pre-tender estimate (PTE), other bids, other recently awarded consultancies and appropriate information shall be conducted. If the recommended bid is suspected to be unreasonably low, the managing department should make enquiry to the bidder concerned, seeking justifications with positive proof for the unreasonably low bid, so as to find out whether the bidder is capable of fulfilling the terms of the consultancy before making recommendation.

The head of managing department must be personally satisfied with and agree to the recommendation made to the EACSB to reject an unreasonably low bid. The recommendation itself must be fully justified.

The details of the assessment should be presented in the nomination stage submission to the EACSB. As the case may be, the managing department should draw the attention of the EACSB on fees and rates which are considered substantially over or under-priced.

Standard disclaimer clauses with reference to paragraphs 4 and 5 of Appendix 3.17 should be included in any post-tender correspondences with the bidders concerned.

3.11.6 Combined score assessment

The Technical and Fee Proposals will be assessed on the basis of a combined score in terms of technical, consultancy fee and fee quality in a rationalised approach as follows:

$$\text{Combined Score} = \text{Weighted Technical Score} + \text{Weighted Consultancy Fee Score} + \text{Fee Quality Score}$$

where :

$$\text{Weighted Technical Score} = \text{Specified Weighting} \times \frac{\text{Technical score of the bid being assessed}}{\text{Highest technical score among all conforming bids}}$$

$$\text{Weighted Consultancy Fee Score} = \text{Specified Weighting} \times \frac{\text{Lowest consultancy fee among all conforming bids}}{\text{Consultancy fee of the bid being assessed}}$$

$$\text{Fee Quality Score} = \text{Sliding scale of Factor for Marking Fee Quality}$$

Sliding scale : The tender will score 10 marks on the assessment criterion of “fee quality” for a ratio of 0.8 or above, 0 mark for a ratio of 0.5 or below and a proportional mark for a ratio between 0.8 and 0.5.

3.12 Stage 2 EACSB Submission (Nomination Stage)

The EACSB submission should include:

- (a) fee estimate/order of cost of project, summary of fees;
- (b) brief report on the Technical Proposals and order of assessment;
- (c) outline of the assessment process, including composition of the Assessment Panel, minutes of the Assessment Panel meetings, weightings, and any other relevant factors considered;
- (d) a summary of assessment of Technical and Fee Proposals;

- (e) statement to the effect that the issue of SPR 186 has been fully addressed;
- (f) recommendation for a preferred consultant; and
- (g) soft copies of any previous DCSC submissions. (If applicable, departments should attach a CD-Rom/DVD-Rom containing soft copies of all previous submissions approved by DCSC for the same agreement (with record of approval) but not having been submitted to EACSB before. Each previous submission should be contained in a single pdf file.)

A sample submission is given at **Appendix 3.8**.

After the EACSB's approval has been given and the Agreement has been signed, the Secretary, EACSB should be notified, using the standard memo form at **Appendix 3.9**, that the Agreement has been entered into. A certified copy of the Agreement document should also be forwarded to the Secretary, EACSB for record purpose.

3.13 Notification of Technical Marks, Fees and Manpower Input to Shortlisted Consultants

Once the EACSB/DCSC has approved the appointment of a consultant, the Secretary, EACSB/DCSC will provide the managing department/office with the information on technical marks, fees and manpower input in the format shown at **Appendix 3.11**. The managing department should forward this information without delay to the shortlisted consultants of which the Technical and Fee Proposals have been completely assessed. At the same time, the managing department should separately advise any consultant(s) of which the Technical and Fee Proposals have not been completely assessed with reasons why the Assessment Panel has made such a decision. In case (i) the Assessment Panel has affirmed the consultant(s) not technically capable of carrying out the consultancy and recommend not open the fee proposal(s), or (ii) for the unopened fee proposal(s) which are not in the top four under the one-stage consultants selection (see paragraph 2(c) of **Appendix 3.10**), the managing departments should inform the Secretary, EACSB to return any unopened fee proposal(s) to the consultant(s).

In addition to the above, the managing department should also provide feedback to bidders, including debriefing where appropriate to unsuccessful bidders. Details are given in ETWB TCW No. 42/2002 and SDEV's memorandum ref. 02UH8-01-7 in DEVB(PS) 106/43) dated 12 July 2016, the relevant content of which have now been subsumed at **Appendix 3.18**.

3.14 Release of Information on Consultancy Studies

In order to further enhance the openness of the government procurement process, upon request by a third party, the lump sum fee of the successful consultants will be released. Managing departments should incorporate the provisions set out at **Appendix 3.12** into the SCE.

Managing departments should publish the award of consultancies on their websites, after a formal consultancy agreement is signed. Such information should be updated on a regular basis, preferably not less than once every month. Notice of award of a consultancy should remain on the website for a reasonable period of not shorter than six months. Information on award of consultancies to be published should include agreement number, agreement title, name of successful consultant(s), lump sum fee (or estimated/notional fee if remuneration is not based on lump sum), commencement date and estimated completion date.

3.15 Direct Selection of a Single Consultant for Fee Negotiation

All consultancies should be awarded on the basis of technical and fee competition unless there are very exceptional reasons for a direct selection. Circumstances which might warrant a direct selection of a single consultant without calling for Technical and Fee Proposals are:

- (a) where, after a detailed preliminary assessment, it is clear that only one consultant is available who possesses the necessary requirements for the assignment;
- (b) where, because of prior association with related works, a particular consultant already possesses unique knowledge or experience which makes him clearly much better qualified than any other consultant;
- (c) where the Services are required so urgently that an extreme problem would arise if a full submission procedure were used, and where a suitable consultant is clearly available; and
- (d) where a consultant is obtained by application to Head (Geotechnical Engineering Office), Civil Engineering and Development Department (H(GEO), CEDD) for urgent geotechnical work of an estimated value not exceeding \$15M.

All fee packages should be negotiated as far as possible as a lump sum fee independent of the cost of the works. If it is considered that the negotiation of a lump sum is not feasible, the fee should be based on time charges.

Following approval from the EACSB to commence negotiations with a directly selected consultant, an approach should be made as soon as possible. It is only possible to agree terms properly if the fees and conditions including the draft Brief are taken together. Therefore the consultants should be provided with a copy of the various parts of the standard forms of agreement, which it is intended to apply to the particular assignment under consideration together with a request to provide a fee submission. All relevant information required with the fee submission, such as detailed staffing proposal, breakdown of time charge rates etc., should also be mentioned in the request. The more comprehensive the information obtained initially the sooner satisfactory agreement can be reached. The brief must also be finalized during the negotiating process.

Guidelines on negotiation of a lump sum fee for direct appointment are given in Section 5.3.3.

3.16 Summary of Steps in Appointment of Consultants

A flow chart summarising the steps in the selection and appointment of consultants is given in Figure 3.1 at the end of this Chapter.

3.17 Variations – Submission to EACSB

When the accumulated value of variations will exceed the total authorised amount (the EACSB's original approved fee ceiling for additional Services plus the financial limit for variations set out in the SPR, see Section 8.2.8), or when the variations are outside the approved scope of the consultancy assignment provided that the additional Services are within the approved scope of the project (see Section 8.2.10), the managing department should seek the EACSB's approval to negotiate with the consultant to undertake any proposed variations prior to agreeing with the consultant.

The EACSB submission should include:

- (a) brief account of expenditure incurred so far and the current financial status of the agreement;
- (b) justification for proposed negotiation with the original consultant to undertake the proposed additional Services (under a supplementary agreement, where appropriate), if letting out a new assignment for the additional Services is not recommended;
- (c) supplementary Brief, where appropriate;
- (d) supplementary Schedule of Fees, where appropriate;
- (e) detailed breakdown of fee estimate together with the managing department's estimated manpower input and rates for the negotiation of the supplementary agreement; and
- (f) soft copies of any previous DCSC submissions, following the same requirements in Section 3.12(g).

As a general principle, the managing department should always take into consideration the full implications of the proposed additional Services, and present all relevant details in the submission for the EACSB's consideration.

Upon approval to proceed with the proposed negotiation, the managing department should take into account the guidelines given in Section 5.3.3 in the negotiation.

3.18 Procedures in the Selection of Consultants for Small Consultancy Assignments

A considerable number of small consulting firms in Hong Kong are capable of providing consultancy services for small consultancy assignments comparable to that provided by large consulting firms. It is in the interests of the Government to see these small consulting firms thrive, and that they should be encouraged to participate in public works projects. **Appendix 3.15** details a system for small consulting firms to be longlisted and subsequently shortlisted. A consultancy assignment is considered as small if the estimated consultancy fee (the estimated fixed lump sum fee, or time-charge rates, where appropriate) of the assignment does not exceed \$5 million. Managing departments should follow the procedures set out at **Appendix 3.15** for small consultancy assignments. Also, as promulgated in DEVB TCW No. 3/2013, the managing departments should seek policy support from Works Branch of DEVB for the exemption of the procedures with justifications.

In cases where approval has been obtained in accordance with the above Appendix for such procedures to be waived, a copy of approval should be included in the Stage 1 submission.

CONSULTANTS SELECTION PROCEDURES

PRE - EACSB SUBMISSION PROCEDURES

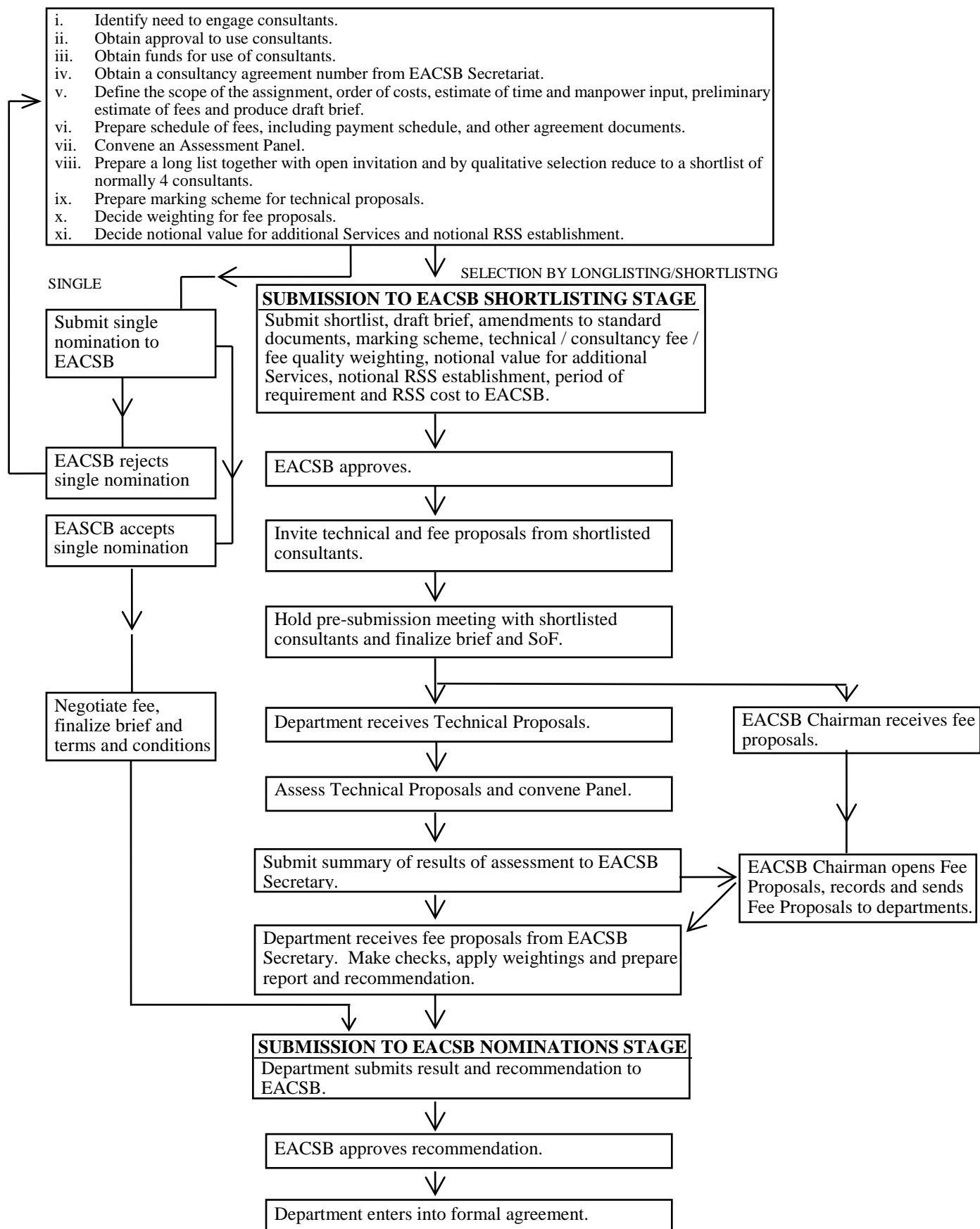


Figure 3.1

4. THE AGREEMENT

4.1 Types of Agreement

A major project is typically divided into four clearly defined “stages” - feasibility study, investigation, design and construction. Consultants are employed under one of the following standard types of Agreement:

- (a) Feasibility Study Agreement;
- (b) Investigation Agreement; and
- (c) Design & Construction Agreement.

As originally promulgated under ETWB TCW No. 16/95B, for projects for which the Controlling Officer is satisfied that the risks of major scope changes following the Investigation stage are low, the use of IDC Agreements is encouraged (see Section 3.1.3).

4.1.1 Feasibility Study Agreement

The Feasibility Study Agreement normally excludes building or engineering design and construction Services and avoids any commitment to proceed beyond the feasibility study or to employ the same consultants for further Services, if any, on the project. It is used for the following types of project:

- (a) for study into a problem or proposal of a general nature to determine the need for action (e.g. an investigation of pollution levels, an examination of water resources, or a traffic & transport planning study);
- (b) for study into the feasibility of a particular proposal to determine whether and how it can be undertaken (e.g. a proposal for a new road or a land reclamation proposal);
- (c) for study into alternative proposals to determine which should be adopted (e.g. whether to construct a bridge or a tunnel; whether to lay a gravity pipeline or a pumping main); and
- (d) for study to determine design standards (e.g. geotechnical investigations).

4.1.2 Investigation Agreement

The Investigation Agreement is used for the investigation stage of a project where the feasibility and implications of a project are already well established (perhaps as a result of a previous Feasibility Study agreement). The "Investigation" stage of the assignment is concerned mainly with the technical and practical aspects of the project.

4.1.3 Design and Construction (D & C) Agreement

The D & C Agreement follows the Investigation stage and involves the preparation of detailed designs, drawings, specifications and tender documents and leads onto the administration and technical control of the contracts for works.

4.1.4 Investigation, Design and Construction (IDC) Agreement

The IDC combined type of Agreement may be used in those projects where the risks of major scope changes following the investigation stage are low. For such assignments, the scope of the project can be adequately defined at the commencement of the Investigation stage to enable lump sum fee to be obtained for the design and construction stages. The Services covered in an IDC agreement are a combination of those covered under Sections 4.1.2 and 4.1.3. Whilst the EACSB submission should accordingly indicate clearly the Controlling Officer's satisfaction with the use of a combined IDC arrangement and that the risks of major scope changes following the Investigation stage are low, specific approval from EACSB for the use of IDC type of agreement is not required.

4.1.5 Other Types of Agreement

Subject to the exceptional approval of the EACSB, other types of agreement may be used to suit specific projects.

4.2 Components of the Agreement

The agreement comprises:

- (a) Memorandum of Agreement
- (b) GCE
- (c) SCE (if any)
- (d) Schedule of Fees
- (e) Brief
- (f) Schedule of RSS Standards and Duties (if any for Investigation and/or D & C agreements).

4.3 Memorandum of Agreement

This is the instrument by which the consultants agree to undertake the assignment as set out in the Brief in accordance with the GCE, any SCE and the Schedule of Fees. Two standard forms of Memorandum of Agreement issued by the DEVB (promulgated under DEVB TCW No. 7/2014 and SDEV's memo ref DEVB(PS) 106/43 dated 10 March 2014) are shown at **Appendix 4.1**.

4.4 General Conditions of Employment

The GCE establish the authority of the Employer's Representative and provide for him to be kept fully informed by the consultants and to be given facilities for inspection and approval. They set out the consultants' duties and responsibilities. They also provide for the payment of the consultants and contain general provisions regarding the conduct of the agreement and the rights and obligations of both parties.

Standard booklets of GCE for Feasibility Study, Investigation, and D & C promulgated by the DEVB (originally under WBTC No. 8/98) should be used.

4.5 Special Conditions of Employment

SCE comprise any conditions required for a particular agreement, which are not covered by the GCE. Their incorporation may render amendment, deletion or addition to the GCE.

From time to time, standard and/or mandatory SCE may be promulgated by the DEVB or the EACSB for use in certain circumstances, and where appropriate, together with associated requirements and/or guidelines. Currently, standard and/or mandatory SCE related to the following are in force :

- (a) disclosure of fees payable to the consultants (at **Appendix 3.12**);
- (b) requirements for ISO9000 certification (as promulgated in WBTC No. 13/2001 and SDEV's memorandum ref. (025B1) in DEVB(W) 520/83/01 dated 26 January 2010);
- (c) direct employment of RSS by Consultants (as promulgated in DEVB TCW No. 4/2008 and SDEV's memorandum ref. DEVB(PS) 106/15/3 dated 1 February 2016) and the setting up and use of an RSS database (as promulgated in DEVB TCW No. 3/2011);
- (d) **interest on overdue payment** (see Section 4.16 and **Appendix 4.10**);
- (e) safety training for RSS (as promulgated in WBTC No. 12/2001, DEVB TCW No. 4/2008 and SDEV's memorandum ref. DEVB(PS) 106/15/3 dated 25 July 2016);
- (f) approval of major revisions to approved documents and referral and reporting by consultants of variation, claims and delay in works contracts (at **Appendix 4.11**);

- (g) professional indemnity cover (as promulgated in DEVB TCW No. 9/2007) and SDEV's memorandum ref (02245-01-13) in DEVB(W) 510/34/01 dated 6 October 2009 (at **Appendix 4.17**);
- (h) projects implemented in phases (at **Appendix 4.12**);
- (i) exclusive ownership (as set out in the then SETW's memorandum ref. (33) in ETWB(PS)106/1 Pt. 3 dated 24 August 2002);
- (j) setting off money due to the Government from defaulting consultants (as promulgated in the then SETW's memoranda ref. (59) in ETWB(PS)106/11 Pt 19 dated 2 June 2003, ref. (13) ETWB(PS)106/11 Pt 21 dated 16 April 2004 and ref. (00UH1-01-7) in ETWB(PS) 106/11 dated 12 October 2005);
- (k) disclosure of confidential information concerning matters relating to mediation settlements, arbitration awards and settlement agreements via any other means of dispute resolution process (as promulgated in ETWB TCW No. 29/2003);
- (l) ethical commitment by consultants on including confidentiality (as promulgated in ETWB TCW No. 3/2004 and ETWB TCW No. 3/2004A) and **conflict of interest and debarring** (at **Appendix 4.13** and the then SETW's memorandum ref. (00WNL-02-4) in ETWB(PS) 106/11 dated 6 January 2006);
- (m) retention of documents and inspection (at **Appendix 4.14**);
- (n) retention of money payable to non-resident consultants for settlement of profits tax in consultancy agreements (at **Appendix 4.15**);
- (o) Adaption to New Arbitration Ordinance (as promulgated in SDEV's memorandum ref. (02BYW-01-2) in DEVB(W) 505/17/01 dated 27 May 2011 and further amended in SDEV's memorandum ref. DEVB(W) 510/10/01 dated 4 December 2014) at **Appendix 4.16**; and
- (p) conferment of enforceable contractual rights on a third party upon operation of the Contracts (Rights of Third Parties) Ordinance on 1 January 2016 at **Appendix 4.18**.

In all other cases where it is intended to modify the standard forms of agreement by the use of Special Conditions (in addition to any standard Special Conditions), endorsement to the use of such Special Conditions should be sought from the DEVB. Legal advice should be obtained on the wording of such conditions and the management department should directly liaise with the Legal Adviser (Works) of the DEVB. EACSB should be informed accordingly of any such endorsement/advice in the first submission to EACSB.

4.6 The Schedule of Fees

The Schedule of Fees sets out the fees and expenses to be paid to the consultants for carrying out the assignment, as per the Fee Proposal of the winning consultants or in the case of direct appointment, as agreed during the negotiation of the agreement. It sets

out the method of payment of the fees and includes provisions for payment for additional Services or expenses and adjustments in respect of price fluctuations, if any.

The Schedule of Fees will be based on the standard form as given originally in ETWB TCW No. 23/2003, 23/2003A & 23/2003B and SDEV's memorandum ref. (02ULL01-3) in DEVB(PS) 106/43 dated 29 July 2016, the relevant content of which has been subsumed at **Appendix 4.2**. Reference should also be made to Section 5.3.2 on the CPI(C) to be used for fee adjustment for inflation. The standard Schedule of Fees clauses related to the direct employment of RSS are given in DEVB TCW No. 4/2008.

The draft Schedule of Fees should be attached in the EOI invitation document for the consultants' reference and comment and should in all cases accompany the Stage 1 EACSB submission.

4.6.1 Payment Schedule

The amount and timing of interim payments should be set out in the payment schedule given in the Schedule of Fees. The payment schedule should as far as possible closely match the likely cash flow for the Services provided. Otherwise, the consultant is likely to incur finance charges which may be reflected in the lump sum fee submitted for undertaking the assignment. The payment schedule should therefore be carefully devised to ensure genuine reflection of the likely cash flow taking into account timing for services to be provided or work to be done. Any comment/feedback from consultants during the shortlisting/nomination stages should be duly taken into account with careful consideration of Government's interest in finalizing the payment schedule. This can be effected in respect of the following:

4.6.1.1 Payment upon Signing of Agreement

Managing departments should take into account the nature, complexity and size, i.e. the estimated fee of the Agreement in determining what percentage of the total lump sum fee should be agreed for payment upon signing of an Agreement. The managing department should also take into account the following factors:

- (a) The anticipated amount of consultant's input during the initial period which will only be remunerated upon the submission of deliverables at a later stage;
- (b) The delivery of expertise/sub-consultants to be engaged for the Agreement; and
- (c) The coordination with other purely time-linked payments.

Where it has been agreed by the managing department that a sum of money will be invoiced by the consultant upon the signing of an Agreement, the amount invoiced should not normally exceed the following limits:

Consultancy Type	Percentage payment upon signing of Agreement
Feasibility Study / Investigation	The total lump sum divided by the number of months allowed for the completion of the consultancy, or 5% whichever is the higher
D & C	7% of the total lump sum
IDC	5% of the total lump sum

If the managing department considers it necessary to specify a higher percentage than the above limits, detailed justification should be provided in the Stage 1 EACSB submission under the heading “Background/Argument”. While EACSB may comment on department’s justifications, it is ultimately for the departments concerned to determine what is the best payment schedule for the purpose of contract management.

4.6.1.2 Purely Time-linked and Milestone Payment

Managing departments should carefully determine the amount of purely time-linked payments (including the initial payment upon signing of Agreement) to match the likely cash flow for the Services provided by the consultants. Managing departments should observe the following guidelines to determine the proportion between purely time-linked and milestone payments in the preparation of the payment schedule:-

- (a) The total amount of purely time-linked payments should not be excessive;
- (b) More milestone payments, which should be evenly distributed over the consultancy period, should be incorporated into the payment schedule as far as possible;
- (c) In general, the proportion split between purely time-linked and milestone payments should be a balance of (i) the Government’s interest (only pay for the part of work done) and (ii) the consultant’s financial burden (unnecessary finance charges); and
- (d) The purely time-linked payments (including the initial payment upon signing of Agreement) should not normally exceed 30% of the total lump sum. For avoidance of conflict of interest, construction stage payments should not directly link with interim payments under works contracts. However, construction stage payments may link with the progress of works, e.g. percentage of columns/spans/sections of structures/road surface area completed. They are not “purely time-linked payments” subject to the 30% limit.

If the managing department considers it necessary to specify a higher percentage of purely time-linked payments than the above limit, detailed justification should be provided in the Stages 1 EACSB submission under the heading “Background/Argument”. While EACSB may comment on department’s

justifications, it is ultimately for the departments concerned to determine what is the best payment schedule for the purpose of contract management.

4.6.1.3 Percentage Split Between Submission and Acceptance of Deliverables

Managing departments should split the deliverable-driven milestone payments into “submission” and “acceptance” of deliverables to reflect more closely the likely cash flow corresponding to the consultant’s input. When determining the suitable percentage split between these milestone payments, the managing department should consider the following factors:-

- (a) The anticipated amount of consultant’s input into the submission of deliverables of acceptable quality in comparison with those for the finalization/acceptance of the deliverables; and
- (b) The percentage split of payment for “submission” of deliverables should not be excessive to a degree which might reduce the incentive for the consultant’s prompt finalization of the deliverables.

4.6.1.4 Payment Schedules for D & C/IDC Assignments

In order to rationalise the preparation of payment schedules to satisfy both the cash flow requirements of consultants and the payment retention requirements of departments, two payment schedule structures are to be applied to D & C/IDC assignments as follows:-

Stages	Limits	
	Normal D&C/IDC Assignments	D&C/IDC Assignments with substantial system commissioning works towards the end of the project
Investigation/Detailed Design/Contract	60%	55%
Tender	5%	5%
Construction	30%	30%
Completion	5%	10%

Payments within the percentage limits given above will vary depending on the nature of the particular consultancy assignment. The managing department should ensure that the structure of payments within the limits to be paid by milestone payments or a

mixture with purely time-linked payments (including payment upon signing of Agreement), properly reflects the likely cash flow that will be incurred by the consultant in undertaking the assignment.

For politically sensitive and controversial projects, the project scheme may evolve with quite some changes after public consultations/engagement to meet public demands before the finalisation of project scheme. With a higher input expected in the investigation and design stage, corresponding larger shares of milestone payments may be provided for these early stages of the consultancy.

For consultancies with phases subject to incorporation mentioned in Section 4.22, the milestone payments should be drawn up with care so that consultants' input at early phases of the consultancy will not be remunerated with milestone payments dependent on the incorporation.

If the managing department considers it necessary to specify other payment structure, detailed justification should be provided in the Stage 1 EACSB submission under the heading "Background/Argument".

4.6.1.5 Endorsement of the Payment Schedule

The payment schedule should be prepared in a prudent manner for each assignment. The managing department should conduct a detailed assessment of the likely input by the consultants and hence the likely cash flow throughout the assignment. The payment schedule so devised should be endorsed by an officer of D2 rank or above before incorporation into the Schedule of Fees attached to the EOI invitation document and the Stage 1 EACSB submission. Any subsequent minor refinement to the payment schedule proposed by the managing department before pre-submission meeting should also be endorsed by an officer of D2 rank or above and should be brought to the attention of the EACSB in the Stage 2 EACSB submission.

4.6.1.6 Comment/Feedback from Consultants on Payment Schedule

The managing department should solicit early comment/feedback from consultants on the payment schedule given in the Schedule of Fees during the shortlisting stage. Consultants' comment/feedback received during the EOI stage and the corresponding actions taken by the managing department should be included in the Stage 1 EACSB submission. If in the light of discussion with the shortlisted consultants at the pre-submission meetings, managing departments consider it necessary to make minor refinement to the payment schedule, prior approval from their respective Heads of Department should be sought. Any minor refinement to the payment schedule that had been approved by the HoD should be brought to the attention of the EACSB in the Stage 2 EACSB submission.

4.6.1.7 Substantial Changes to the Draft Documents

In the event that substantial changes/modification to the draft documents would have to be made during the shortlisting/nomination stage, the managing department should consider whether to conduct the selection and EOI afresh.

4.7 The Brief

The Brief describes the project and the assignment which the consultants are to undertake. It should set down clearly the scope and stages of the assignment and all general and specific requirements and/or constraints.

It should be carefully prepared so that the assumptions, methodology and output are clearly defined and both the consultants and the employer have a clear and agreed understanding of the study requirements.

For Feasibility Studies the extreme points in the range of variation of the major parameters for forming options to be tested must be spelt out clearly. The maximum number of options expected to be tested within the scope of the study should also be indicated.

The provisions of the Brief must be consistent with those of the GCE, any SCE, and the other documents comprising the agreement and consideration to the content of these "standard" documents should be given when formulating the Brief. Unless the special circumstances warrant the otherwise, according to GCE Clause 22, the consultants shall exercise all reasonable professional skills, care and diligence in the performance of the Services, instead of ensuring "fit for purpose".

The form and content of the Brief will vary according to the assignment. It is prepared in consultation with all interested offices to whom it should be circulated and whose agreement should be obtained where appropriate. Also where appropriate it should be submitted to the project steering or management group for formal agreement.

As originally promulgated in WBTC No. 16/95, it is of utmost importance for the managing department to write a clear Brief, in order to facilitate the submission of competitive Fee Proposals, especially lump sum fee. The brief for the consultancy should be as comprehensive as possible, as any omissions may result in claims from the consultant. The Brief must give essential information on the nature, scope and time-scale of the project, including commencement and key milestone dates, consultant's duties and responsibilities, phasing, programme and provision of information. Areas of certainty and uncertainty, alternatives and options should be carefully defined. The Brief may be modified following the Shortlisting Stage but must be finalised prior to submission of Technical and Fee Proposals.

In order to enable consultants to quote a lump sum fee competitively, the Brief should state the reasonable maximum number of external meetings which the consultant will be expected to attend with regard to District Councils, Rural Committees, Advisory Council on the Environment etc. Additional attendance at meetings beyond that stated in the Brief should then be paid for as additional Services. The period specified in the Brief for the Consultants to respond to queries after the final submission of deliverables which should be defined/specified clearly (e.g. submission of Final Report) should be kept to a minimum, normally not exceeding 3 months. Response to queries beyond this period should be paid for as additional Services based on time charges or agreed lump sums.

Consultants should not be required to provide secretarial services for meetings at which government officers from the managing department are in attendance, particularly Project Steering Groups. Consultants should also not be asked to draft Public Works Sub-Committee or Finance Committee papers, Project Definition Statement or Technical Feasibility Statement, except when the consultancy itself is for a preliminary project feasibility study. It should be noted that under Financial Circular No. 4/2012, works agents are expected to be able to complete a Technical Feasibility Statement within four months and without recourse to consultancy support, unless a works director is personally satisfied that consultant input through a feasibility study is required for a proposed project before he is in a position to recommend that funding be earmarked and that the project is technically ready for upgrading to Category B in the Capital Works Programme. Under no circumstances should a consultant be engaged exclusively for the sake of completing a Technical Feasibility Statement.

For an Investigation stage consultancy, where a separate consultancy for the subsequent Design and Construction stage may be awarded to another consultant, provision should be made in the Brief requiring the Investigation stage consultant to answer queries raised during the Design and Construction stage. These Services, after the period specified for responding queries, shall be paid for as additional Services in addition to the lump sum fee for completion of the Investigation stage Services.

For a D & C consultancy or an Investigation Consultancy, as appropriate, provisions should be made in the Brief to cover the consultant's duty to administer construction contracts, including dealing with claims, negotiating rates for variations, issuing variation orders and employment and management of RSS.

The Brief must be consistent with the requirements of the project as approved by PWSC /FC or other relevant authority. For a D & C consultancy, in addition to the SCE, break clauses should be incorporated into the relevant Brief clauses. Details are given at **Appendix 4.12**.

In the event that substantial changes/modification to the draft documents would have to be made during the shortlisting/nomination stage, the managing department should consider whether to conduct the selection and EOI afresh.

For an agreement awarded by direct selection, the Brief should be fully discussed and agreed with the consultants prior to signing the agreement.

Guidance notes on the preparation of Briefs together with typical formats of Briefs for Feasibility Study, Investigation, and D & C agreements, as compiled from WBTC No. 11/94 and WBTC No. 11/94A, are given at **Appendices 4.3, 4.4, 4.5 and 4.6**. It should be noted that the section headings are mandatory and should remain unchanged. Any sections that are irrelevant to the study should be stated as "Not-used". As far as possible the Brief should comprise a single document without supplementary Briefs attached as annexes. For an IDC consultancy or a D & C consultancy, terminologies in typical formats of Briefs should be modified as appropriate if New Civil Engineering Contract (NEC) form will be adopted for the works contract as promulgated under SDEV's memo ref. DEVB(W)506/30/07 dated 3 September 2013.

In addition to describing the project, the Brief should also cover the following matters :

- (a) the appointment of the Director's Representative, lines of communication and day-to-day management; project steering and/or co-ordination group (if applicable);
- (b) information sources and consultation needs;
- (c) specifications and standards;
- (d) surveys and special investigations;
- (e) target dates, milestone events and dates, and due date for commencement of the agreement;
- (f) estimates, expenditure forecasts, programmes, and progress reports;
- (g) technical reports, working papers and other documentation;
- (h) delegation of authority to consultants;
- (i) Consultants' office and staff.

4.8 Design Certificate

4.8.1 Background

In the typical brief for a D & C type agreement, there is a requirement that the Consultant provides, along with the design calculations, a certificate indicating that an independent in-house check of the design calculations has been carried out. This certificate is normally submitted before the invitation of tenders. However, additional calculations and certificates are required for any design work carried out during the construction stage.

4.8.2 Standard Form of Design Certificate

The standard form of Design Certificate should be used (**Appendix 4.7**).

4.9 Standard Documents for Direct Employment of Resident Site Staff by Consultants

Standard documents relating to the direct employment of RSS by consultants include:

- SCE
- Schedule of Fee Clauses
- Schedule of RSS Standards and Duties (**Appendix 6.4**)

A detailed description on the direct employment of RSS by consultants is given in DEVB TCW No. 4/2008.

4.10 Standard Forms

The various documents mentioned above should where possible be used in their standard forms and any proposals to amend them must be referred to the EACSB.

4.11 Reimbursable Items

4.11.1 Fair and Open Competition

The EACSB considers that the procedures governing the procurement of reimbursable items by the consultants under consultancy agreements should be fair, subject to competition, and should constitute good value for money. To this end the EACSB has introduced certain arrangements for the procurement of such items.

In the interest of fair and open competition, the procurement of reimbursable items should be subject to a tendering process as set out below. In this context reimbursable items procured by the consultants under consultancy agreements are not subject to the tender procedures set out in Chapter III of SPR.

4.11.2 Definition

A reimbursable item under a consultancy assignment can be defined as any contract, irrespective of value for the supply of a service or equipment for which the consultant is reimbursed by Government after having first made payment to the contractor/supplier from his own funds. It is also known as an out-of pocket expense. A service or equipment of a reimbursable item should not be supplied by the consultant of the assignment or its sister firms so as to avoid any actual, apparent, potential or perceived conflict of interest.

4.11.3 Procedures

(a) Inclusion of Reimbursable Items in Consultancy Assignments

Prior to deciding whether the procurement of a service or equipment should be by means of reimbursement, managing departments should first consider if a direct contract between Government and the contractor/supplier in accordance with the SPR, would be a more suitable arrangement. The managing departments should provide their deliberation/decision in the EACSB submissions if they consider the arrangement of reimbursable items is more suitable.

The total value of reimbursable items should be commensurate with the value of the consultancy. When the estimated total value of reimbursable items is out of proportion to the estimated lump sum fee, the items should be procured through direct contract between Government and the contractor/supplier instead of through the consultant. In which case, the consultant's Services for defining of requirements and preparing of tender documents for these government contracts should be included in the Brief.

Normally, the total value of reimbursable items should not exceed \$1.3 million or 20% of the estimated lump sum fee of the agreement, whichever is less. Exceptionally, for the procurement of environmental monitoring and audit (EM&A) services, the value of each reimbursable item (EM&A services contract) should not exceed \$5.0 million, provided the total value of all reimbursable items does not exceed 20% of the approved

lump sum fee of the agreement. Guidelines on the procurement of EM&A services are described in Section 4.15.

Where it is not possible to define clearly the scope of item to be reimbursed, the Director's Representative should ensure that, as far as possible, a fair and competitive tendering process is undertaken by the consultant and that the tender sum/rates are reasonable and present the best value for money. Under normal circumstances, the tendering should be conducted in accordance with the relevant procedures set out in the SPR.

The estimated total value of all reimbursable items and details of all individual reimbursable items should be included in the shortlisting submission to the EACSB. The details provided should include the nature of the reimbursable item, the estimated cost, and the programme. A sample summary is given at **Appendix 4.8**. The EACSB will note the details and provide guidance, if necessary, when giving approval to the Shortlist.

- (b) Approval of Reimbursable Items which have already been included in EACSB submissions.

For any individual reimbursable item which is estimated at less than \$1.3 million, the Director's Representative named in the Agreement shall have the delegated authority of the EACSB to approve the appointment of a suitable contractor/supplier which has been recommended by the consultant, with no further reference to the EACSB.

For reimbursable items with values in excess of \$1.3 million but less than \$5.0 million, which have been exceptionally approved by the EACSB (for instance, EM&A services), the Director of the managing department shall have the delegated authority of the EACSB to approve the appointment of a suitable contractor/supplier which has been recommended by the consultant. The EACSB should be informed of the nature and cost of the reimbursable item and the name of the contractor/supplier.

For any reimbursable item exceeding \$5.0 million in value, the approval of the EACSB shall be sought before the consultant procures the reimbursable item. The Director's Representative should submit a recommendation to the EACSB in the form of the tender report attached at **Appendix 4.9** which includes a recommendation for an approval of the winning tender.

Managing departments should include the estimated total value of all reimbursable items and the details of the reimbursable items in the

documentation which is sent to the approved shortlisted consultants for the preparation of their competitive proposals. In providing these details to the consultants, managing departments can assume that all the consultant's costs associated with the procurement of the reimbursable items, together with any financing charges, have been included in the lump sum fee.

4.12 Computer Facilities

Procurement of computer facilities in consultancy agreements is subject to a number of requirements. Details are given in WBTC No. 23/2000.

4.13 Quality Management System Certification of Consultants

Consultants undertaking agreements approved by the EACSB need to comply with the DEVB's laid down requirements on quality management system certification. Details are given in WBTC No. 13/2001 and SDEV's memorandum ref. (025B1) in DEVB(W)520/83/01 dated 26 January 2010.

4.14 Electronic Dissemination of Tender Documents

Electronic dissemination of tender documents is required for works contracts delivered under consultancies. Details are given in ETWB TCW No. 11/2005.

4.15 Environmental Monitoring and Audit (EM&A) Programme – Arrangement of Consultancy for Implementation of EM&A for Projects undertaken by Consultants

4.15.1 Introduction

EM&A work has become a standard requirement for most of the works projects under the Environmental Impact Assessment Ordinance. The managing department may need to procure services of an Environmental Team (ET) and/or an Independent Environmental Checker (IEC) under the EM&A programme. Procurement of EM&A services can be carried out by various means. ETs can be procured directly by the managing department with reference to the guidelines under DEVB TC(W) No. 5/2012, or procured through its contractors or engineering consultants. IECs should either be procured by the managing department directly or through its engineering consultants in order to ensure the independency of the monitoring role of IECs.

For EM&A services being procured through consultants, Environmental Protection Department have been consulted and it has been agreed that the following guidelines should be observed.

4.15.2 General Principle

- (a) In the appointment of EM&A personnel (i.e. ET or IEC) for a particular project, the managing department need to observe the specific requirements/conditions as stipulated in the approved EM&A Manual and/or the Environmental Permit of that project which may vary from project to project depending on the nature and needs of that individual project.
- (b) The management structure of the EM&A personnel should be established to ensure impartiality, independence and facilitate proper monitoring on EM&A works. In general the ET shall not be an associated body of the Contractor while the IEC shall not be an associated body of any of the Contractor, the Consultant of the project or the ET.

4.15.3 Standard Arrangement

The following should be observed if the EM&A is to be conducted under the assignment, subject to specific requirements stipulated in the approved EM&A Manual and/or Environmental Permit of that project :

- (a) Where the ET is not provided under the works contract, the services of the ET may be included in the lump sum fee of the D & C agreement. If the scope of the ET services cannot be clearly defined at the stage of inviting Technical and Fee proposals, the services should be procured as a reimbursable item (It is considered more appropriate to procure the services as a reimbursable item rather than as additional Services under the D & C agreement. This is to avoid perceived or real conflict of interest that may arise from the setting of the scope of the ET services by the D & C consultant after the agreement is awarded). However, in case the total value of all reimbursable items is not commensurate

with the value of the D & C agreement, the services should be procured as a separate contract.

- (b) The services of the IEC should be procured as a reimbursable item. However, in case the total value of all reimbursable items is not commensurate with the value of the D & C agreement, the services should be procured as a separate contract.
- (c) All provisions described in the EACSB Handbook, Section 4.11 should be followed when the services of the ET or the IEC are procured as a reimbursable item.

4.16 Interest on Overdue Payments for Consultancy Agreements

The Conditions of Employment (as may be modified by the Special Conditions) provide for money due from the Employer to the Consultants to be paid to the Consultants within a specified period. In the event of failure to make payment to the Consultant within the specified period, the employer shall pay to the Consultant interest at the judgement debt rate prescribed from time to time by the Rules of the High Court (the then Supreme Court) upon any overdue payment from the date on which the same should have been made. The payment of interest on overdue payment by the Government is for compensating the consultants for having to borrow money owing to the overdue payment. In the light of the borrowing rates in the market when promulgating WBTC No. 8/2001 which has generally been subsumed hereunder and archived, the then Works Bureau had determined to adjust the interest rate for overdue payment for consultancy agreement to one per cent below judgement debt rate. This interest rate is in line with the interest rate in the General Conditions of Contract for works contract. The standard SCE for interest on overdue payment is given at **Appendix 4.10**.

4.17 Safety Training for Resident Site Staff

RSS employed by consultants on public works projects need to receive adequate safety training and attend safety refresher courses. Details are given in WBTC No. 12/2001.

4.18 Electronic Dissemination of Invitation Documents for Consultancies

Consultants may elect to submit their EOIs and Technical and Fee Proposals in electronic format. Details are given in WBTC No. 17/2001.

4.19 Electronic Submission of Consultancy Proposals on Removable Media

Electronic dissemination of documents is required for invitation of EOIs, and technical and fee proposals. Details are given in WBTC No. 31/2001.

4.20 Adherence to Staff Proposals

It should be set out in the consultancy agreement that the consultant shall provide the staff and manpower input in accordance with the technical proposal made at the

bidding stage, and that the Director's Representative shall have the right to check the time-log record of the Consultant's staff deployed for the consultancy assignment.

Relevant provisions should also be set out in the invitation letter for technical and fee proposals. Express provisions as promulgated in SDEV's memorandum ref. (025FA-01-3) in DEVB(PS) 106/43 dated 24 February 2010 should be incorporated into the invitation letter for technical and fee proposals and the Brief for binding of consultants' staff resources proposed in Technical Proposal.

4.21 Professional Indemnity Insurance

Details of the method for determining the Professional Indemnity Insurance (PII) to be taken out by consultants for providing services in consultancy agreements are given in DEVB TCW No. 9/2007 and SDEV's memorandum ref.(02245-01-13) in DEVB(W) 510/34/01 dated 6 October 2009. GCE Clause 47 is deleted and replaced.

4.22 Project Implemented in Phases

Many projects are delivered in phases such as investigation, design, tender and construction. Sometimes a single consultant may be awarded a consultancy agreement with more than one phase. However, the project may at a later stage have to be abandoned or temporarily withheld for some reasons, and in such event, the consultancy agreement has to be terminated or suspended after the completion of a certain phase. For instance, a D & C assignment may have to be terminated after the completion of the design phase due to failure in securing the necessary financial resources for the tendering and construction phases.

Though there are provisions in the GCE for suspension and termination of a consultancy agreement, it is considered that provisions for Phases Subject to Incorporation should also be required in consultancy agreements to cater for projects under the above circumstances. Details are given at **Appendix 4.12**.

4.23 Use of Legal Consultants in Connection with Works-Related Consultancy Studies

This section sets out the policy as promulgated originally under ETWB TCW No. 37/2002 on the use of legal consultants and related matters in connection with works-related consultancy studies.

In some assignments, there may be substantial emphasis in the Brief for the Consultants to provide advice on legal matters. Examples include assignments requiring the Consultants to review existing legislation, to propose changes to the legislation or to provide special contract drafting services. Given that the Consultants are not lawyers themselves, the Consultants will not be in a position to provide the legal input unless they are allowed to engage legal sub-consultant.

The drawbacks of permitting the Consultants to engage legal sub-consultant are that:

- (a) the Government's ability to monitor the overall provision of legal services from the private sector, including aspects concerning the quality of the services provided, fairness of the method of appointment and appropriateness of the level of fees charged will be hindered; and
- (b) a legal sub-consultant arrangement could be viewed as a "back-door" briefing out for which the Department of Justice and/or the Legal Advisory Division, DEVB (LAD(W)/DEVB) could be criticized for failing to monitor and control the provision of legal services from the private sector.

In view of the above, it is considered inappropriate for departments to engage legal sub-consultants through their works-related consultants to carry out services which involve substantial legal input and cases involving special contract drafting services where the Government's standard contract forms are not applicable. The relevant parts of the Brief which involve legal issues should accordingly be excluded from the Brief and the LAD(W)/DEVB shall be consulted at an early stage of the project on the appropriate way forward to avoid any delay to the progress of the consultancy study. The LAD(W)/DEVB may consider that in the first instance legal input may be provided by the LAD(W)/DEVB directly or if appropriate, legal consultants should be appointed with the assistance of the LAD(W)/DEVB.

In case that a department is not sure if a project involves substantial legal input, it may address its queries to the LAD(W)/DEVB. It should however be clarified that in meeting the Consultants' obligations under government projects, there may be situations where the Consultants have to decide issues on their own without influence from the Employer and in so deciding, legal advice may be required by the Consultants, for instance, whether or not certain activities fall within the scope of Services to be provided by the Consultants under a consultancy study. In those circumstances, the Consultants should take their own independent legal advice as necessary.

4.24 Site Supervision of Civil Engineering Contracts

To address Independent Commission Against Corruption's concerns on site supervision of civil engineering contracts, D & C assignments need to incorporate the requirements of formulating a Quality Site Supervision Plan into the consultancy Brief. Details are given in the then SETW's memorandum ref. ETWB(W) 925/50/01 dated 29 January 2003.

4.25 Review of Preliminary Design before Proceeding with the Detailed Design

It is essential for the managing department to review the preliminary design during the Review Phase of the D & C assignment and at appropriate junctures when significant changes to conditions and circumstances are known to have occurred.

The managing department should set up a Review Committee to review the preliminary design of the project in the form of a layout plan and method statement produced by the consultant/entrusted works agent of the Investigation Assignment before proceeding with the detailed design. Provision should be made in the Brief of the Investigation Assignment requiring the consultant to respond to queries raised during the Design and Construction stage. Details are given in ETWB TCW No. 19/2003.

4.26 Confidentiality Clauses

In relation to mediation settlements and arbitration awards, Government will introduce a sanitization period whereby the consultant will have the opportunity to withhold consent to the release of commercially sensitive information. After the sanitization period, the consultant will be deemed to have given consent, but they will be informed before any disclosures to the Public Accounts Committee and they may then request commercially sensitive information to be disclosed on a confidential basis. Details are given in ETWB TCW No. 29/2003.

4.27 Ethical Commitment by Consultants

The requirements to enhance ethical commitment of consultants should be followed. Details are given in ETWB TCW Nos. 3/2004 & 3/2004A.

4.28 Retention of Documents and Inspections

The requirements for retaining documents beyond completion of works contract should be followed. Details are given at **Appendix 4.14**.

4.29 Retention of Money Payable to Non-resident Consultants for Settlement of Profits Tax

The requirements for withholding money out of payments made to non-resident consultants should be followed. Details are given at **Appendix 4.15**.

4.30 Setting Off Money due to the Government from Defaulting Consultants

A set of administrative procedures should be observed when applying the setting off clause (see Section 4.5(j)). Details are given in the then SETW's memorandum ref. (00UH1-01-7) in ETWB(PS) 106/11 dated 12 October 2005.

5. FEE REMUNERATION

5.1 General

As originally promulgated in WBTC No. 16/95, the remuneration of consultants for all stages of an assignment will normally be based on a fixed lump sum that is independent of the cost of the works. In this normal case the fixed lump sum will be submitted to the EACSB as a Fee Proposal at the same time as the consultants' Technical Proposal and the award of the consultancy will be subject to a combined score assessment in accordance with the method given in DEVB TCW No. 2/2016. Once approved, the fixed lump sum will not be subject to negotiation. However, if the use of a lump sum is not feasible, the EACSB may agree to award a consultancy based on time charges.

The remuneration for the employment of RSS is separately dealt with vide Section 6.

5.2 Types of Fee Remuneration

Currently there are two methods of remuneration, fixed lump sum and time charges, which may be used separately or in combination; and whichever system or combination is used the aim should be a fair and consistent application of the principles to all agreements.

(a) Fixed (lump sum) fee

A lump sum fee will normally be the basis of payment for all agreements and be determined through competition. If approval is given by the EACSB that a consultant is to be selected by direct negotiation then the lump sum should be negotiated using estimated time charge input as the base.

(b) Time charge fee

This method is usually used in conjunction with the lump sum fee method, to cover additional unexpected items of Services or when the exact extent of some part of the Services involved cannot be fully defined in advance. It may also be appropriate for smaller assignments and particularly those of an unusual nature e.g. providing intermittent specialist advice. A budgetary ceiling figure is usually applied to time charge Services, and this should be obtained at the fee submission stage. Further increases in the budgetary ceiling should be subsequently agreed by the EACSB whenever any major additional time charge Services are anticipated which will exceed the current ceiling and the managing department's delegated authority for variations under the SPR (see Section 8.2.8).

An old method of remuneration, based on the percentage of cost of works, was used with IDC agreements prior to the introduction of an element of fee competition in the system for the selection and remuneration of engineering and associated consultants in May 1991. The percentage scale included in the standard form of Schedule of Fees allows for a percentage which reduces inversely in proportion to the cost of works. For

new assignments, this method shall no longer be used. For existing assignments adopting this method of remuneration, managing departments should refer to **Appendices 5.2 and 5.3** for fee adjustment measures.

5.3 Fixed (lump sum) Fee

5.3.1 Applicability

This method of remuneration should be used where the scope and duration of the Services can be clearly defined. It is usually computed from an assessment of the manpower input. The lump sum fee for a study should be based on the assessed staff time required to complete the study, combined with any non-staff cost.

5.3.2 Adjustment of Lump Sum Fee for Inflation

Lump sum fee for consultancies of planned duration greater than one year shall be adjusted to account for inflation. Adjustments shall be made annually to the balance of the lump sum fee unearned, in accordance with increases and decreases in Consumer Price Index (C)(CPI(C)). The baseline for inflation/deflation adjustment is subject to change as deemed necessary by the Census and Statistics Department and will be announced by DEVB. Currently the October 2014 - September 2015 based CPI(C) is used.

To ensure that the proposed fees together with any inflation-related payments do not exceed the Approved Project Estimate (APE) of relevant projects, the managing departments are required to specify the estimated amount of inflation-related payments in EACSB submissions so as to satisfy that there would be sufficient funding in the relevant project vote to cover all fees/payments under the assignment.

5.3.3 Guidelines on Negotiation of Lump Sum Fee

(a) Direct Selection of a Single Consultant

The lump sum fee for a study should be based on the assessed staff time required to complete the study, combined with non-staff cost. As far as possible reference should be made to prevailing market rates in establishing the baseline fee prior to negotiating with the consultant.

(b) Additional Services Under An Existing Agreement

Payment for additional Services should accord with the all-inclusive time charge rates for different categories of staff for additional Services proposed by the consultants in their Fee Proposals. For existing Agreements not subject to this approach (e.g. commissioned prior to the introduction of all-inclusive time charge rates for different categories of staff for additional Services), or in the situation where the bid all-inclusive charge rates will not apply, the lump sum fee for carrying out additional Services should be negotiated on the basis of the

assessed staff time required to complete the study, plus non-staff cost. The lump sum fee should be

negotiated taking into consideration of the duration of Services, the competitive rates and discounts (if any) offered in the original Fee Proposal, and the prevailing market rates. Where applicable, the managing department should also seek to ensure that the estimated and eventually negotiated lump sum fee for the additional Services would be inclusive of all implications arising from the proposed additional Services, including any prolongation costs, etc.

5.4 Time Charge Fees

5.4.1 General

When the scope of additional Services under an existing agreement cannot be defined prior to its commencement, time charge method should be used. The method of assessing basic time charge fees shall accord with the Schedule of Fees. When time charges are used as the basis of remuneration, the consultants shall be required to maintain detailed time sheets of all staff involved and these should be available for inspection and audit by Government when required. Receipts and other documentary proof of related expenditure such as travel expenses, housing etc., should also be made available as required.

For old agreements adopting the time charge multiplier method, the guidelines given in Sections 5.4.2 to 5.4.4 should also be observed.

5.4.2 Basic Rates

(a) Director's Rate

This is intended to be used only for principals i.e. partners/directors (hereinunder known as directors for simplicity) of a firm. In practice it is relatively rare for directors to be used on actual time charge Services, and the rate is more frequently used to cap the rate for professional staff. The director rate is varied in accordance with movements in average of D1 salaries of the Directorate scale and the revised rate is notified by the Secretary, EACSB following any such movement. Regarding the rate for landscape directors, the managing department should consult Secretary, AACSB.

(b) Rates for Professional and Technical staff

The time charge rate for each member of the professional and technical staff shall be calculated using the actual Annual Salary Cost (ASC) and the Time Charge Multiplier (M) for additional Services quoted in the consultant's Fee proposal. The rate of payment shall be given by:

$$\text{Hourly Rate} = (M \times \text{ASC}) / 1680$$

"Annual salary cost" is defined as "basic salary including bonus, if any, and the Consultant's contributions to pension or provident funds". The hourly rate computation is based on the assumption that the average actual hours worked in any one year after deductions for all non working time including Sundays, public holidays, casual leave, and for sick leave and annual leave is 1680 hours. This enables the consultants to be compensated for such paid but non-productive time when the rate is applied only to actual productive working time.

No other costs or allowances are to be included in "annual salary cost".

5.4.3 Reimbursable Disbursements

In addition to the basic rate in respect of "Annual Salary Cost" the consultants may be reimbursed the actual cost of additional reimbursable benefits such as housing rental, medical insurance, children's education, overseas leave travel costs and the like. In assessing the suitability of particular individuals for employment on a time charge basis, the basis of assessment should be that the overall reimbursement package should not be more generous than that which Government itself would provide for employing a person of similar status and circumstances. "Similar status and circumstances" means of equivalent qualifications, experience, employment terms and family circumstances (married, number of children etc.). Recognition should also be given in the assessment to other factors, such as special expertise and "expert" knowledge. The normal method of assessment of allowances is to calculate them on an annual basis and then divide by 1680 to produce an equivalent hourly rate. These allowances shall be on hourly rate and reimbursable basis. A sample form of hourly rate calculation sheet is included at **Appendix 5.1**.

5.4.4 Application of Rates

It should be noted that the relevant time charge clauses in the standard Schedules of Fees state clearly that the above basic rates apply in respect of short term and/or intermittent periods of working and the Director's Representative shall negotiate reduced rates in respect of long term continuous periods of working. Any continuous period of full time employment in excess of 3 months for Services of which the scope cannot be defined in advance is usually considered eligible in this respect.

5.5 Fees in Foreign Currencies

Generally fees are paid in Hong Kong and in Hong Kong dollars. Where some part of the expense is incurred in foreign currency it is usually converted to HK dollars for payment purposes in accordance with GCE Clause 30.

However in circumstances where services are to be provided by personnel based outside Hong Kong and salaried in a foreign currency, approval may be given to the fees being paid in foreign currency. Where such is the intention, the managing department should follow the requirements in SPR 465(c) and highlight the proposed arrangement in EACSB submissions.

5.6 Compulsory Insurance

Under the existing provisions, engineering consultants are required to take out Professional Indemnity Insurance (PII) at a minimum amount specified in the Brief for a certain period after completing the contract works covered by the Agreement. Detailed requirements of the PII are promulgated in DEVB TCW No. 9/2007.

6. DIRECT EMPLOYMENT OF RSS BY CONSULTANTS

6.1 Normal Arrangement

Under the normal arrangement the consultants are required to directly employ RSS. While the employment is a matter between the consultants and their RSS, the consultants are reimbursed the actual payment made to their RSS subject to an annual reimbursement ceiling. The annual reimbursement ceiling is the aggregate total of monthly caps over a 12-month period for all staff actually employed by the consultants filling the posts on the RSS establishment. The consultants are allowed to remunerate a member of the RSS an amount different from the caps he accrues under the consultancy agreement, and the Government will not control the actual amount of salaries and fringe benefits payable by the consultants to the members of the RSS. Details of arrangements for direct employment of RSS by consultants are given in DEVB TCW No. 4/2008.

In August 2005, the then ETWB introduced an RSS database to assist the Director's Representative in vetting of the consultant's proposal for employment of RSS. The updated details are given in DEVB TCW No. 3/2011.

As promulgated under SDEV's memo ref DEVB(PS)106/47/1(TC21/2012) dated 19 December 2013, the consultants are required to mandate open recruitment of resident site staff for consultancy agreements under EACSB and the DCSC where EACSB's procedures instead of the quotation procedures are applicable. Technical audits on consultancy agreements and quality site supervision plans for works contracts which set out the consultants' strategy for site supervision should cover the recruitment of RSS.

6.2 Minimum Qualification and Experience and Duties of Resident Site Staff

According to DEVB TCW No. 4/2008, the managing department should include in the consultancy agreement a "Schedule of RSS Standards and Duties" stipulating the minimum qualification and experience required and duties of each of the posts stated in the notional RSS establishment. The minimum qualification and experience and the duties may be changed subsequently by mutual agreement between the managing department and the Consultants to suit prevailing circumstances. The minimum qualification required, the duties of common ranks of resident site staff to be undertaken, and the normal minimum experience which could be considered for adoption as separately promulgated by DEVB are given at **Appendix 6.4**. However, the actual criteria to be used in any particular consultancy agreement may be decided by the respective managing department.

7. EXECUTION OF THE AGREEMENT

7.1 Authority to Enter into Agreement

The signing of the formal agreement between Government and the consultants can proceed as soon as the EACSB's written approval of the terms and conditions is received from the Secretary, EACSB, funds for employing consultants are available, and relevant SPR requirements in respect of execution of agreement have been followed.

7.2 Consultants which are Limited Liability Companies

One of the prior requirements before entering into an agreement with any consultant who is a limited liability company is that a majority of the voting power in meetings of the company shall be held by directors who are consulting engineers (or equivalent professionals of associated professions, e.g. landscape architects in the case of a landscape architectural firm). The onus is on managing departments before entering into an agreement with consultants to obtain the consultants' confirmation of this. Managing departments should check this at the longlisting stage.

7.3 Prevention of Bribery and Declaration of Interest

Managing departments are reminded of the requirements of the clauses in the GCE relating to Prevention of Bribery and Declaration of Interest. The attention of the consultants should be drawn to these clauses and in particular consultants should be requested, prior to entering into any agreement to declare any interest or association they may have with any contractor, supplier, specialist contractor or subcontractor.

7.4 Preparation of Documents

The documents forming the agreement, namely, the Memorandum of Agreement, the GCE, the SCE, the Brief and the Schedule of Fees, and, where applicable, the Schedule of RSS Standards and Duties should be bound together and sealed with wax seal in the approved manner for preparation of contract documents. If the consultants wish, they may also attach their seal to the copies that will be signed.

Copies of correspondence exchanged with the Consultants which amend, qualify, explain or add to the Agreement in some way should be bound into the Agreement. Extreme care should be taken to ensure that the effect of such correspondence is fully understood, and that it is not being used to avoid including SCE.

The compilation and sealing of the documents should be carefully checked, usually by senior accounts staff.

7.5 Signing the Agreement

The client office should notify the consultants in writing, of the award of the consultancy (a sample letter is given at **Appendix 7.1**) and invite them to sign the formal agreement. The consultants should be reminded of the need for their representative(s) to bring letters of authorization or other evidence of authority to sign contracts on behalf of the consultants.

Unsuccessful consultants should also be notified as soon as the results are known (see Section 3.13).

The Employer's Representative or a public officer at directorate level shall sign the Agreement for and on behalf of Government, provided authority to sign contracts has been formally delegated to his appointment.

A duly authorised partner or director of the consultants shall sign or affix the Company Seal for and on behalf of the consultants.

The signatures of both parties shall be separately witnessed. Any alterations to the documents shall be initialled by both parties and witnessed.

Two copies of the agreement shall be signed and sealed in the above manner and checked, usually by senior accounts staff. These copies will be distributed as indicated in Section 7.6(a).

Three copies of the agreement should be franked "Certified True Copy..... (signature)" with post and name of the person (usually professional grade officer or above) who checked them. These copies need not be sealed but they should have the date of signing and the names of signatories and witnesses inserted. These copies will be distributed as indicated in Section 7.6(b).

7.6 Distribution of Documents

(a) A signed and sealed copy should be lodged with :

- Consultants
- Employer's Representative

(b) A certified true copy should be sent to :

- Director of Audit
- Senior Treasury Accountant of managing department HQ
- Secretary, EACSB (see also Section 3.12)

8. MANAGEMENT OF CONSULTANTS

8.1 General

8.1.1 Purpose of Management

Management of consultants is needed to ensure the timely completion of the Project and/or the completion of all other intended objectives of the assignment, taking proper account of the need for adequate liaison with Government and for compliance with the appropriate government policies and regulations. The most effective management will generally be achieved by the adoption of a team approach, recognising that the consultants are professional advisors and maintaining mutual respect for the points of view of both parties. One of the more frequent reasons for employing consultants is to overcome a lack of in-house resources, therefore excessive control will be self-defeating. The object should be the optimum amount of management to maximise efficiency.

8.1.2 Principles of Management

Management of the consultants is carried out by the office of the Director's Representative (or his delegated representative) who is the person authorised to give instructions or convey Government's decisions and views to the consultants. The managing office is responsible for ensuring that the consultants comply fully with the terms and conditions of the agreement. The managing office also forms the point of contact and liaison for other interested government bureaux/departments, who are consulted, kept informed and who provide input to the Agreement. Thus management is an active role requiring input from the government side as well as receiving output from the consultants.

8.1.3 Role of the Managing Office

(a) Within Government

The managing office performs all normal duties within Government in respect of the project to which the consultancy is related, e.g. PWP action, financial control, quarterly reports, comment on town planning layouts, comment on proposed site conditions, processing all relevant ordinance procedures for land clearance, alteration, tree removal etc. After checking the completed contract documents, the managing office gazettes tenders, submits tender reports prepared by the consultants to Central Tender Board, notifies award of and signs contracts etc. Additionally the managing office promotes and controls at all stages, any necessary two-way liaison between interested government bureaux/departments and the consultants. In this respect the managing office should act as a screen between the consultants and client or other offices/departments. It should intercept requests from other offices which are clearly outside the consultancy brief or responsibility to answer, or which it can adequately answer directly. It should also deal directly

wherever possible with requests from the consultants by telephone and/or by meetings followed up by letters of record as a way of cutting down time and improving efficiency. Only matters outside the managing offices' competence should be dealt with expeditiously by referral to the competent authority. Where the Design Stage initially involves developing alternative preliminary designs, selection of the final design concept may have policy implications and involve consultation with Policy Bureaux, or the Steering Group, if any. The managing office should ensure such steps are taken appropriately.

(b) Monitoring and Administering the Agreement

The agreement is a legally binding document and should be administered as such. Managing office staff must keep themselves familiar in detail with the consultant's duties, obligations and benefits and also with the Governments' duties and obligations under the agreement. They should monitor his compliance with the agreement and also, to the extent authorised therein, with government regulations and procedures. Letters on matters of principle under the agreement, or of a disciplinary nature, should be signed by the Director's Representative. Instructions on modifications, extensions to or termination of the agreement should be given in writing by the Director's Representative. The consultants may not proceed from one consultancy stage to the next without the prior written authority of the Director's Representative.

(c) Assisting the Consultants

The managing office should generally assist the consultants in their liaison with Government, and should take steps to resolve any disputes or difficulties which may occur. The consultants should as necessary be fully briefed on Government's structure and on all procedures, and ordinances relevant to the land clearance - acquisition, investigation, design and construction of the works. Contact should be promoted between the managing office's and the consultant's professional and clerical staff on such aspects as financial monitoring and control, routine accounting and personnel management, etc., to avoid potential conflict with procedures.

Regarding liaison with other government bureaux/departments, the degree of direct contact, in either direction, should be controlled by the managing office. Where direct contact is necessary, the managing office should be kept informed and be sent copies of all correspondence between consultants and other departments. On complex projects, the managing office should arrange for each interested government bureau/department and other organization to appoint a representative through whom all internal and external matters regarding the consultancy should be channelled. Details of the contact post, name of incumbent, telephone number and address should be circulated to all parties and regularly updated. At the start of the consultancy the managing office should circulate a letter introducing the consultants to all bureaux/departments they are likely to contact and enlisting their co-operation.

8.1.4 Distribution of Documents to Consultants

The officer controlling the consultancy (Project Officer) should prepare a list of the documents necessary for project implementation using the list at **Appendix 8.1** as guidance. During the circulation of the draft Brief for comment, the Project Officer should include the proposed List and request information on documents that the department considers are important from their point of view. The department should specify the title and contact for the particular documents and these should be added to the List prepared by the Project Officer.

The Project Officer must supply the List to the shortlisted consultants at the time of invitation to submit the Technical and Fee Proposals. The consultants should be asked to indicate, with their submissions, the documents currently held by them and the documents needed, should they be awarded the assignment.

The documents on the List must be made available to the shortlisted consultants to see, if they request, during the preparation of their submissions. Any documents which are on sale should be purchased by the consultants.

During the period of the consultancy, the Project Officer should pass on any amendments to documents on the List, or new documents which he considers relevant to the consultancy.

8.1.5 Policy Steering Group

(a) Need for a Policy Steering Group

Major planning and feasibility studies particularly multi-disciplinary studies will require the formation of a steering group to ensure optimum achievement of Government's objectives. Such studies typically have major external implications and/or policy guidance is needed during the course of the studies.

(b) Membership of Policy Steering Group

The policy steering group should consist of representatives of interested government bureaux/departments, the consultants, and the managing office. Its members should be of sufficiently high rank to be capable of making decisions if necessary, at the steering group meetings. The Chairman may be from the policy bureau responsible for introducing the project into the PWP, up to Deputy Secretary rank or alternatively someone approved by the policy bureau (e.g. from the lead department). The managing office will usually provide the secretary to the steering group, and other representatives as required.

(c) Terms of Reference

The terms of reference of the steering group should establish clear lines of

responsibility and accountability. They should be discussed and agreed at the first meeting of the steering group.

8.1.6 Project Steering Group

(a) Need for a Project Steering Group

A project steering group may be necessary particularly for Investigation and D & C agreements where close liaison of a non-policy and/or operational nature is required between the consultants and various government departments having extensive inter-related or conflicting interests. This steering group may for example determine the requirements of the client/user department(s), the maintenance department(s) and/or of government technical specialists in GEO, Environmental Protection Department etc.

At the construction stage, the group's function would be to facilitate implementation of the works, which may involve such things as resolving problems associated with traffic and utility services.

Project steering committees are required as a matter of policy for all multidisciplinary projects and such committees may also serve as the project steering group where consultants are involved in the project.

(b) Membership of the Project Steering Group

The group should comprise staff of the managing office, the consultants and representatives of interested departments (and Utilities Companies).

The Chairman may be the managing office's HoD, the Director's Representative or a delegated representative of appropriate seniority (usually D1 or above). Representatives of other departments should be sufficiently senior to speak on behalf of their departments and give decisions on the spot.

In some cases such as traffic or utilities co-ordination, meetings may be chaired by the Consultants.

(c) Terms of Reference

These should state the objectives of the project steering group and establish clear lines of responsibility and accountability. The terms of reference should be agreed at the first meeting of the group.

(d) Frequency of Meetings

The group should meet when required but generally at not less than monthly intervals.

8.1.7 Change of Core Personnel in the Consulting Team

The procedures of approving change of core personnel of consulting team were originally set out in Technical Circular DEVB TCW No. 2/2009. The procedures were streamlined vide SDEV's memorandum ref. DEVB(PS) 106/42 dated 14.1.2013 to improve efficiency and the relevant content of which has now been subsumed at **Appendix 8.2**.

Under the streamlined procedures, the HoD can assign a D2 (or above) officer to approve cases of core personnel leaving the company (including retirement and resignation) or leaving the post and duties for a prolonged period due to family or medical reasons. For all other cases, the HoDs may, having regard to the merit of individual case, personally grant approval. The principle of approving change of core personnel remains unchanged.

8.2 Detail

8.2.1 Introduction

The nature of management for feasibility studies, planning studies and for the preliminary report stage of Investigation and D & C type agreements is different from that required for the detailed implementation of the design and construction of engineering projects. This is increasingly true as the scope and nature of Feasibility Studies widen.

Wherever necessary in this Section, distinctions are made between the two different situations. If no distinction is made it may be assumed that the guidance is relevant to either situation.

8.2.2 Programme

The managing office should ensure that the consultants submit a realistic overall programme as required in the agreement, showing the proposed sequence, timing and working methods proposed for achieving the objects of the Project. For D & C agreements the programme should also show the timing of the main elements in each of the consultancy stages and the works contracts, necessary to achieve the desired completion date for the project. More detailed programmes shall be submitted for each consultancy stage at its commencement. The programme elements should include for all necessary government procedures and checking by the managing office of draft contract documents etc. Adequate time should be allowed for completion of these procedures and for dealing with objections under relevant ordinances. Managing offices should scrutinize draft programmes carefully and liaise with the consultants to ensure that realistic times are allowed for government procedures and input. After approval by the Director's Representative the programmes shall become the basis for control and monitoring of progress.

8.2.3 Progress Reports

The managing office should require the consultants to submit at regular intervals (usually monthly) a brief report in a format, and of a scope, approved by the Director's Representative. The report shall indicate for the previous period, the progress achieved in relation to the approved programme and also any difficulties encountered. The report should also mention any guidance or assistance which the consultants may require. Where there is a steering group, part of its function will be to consider the progress reports, provide feedback to the consultants, and initiate any necessary follow-up action. Other bureaux/departments and utility companies etc., having interest or involvement in the project should be kept informed of the progress by the managing office.

Where necessary, progress meetings chaired by the Director's Representative should be held between the managing office and the consultants, to discuss the progress reports to decide on follow-up action to be taken and revision to the programme to recover lost time.

8.2.4 Supervision, Checking and Reporting on Consultants

Consultants' performance is measured by regular performance reports and by a Final Report on completion of agreement (see Section 10). Where a particular shortcoming of the consultants becomes apparent, the managing office should not delay in drawing this to the attention of the consultants with a view to eliminating the problem as early as possible.

8.2.5 Payment of Fees

Fees should be paid to the consultants at the times and in the amounts stipulated in the Schedule of Fees. Where it is necessary for the consultants to carry out additional Services, these should be instructed in writing by the Director's Representative. Payment for such Services shall either be on a time-charge basis using the appropriate rates and multiplier stated in the Schedule of Fees or by means of a negotiated lump sum fee.

For the "acceptance" of deliverable which is substantially completed, when the delay in finalisation is outside the control of the consultants, managing department should exercise reasonable discretion in considering making the milestone payments. In such cases, consideration should be given to seek the Director's Representative's approval to make part of the milestone payment and subject to the extent of minor outstanding finalisation work, 90% or more of the milestone payments may generally be made. It is mandatory for the Employer to make payment within the specified period of receipt of invoice from the consultant. Managing offices should note this and particular attention should be paid to checking and certifying accounts promptly. The date of receipt of the invoice by the managing department shall be clearly indicated on the invoice. The payment date shall be accurately calculated and clearly stated on the payment vouchers by the managing department. The managing department must ensure that consultants' accounts are checked and certified promptly and that arrangements are made for

payment vouchers to reach the Receipts and Payments Examination Section of the Treasury timely. Director of Accounting Services should be advised of the payment due date when forwarding accounts for payment.

8.2.6 Feasibility Reports

(a) Draft Report

Towards completion of the assignment the consultants shall submit to the managing office a draft report on the project, containing their recommendation and other details, as required by the Brief. The report should be circulated by the managing office to all interested government bureaux/departments for comment. Consideration should be given to whether the District Council's views should be sought at this time. The managing office should check the report for significant errors and the validity of its conclusions and ensure that it fulfils the requirements of the Brief. The managing office should pass all comments received to the consultants and further circulate their response to all parties. Where there is a steering group, the consultants should make a detailed presentation of the report to the group.

The consultants, taking account of all comments received, should then conclude any remaining investigations, refine their findings and proceed with the preparation of the Final Report.

(b) Final Report

Following submission by the consultants of the Final Report incorporating all significant comments received at the draft stage and the consultant's responses thereto, the managing office should check that all comments have been satisfactorily answered and all requirements of the Brief met, before the Director's Representative gives his formal acceptance to the Final Report and distributes it to interested parties for their information. A copy of the Final Report should be kept in the office library and the relevant departmental library, for record. In some major projects, an Executive Summary report will be required as part of the Final Report and such requirement should be specified in the Brief.

(c) Follow Up

After distribution of the Final Report, certain follow-up actions will be required by the managing office. Depending on its nature and relative importance, consideration must be given to presenting a paper with a summary report covering the key recommendations of the report to the District Council(s) for consultation purposes. For development proposals a paper may need to be submitted to the Committee on Planning and Land Development. Other committees which may need to be consulted include the Transport Policy Coordinating Committee and Transport Advisory Committee (for projects with significant transport implications) and Town Planning Board (projects with significant planning implications).

8.2.7 Management during Design, Construction & Commissioning

(a) Regulations and Procedures

The managing office should ensure that the consultants are aware of and, to the extent authorised in the agreement, comply with all government regulations and procedures relevant to the agreement. Attention is drawn to Section 8.1.3(c), the requirements of which should be observed. At the Design and Construction Stage, Chapters 6 and 7 of the Project Administration Handbook, regarding "Tender Procedure" and "Contract Management" are particularly relevant. The consultants should, as far as possible, incorporate government standard forms in the contract documents e.g. Conditions of Contract, General Specifications, Method of Measurement etc. The consultants should obtain the approval of the managing office to any departures from standard procedures/provisions such as Special Conditions of Contract, Particular Specification Clauses and Particular Preambles etc.

(b) Contract Management

- (i) Management of the contract will be undertaken by the Consultants in their capacity as the Engineer to the contract. The duties and powers of the Engineer will be laid down in the Conditions of Contract. The consultants must be allowed to carry out the duties of the Engineer independently and impartially, with only those constraints on their contractual powers as are defined in the GCE. Care should be taken to ensure that other terms of the Agreement or administrative procedures or requirements do not impose any additional constraints on the powers of the Engineer.
- (ii) The managing office should monitor closely the consultants' performance on contract management to see that they act properly and effectively and that government procedures and regulations are followed. For example, the use of government standard forms of site records should be verified by carrying out a technical audit from time to time.
- (iii) The consultants should be reminded of the constraints on their contractual powers, in particular those governing variations to the contract works, extensions of time for completion and claims for additional payment. The managing office should ensure that suitable and agreed procedures including time limit guidelines are laid down and followed, so that all referrals on such matters from the consultants to the Director's Representative for his approval or comment are dealt with expeditiously.
- (iv) The Conditions of Contract provide for payments to the contractor to be made within a specified time limit after the date of the Engineer's Certificate. The managing office should ensure that proper procedures agreed with the Treasury and the Consultants are in place to enable payments to be routinely made within the contractual time limit.
- (v) The managing office should advise the Consultants when site records and files should be sent to the managing office for custody after the winding up of each contract. The agreement requires the Consultants to permit

inspection by Government of records and correspondence relevant to any contract or other expenditure of Government funds (GCE Clause 14)

- (vi) Where Contract Advisers are intending to carry out a technical audit on completed contracts, such audits should normally be carried out within 12 months of receipt of the complete set of site records from the Consultants, and any queries should be put to the Consultants within a reasonable period of time thereafter.

(c) Financial Control

- (i) The managing office should ensure that the consultants are aware of the time and supporting information which will be needed by the Director's Representative when seeking approval for increases in the project estimate, supplementary provisions to increase annual estimates and increases in contract sums.
- (ii) As the Engineer to the contract, the consultants can without prior approval (except as described in GCE Clause 24) order variations to the contract works and in other ways commit Government to expenditure within the terms of the contract. The managing office should ensure that the Agreement contains adequate provisions requiring the consultants to keep the Director's Representative fully informed of the financial state of the contract, including regular updating of the estimated final contract sum, forecasts of expenditure and immediate notification of any likelihood of the approved contract sum being exceeded. Formal financial management arrangements should be agreed between the managing office and the consultants to ensure that, throughout the course of the contract, necessary authorities are obtained and funds made available in time to meet contractual payments.

8.2.8 Variations to Consultancy Assignment

SPR 520 specifies the conditions under which managing departments can authorise variations to a contract (consultancy agreement). In addition to the original "fee ceiling for additional Services" approved by the EACSB, managing departments are delegated with authority to approve variations of consultancy agreements within the financial limits set out in Appendix V(B) of SPR.

In case the total amount of variations exceeds the original approved "fee ceiling for additional Services" plus the financial limits under the authority delegated to managing departments as set out in Appendix V(B) of SPR, the EACSB's approval to negotiate with the consultant to undertake the variations is required prior to proceeding with any further variations (see Section 3.17).

While the full implications that might arise from the proposed additional Services must always be given careful consideration, the managing department should also be mindful of situations wherein the instruction of certain additional Services might unavoidably commit the department to further and related additional Services beyond the department's authority at a later stage under the Agreement, albeit well within the

department's financial authority at the time the particular additional Services is contemplated and required. Prior approval of the EACSB might need to be obtained at this stage to avoid otherwise pre-empting the EACSB.

Any agreed variations which are to be paid on a lump sum basis, or on a time-charge basis but with rates different from the original fee proposal, should be executed under a supplementary agreement.

8.2.9 Retrospective Approval of Variations

From a government procurement perspective, prior approval for variations of consultancy contracts involving additional services under Item B.III of Appendix V(B) of the SPR must always be obtained before such additional services are committed or allowed to be undertaken. The practice of seeking covering approval is not encouraged, and should be strictly controlled to avoid abuse. Such covering approval would therefore only be given under exceptional circumstances with full justifications.

For such cases, the managing department is required to provide full justifications to support the covering approval sought for additional Services, and the submission to the EACSB seeking such approval should include the Controlling Officer's agreement concerned.

The department should also confirm in the submission that the subject matter for approval would not be in connection with or involve any extra-contractual settlement of claims as such would be outside the jurisdiction of the EACSB according to the SPR.

8.2.10 Variations for Additional Services that are within the Approved Scope of the Project

For variations falling within the ambit of Item B.III of Appendix V(B) of the SPR which are within the approved scope of the project, the EACSB's approval should be obtained prior to negotiating with the existing consultant for direct single appointment. Such proposals must be fully justified with due consideration of all relevant circumstances including the contractual, financial and programme implications, and presented clearly in the submission for the EACSB's consideration.

9. MODIFICATION TO AN AGREEMENT

9.1 Need

During the course of a study, additional Services or omissions may come to light, or further extension of Services be recommended, and as a result it may be considered appropriate to modify or extend the existing agreement.

An existing agreement may also need to be modified due to a change in status of the consultants, or because of a change in government standards and/or policies. It should be kept in mind that an agreement is a legal contract and cannot be altered or modified without the agreement of both parties.

9.2 Submission to EACSB

Where such need arises an approach should be made to the EACSB for approval to the proposed modification, unless this has already been covered by a general approval as may be the case with certain policy changes.

9.3 Justification

The approach to the EACSB must include a full justification for the proposed modification/extension and an estimate of any additional cost. Where additional fees are involved, approval from the EACSB in principle to the modification/extension should be sought, prior to any negotiation with the Consultants. Prior approval to any additional expenditure should have been obtained and this should be verified and clearly presented in the submission.

Where the modification involves an extension to the Services to be provided under the Brief, full justification including reasons why this should not be carried out as a new agreement should be provided. Normally in such circumstances, extensions should be approved only when the Services are a logical extension of the existing assignment and difficult to separate from it.

9.4 Negotiation and Execution

Following agreement by the EACSB in principle to any modification, it will generally be necessary to negotiate the terms, conditions and any additional fees relevant to the modification or extension, and to obtain EACSB's approval to these prior to executing the modification. Minor changes may be completed by an exchange of letters, major changes may require the execution of a supplementary agreement. In some cases legal advice on the wording of such supplementary agreement may be required and the managing office should liaise directly with the LAD(W), DEVB.

9.5 Novation

Novation of consultancy agreements is allowed under one of the following circumstances:

- (a) A consultant has changed from a partnership or sole-proprietorship to a limited liability company. The obligations, liabilities and benefits under the existing consultancy agreements are transferred to the new company.
- (b) A consultant is being wound up, will soon cease to carry on business or is intending to wind up his business and is thus unable to perform some or all of the consultancy agreements. The Government on balance agrees to a novation instead of terminating the consultancy agreements.

Other than the above circumstances, the transfer of a consultant's benefits and obligations under consultancy agreements with the Government to a third party, including a sister company, a holding company or a subsidiary company having a separate legal status, will not be permitted. Details on novation of agreements are given in ETWB TCW No. 3/2005. The guidelines given in SDEV's memorandum ref. (0211Y-01-12) in DEVB(PS) 106/43 dated 24 July 2009 are applicable to the organizational restructuring scenario of one or more consulting companies (the transferor(s)) integrating into another consulting company (the transferee) by full transfer of their liabilities, assets, staff and resources to the transferee.

9.6 Change of Company Name

Upon receipt of notification from consultants of a change of company name, the government department concerned should pass the notification to the Secretary, EACSB.

The Secretary will then take the matter up direct with the consultants and will seek confirmation from them on whether there have been any changes in corporate structure or transfer of ownership as a result of the name change.

If there were no changes in corporate structure nor transfer of ownership in the company, Secretary, EACSB will notify departments of the name change. Otherwise a novation of the current consultancy agreements of the company may be required.

9.7 Suspension or Termination

Procedures to be followed if Government wishes to suspend or terminate the Agreement or any stage of the Agreement are given in Clause 41 of the GCE of Engineering and Associated Consultants.

If the Government wishes to suspend or terminate the Agreement for any reason the Director must give the consultants three months notice in writing.

The Director's Representative must inform the consultants in writing, usually within 3 months or as specified in the brief or the agreed programme, whether or not they are to proceed to the next stage.

The suspension or termination clauses in the GCE also describe the consultants' remuneration under such circumstances.

The managing department should submit an evaluation of the consultants' performance of an agreement on suspension or termination.

10. CONSULTANTS' PERFORMANCE

10.1 General

The system of reporting and managing the consultants' performance is given in DEVB TCW No. 3/2016.

In order to ensure that consultants perform their duties in accordance with their Agreements and the Briefs, they must be effectively managed by the managing departments.

The performance of consultants must be regularly assessed, and an appraisal report for each current agreement must be made timely by the managing department.

It is essential that the consultant's performance is assessed and reported accurately such that the quality of Services can be reflected, and in turn, good value for money Services can be ascertained.

In cases of unsatisfactory performance, action should be taken by the managing department in the first instance.

10.2 Consultants' Performance Information System

Under the consultants' performance information system (CNPIS), a performance score for each interim report can be derived based on the assessment made. A weighted average of the performance scores of a consultant obtained over the immediate past three years in all consultancies will be taken as the consultant's current Past Performance Rating (PPR) which provide a quantitative indicator of the consultant's past performance.

11. CONCLUSION OF THE AGREEMENT

11.1 Scope of Assignment Not to Be Exceeded

There is often insufficient attention given to dealing properly with the concluding stages of an agreement. Authority is given by the EACSB to appoint consultants to carry out a specific assignment and as soon as the duties under that assignment are completed, the consultants should be so advised and the agreement officially completed.

Consultants should not be employed under an existing Agreement to carry out duties not authorised as part of that assignment and/or for which funds have not been properly allocated.

11.2 Summary of Steps to be Followed on Completion of an Agreement

1. Ascertain that the Services as set out in the Brief have been substantially completed and notify consultants of any outstanding items.
2. Process consultants' Final Account.
3. Issue Letter of Completion of Agreement.
4. Complete Final Report on Consultant's Performance.

11.3 Completion of Agreement

The managing office must ensure that all Services set out in the Brief have been substantially completed and the consultants notified of any outstanding items prior to the issue of the letter of completion. If they have not already done so, the consultants should be invited to submit their final account, and this should be cleared subject to any payments in relation to outstanding duties e.g. monitoring, being held back.

Usually with Feasibility Study and Investigation type agreements, the assignment is complete following submission of the final report including any responses to comments on the draft final report. There may however in some agreements be additional monitoring or similar Services of a relatively minor nature which may continue for a considerable period. Based on the exact nature of the Services required by the Brief, the managing office must use its discretion to decide when the assignment is substantially completed, and hence when to issue completion notice and final report.

With a D & C type agreement, the managing department must ensure that the consultants have: properly drawn up final accounts; resolved any outstanding contractual matters; produced as-built drawings, maintenance manuals, and any outstanding design calculations and/or certificates; and preserved site records. The managing department must also ensure that the works has been properly handed over to and taken over by the relevant maintenance authority. Where necessary, any

outstanding items which cannot be attended to immediately through no fault of the consultant may be included in a schedule of outstanding items.

11.4 Letter of Completion

The consultants should be notified that they have completed their duties under the agreement, with the exception of any minor outstanding duties which should be specifically referred to in the letter of completion. Reference should also be made in the notification letter to any ongoing responsibilities such as professional indemnity insurance, keeping of records and the like. A standard form of Letter of Completion is at **Appendix 11.1**. This should be copied to Secretary, EACSB and Director of Audit. The date of the completion should be same as that reported in the Consultants' Performance Information System (CNPIS), i.e. the Final Report on the Consultants' Performance.

11.5 Technical Audit on Completed Contracts

The managing office should ensure that all queries on completed contracts requiring action by the consultants should be made within a reasonable time.

11.6 Final Report on Completion of Agreement

The managing office should on completion of the assignment, complete a Final Report on consultants' performance on the agreement in accordance with DEVB TCW No. 3/2016.

11.7 Post-Completion Review on Major Consultancy Agreements

The requirements of post-completion review should be followed. Details are given at **Appendix 11.2**.

APPENDIX 1.1 SUPPLEMENTARY PROCEDURES FOR SELECTION, APPOINTMENT AND ADMINISTRATION OF ENGINEERING AND ASSOCIATED CONSULTANTS APPROVED / TO BE CONSIDERED BY DCSCs

The following supplementary procedures should be followed for consultancy agreements approved / to be considered by Departmental Consultants Selection Committees (DCSCs).

General

Submissions for approval of the list of consulting firms for inviting consultancy proposals, consultancy briefs, marking schemes for assessing consultancy proposals, pre-contract negotiations, appointment of consultants and cancellation of consultants selection exercises should be sent to the Chairman, DCSC and copied to the Members of the DCSC.

The Secretary, EACSB's general administration duties, including allocation of agreement numbers, maintenance of EACSB Directory, processing requests for change of company name, up-keeping the List as described in Section 3.11.5, remain unchanged. Copies of relevant records of the commencement, termination and completion of an agreement should be sent to Secretary, EACSB.

Opening of Fee Proposals

The minutes of Assessment Panel meeting with proper recording of the deliberations made as requested in Section 3.10 of the EACSB Handbook should be sent to the Chairman, DCSC for endorsement using a memo similar in format to Appendix 3.7. Upon endorsement, the Chairman, DCSC should send a summary of the assessment results of the technical proposals together with the minutes of Assessment Panel meeting to the Secretary, EACSB requesting for releasing of the fee proposals. All the fee proposals received by the EACSB will then be sent, as appropriate, to the Chairman, DCSC for opening in the presence of appropriate witnesses. The Secretary, DCSC should send one copy of the fee proposals to the Chairman of the Assessment Panel and the other copy of the fee proposals should be kept by the Chairman, DCSC.

After combined score assessment, the procuring department should prepare a return with the information on technical marks, fees and manpower input in the format shown at Appendix 3.11 to the Secretary, EACSB for record. Upon appointment of the consultants for the agreement, the Chairman, DCSC should send the copy of fee proposal of the winning consultants kept by him to the Secretary, EACSB for compiling records of approved consultancy agreements and retention.

If, after the technical assessment, the Assessment Panel considers that any consulting firms are unacceptable on technical or other appropriate grounds and shall not be considered further, the recommendation and justifications should be properly recorded in the meeting minutes. Upon endorsement of the recommendation by the Chairman,

DCSC, the fee proposals submitted by those consulting firms whose technical proposals are considered unacceptable should not be opened and upon appointment of the consultants for the agreement, the procuring department should return the unopened fee proposals to those consulting firms.

APPENDIX 2.1 - CONSULTANT'S PROFILE PROFORMA

ENGINEERING AND ASSOCIATED CONSULTANTS SELECTION BOARD

CONSULTANT'S PROFILE

AUTHORISATION

I hereby authorise the Engineering and Associated Consultants Selection Board (EACSB) to use the information *I/my Company have provided in my Consultant's Profile proforma, and any other information *I/my Company have provided to the EACSB for the purposes of the selection and appointment of consultants and related matters. The information may be disclosed to Government departments and quasi-Government organisations.

* Delete where appropriate

Name of Consultant : _____

Name & Position of Signatory : _____

Date : _____

This form should be returned to :

Secretary EACSB
c/o Civil Engineering and Development Department
Room 1611, Civil Engineering and Development Building
101 Princess Margaret Road
Homantin, Kowloon
Hong Kong

Tel : (852) 2762 5018

Fax : (852) 2762 8531

ENGINEERING AND ASSOCIATED CONSULTANTS SELECTION BOARD

CONSULTANT'S PROFILE

1. **Name of Firm/Company**

Date of Information

2. **Summary Information**

(a) Date of formation in Hong Kong :

(b) Address in Hong Kong :

(c) Telephone : Fax :

E-mail Address :

Company Website :

(d) Name and telephone number of person to be contacted in respect of any queries relating to information supplied :

(e) Names of resident Partners/Directors :

(f) Name and position of senior management (Chairman, CEO, Managing Director, etc) :

3. **Staff Resources**

(a) in Hong Kong No. of Professional Staff :
 No. of Technical Staff :
 No. of Other Staff :

(b) Overseas No. of Professional Staff :

N.B. For the purpose of this proforma, a professional staff member is defined as a person who is a corporate member of an institution relevant to his/her particular field of expertise.

A technical staff member is defined as a person who has a degree, a diploma or similar qualifications relevant to his/her particular field of expertise.

4. **Number of Professional Staff who have resided in Hong Kong for a continuous period of at least 7 years :**

5. **Number of Professional Staff who have joined Hong Kong institutes under their appropriate disciplines, e.g. HKIE or equivalent:**

6. **Is the Firm/Company registered in Hong Kong ?** Yes/No*

Name of country the Firm/Company based on (e.g. HK, US, UK) :

7. **Membership of the Association of Consulting Engineers of Hong Kong ?** Yes/No*

8. **Is the Firm/Company certified to ISO 9000 quality assurance standard ?** Yes/No*
If the answer is 'Yes', please give details below.

Name of certifying body :

Certificate number and date of issue of the Certificate :
(Please attach a copy of the Certificate)

Scope of certification (include any areas/aspects which your quality system specifically excludes) :

9. **Nature of Services Offered**
Please give a brief summary of the nature of the consulting services offered and any areas of special expertise available.

10. **Names of Subsidiaries and their Business**

11. **Names of Parent and Sister Consulting Firms**

* Delete as appropriate

12. **Services offered and numbers of Professional Staff available (Please refer to section 3 for definition of Professional staff)**

Services	No. of Prof. Staff in Hong Kong	No. of Prof. Staff Overseas
S1. General Civil Engineering		
S2. Geotechnical Engineering/Geology		
S3. Public Health Engineering		
S4. Water Supply, Hydraulics and Hydrology		
S5. Structural Engineering		
S6. Marine and Port Works Engineering		
S7. Tunnel Engineering		
S8. Traffic Engineering/Transportation		
S9. Highway Engineering/Bridges		
S10. Railway Engineering		
S11. Environmental Studies		
S12. Urban Planning and Landscaping		
S13. Electrical and Mechanical Engineering		
S14. Project Management		
S15. Quantity Surveying		
S16. Topographical Surveying		
S17. Engineering Computing/Information Technology		
S18. Materials Engineering		
S19. Other Disciplines (Please list) a b c d e..... etc		
Subtotal - S19		
TOTAL NUMBER OF PROFESSIONAL STAFF (S1 to S19) (should match with section 3)		

N.B. : The same staff may be shown against more than one Service. Where this is the case please indicate both the number of staff qualified for the particular Service and (in brackets) the number who have also been included against other Services.

eg. Geotechnical Engineer 10(8) means 10 professional staff are suitably qualified to undertake Geotechnical Engineering and 8 of these are also qualified to undertake other services offered.

13. Current Private Commissions (Civil Engineering and Associated Works)

Client	Project and Approximate Cost	Participating as Main (M), Joint (J) or Sub - Consultant (S)	Service Code (Re.12 Above)	Dates	
				Start	Finish

ENGINEERING CONSULTANCIES FOR THE GOVERNMENT OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION

Public works in Hong Kong are undertaken by a number of Government Departments, all of which employ consultants to carry out varying portions of their work. The names and addresses of the main Departments concerned are given overleaf.

The Public Works Programme of the Government of the Hong Kong Special Administrative Region (HKSAR) involves the planning, design and construction of a large range of facilities, including land formations, reclamations, water supply and treatment facilities, sewerage and sewage treatment plants, port and harbour installations, new town developments, highways, public buildings, and environmental protection projects.

The selection and conditions of appointment of consultants for all Government engineering projects is controlled by the Engineering & Associated Consultants Selection Board (EACSB), which has its Secretariat in the Civil Engineering and Development Department and is chaired by the Director of Civil Engineering and Development. The Board's jurisdiction covers consultancies in the fields of civil engineering, geotechnical engineering, structural engineering, mechanical engineering, electrical engineering and electronics, development, planning, transportation, water resources, environmental engineering and chemical engineering. The Board operates on the basis of procedures laid down under the policy guidance of the Secretary for Development.

Government Departments which Employ Engineering Consultants

Civil Engineering and Development Department

15/F Civil Engineering and Development Building
101 Princess Margaret Road
Homantin, Kowloon
Hong Kong

Tel : 2762 5033 Fax : 2715 2811

Environmental Protection Department

15/F & 16/F
East Wing, Central Government Offices
2 Tim Mei Avenue
Tamar, Hong Kong

Tel : 3509 7636 Fax : 2838 2155

Highways Department

5/F Ho Man Tin Government Offices
88 Chung Hau Street
Homantin, Kowloon
Hong Kong

Tel : 2762 3304 Fax : 2714 5216

Water Supplies Department

48/F Immigration Tower
7 Gloucester Road
Wanchai
Hong Kong

Tel : 2634 3500 Fax : 2824 0578

Drainage Services Department

43/F Revenue Tower
5 Gloucester Road
Hong Kong

Tel : 2594 7018 Fax : 2827 8605

Electrical & Mechanical Services Department

7/F, 3 Kai Shing Street
Kowloon
Hong Kong

Tel: 2808 3633 Fax : 2882 5132

Transport Department

41/F Immigration Tower
7 Gloucester road
Hong Kong

Tel :2829 5290 Fax : 2802 2673

Planning Department

17/F, North Point Government Offices
333 Java Road
Hong Kong

Tel: 2231 4766 Fax: 2116 0751

Correspondence to any of the above Departments should be addressed to The Director.

APPENDIX 2.2 - CONSULTANTS' SERVICES DIRECTORY RESTRICTED (CONTRACT)

ENGINEERING & ASSOCIATED CONSULTANTS SELECTION BOARD EACSB Consultants' Services Directory As at XXXXX

Service Codes

S1.	General Civil Engineering	S11.	Environmental Studies
S2.	Geotechnical Engineering/Geology	S12.	Urban Planning and Landscaping
S3.	Public Health Engineering	S13.	Electrical and Mechanical Engineering
S4.	Water Supply, Hydraulics and Hydrology	S14.	Project Management
S5.	Structural Engineering	S15.	Quantity Surveying
S6.	Marine and Port Works Engineering	S16.	Topographical Surveying
S7.	Tunnel Engineering	S17.	Engineering Computing/Information Technology
S8.	Traffic Engineering/Transportation	S18.	Materials Engineering
S9.	Highway Engineering/Bridges	S19.	Others
S10.	Railway Engineering		

Notes :

1. This Directory is not an exclusive source of information and should not be regarded as exhaustive. It is an informal directory and confers no status on the firms listed.
2. Some consultants' staff have expertise in more than one service category. Therefore, the summation of the number of staff under Service Codes S1 to S19 does not necessarily equal the total number of staff.

RESTRICTED (CONTRACT)

RESTRICTED (CONTRACT)

EACSB CONSULTANTS' SERVICES DIRECTORY

No. of Prof	Staff in H.K.			<--- --- --- ---				No. of Professional Staff (upper row = in H.K., lower row = Overseas)											--- --- --->			A d d r e s s		Tel. No. Fax No.	Contact Person and Tel. No.
	Tech	Other		S1	S2	S3	S4	S5	S6	S7	S8	S9	S10	S11	S12	S13	S14	S15	S16	S17	S18	S19	Email Address		
**	Consultant A																								
24	20	12		4	0	0	0	3	0	0	0	2	2	0	0	5	4	23	0	0	0	25	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
**	Consultant B																								
50	0	10		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	50	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5300	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
**	Consultant C																								
24	10	5		0	0	0	0	0	0	0	0	0	0	7	9	0	15	0	0	0	0	35	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				0	0	0	0	0	0	0	0	0	0	42	35	0	60	0	0	0	0	257	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
**	Consultant D																								
0	3	1		0	0	0	1	0	2	0	0	0	0	2	0	0	0	0	0	0	0	11	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				0	0	25	15	5	14	0	0	0	0	0	0	0	0	0	0	2	0	88	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
**	Consultant E																								
1	0	0		0	0	0	1	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
**	Consultant F																								
2	13	2		0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				0	0	0	0	0	0	0	0	0	0	0	0	0	13	0	0	0	0	0	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
**	Consultant G																								
56	22	16		0	0	0	0	0	0	0	53	0	0	0	1	0	5	0	0	0	0	3	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
**	Consultant H																								
1	1	0		0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
**	Consultant I																								
2	2	0		0	0	0	0	0	0	0	0	0	0	2	2	0	0	0	0	0	0	16	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				0	0	0	0	1	0	0	1	0	0	3	14	0	0	0	0	0	0	109	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
**	Consultant J																								
5	0	1		5	0	0	1	0	2	0	0	0	0	2	0	0	0	0	0	1	0	1	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				9	0	0	9	0	9	0	0	0	0	3	0	0	0	0	0	3	0	9	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
**	Consultant K																								
0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				388	13	102	32	60	33	14	25	41	13	54	32	259	239	2	2	3	1	0	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
**	Consultant L																								
10	150	70		2	3	1	4	2	0	1	1	3	2	6	0	0	2	1	1	2	10	0	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				9999	50	10	45	110	0	20	40	31	40	50	30	10	40	10	30	15	0	0	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
**	Consultant M																								
0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				2	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
**	Consultant N																								
25	17	52		4	2	0	0	5	1	2	0	0	0	3	2	5	11	0	0	1	2	13	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				16	6	12	12	29	1	0	2	2	0	9	7	75	95	38	14	2	100	168	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
**	Consultant O																								
0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX
				45	6	5	10	15	4	10	30	40	4	5	15	0	27	1	0	0	0	5	XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXXXXXX,	XXXX XXXX	XXXX XXXX

RESTRICTED (CONTRACT)

APPENDIX 3.1 - SAMPLE INVITATION LETTER FOR EXPRESSION OF INTEREST

Date

Dear Sirs,

Agreement No. CE XX/XX
(Agreement Title)

1. I am pleased to inform you that you are invited to express interest in undertaking the above consultancy. The invitation documents, referred to as Electronic Invitation Package (EIP), are sent to you on CD-ROM in accordance with WBTC No. 17/2001.
2. The scope of this assignment, which is to commence in _____, is indicated in the attached copy of the draft Brief given in Annex ____ of the EIP.
3. If you are interested in this assignment, please reply to this Office before 12:00 noon on _____ by submitting _____ sets of documents containing the following information in a maximum of six A4 pages with a minimum font size of _____:-
 - (a) your broad approach to the problem;
 - (b) previous relevant commissions;
 - (c) an indication of key staff likely to be employed for the assignment (together with attachments showing their curriculum vitae and an organization chart of the study/project team as necessary);
 - (d) an indication of sub-consultants to be employed (which should include all individual academic institutions, specialists, advisors, experts and the like proposed to be externally engaged to provide the Services under the Agreement, and all references to “sub-consultants” in this letter should be construed accordingly); and
 - (e) your comments on the draft Brief given in Annex ____ of the EIP and the draft Schedule of Fees given in Annex ____ of the EIP.
4. Please note that no attachments, except attachments for the curriculum vitae of the key staff likely to be employed on the consultancy and the organization chart of the study/project team as mentioned above, should be included in your submission. Late submissions or submissions that do not conform to the requirements in respect of the number of pages, the page size, the font size or the attachments shall not be considered.
5. You may make your submission in either electronic format or hard copy format. If part of the submissions is made in both electronic and hard copy formats, the electronic format shall prevail over the corresponding hard copy format. If you elect to make your submission in electronic format, the documents for your proposal shall be prepared and submitted in accordance with Annex _____ - Requirements for Submission of Proposal in Electronic Format. All proposals, whether submitted in electronic format or hard copy format, will be evaluated on an equal basis.
6. The electronic documents for preparing your submission are listed in Schedule 2 to the Licence Conditions for the EIP. You will be deemed to have accepted these conditions if you use the documents listed in Schedule 2.

7. If a black rainstorm warning signal or tropical cyclone signal No. 8 or above is hoisted between 9:00 am and 12:00 noon on the above deadline, the deadline will be extended to 12:00 noon on the following working day. Saturday is not counted as a working day.
8. The assessment criteria and weightings for marking the EOI submitted by consultants and the composition of the Assessment Panel are given in Annex ____ of the EIP.
9. If you are a limited liability company, then you are required to submit documentary proof that the majority of the voting power in meetings of the company shall be held by directors who are consulting engineers (or equivalent professionals of associated professions).
10. You are also required to declare any involvement or interest if it is considered by you to be in real or apparent conflict with the duties to be performed for this consultancy. Any involvement or interest declared would be carefully considered but would not automatically bar you from being further considered in the selection process.
11. For information, the Assessment Panel has agreed that for this consultancy, the past performance of sub-consultants will [*or will not*] be assessed in the Technical and Fee Proposal stage.
12. The initial list of qualified consultants approached for this Assignment is given in Annex ____ of the EIP for your information. Based on the response received, normally [four] suitable firms will be shortlisted for submission of technical and fee proposals.
13. No Consultants are permitted to submit more than one bid for the same agreement. For the avoidance of doubt, Consultants who submit a bid in their own name and a bid in the name of an un-incorporated joint venture/partnership (with the Consultants concerned as a participant/partner) will be considered as having submitted two bids. Consultants (these must be consulting firms to be eligible for being considered for this consultant selection exercise) having linkages to each other, e.g. subsidiaries, parent or sister companies are not allowed to bid on the same agreement. Only one firm among such consultants, as the case may be, should be allowed to submit expression of interest for a consultancy agreement. You are thus required to declare any linkage with other consultants on the above list. The existence of a holding-subsidary relationship shall be determined in accordance with the provisions in Sections 13 to 15 of the Companies Ordinance (Cap 622), “Sister companies” shall mean all companies which are subsidiaries of or otherwise belonging to the same holding company. Consultants having linkages should sort out among themselves before submitting any expression of interest.
14. For the purpose of this “no linkage” requirement, an academic institution and any separate entities/companies formed by the same academic institution or any of its current staff, or any two of such entities/companies (whether formed by the same staff or not), shall be regarded as “linked”. An academic institution, and all such entities/companies formed by it or any of its current staff (whether by the same staff or not), shall be allowed to submit only one expression of interest for the same consultancy agreement. You are also required to declare any such linkage with other consultants on the above list, if applicable. An entity/company is regarded as formed by the academic institution or its staff if the latter is a partner/shareholder or a director of the former, whether or not the latter is a founding partner/subscriber when the entity/company was formed. However, the “no linkage” rule does not apply to “linked” consulting firms (including academic institutions) who bid as sub-consultants only for any agreement.
15. Failure to observe the requirement stated in paragraphs 13 and 14 shall render all related expression of interest submitted null and void and any such submission shall not be considered.

16. **【Insert if applicable, please refer to the-then SETW's memo ref (00WNL-02-4) in ETWB(PS) 106/11 dated 6.1.2006 for details:** The consultant appointed in the early stage consultancy is a potential bidders, but all the information which was made available to that consultant and all the advice which the consultant has provided and which is relevant to the procurement of this consultancy will be equally made available to all potential consultants upon request. **】**

17. **【This paragraph should be included for small consultancy assignments】** This assignment falls within the criteria for inviting Expression of Interest as a small consultancy assignment as laid down in DEVB TCW No. 3/2013. Accordingly, longlisting will be confined to consulting firms or joint ventures (JV) meeting the requirements as stipulated in Part 1 of Annex ____ to this letter **【see Appendix B of DEVB TCW No. 3/2013】**. As a prerequisite for your submission to be considered, you (hereunder including all the consulting firms in your JV) must satisfy the same requirements. Also you are required to declare the amount of outstanding works in hand by providing a list of all current assignments with the Government and other clients. For each assignment, please provide details on the scope of assignment, name of client, consultancy fees, and percentage of work outstanding. Please complete Part 2 of Annex ____ and returning it to me together with your submission.

18. **【For agreements that are administered by works departments and exceeding the Quotation Limit in SPR 220, this paragraph and inclusion of Annex A as an Annex to this letter are mandatory. 】** The requirements for ISO 9000 certification are set out at Annex ____ to this letter.

19. Please note that documents of unsuccessful consulting firms will be destroyed three months after the date the Agreement has been awarded and signed.

20. **【Insert if applicable: Please note that this invitation is made before the necessary funds for the consultancy have been approved. The Government reserves the right to cancel this selection exercise for not having the necessary funds approved or for any other reason, in which case you will accordingly be notified.】** It should be noted that the Government will not be responsible for the reimbursement of any cost incurred by you for the preparation of the submission.

21. I should be pleased if you would acknowledge receipt of this invitation letter.

22. If you require further details, please contact _____ at telephone _____.

Yours faithfully,

()

cc.

Secretary, EACSB - w/o encl.

【Insert if applicable: Secretary, DCSC - w/o encl. 】

Note - This sample letter should be modified where necessary to suit the circumstances in accordance with the details set out in the relevant Technical Circulars, e.g. the open invitation for expression of interest, etc. If it is intended that the past performance of sub-consultants should be one of the assessment criteria in the assessment of Technical Proposals at the next stage, the longlisted and interested consultants should be so informed in this letter, and the relevant practices as set out in Section 3.5.2 of the EACSB Handbook should have been followed prior to this invitation.

**[Annex__] to Invitation Letter for EOI –
Requirements of ISO 9000 Certification**

- (1) The consultant shall submit, together with its expression of interest, a copy of its ISO 9001:2008 certificate acceptable to the Employer showing the scope of certification and a statement either:
 - (A) confirming that no area / aspect in the consultancy agreement which its quality system specifically excludes; or
 - (B) disclosing the areas / aspects in the consultancy agreement which its quality system specifically excludes.
- (2) Subject to the following paragraphs, submissions from consultants who have not obtained ISO 9001:2008 certification on or before the date of this invitation may not be considered.
- (3) If the consultant, due to circumstances beyond its control, has not obtained ISO 9001:2008 certification but a full review of the Quality Manual of its Hong Kong office has been carried out in Hong Kong by a certification body acceptable to the Employer and such Quality Manual has been confirmed by the certification body as being in conformity with the requirements of ISO 9001:2008 standard on or before the date of this invitation, the submission by the consultant will still be considered provided that the consultant shall undertake in writing if it is awarded the consultancy agreement, to book within three months of the award of the consultancy agreement, the date of audit for the ISO 9001:2008 certification with the certification body; with detailed documented quality system procedures ready at the time of booking. The booking of the audit shall be a condition precedent to the consultant's entitlement to any payment or any further payment of fees under the consultancy agreement.
- (4) If the consultant whose scope of certification excludes site activities service which is required to be provided by the consultant under the consultancy agreement, its submission will be considered to be non-conforming in respect of the certification requirements. If the consultant can prove to the satisfaction of **【name of the department concerned】** that such exclusion is due to circumstances beyond its control, the proposal may still be considered to be conforming in respect of the certification requirements provided that the consultant shall undertake in writing that if the consultant is awarded the consultancy agreement, it shall apply within three months of the award of the consultancy agreement to the certification body for revision of its current scope to cover site activities service; with detailed documented quality system procedures ready at the time of applying for revision. The submission of an application for revision of the scope of its ISO 9001:2008 certification to cover site activities service shall be a condition precedent to the consultant's entitlement to any payment or any further payment of fees under the consultancy agreement.
- (5) If the consultant is a joint venture, the consultant shall submit, together with its expression of interest, a statement declaring that it shall implement the quality system of one of its participants or shareholders, and specifying which one. The reference to ISO 9001:2008 certificate, ISO 9001:2008 certification and Quality Manual referred to paragraphs 1 to 4 above shall refer to that of the specified participant or shareholder. The consultant shall also submit a copy of the written notification to the certification body of the specified participant or shareholder that the joint venture shall implement the quality system by the specified participant or shareholders and the written agreement of all participants, or as the case may be, shareholders of the joint venture that the activities of the joint venture shall be subject to the surveillance of the certification body.

Appendix 3.1A – Sample Template for Shortlisting Criteria

The selection criteria for screening the long-list into a short-list are given below:-

Selection Criterion	Percentage mark to be allocated (%)
1. Appreciation of the key requirements and constraints/risks (See Note 2)	XX
2. Approach and strategy to meet the requirements of the assignment [Procuring department may include sub-criteria where appropriate, to cover the consultants' approach and strategy on innovation, creativity, mechanisation, prefabrication, other productivity enhancements, cost reduction, expenditure leveling, etc.] (See Note 3)	XX
3. Previous relevant experience both in Hong Kong and elsewhere	XX
4. Knowledge, experience and capability of key staff	XX
5. Past performance of the consultant (See Note 4)	XX
6. Past performance of sub-consultants (See Note 4)	XX
Total	100

Notes:

- 1) For each selection criterion for shortlisting, each Assessment Panel Member should grade the particular aspect as either “very good”, “good”, “fair” or “poor”. The marks corresponding to these grades are:

Grade	Marks (%)
Very Good (VG)	$1.0 \times Y$
Good (G)	$0.8 \times Y$
Fair (F)	$0.6 \times Y$
Poor (P)	$0.3 \times Y$

where Y is the percentage mark allocated to the criterion.

- 2) Criterion (1) shall be assessed based on the consultants’ appreciation of key requirements and constraints/risks additional to those set out in the Brief. If no additional appreciation is included, a “fair” grading at most should be given.
- 3) The consultants’ detailed proposals for Criterion (2) are not expected and shall not be assessed in the shortlisting stage but the consultants are encouraged to indicate their broad approach and strategy, particularly on innovative ideas, productivity enhancements, cost savings which may demonstrate their edge in undertaking the assignment.
- 4) The following method shall be used in the assessment of past performance of the consultant and sub-consultants:
 - (a) Assessment of past performance of a consultant and his sub-consultants (if applicable) should be carried out separately, based on their updated Past Performance Rating (PPR) in the Consultants’ Performance Information System (CNPIS). Details of PPR shall be referred to Development Bureau (DEVB) Technical Circular (Works) (TC(W)) No. 3/2016. For any unincorporated joint venture making a submission, his PPR shall be taken as the average of PPRs of all his participants having a PPR *(or the weighted average of PPRs of all his participants having a PPR if approved by EACSB/AACSB/relevant DCSC). The latest PPR issued by DEVB on or before the due date for submission of the expression of interest shall be used for the marking of the past performance of the consultant and sub-consultants in the shortlisting stage.
 - (b) Those consultants proposing no sub-consultant should be assessed under the criterion “past performance of sub-consultants” as if they were sub-consultants to themselves.
 - (c) Where a consultant proposes more than one sub-consultant, the PPR shall be taken as the average of PPRs of those sub-consultants who have a PPR.

- (d) Where none of the proposed sub-consultants of a consultant has a PPR, the consultant should be assessed under the criterion “past performance of sub-consultants” as if he was a sub-consultant to himself.
- (e) Where a proposed sub-consultant is suspended from bidding under a category relevant to his work under the consultancy concerned, the weighted mark for such sub-consultant shall be zero.
- (f) The following formula shall be used to calculate the mark for “past performance of the consultant” (same for sub-consultants):

$$\text{Mark assigned to consultant "i"} = \text{Mark allocated for the criterion of past performance} \times \frac{R_i}{R_{\text{highest}}}$$

where: (i) R_i is the current PPR of consultant "i".

- (ii) R_{highest} is the highest current PPR among all of the consultants involved in the exercise.
- (iii) In case there is only one consultant in the exercise having a PPR, his mark in the criterion of past performance shall be calculated by:

$$\text{Mark allocated for the criterion of past performance} \times \frac{\text{PPR of the consultant}}{100}$$

and the calculated mark shall then be taken as a “cap” for all the other consultants' marks calculated using the method in the Note 4(g) below.

- (g) For a consultant having less than 4 performance scores under the relevant consultants selection board concerned in the past three years, his PPR shall not be considered. The “past performance of the consultant” sub-section shall then be marked based on the consultant’s weighted average percentage mark (not the grade) in the remaining sections excluding the “past performance of sub-consultants” sub-section if any, subject to the cap derived in Note 4(f)(iii) above for the case with only one consultant having a PPR if applicable.
- (h) A consultant who is under suspension from bidding shall not be shortlisted for submission of technical and fee proposals for further consultancy assignments until the suspension is lifted. Submission already submitted by the consultant in response to invitations before the suspension is imposed should continue to be assessed subject to further consideration as given in Note 4(i) below.

- (i) For a consultant who is suspended from bidding after he has submitted expression of interest or a consultant, although not suspended from bidding but serious default or non-performance of him (such as those mentioned in paragraph 22 of Annex I of DEVB TC(W) No. 3/2016) has been made known to the Assessment Panel, the Assessment Panel shall carefully consider whether the submission of such consultant should be further processed. If the Assessment Panel decides not to further process the proposal of such consultant, the Assessment Panel should seek endorsement from the AACSB/EACSB (or the relevant DCSC) on such decision before continuing with the consultant selection exercise.
- 5) The Assessment Panel comprises [insert the number] marking members from [insert the department names and respective numbers] and [insert the number] non-marking members (Chairperson and Secretary) from [insert the department name].

Remarks:

1. The procuring department should make reference to DEVB TC(W) No. 2/2016 and amend the shortlisting criteria as appropriate.
2. The procuring department should update the information in square brackets to suit specific project need as appropriate.

* Delete as appropriate.

RESTRICTED (CONTRACT)

MEMO

From Head of Department Ref _____ <i>in</i> _____ Tel No _____ Fax No _____ Date _____	To Chairman EACSB (1 copy thro' Secretary EACSB) Your Ref _____ <i>in</i> _____ dated _____ Fax No _____
---	--

Engineering & Associated Consultants Selection Board (EACSB)

(Submission for consideration at meeting on _____)

1. CONSULTANCY AGREEMENT NO. & TITLE

Agreement No. CE XX/XX -

2. AUTHORITY TO EMPLOY CONSULTANTS

PWP Item No. :

Agreement from (*the Head of Department*) was given on ____ and policy support from (*the relevant Director of Bureau or a public officer authorised by him*) was also obtained on _____, for the employment of consultants.

Funding approval was given by _____ on _____

Funds approved : _____

Breakdown of cost (without MOD adjustment)

Estimated fees :

- | | |
|--------------------------------|-------------------------------------|
| (a) Lump sum | _____ |
| (b) Variations | _____ |
| (c) Inflation-related payments | _____ (ref. Handbook Section 5.3.2) |
| (d) RSS on-cost | _____ (if applicable) |

Notional RSS cost : _____ (if applicable)

Estimated total value of all reimbursable items : _____ (if applicable)

Study period : _____ months

Estimated manpower input :

Directors / Partners:	_____	man-weeks
Chief Professional Staff:	_____	man-weeks
Senior Professional Staff:	_____	man-weeks
Professional Staff:	_____	man-weeks
Assistant Professional Staff:	_____	man-weeks
Technical Staff:	_____	man-weeks

3. **APPROVAL NOW REQUESTED**

The Board's approval is sought to adopt :-

- 3.1 the shortlist of ____ firms/joint ventures of consultants listed below and to invite them to submit technical and fee proposals for the Assignment :-
.....
- 3.2 the marking scheme for the technical proposals, and the technical/consultancy fee/fee quality weighting of ____%/____%/____% to be applied to the overall assessment; and
- 3.3 the Notional Value of \$ _____ for additional Services.

4. **PREVIOUS SUBMISSIONS TO EACSB**

'None' if no previous submissions have been made.

Dept/Office	Date of EACSB/DCSC(if any) meeting, or state "CIRCULATION"	Decision or Approval given	EACSB/DCSC (if any) ref. & date

5. **BACKGROUND/ARGUMENT**

State concisely the background leading to this consultancy agreement and the recommendations for approval. The following are some of the elements that should be mentioned :-

- 5.1 All reasonably available sources have been used by the Assessment Panel to identify consultants capable of undertaking this assignment based on their relevant expertise. The Assessment Panel comprises _____. The Assessment Panel met on _____ to determine and establish the selection criteria, and select the longlisted consultants based on all reasonably available sources. The criteria for selecting the Longlist is given in Appendix A. Longlisted consultants, as listed in Appendix B, were invited to express interest in undertaking the assignment. A notice of inviting expression of interest through internet was also posted on the website of this department.

- 5.2 In response to the invitation, amongst the longlisted consultants, _____ expressed interest while _____ did not express interest for reasons given in Appendix B. In addition, _____ consultants not included in the longlist also expressed interest.
- 5.3 The Assessment Panel met on _____ to discuss the scores given to the submissions. A summary of the assessment made by the Panel is given in Appendix C. The issues of SPR 186 have been fully addressed. All members, including the Chairperson and the Secretary, of the Assessment Panel have declared they have no conflict of interest (actual, potential or perceived) in conducting the consultants selection for the agreement.
- 5.4 Also, all officers involved in preparing consultancy documentation (including consultancy briefs and marking schemes) and assessment for the shortlisting exercise have declared they have no conflict of interest (actual, potential or perceived).
- 5.5 The key points discussed by the Assessment Panel are highlighted as follows:-
.....
- 5.6 The proposed "Guidelines for Preparation of Technical Proposal" are shown in Appendix D.
- 5.7 The detailed marking scheme which consists of the proposed marks to be allocated to each main section and sub-section, and the weighting to be applied to each panel member are shown in Appendix E.
- 5.8 The Assessment Panel has endorsed the following parameters for the assessment ... *(The justifications for adopting the weighting of staff composition should be stated.)*
- 5.9 A technical/consultancy fee/fee quality weighting of ____%/____%/____% is proposed due to *(give justification to the weighting proposed).*
- 5.10 The following documents are attached for the Board's examination in principle :
- (a) The draft Consultancy Brief is attached at Appendix F.
 - (b) The draft Schedule of Fees which includes the payment schedule is attached at Appendix G.
 - (c) The consultants will be required to submit a lump sum fee proposal using the proforma given at Appendix H.
- 5.11 Details of reimbursable items as at Appendix I will be provided to the consultants. ... *(with deliberation / decision on why the arrangement of reimbursable items is considered more suitable)*

6. **ATTENDANCE**

State name, post and contact telephone and fax numbers of the officer (D2 or above) who will attend the EACSB meeting when so required by the Board.

7. **ATTACHMENTS**

Appendix A - Criteria for selecting the Longlist

Appendix B -	Longlist of consultants invited to express interest and reasons for those consultants who did not express interest and consultants not in the longlist that expressed interest.
Appendix C -	Summary of scores for consultants (a sample is given in Appendix 3.14) and minutes of the Assessment Panel Meeting for shortlisting of consultants
Appendix D -	Guidelines for Preparation of Technical Proposals
Appendix E -	Marking Scheme for assessing Technical Proposals
Appendix F -	Draft Consultancy Brief (without appendices except general layout plans)
Appendix G -	Draft Schedule of Fees
Appendix H -	Fee Proposal Proforma
Appendix I -	Details of Reimbursable Items (with cost estimate)

()

cc. SFST (Attn. DS(Tsy)3) w/e
SDEV (Attn. DS(W)2)

Notes:

- *This sample memo should be modified where necessary to suit the circumstances.*
- *The estimated variations stated in Section 2 should not be more than 10% of the estimated lump sum unless special circumstances justify (ref. Handbook Section 3.11.2).*
- *The proposed Notional Value in Section 3 should be the same value of the estimated variations in Section 2.*

**APPENDIX 3.2A SAMPLE MEMO FOR FIRST SUBMISSION TO EACSB BEFORE INVITATION OF
TECHNICAL AND FEE PROPOSALS
(FOR ONE-STAGE CONSULTANTS SELECTION)**

RESTRICTED (CONTRACT)

MEMO

From Head of Department <hr/> Ref in <hr/> Tel No <hr/> Fax No <hr/> Date <hr/>	To Chairman EACSB <hr/> (1 copy thro' Secretary EACSB) Your Ref in <hr/> dated <hr/> Fax No <hr/>
---	---

Engineering & Associated Consultants Selection Board (EACSB)
(Submission for consideration at meeting on ____)

1. **CONSULTANCY AGREEMENT NO. & TITLE**

Agreement No. CE XX/XX -

2. **AUTHORITY TO EMPLOY CONSULTANTS**

PWP Item No. :

Agreement from (*the Head of Department*) was given on ____ and policy support from (*the relevant Director of Bureau or a public officer authorised by him*) was also obtained on _____, for the employment of consultants.

Funding approval was given by _____ on _____

Funds approved : _____

Breakdown of cost (without MOD adjustment)

Estimated fees :

- (a) Lump sum _____
- (b) Variations _____
- (c) Inflation-related payments _____ (*ref. Handbook Section 5.3.2*)
- (d) RSS on-cost _____ (*if applicable*)

Notional RSS cost : _____ (*if applicable*)

Estimated total value of all reimbursable items : _____ (*if applicable*)

Study period : _____months

Estimated manpower input :

Directors / Partners:	_____	man-weeks
Chief Professional Staff:	_____	man-weeks
Senior Professional Staff:	_____	man-weeks
Professional Staff:	_____	man-weeks
Assistant Professional Staff:	_____	man-weeks
Technical Staff:	_____	man-weeks

3. **APPROVAL NOW REQUESTED**

The Board's endorsement of the following is sought :-

3.1 the selection criteria to select qualified consultants and to invite them to submit Technical and Fee proposals for the Assignment. The selection criteria and the initial list of qualified consultants are listed below :-

.....

3.2 the marking scheme for the Technical Proposals, and the technical/consultancy fee/fee quality weighting of ___%/ ___%/___% to be applied to the overall assessment; and

3.3 the Notional Value of \$ _____ for additional Services.

4. **PREVIOUS SUBMISSIONS TO EACSB**

'None' if no previous submissions have been made.

Dept/Office	Date of EACSB meeting, or state "CIRCULATION"	Decision or Approval given	EACSB ref. & date

5. **BACKGROUND/ARGUMENT**

State concisely the background leading to this consultancy agreement and the recommendations for approval. The following are some of the elements that should be mentioned :-

5.1 The [Head of Department / Assessment Panel] is satisfied that the one-stage consultant selection process is suitable for the Assignment... (*give justification*). All reasonably available sources have been used by the Assessment Panel to identify consultants capable of undertaking this assignment based on their relevant expertise. The Assessment Panel comprises _____. The Assessment Panel met on _____ to determine and establish the selection criteria given in paragraph 3.1, and compiled the initial list of qualified consultants based on all reasonably available sources (*give*

justification/explanation where fewer than 6 consulting firms are to be invited). A notice of inviting submission of Technical and Fee Proposals through internet will also be posted on the website of this department.

- 5.2 The proposed "Guidelines on Preparation of Technical Proposals" are shown at Appendix A. The issues of SPR 186 have been fully addressed. The Chairperson, the Secretary and all members of the Assessment Panel have declared they have no conflict of interest (actual, potential or perceived) in conducting the consultants selection for the agreement.
- 5.3 Also, all officers involved in preparing consultancy documentation (including consultancy briefs and marking schemes) and assessment for the selection exercise have declared they have no conflict of interest (actual, potential or perceived).
- 5.4 The detailed marking scheme which consists of the proposed marks to be allocated to each main section and sub-section, and the weighting to be applied to each panel member are shown in Appendix B.
- 5.5 The Assessment Panel has endorsed the following parameters for the assessment ... *(The justifications for adopting the weighting of staff composition should be stated.)*
- 5.6 A technical/consultancy fee/fee quality weighting of ____%/____%/____% is proposed due to *(give justification to the weighting proposed).*
- 5.7 The following documents are attached for the Board's examination in principle :
- (a) The draft Consultancy Brief is attached at Appendix C.
 - (b) The draft Schedule of Fees which includes the payment schedule is attached at Appendix D.
 - (c) The consultants will be required to submit a lump sum fee proposal using the proforma given at Appendix E.
- 5.8 Details of reimbursable items as at Appendix F will be provided to the consultants. ... *(with deliberation / decision on why the arrangement of reimbursable items is considered more suitable)*

6. **ATTENDANCE**

State name, post and contact telephone and fax numbers of the officer (D2 or above) who will attend the EACSB meeting when so required by the Board.

7. **ATTACHMENTS**

- | | |
|--------------|--|
| Appendix A - | Guidelines on Preparation of Technical Proposals |
| Appendix B - | Marking Scheme for assessing Technical Proposals |
| Appendix C - | Draft Consultancy Brief (without appendices except general layout plans) |
| Appendix D - | Draft Schedule of Fees |
| Appendix E - | Fee Proposal Proforma |
| Appendix F - | Details of Reimbursable Items (with cost estimate) |

cc. SFST (Attn. DS(Tsy)3) w/e
SDEV (Attn. DS(W)2)

()

Notes

- *This sample memo should be modified where necessary to suit the circumstances.*
- *The estimated variations stated in Section 2 should not be more than 10% of the estimated lump sum unless special circumstances justify (ref. Handbook Section 3.11.2).*
- *The proposed Notional Value in Section 3 should be the same value of the estimated variations in Section 2.*

APPENDIX 3.3 SAMPLE NOTICE OF INVITING EXPRESSION OF INTEREST THROUGH INTERNET

[Statements to replace the first two paragraphs of the invitation letter for Expression of Interest through normal longlisting]

Interested consultants are invited to express interest in undertaking the above consultancy.

Consultants should fulfil and declare that they have met the following longlisting criteria for their submissions to be considered further:

[longlisting criteria to be inserted]

【This consultancy is invited as a small consultancy assignment as defined in Development Bureau Technical Circular (Works) No. 3/2013 *[to be hyperlinked]*. Consultants should include in their submission a written statement confirming that they meet the requirements as stipulated in Part 1 of Annex ____ to the invitation letter (Part 1 of Annex B to Appendix 3.15 of EACSB Handbook), together with a list of current assignments being handled by their small consultancy firms.】

The scope of this consultancy, which is currently expected to commence on _____, is indicated in the draft Brief. *[to be hyperlinked]* *[This can be modified to indicate alternative means for the interested consultants to obtain the electronic invitation package if the size of the package is too large to be posted on the website.]*

This paragraph should be deleted as appropriate.

Note: This sample Notice may be modified where necessary to suit the circumstances.

**APPENDIX 3.3A SAMPLE NOTICE OF INVITING SUBMISSION OF
TECHNICAL AND FEE PROPOSALS THROUGH
INTERNET
(FOR ONE-STAGE CONSULTANTS SELECTION)**

**[Statements to replace the first paragraph of the invitation letter
for Technical and Fee Proposals given at Appendix 3.4A by the following paragraphs]**

Interested consultants are invited to submit Technical and Fee Proposals for undertaking the above consultancy. Please note that submissions are being invited on a non-commitment basis.

Consultants should fulfil and declare that they have met the following selection criteria for their submissions to be considered further:

[Selection criteria to be inserted]

The scope of this consultancy, which is currently expected to commence on _____, is indicated in the Brief. *[to be hyperlinked] [This can be modified to indicate alternative means for the interested consultants to obtain the electronic invitation package if the size of the package is too large to be posted on the website.]*

Note. This sample Notice may be modified where necessary to suit the circumstances.

APPENDIX 3.4 - SAMPLE INVITATION LETTER FOR TECHNICAL AND FEE PROPOSALS

Dear Sirs,

Agreement No. CE _____ / _____

1. I am pleased to invite you to be considered for possible appointment to undertake Agreement No. CE _____ / _____ - _____. Please note that submissions are being invited on a non-commitment basis.

2. The following electronic documents for preparing your submission are included in the attached CD-ROM and are listed in Schedule 2 to the attached Licence Conditions for Electronic Invitation Package (EIP) in Annex _____ to this letter. You will be deemed to have accepted these conditions if you use the documents listed in Schedule 2.

- i) This covering letter;
- ii) Memorandum of Agreement;
- iii) General Conditions of Employment of Engineering and Associated Consultants for a Assignment (_____) Edition;
- iv) Special Conditions (if any);
- v) Schedule of Resident Site Staff Standards and Duties (if any);
- vi) Schedule of Fees;
- vii) Brief;
- viii) Guidelines for Preparation of Technical Proposal;
- ix) Proforma for the Presentation of Fee Proposal;
- x) List of Participating Consultants and Sub-consultants (the term “Sub-consultants” or “sub-consultants” should include all individual academic institutions, specialists, advisors, experts and the like proposed to be externally engaged to provide Services under the Agreement, and all references to “Sub-consultants” or “sub-consultants” in this letter should be construed accordingly. Your attention is drawn in particular to the requirement to verify the list of your sub-consultants and ensure its completeness as required in paragraph 15 below); and
- xi) Other documents (please state).

3. You may make your submission in either electronic format or hard copy format. If part of the submission is made in both electronic and hard copy formats, the electronic format shall prevail over the corresponding hard copy format. If you elect to make your submission in electronic format, the documents for your proposal shall be prepared and submitted in accordance with Annex [____] ***Insert appropriate Annex number*** - Requirements for Submission of Proposal in Electronic Format. All proposals, whether submitted in electronic format or in hard copy format, will be evaluated on an equal basis.

4. If you wish to be considered for possible appointment, you should submit your technical and fee proposals by 12:00 noon on _____. You should submit the technical proposal to me ***please state address*** and submit two copies of your fee proposal in a sealed envelope clearly indicating the consultants’ name and project reference to the Chairman of EACSB at

Civil Engineering and Development Department, 15/F., Civil Engineering and Development Building, 101, Princess Margaret Road, Homantin, Kowloon. If a black rainstorm warning signal or tropical cyclone signal No. 8 or above is hoisted between 9:00 am and 12:00 noon on the above deadline, the deadline will be extended to 12:00 noon on the following working day. Saturday is not counted as a working day. Late submission shall not be considered.

5. Your submission should be concise and accurate and should comply with the following conditions:
 - (i) Each consultant must provide information in the Technical Proposal on the manpower input for the assignment. You are therefore required to state your proposed total manpower input under [six] categories of staff¹, [partners/directors, chief professional, senior professional, professional, assistant professional and technical staff] in terms of man-weeks and include a manning schedule in a bar-chart form, to show the time input of key staff such as Study Directors, Managers and Team Leaders under the [six] staff categories. However, you should not provide any information in the Technical Proposal on charge rates or fees.
 - (ii) In addition, you are required to give a manning schedule (with charge rates and fees) in the Fee Proposal. The manning schedule (with charge rates and fees) should be included in the Fee Proposal only and not in the Technical Proposal.
 - (iii) The proposed lump sum fee on the first page of the Fee Proposal shall be equal to the total fee for staff and non-staff charges for all stages in the summary breakdown of lump sum fee. The information/data, in particular, the manpower input in the Fee Proposal, shall tally with the Technical Proposal.
 - (iv) The proposed all-inclusive time charge rates for additional Services could be different from the staff charge rates indicated in the manning schedule at sub-paragraph (ii) of this paragraph.
6. We shall not accept Fee Proposals where:
 - (i) the lump sum fee on the first page of the Fee Proposal is different from the total fee for the staff and non-staff charges for all stages in the summary breakdown of lump sum fee; or
 - (ii) the percentage difference between the “staff rates for additional Services” and the “staff rates in lump sum fee” exceeds the “Specified Percentage Range”.

7. Where the lump sum fee on the first page of the Fee Proposal is different from the total fee for the staff and non-staff charges for all stages in the summary breakdown of lump sum fee or the information/data, in particular, the manpower input in the Fee Proposal, does not tally with the Technical Proposal, you will be asked to rectify the discrepancy by correcting arithmetic errors or making adjustments to the unit charge rate or amending any information/data in the Fee proposal to bring it in line with the Technical Proposal, where appropriate. If you fail to rectify

¹ The qualification and experience requirements are attached at [Annex xxx] to this letter. Only the qualification and experience obtained by the proposed staff on or before [the closing date as stated in para. 4] shall be counted.

the discrepancy within [_____] days/weeks **【Fill in the numbers of days】** of the date of the request for rectification, your submission shall be disqualified and shall not be considered. You are not, however, allowed to make any adjustment to the lump sum fee, all-inclusive time charge rates and on-cost rates on the first page of the Fee Proposal.

8. In respect of each category of staff specified in the prescribed Fee Proforma for “additional services”, irrespective of the number of sub-consultancies that may be involved, only ONE time charge rate shall be inserted as specified. Submissions which do not comply with this requirement shall not be considered.

9. In respect of each category of staff specified in the prescribed Fee Proforma for “Direct Employment of Resident Site Staff”, only ONE on-cost rate shall be inserted as specified. Submissions which do not comply with this requirement shall not be considered.

10. Your attention is drawn to the requirement to insert the all-inclusive time charge rates in respect of each category of staff specified in the prescribed Fee Proforma for “additional services” and the on-cost rate in respect each category of staff specified in the prescribed Fee Proforma for “Direct Employment of Resident Site Staff”, which information is essential for bid assessment purpose and for payment/management of the Consultants upon award of the Assignment. If a zero rate is inserted for any or all of these rates we will seek confirmation from you to abide by the bid with the zero rate(s) so proposed for bid assessment purpose and for payment/management of the Consultants upon award of the Assignment. If you fail to put in any or all of these rates, the relevant rate(s) shall be corrected by deeming the rate(s) as zero and we will seek confirmation from you to abide by the bid with the relevant rate(s) so corrected for bid assessment purpose and for payment/management of the Consultants upon award of the Assignment. If you confirm your agreement to abide by the bid with the rate(s) so proposed and/or corrected, the combined score assessment of technical and fee proposals would then be completed in the prescribed manner in accordance with DEVB TC(W) No. 2/2016 on the basis of the proposed fee and/or rates with such rate(s) so corrected and confirmed. If you fail to confirm your agreement to abide by the bid with the rate(s) so proposed and/or corrected in writing by a specified deadline, your bid shall not be considered further for this consultants selection exercise.

11. Your attention is also drawn to the units of the rates as specified in the prescribed Fee Proforma attached to this letter. Where any of the units of the rates as presented on the first page of the Fee Proposal you have submitted differs from the unit(s) of the respective rate(s) specified in the prescribed Fee Proforma, such discrepancy shall be corrected by regarding the former as an inadvertent typographical error and the unit(s) concerned in the Fee Proposal submitted shall be automatically corrected to the corresponding unit(s) as per the prescribed Fee Proforma. For such corrections, only the units are to be so corrected, but not the numerical figures as filled in by you in the Fee Proposal submitted. We will then seek confirmation from you to abide by the bid with units so corrected. If you confirm your agreement to abide by the bid with units corrected, the combined score assessment of technical and fee proposals would then be completed in the prescribed manner in accordance with DEVB TC(W) No. 2/2016 on the basis of the proposed fee and/or rates with units so corrected and confirmed. If you fail to confirm your agreement to abide by the bid with units so corrected in writing by a specified deadline, your bid shall not be considered further for this consultants selection exercise.

12. You are required to confirm that you agree to abide by your Technical and Fee Proposals for a period of ninety (90) **【the procuring department may set a longer validity period, depending on the nature and complexity of the consultancy assignment】** days from the due date

for submission of Technical and Fee Proposals and it shall remain binding upon you and may be accepted at any time before the expiration of that period.

13. The names of the shortlisted consultants, the total mark awarded to each for technical merit, together with the lump sum fee, time-charge rates, [on-cost rates] **【if applicable】** and manpower input proposed by each, will be made known to those, and only those, consultants making submissions and of which the technical and fee proposals have been completely assessed in the combined score assessment. I would also like to draw your particular attention to the requirements stipulated in Clause __ of the Special Conditions of Employment regarding the disclosure of fees payable to the selected consultant.

14. In the case of a submission in the joint name of two or more consultants, documentary proof of formal association for the purpose of undertaking this study should be provided at the same time. Similar proof of agreement with firms, organizations or individuals who will act as your sub-consultants should also be submitted.

15. A list of the names of all the consultants and sub-consultants involved in this study that have been submitted by individual consultants is enclosed for your information. You are required to verify the list of your sub-consultants and ensure its completeness. If you wish to change the list of your sub-consultant(s), whether addition, replacement, removal or otherwise, your notification must be delivered to me by hand before 12:00 noon, _____ **【 the managing department should specify the exact date here, say at least five working days before the deadline for submission of the technical and fee proposals 】**. The proposed change will be assessed to see if your shortlist status will be adversely affected. If the proposed change is accepted, all shortlisted consultants will be informed accordingly before the submission deadline. Late notification of the change shall result in you being disqualified because it will deprive the Assessment Panel of a proper chance to review how the proposed change will affect your shortlist status and to notify other shortlisted consultants in good time before the submission deadline.

16. You are required to submit declaration for consultant's resident status with your submission. Please refer to [Annex__] **【Include Annex A as an Annex to this letter】** for the provisions of retention of money payable to non-resident consultant for settlement of profits tax.

17. You are reminded of Government's policy on competitive selection. The Fee Proposal submitted should be your best price determined without reference to any other shortlisted consultants. Failure to observe this condition may cause the Proposal to be disqualified.

18. Subject to the Government's right to reject bids which are considered to have been priced unreasonably low, the selection of consultants will be determined on the basis of a combined score assessment of technical and fee proposals in accordance with DEVB TC(W) No. 2/2016. Your Fee Proposal will be construed as a bid for this consultancy and, unless under very special circumstances, there will be no fee negotiations.

19. The Government is not bound to accept any proposal it may receive. In addition, the Government will reject bids which are considered to have been priced unreasonably low.

20. You are also reminded that, as a general policy, importation of labour from outside Hong Kong is not allowed by the Immigration Department, save that in some circumstances, the Director of Immigration may permit the importation of key management and technical personnel on a temporary basis.

21. You should indicate in your staffing proposal which of the proposed staff are core personnel and the employment status (i.e. fulltime or not) at the time of bidding of each and every core personnel to be deployed by you or your sub-consultants in this assignment. You should produce undertaking signed by all non-fulltime core personnel (of yourself or your sub-consultants) to confirm their involvement in the event that you are awarded the consultancy.

22. The documents listed in Clause xx **【example, clause 16 for D&C consultancy at Appendix 4.6】** of the Brief are considered necessary for the implementation of the consultancy. **【Insert if applicable, please refer to the-then SETW's memo ref (00WNL-02-4) in ETWB(PS) 106/11 dated 6.1.2006 for details: The consultant appointed in the early stage consultancy is one of the shortlisted consultants, but all the information which was made available to that consultant and all the advice which the consultant has provided and which is relevant to the procurement of this consultancy will be equally made available to all shortlisted consultants upon request.】** You may request to see the documents during the preparation of the submissions. Any documents which are on sale should be purchased by you.

23. Documents of unsuccessful consulting firms will be destroyed three months after the date the consultancy has been awarded and the agreement signed.

24. **【Insert if applicable: Please note that this invitation is made before the necessary funds for the consultancy have been approved. The Government reserves the right to cancel this selection exercise for not having the necessary funds approved or for any other reason, in which case you will accordingly be notified.】** It should be noted that the Government will not be responsible for the reimbursement of any cost incurred by you for the preparation of the submission.

25. Please note that a consultant who has requested for novation of consultancy agreements due to winding up of business pursuant to paragraph 6(ii) of ETWB TCW No. 3/2005 will not be awarded any further consultancies. Similarly, bids submitted by consultants who engage such a consultant as a sub-consultant will not be considered. Nevertheless, consultants may propose a change of sub-consultants if the deadline for notification of change has not been lapsed.

26. To resolve queries and to ensure that the shortlisted consultants are fully aware of the requirements of the Agreement, and of the requirements for the Technical Proposal and Fee Proposal, a pre-submission meeting is scheduled as follows:- **【Insert details of the pre-submission meeting below】**

Date:

Time:

Venue:

27. Representatives from each shortlisted consultants should be restricted to not more than [two (2)] **【Insert number】**. Please provide me with the details (name and post) of your representative(s), together with a list of queries that you prepare to ask in the pre-submission meeting by 12:00 noon on _____ **【Insert date】**.

28. If you require further details, please contact _____ at telephone _____.

29. Please acknowledge receipt of this letter and the enclosures by signing and returning the

duplicate of this letter.

Yours faithfully,

()

Encl.

c.c.

Secretary, EACSB – w/first 2 pages of Fee Proposal proforma together with the names of all the shortlisted consultants (including also sub-consultants)

【Insert if applicable: Secretary, DCSC – w/first 2 pages of Fee Proposal proforma together with the names of all the shortlisted consultants (including also sub-consultants) 】

Note :

Relevant requirements of the Technical Circulars and memoranda should also be incorporated as appropriate.

**[Annex ____] to the Invitation Letter - Retention of Money Payable to
Non-resident Consultant for Settlement of Profits Tax**

- (1) Please note that where the Consultants are non-resident corporation or, where the Consultants are unincorporated joint venture or partnership or sole proprietorship, any one of the participants or partners or the sole proprietor is a non-resident, the Government shall withhold a percentage equivalent to the prevailing Hong Kong Special Administrative Region (hereinafter referred to as Hong Kong) profits tax rate applicable to unincorporated and incorporated business at the time the services are rendered (the current rates being [15%] **【Insert the current rate at the time the invitation is issued.】** for unincorporated business and [16.5%] **【Insert the current rate at the time the invitation is issued.】** for incorporated business for the year of assessment of [2013/2014] **【Insert the relevant year.】**) of any fee payable to the Consultants, whether by way of lump sum, instalments or discounted payments, but exclusive of any reimbursement of expenses, if any, in respect of the Services performed/provided in Hong Kong for the settlement of Hong Kong profits tax chargeable on the fee. Any balance representing the excess of fees so withheld in the basis period of the year of assessment over the Consultants' tax liability for that year will be returned to the Consultants without interest within a reasonable time upon final determination and settlement of their tax liabilities.
- (2) Where the Consultants are non-resident corporation or, where the Consultants are unincorporated joint venture or partnership or sole proprietorship, any one of the participants or partners or the sole proprietor is a non-resident, should they be awarded the consultancy, such data (including but not limited to their names, nature of engagement, consultancy period, consultancy fee, correspondence address (both local and overseas) and the amount of tax withheld) will be notified/provided to the Inland Revenue Department for tax assessment and collection purposes.
- (3) "Non-resident" means in the case of an individual, one who maintains a place of abode outside Hong Kong; and in the case of a corporation, one which is not incorporated in Hong Kong.
- (4) Consultants shall declare their resident status or the sole proprietor's resident status in their consultancy proposals. If the Consultants are unincorporated joint venture or partnership, the Consultants must declare the resident status of each and every participant or partner thereof. A sample declaration letter is attached at the Appendix to this Annex. **【Attach the Sample Declaration Letter in Appendix 4.15 of EACSB Handbook.】**

**APPENDIX 3.4A SAMPLE INVITATION LETTER FOR TECHNICAL AND FEE
PROPOSALS
(FOR ONE-STAGE CONSULTANTS SELECTION)**

Dear Sirs,

Agreement No. CE _____ / _____

1. I am pleased to invite you to be considered for possible appointment to undertake Agreement No. CE _____ / _____ - _____. Please note that submissions are being invited on a non-commitment basis.

2. The following electronic documents for preparing your submission are included in the attached CD-ROM and are listed in Schedule 2 to the attached Licence Conditions for Electronic Invitation Package (EIP) in Annex _____ to this letter. You will be deemed to have accepted these conditions if you use the documents listed in Schedule 2.

- i) This covering letter;
- ii) Memorandum of Agreement;
- iii) General Conditions of Employment of Engineering and Associated Consultants for a Assignment (_____) Edition;
- iv) Special Conditions (if any);
- v) Schedule of Resident Site Staff Standards and Duties (if any);
- vi) Schedule of Fees;
- vii) Brief;
- viii) Guidelines on Preparation of Technical Proposals;
- ix) Proforma for the Presentation of Fee Proposals;
- x) Initial List of Consultants Approached for this Assignment; and
- xi) Other documents (please state).

3. You may make your submission in either electronic format or hard copy format. If part of the submission is made in both electronic and hard copy formats, the electronic format shall prevail over the corresponding hard copy format. If you elect to make your submission in electronic format, the documents for your proposal shall be prepared and submitted in accordance with Annex [____] **【Insert appropriate Annex number】** - Requirements for Submission of Proposal in Electronic Format. All proposals, whether submitted in electronic format or in hard copy format, will be evaluated on an equal basis.

4. If you wish to be considered for possible appointment, you should submit your Technical and Fee proposals by 12:00 noon on _____. You should submit the Technical proposal to me **【 please state address 】** and submit two copies of your Fee Proposal in a sealed envelope clearly indicating the consultants' name and project reference to the Chairman of EACSB at Civil Engineering and Development Department, 15/F., Civil Engineering and Development Building, 101, Princess Margaret Road, Homantin, Kowloon. If a black rainstorm warning signal or tropical cyclone signal No. 8 or above is hoisted between 9:00 am and 12:00 noon on the above deadline, the deadline will be extended to 12:00 noon on the following working day. Saturday is not counted as a working day. Late submissions or submissions with Technical Proposals that do not conform to the requirement in respect of the number of pages shall not be considered.

5. Your submission should be concise and accurate and should comply with the following conditions:
- (i) Each consultant must provide information in the Technical Proposal on the manpower input for the assignment. You are therefore required to state your proposed total manpower input under [six] categories of staff, [partners/directors, chief professional, senior professional, professional, assistant professional and technical staff] in terms of man-weeks and include a manning schedule in a bar-chart form, to show the time input of key staff such as Study Directors, Managers and Team Leaders under the [six] categories¹. However, you should not provide any information in the Technical Proposal on charge rates or fees.
 - (ii) In addition, you are required to give a manning schedule (with charge rates and fees) in the Fee Proposal. The manning schedule (with charge rates and fees) should be included in the Fee Proposal only and not in the Technical Proposal.
 - (iii) The proposed lump sum fee on the first page of the Fee Proposal shall be equal to the total fee for staff and non-staff charges for all stages in the summary breakdown of lump sum fee. The information/data, in particular, the manpower input in the Fee Proposal, shall tally with the Technical Proposal.
 - (iv) The proposed all-inclusive time charge rates for additional Services could be different from the staff charge rates indicated in the manning schedule at sub-paragraph (ii) of this paragraph.
6. We shall not accept Fee Proposals where:
- (i) the lump sum fee on the first page of the Fee Proposal is different from the total fee for the staff and non-staff charges for all stages in the summary breakdown of lump sum fee; or
 - (ii) the percentage difference between the “staff rates for additional Services” and the “staff rates in lump sum fee” exceeds the “Specified Percentage Range”.
7. Where the lump sum fee on the first page of the Fee Proposal is different from the total fee for the staff and non-staff charges for all stages in the summary breakdown of lump sum fee or the information/data, in particular, the manpower input in the Fee Proposal, does not tally with the Technical Proposal, you will be asked to rectify the discrepancy by correcting arithmetic errors or making adjustments to the unit charge rate or amending any information/data in the Fee proposal to bring it in line with the Technical Proposal, where appropriate. If you fail to rectify the discrepancy within [_____] days/weeks **【Fill in the numbers of days】** of the date of the request for rectification, your submission shall be disqualified and shall not be considered. You are not, however, allowed to make any adjustment to the lump sum fee, all-inclusive time charge rates and on-cost rates on the first page of the Fee Proposal.
8. In respect of each category of staff specified in the prescribed Fee Proforma for “additional services”, irrespective of the number of sub-consultancies that may be involved, only

¹ The qualification and experience requirements are attached at [Annex xxx] to this letter. Only the qualification and experience obtained by the proposed staff on or before [the closing date as stated in para. 4] shall be counted.

ONE time charge rate shall be inserted as specified. Submissions which do not comply with this requirement shall not be considered.

9. In respect of each category of staff specified in the prescribed Fee Proforma for “Direct Employment of Resident Site Staff”, only ONE on-cost rate shall be inserted as specified. Submissions which do not comply with this requirement shall not be considered.

10. Your attention is drawn to the requirement to insert the all-inclusive time charge rates in respect of each category of staff specified in the prescribed Fee Proforma for “additional services” and the on-cost rate in respect each category of staff specified in the prescribed Fee Proforma for “Direct Employment of Resident Site Staff”, which information is essential for bid assessment purpose and for payment/management of the Consultants upon award of the Assignment. If a zero rate is inserted for any or all of these rates we will seek confirmation from you to abide by the bid with the zero rate(s) so proposed for bid assessment purpose and for payment/management of the Consultants upon award of the Assignment. If you fail to put in any or all of these rates, the relevant rate(s) shall be corrected by deeming the rate(s) as zero and we will seek confirmation from you to abide by the bid with the relevant rate(s) so corrected for bid assessment purpose and for payment/management of the Consultants upon award of the Assignment. If you confirm your agreement to abide by the bid with the rate(s) so proposed and/or corrected, the combined score assessment of technical and fee proposals would then be completed in the prescribed manner in accordance with DEVB TC(W) No. 2/2016 on the basis of the proposed fee and/or rates with such rate(s) so corrected and confirmed. If you fail to confirm your agreement to abide by the bid with the rate(s) so proposed and/or corrected in writing by a specified deadline, your bid shall not be considered further for this consultants selection exercise.

11. Your attention is also drawn to the units of the rates as specified in the prescribed Fee Proforma attached to this letter. Where any of the units of the rates as presented on the first page of the Fee Proposal you have submitted differs from the unit(s) of the respective rate(s) specified in the prescribed Fee Proforma, such discrepancy shall be corrected by regarding the former as an inadvertent typographical error and the unit(s) concerned in the Fee Proposal submitted shall be automatically corrected to the corresponding unit(s) as per the prescribed Fee Proforma. For such corrections, only the units are to be so corrected, but not the numerical figures as filled in by you in the Fee Proposal submitted. We will then seek confirmation from you to abide by the bid with units so corrected. If you confirm your agreement to abide by the bid with units corrected, the combined score assessment of technical and fee proposals would then be completed in the prescribed manner in accordance with DEVB TC(W) No. 2/2016 on the basis of the proposed fee and/or rates with units so corrected and confirmed. If you fail to confirm your agreement to abide by the bid with units so corrected in writing by a specified deadline, your bid shall not be considered further for this consultants selection exercise.

12. **【For agreements that are administered by works departments and exceeding the Quotation Limit in SPR 220, this paragraph and inclusion of *Annex A* as an Annex to this letter are mandatory.】** The requirements of ISO 9000 certification are set out at Annex __ to this letter.

13. You are required to confirm that you agree to abide by your Technical and Fee Proposals for a period of ninety (90) **【the procuring department may set a longer validity period, depending on the nature and complexity of the consultancy assignment】** days from the due date for submission of Technical and Fee Proposals and it shall remain binding upon you and may be accepted at any time before the expiration of that period.

14. The initial list of consultants approached for this Assignment is attached for your

information. Based on the assessment of Technical Proposals, normally [four] suitable firms will be selected for combined technical and fee assessments.

15. The names of the selected consultants, the total mark awarded to each for technical merit, together with the lump sum fee, time-charge rates, [on-cost rates] **【if applicable】** and manpower input proposed by each, will be made known to those, and only those, consultants making submissions and of which the technical and fee proposals have been completely assessed in the combined score assessment. I would also like to draw your particular attention to the requirements stipulated in Clause _____ of the Special Conditions of Employment regarding the disclosure of fees payable to the selected consultant.

16. In the case of a submission in the joint name of two or more consultants, documentary proof of formal association for the purpose of undertaking this study should be provided at the same time. Similar proof of agreement with firms, organizations or individuals who will act as your sub-consultants should also be submitted.

17. If you are a limited liability company, then you are required to submit documentary proof that the majority of the voting power in meetings of the company shall be held by directors who are consulting engineers (or equivalent professionals of associated professions).

18. You are also required to declare any involvement or interest if it is considered by you to be in real or apparent conflict with the duties to be performed for this consultancy. Any involvement or interest declared would be carefully considered but would not automatically bar you from being further considered in the selection process.

19. Consultants (these must be consulting firms to be eligible for being considered for this consultant selection exercise) having linkages to each other, e.g. subsidiaries, parent or sister companies are not allowed to bid on the same agreement. Only one firm among such consultants, as the case may be, should be allowed to submit Technical and Fee Proposals for a consultancy agreement. You are thus required to declare any linkage with other consultants on the above list. The existence of a holding-subsidiary relationship shall be determined in accordance with the provisions in Sections 13 to 15 of the Companies Ordinance (Cap 622), “Sister companies” shall mean all companies which are subsidiaries of or otherwise belonging to the same holding company. Consultants having linkages should sort out among themselves before submitting Technical and Fee Proposals.

20. For the purpose of this “no linkage” requirement, an academic institution and any separate entities/companies formed by the same academic institution or any of its current staff, or any two of such entities/companies (whether formed by the same staff or not), shall be regarded as “linked”. An academic institution, and all such entities/companies formed by it or any of its current staff (whether by the same staff or not), shall be allowed to submit only one set of Technical and Fee Proposals for the same consultancy agreement. You are also required to declare any such linkage with other consultants on the above list, if applicable. An entity/company is regarded as formed by the academic institution or its staff if the latter is a partner/shareholder or a director of the former, whether or not the latter is a founding partner/subscriber when the entity/company was formed. However, the “no linkage” rule does not apply to “linked” consulting firms (including academic institutions) who bid as sub-consultants only for any agreement.

21. Failure to observe the requirement stated in paragraphs 19 and 20 shall render all related Technical and Fee Proposals submitted null and void and any such submission shall not be considered.

22. You are required to submit declaration for consultant's resident status with your submission. Please refer to [Annex__] **【Include Annex B as an Annex to this letter】** for the provisions of retention of money payable to non-resident consultant for settlement of profits tax.
23. You are reminded of Government's policy on competitive selection. The Fee Proposal submitted should be your best price determined without reference to any other consultants approached for this Assignment. Failure to observe this condition may cause the Proposal to be disqualified.
24. Subject to the Government's right to reject bids which are considered to have been priced unreasonably low, the selection of consultants will be determined on the basis of a combined score assessment of technical and fee proposals in accordance with DEVB TC(W) No. 2/2016. Your Fee Proposal will be construed as a bid for this consultancy and, unless under very special circumstances, there will be no fee negotiations.
25. The Government is not bound to accept any proposal it may receive. In addition, the Government will reject bids which are considered to have been priced unreasonably low.
26. You are also reminded that, as a general policy, importation of labour from outside Hong Kong is not allowed by the Immigration Department, save that in some circumstances, the Director of Immigration may permit the importation of key management and technical personnel on a temporary basis.
27. You should indicate in your staffing proposal which of the proposed staff are core personnel and the employment status (i.e. fulltime or not) at the time of bidding of each and every core personnel to be deployed by you or your sub-consultants in this assignment. You should produce undertaking signed by all non-fulltime core personnel (of yourself or your sub-consultants) to confirm their involvement in the event that you are awarded the consultancy.
28. The documents listed in Clause xx **【example, clause 16 for D&C consultancy at Appendix 4.6】** of the Brief are considered necessary for the implementation of the consultancy. **【Insert if applicable, please refer to the-then SETW's memo ref (00WNL-02-4) in ETWB(PS) 106/11 dated 6.1.2006 for details: The consultant appointed in the early stage consultancy is a potential bidder, but all the information which was made available to that consultant and all the advice which the consultant has provided and which is relevant to the procurement of this consultancy will be equally made available to all potential consultants upon request.】** You may request to see the documents during the preparation of the submissions. Any documents which are on sale should be purchased by you.
29. Documents of unsuccessful consulting firms will be destroyed three months after the date the consultancy has been awarded and the agreement signed.
30. **【Insert if applicable: Please note that this invitation is made before the necessary funds for the consultancy have been approved. The Government reserves the right to cancel this selection exercise for not having the necessary funds approved or for any other reason, in which case you will accordingly be notified.】** It should be noted that the Government will not be responsible for the reimbursement of any cost incurred by you for the preparation of the submission.
31. Please note that a consultant who has requested for novation of consultancy agreements due to winding up of business pursuant to paragraph 6(ii) in ETWB TCW No. 3/2005 will not be awarded any further consultancies. Similarly, bids submitted by consultants who engage such a

consultant as a sub-consultant will not be considered.

32. To resolve queries and to ensure that the eligible consultants are fully aware of the requirements of the Agreement, and of the requirements for the Technical Proposal and Fee Proposal, a pre-submission meeting is scheduled as follows:- 【Insert details of the pre-submission meeting below】

Date:

Time:

Venue:

33. Representatives from each eligible consultants should be restricted to not more than [two (2)] **【Insert number】**. Please provide me with the details (name and post) of your representative(s), together with a list of queries that you prepare to ask in the pre-submission meeting by 12:00 noon on _____ **【Insert date】**.

34. If you require further details, please contact _____ at telephone _____.

35. Please acknowledge receipt of this letter and the enclosures by signing and returning the duplicate of this letter.

Yours faithfully,

()

Encl.

c.c.

Secretary, EACSB – w/first 2 pages of Fee Proposal proforma together with the names of all the shortlisted consultants (including also sub-consultants)

【Insert if applicable: Secretary, DCSC – w/first 2 pages of Fee Proposal proforma together with the names of all the longlisted consultants 】

Note :

Relevant requirements of the Technical Circulars and memoranda should also be incorporated as appropriate.

[Annex ____] to the Invitation Letter – Requirements of ISO 9000 Certification

- (1) The consultant shall submit, together with its technical proposal, a copy of its ISO 9001:2008 certificate acceptable to the Employer showing the scope of certification and a statement either:
 - (A) confirming that no area / aspect in the consultancy agreement which its quality system specifically excludes; or
 - (B) disclosing the areas / aspects in the consultancy agreement which its quality system specifically excludes.
- (2) Subject to the following paragraphs, submissions from consultants who have not obtained ISO 9001:2008 certification on or before the date of this invitation may not be considered.
- (3) If the consultant, due to circumstances beyond its control, has not obtained ISO 9001:2008 certification but a full review of the Quality Manual of its Hong Kong office has been carried out in Hong Kong by a certification body acceptable to the Employer and such Quality Manual has been confirmed by the certification body as being in conformity with the requirements of ISO 9001:2008 standard on or before the date of this invitation, the submission by the consultant will still be considered provided that the consultant shall undertake in writing if it is awarded the consultancy agreement, to book within three months of the award of the consultancy agreement, the date of audit for the ISO 9001:2008 certification with the certification body; with detailed documented quality system procedures ready at the time of booking. The booking of the audit shall be a condition precedent to the consultant's entitlement to any payment or any further payment of fees under the consultancy agreement.
- (4) If the consultant whose scope of certification excludes site activities service which is required to be provided by the consultant under the consultancy agreement, its submission will be considered to be non-conforming in respect of the certification requirements. If the consultant can prove to the satisfaction of **【name of the department concerned】** that such exclusion is due to circumstances beyond its control, the proposal may still be considered to be conforming in respect of the certification requirements provided that the consultant shall undertake in writing that if the consultant is awarded the consultancy agreement, it shall apply within three months of the award of the consultancy agreement to the certification body for revision of its current scope to cover site activities service; with detailed documented quality system procedures ready at the time of applying for revision. The submission of an application for revision of the scope of its ISO 9001:2008 certification to cover site activities service shall be a condition precedent to the consultant's entitlement to any payment or any further payment of fees under the consultancy agreement.
- (5) If the consultant is a joint venture, the consultant shall submit, together with its technical proposal, a statement declaring that it shall implement the quality system of one of its participants or shareholders, and specifying which one. The reference to ISO 9001:2008 certificate, ISO 9001:2008 certification and Quality Manual referred to paragraphs (1) to (4) above shall refer to that of the specified participant or shareholder. The consultant shall also submit a copy of the written notification to the certification body of the specified participant or shareholder that the joint venture shall implement the quality system by the specified participant or shareholders and the written agreement of all participants, or as the case may be, shareholders of the joint venture that the activities of the joint venture shall be subject to the surveillance of the certification body.

**[Annex ____] to the Invitation Letter - Retention of Money Payable to
Non-resident Consultant for Settlement of Profits Tax**

- (1) Please note that where the Consultants are non-resident corporation or, where the Consultants are unincorporated joint venture or partnership or sole proprietorship, any one of the participants or partners or the sole proprietor is a non-resident, the Government shall withhold a percentage equivalent to the prevailing Hong Kong Special Administrative Region (hereinafter referred to as Hong Kong) profits tax rate applicable to unincorporated and incorporated business at the time the services are rendered (the current rates being [15%] **【Insert the current rate at the time the invitation is issued.】** for unincorporated business and [16.5%] **【Insert the current rate at the time the invitation is issued.】** for incorporated business for the year of assessment of [2013/2014] **【Insert the relevant year.】**) of any fee payable to the Consultants, whether by way of lump sum, instalments or discounted payments, but exclusive of any reimbursement of expenses, if any, in respect of the Services performed/provided in Hong Kong for the settlement of Hong Kong profits tax chargeable on the fee. Any balance representing the excess of fees so withheld in the basis period of the year of assessment over the Consultants' tax liability for that year will be returned to the Consultants without interest within a reasonable time upon final determination and settlement of their tax liabilities.
- (2) Where the Consultants are non-resident corporation or, where the Consultants are unincorporated joint venture or partnership or sole proprietorship, any one of the participants or partners or the sole proprietor is a non-resident, should they be awarded the consultancy, such data (including but not limited to their names, nature of engagement, consultancy period, consultancy fee, correspondence address (both local and overseas) and the amount of tax withheld) will be notified/provided to the Inland Revenue Department for tax assessment and collection purposes.
- (3) "Non-resident" means in the case of an individual, one who maintains a place of abode outside Hong Kong; and in the case of a corporation, one which is not incorporated in Hong Kong.
- (4) Consultants shall declare their resident status or the sole proprietor's resident status in their consultancy proposals. If the Consultants are unincorporated joint venture or partnership, the Consultants must declare the resident status of each and every participant or partner thereof. A sample declaration letter is attached at the Appendix to this Annex. **【Attach the Sample Declaration Letter in Appendix 4.15 of EACSB Handbook.】**

Appendix 3.4B – Sample Template for Guidelines for Preparation of Technical Proposal

(A) Requirements of Technical Proposals

Consultants are encouraged to use electronic format in submitting their proposals. They are nevertheless free to choose the format (i.e. paper or CD-ROM). The technical proposals should be limited to [30] pages in A4 size, excluding attachments of appendices, figures/drawings and curriculum vitae, with a minimum font size of 12 points Times New Roman or equivalent. The appendices attached to the technical proposals should be limited to [30] pages in A4 size (excluding pages of manning schedule in A3 size and any declaration in A4 size), the figures/drawings/illustrations limited to [30] pages in A3 size and the curriculum vitae limited to [2] pages per staff in A4 size.

The technical proposals including the attachments shall be inexpensively bound, printed on both sides. For exceedance of the specified number of pages of technical proposals, appendices, figures/drawings/illustrations and curriculum vitae and non-compliance with the specified format, such as font size, paper size, etc., marks shall be deducted from the overall technical score (see Note (5) in Part B).

The technical proposals shall be divided into sections and sub-sections under main headings as shown below.

1. CONSULTANT'S EXPERIENCE

Relevant experience and knowledge related to:

- (a) [Procuring department to update the fields to suit as appropriate.]
- (b)

2. RESPONSE TO THE BRIEF

To include sub-sections on –

- (a) understanding of objectives;
- (b) identification of key issues;
- (c) appreciation of project constraints/risks and special requirements; and
- (d) presentation of design approach and ideas (in regard to aspects such as general

arrangement, layout, functionality, green measures, heritage conservation, aesthetics and overall appearance where appropriate).

3. APPROACH TO COST-EFFECTIVENESS AND SUSTAINABILITY

To include sub-sections on –

- (a) examples and discussion of past projects to demonstrate the consultant's will, ability and physical measures to produce cost-effective, energy efficient and environmentally friendly solutions which are applicable to the project; and
- (b) approach to achieve cost-effectiveness (including life-cycle costs vis-à-vis initial project cost), energy efficiency and environmental friendliness on this project.

4. METHODOLOGY AND WORK PROGRAMME

To include sub-sections on –

- (a) technical approach to enable delivery of the project practicably having regard to the reasonable time required and other technical constraints vis-à-vis the project requirements (including construction methods to facilitate mechanization, prefabrication and other productivity enhancements where appropriate, especially where they can reduce manpower demands of trades of labour shortage);
- (b) health, safety and environmental issues to be addressed in delivering the project;
- (c) work programme with highlights to demonstrate ways to expedite the programme where practicable, to deal with programme constraints and interfaces, and to level and reduce the resources peak; and
- (d) arrangements for contract management and site supervision including a proposed system of monitoring site supervision.

5. INNOVATION AND CREATIVITY

To include sub-sections on –

- (a) particular design aspects/issues/requirements (as identified and specified by the department); and
- (b) particular construction aspects/issues/requirements (as identified and specified by the department).

6. STAFFING

To include sub-sections on –

- (a) staff organisation chart with highlights on the efficiency and effectiveness of the organisation;
- (b) relevant experience (including design constructability and risk management where applicable) and qualifications of key staff;
- (c) responsibilities and degree of involvement of key staff; and
- (d) adequacy of professional and technical manpower input.

7. APPENDICES

- (a) Relevant projects completed in the past 5 years;
- (b) Current projects, listing total and outstanding cost and duration and staff expertise and deployment;
- (c) Manning schedule (**without** any indication of cost); and
- (d) Brief curriculum vitae of key staff;

(B) Marking Scheme

- (1) The marks to be allocated to each main section of the technical proposal shall be within the range indicated below and shall total 100%:

Section		Percentage mark to be allocated (%)	
		Sub-section	Section
(1)	Consultant's Experience	-	XX
	Sub-section 1(a)	XX	-
	Sub-section	XX	-
(2)	Response to the Brief	-	XX
	Sub-section 2(a)	XX	-
	Sub-section 2(b)	XX	-
	Sub-section 2(c)	XX	-
	Sub-section 2(d)	XX	-
(3)	Approach to Cost-effectiveness and Sustainability	-	XX
	Sub-section 3(a)	XX	-
	Sub-section 3(b)	XX	-
(4)	Methodology and Work Programme	-	XX
	Sub-section 4(a)	XX	-
	Sub-section 4(b)	XX	-
	Sub-section 4(c)	XX	-
	Sub-section 4(d)	XX	-
(5)	Innovation and Creativity	-	XX
	Sub-section 5(a)	XX	-
	Sub-section 5(b)	XX	-
(6)	Staffing	-	XX
	Sub-section 6(a)	XX	-
	Sub-section 6(b)	XX	-
	Sub-section 6(c)	XX	-
	Sub-section 6(d)	XX	-
(7)	Past Performance	-	XX
	Past Performance of the consultant	XX	-
	Past Performance of sub-consultants	XX	-
Total		100	100

- (2) Each Assessment Panel Member shall grade each section/sub-section, except the “past performance” section/sub-sections and the “adequacy of professional and technical manpower input” sub-section of the “Staffing” section, as either “very good”, “good”, “fair” or “poor”. The marks corresponding to these grades are:

Grade	Marks (%)
Very Good (VG)	$1.0 \times Y$
Good (G)	$0.8 \times Y$
Fair (F)	$0.6 \times Y$
Poor (P)	$0.3 \times Y$

where Y is the percentage mark allocated to the criterion.

If the Brief or other relevant requirements are just fulfilled, a “fair” grading at most should normally be given.

The weighted marks of Assessment Panel Members shall be accumulated to produce the final marks for each sub-section. Summation of all sub-section final marks will produce a total mark for the technical proposal.

- (3) The method of assessing the “adequacy of professional and technical manpower input” sub-section of the “Staffing” section is set out in **Appendix C of Development Bureau (DEVB) Technical Circular (Works) (TC(W)) No. 2/2016**. For the purpose of assessment of adequacy of professional and technical manpower input only, “conforming bids” mean those technical proposals which have been checked and found to be conforming before the opening of the fee proposals.

If the consultant’s proposed staff claimed to be in a particular staff category do not meet the minimum academic/professional qualifications and/or minimum experience requirements, the “adequacy of professional and technical manpower input” attribute shall be adjusted by the Assessment Panel using the table below.

If the consultant does not input the staff category for any particular staff in the manning schedule of his technical proposal, the consultant may be approached for clarification on the applicable staff category, if any, inputted in the manning schedule of his fee proposal for the staff. If no staff category has been input for the staff in both technical and fee proposals, the staff shall be counted as non-compliance with the minimum academic/professional qualifications and/or minimum experience requirements for the purpose of assessment on this aspect only and the “adequacy of professional and technical manpower input” attribute shall be adjusted by the Assessment Panel using the table below. For the scenario with no staff category input in both technical and fee proposals, the staff category and the academic/professional qualifications and/or experience of the staff shall be determined from the information in the curriculum vitae for named staff or the

declaration to meet the minimum academic/professional qualifications and/or minimum experience requirements in the relevant staff categories for unnamed staff submitted in the technical proposal together with any clarification from the consultant on the factual information of the staff if appropriate.

Degree of non-compliance	Calculated Percentage = $B/A \times 100\%$ where A = Weighted total manpower input of the consultant B = Weighted manpower input of the proposed staff claimed to be in a particular staff category not meeting the minimum academic/professional qualifications and/or minimum experience requirements	Mark for the “adequacy of professional and technical manpower input” attribute shall be multiplied by
Minor	$> 0\%$ and $\leq (5\%)$	XX
Medium	$> (5\%)$ and $< (10\%)$	XX
Serious	$\geq (10\%)$	XX

(4) The following method shall be used in the assessment of past performance of the consultant and sub-consultants:

- (a) Assessment of past performance of a consultant and his sub-consultants (if applicable) should be carried out separately, based on their updated Past Performance Rating (PPR) in the CNPIS. Details of PPR shall be referred to DEVB TC(W) No. 3/2016. For any unincorporated joint venture making a submission, his PPR shall be taken as the average of PPRs of all his participants having a PPR *(or the weighted average of PPRs of all his participants having a PPR if approved by EACSB/AACSB/relevant DCSC). The latest PPR issued by DEVB on or before the due date for submission of the technical and fee proposals shall be used for the marking of the past performance of the consultant and sub-consultants in the nomination stage.
- (b) Those consultants proposing no sub-consultant should be assessed under the criterion “past performance of sub-consultants” as if they were sub-consultants to themselves.
- (c) Where a consultant proposes more than one sub-consultant, the PPR shall be taken as the average of PPRs of those sub-consultants who have a PPR.
- (d) Where none of the proposed sub-consultants of a consultant has a PPR, the consultant should be assessed under the criterion “past performance of sub-consultants” as if he was a sub-consultant to himself.
- (e) Where a proposed sub-consultant is suspended from bidding under a

category relevant to his work under the consultancy concerned, the weighted mark for such sub-consultant shall be zero.

- (f) The following formula shall be used to calculate the mark for “past performance of the consultant” (same for sub-consultants):

$$\text{Mark assigned to consultant "i"} = \text{Mark allocated for the criterion of past performance} \times \frac{R_i}{R_{\text{highest}}}$$

where: (i) R_i is the current PPR of consultant "i".

- (ii) R_{highest} is the highest current PPR among all of the consultants involved in the exercise.

- (iii) In case there is only one consultant in the exercise having a PPR, his mark in the criterion of past performance shall be calculated by:

$$\text{Mark allocated for the criterion of past performance} \times \frac{\text{PPR of the consultant}}{100}$$

and the calculated mark shall then be taken as a “cap” for all the other consultants' marks calculated using the method in the item (B)(4)(g) below.

- (g) For a consultant having less than 4 performance scores under the relevant consultants selection board concerned in the past three years, his PPR shall not be considered. The “past performance of the consultant” sub-section shall then be marked based on the consultant’s weighted average percentage mark (not the grade) in the remaining sections excluding the “past performance of sub-consultants” sub-section if any, subject to the cap derived in item (B)(4)(f)(iii) above for the case with only one consultant having a PPR if applicable.
- (h) A consultant who is under suspension from bidding shall not be shortlisted for submission of technical and fee proposals for further consultancy assignments until the suspension is lifted. Bids already submitted by the shortlisted consultant in response to invitations before the suspension from bidding, which is imposed after submission of technical and fee proposals, should continue to be assessed subject to further consideration as given in item (B)(4)(i) below. Bids submitted by the shortlisted consultant who is under suspension from bidding, which is imposed before submission of technical and fee proposals, shall not be considered further.
- (i) For a consultant who is suspended from bidding after he has submitted technical and fee proposals or a consultant, although not suspended from

bidding but serious default or non-performance of him (such as those mentioned in paragraph 22 of Annex I of DEVB TC(W) No. 3/2016) has been made known to the Assessment Panel, the Assessment Panel shall carefully consider whether the proposals of such consultant should be further processed. If the Assessment Panel decides not to further process the bid of such consultant, the Assessment Panel should seek endorsement from the AACSB/EACSB (or the relevant DCSC) on such decision before continuing with the consultant selection exercise.

- (5) [1] mark per page shall be deducted for exceedance of the page limits and [1] mark for non-compliance with the format.
- (6) Combined score assessment of Technical and Fee Proposals will be carried out in accordance with DEVB TC(W) No. 2/2016.
- (7) The Assessment Panel comprises [insert the number] marking members from [insert the department names and respective numbers] and [insert the number] non-marking members (Chairperson and Secretary) from [insert the department name].

Remarks:

- 1. The procuring department should make reference to DEVB TC(W) No. 2/2016 and amend the guidelines as appropriate.
- 2. The procuring department should update the information in square brackets to suit specific project need.
- 3. The procuring department should update the relevant note similar to Note (6) in Part B above in the fee proforma.

* Delete as appropriate

APPENDIX 3.5 RSS PROVISIONS TO BE ADDED TO SAMPLE FEE PROFORMA

* NOTIONAL RSS ESTABLISHMENT

(I) Ranks	(II) Posts in notional RSS establishment	(III) No. in notional RSS establishment	(IV) Notional number of man-months	(V) RSS on-cost rate symbol
*CRE				*R1
*SRE, SRLS, SRQS, SRLA				*R2
*RE, RLS, RQS, RLA, RCTO, RSIOW, RPSO, RPTO				*R3
*ARE, ARQS, ARLS, ARLA, RIOW, ARIOW, RSSO, RSTO, RSFO, RFOI, RSO, RTO, RCO				*R4
*RWSI, RWSII, RFOII, RACO, LRO, RCA, RPSII, Resident Artisan, Resident Chainman				*R5
*Model Scale I				*R6

Note

* Omit if not relevant

***NOTIONAL GOVERNMENT STAFF ESTABLISHMENT**

(I) Ranks included	(II) Rank of government staff to be posted to site for on-the-job training	(III) No. to be posted to site	(VI) Notional number of man-months	(V) Government staff on-cost rate symbol
*CE				*R7
*SE, SLS, SQS, SLA				*R8
*E, LS, QS, LA, CTO, SIOW, PSO, PTO				*R9
*AE, AQS, ALS, IOW, AIOW, SSO, STO, SFO, FOI, SO, TO, CO				*R10
*WSI, WSII, FOII, ACO, CA, PSII, Artisan, Chainman				*R11
*Model Scale I				*R12

Note

* Omit if not relevant

APPENDIX 3.6 ASSESSMENT PANEL ON CONSULTANTS SELECTION

Functions of Assessment Panel

The major functions of an assessment panel are:

- (a) To determine the criteria for Longlist, and the criteria and marking scheme for the Shortlist, prior to sending out invitation letters for expression of interest and posting of the invitation notice on the departmental website.
- (b) To assess expression of interest (EOI) proposals and to recommend a Shortlist of suitable consultants.
- (c) To establish and agree on the marking scheme for technical proposals.
- (d) To agree on a technical/fee weighting.
- (e) To review the approved Shortlist of consultants in case there are changes in circumstances that may have affected the original shortlisting results.
- (f) To assess the technical proposals and to affirm the technical suitability of the consultants for carrying out the consultancy.
- (g) To discuss and agree on special matters, if any, relating to EACSB submission and consultants selection.

Setting Up and Operation of Assessment Panel

Departments shall observe the following guidelines in the setting up and operation of assessment panels:

- (a) An assessment panel shall be chaired by an officer ranked preferably at D2, but not lower than D1, and comprise members of not lower than senior professional ranks from appropriate Government departments, except that the assessment panel secretary may be of professional rank if he/she is non-marking. To maintain consistency within a department, each department should set its own guidelines on the ranking of assessment panel chairpersons.
- (b) The chairperson of an assessment panel shall be appointed by an officer ranked at D3 or above in the managing department. Assessment panel members shall be appointed by an officer ranked at D2 or above, who may be the chairperson of the assessment panel.
- (c) The chairperson and secretary of an assessment panel should preferably be non-marking to allow them to be more focused on discharging their duties, especially during assessment panel meetings. Nevertheless, this is not a

mandatory requirement. To maintain consistency within a department, each department should set a policy on whether the chairperson and/or the secretary should be marking or non-marking. If for a particular consultancy, the assessment panel considers it necessary to depart from the set policy, the reasons should be recorded in the minutes of the assessment panel meeting. The decision should be made at the first assessment panel meeting.

- (d) An assessment panel should normally have three to five marking members. The number of assessment panel members may exceed five for very complex assignments.
- (e) It is in the interest of the managing department to consult with other departments having a major interest in the fields and disciplines that are covered by the consultancy and who may be able to contribute to the consultant selection process. At least one member of the assessment panel should if possible come from another department.
- (f) The composition (i.e. number of marking members and name of departments involved) of the assessment panel should be made known to the shortlisted consultants. However, the identities of the individual assessment panel members should not be disclosed to avoid any lobbying activities.
- (g) In general, every assessment panel member should carry equal weighting. Nevertheless, flexibility is allowed for assessment panel members to agree among themselves on their weighting to reflect the scope of their involvement in the assessment. Care should be taken to avoid a single member dominating the outcome of the assessment. The reasons for having unequal weightings should also be recorded in the minutes of the assessment panel meeting and incorporated in the submission to EACSB.
- (h) Each assessment panel member should conduct his/her assessment independently. Assessment panel members should not discuss or exchange views on the marking before the assessment panel meeting. However, assessment panel members may discuss technical issues to achieve better understanding of the proposals and to clarify facts before the assessment panel meeting.
- (i) Assessment panel members should acquaint themselves with the project background, issues, constraints and considerations relevant to the assessment exercise, and the managing department should facilitate this by providing necessary information and documents to them. Normally all marking members should assess and mark the whole submissions from all bidders. Nevertheless, assessment panel members should not mark on sections or sub-sections which they do not have sufficient technical knowledge. The percentage marks for the various sections and sub-sections in the marking scheme should not be affected due to the fact that some assessment panel

members do not give marks for a particular section or sub-section. There should be a minimum of three marking members for each section/sub-section. The scope of assessment by individual assessment panel members should be determined at or before the first assessment panel meeting and recorded in the minutes of the meeting.

- (j) For assignments with specialized areas where only some assessment panel members may have the competence to assess, setting up of sub-panels of competent persons may be considered by the assessment panel. Suitable persons outside the assessment panel could be appointed as sub-panel members, subject to the approval of an officer ranked at D2 or above. If sub-panels are to be set up, the assessment panel should determine the weighting assigned to each sub-panel before inviting proposals from the consultants. The assessment result of the sub-panels for each section/sub-section should first be worked out and then integrated with that of the main assessment panel, as if the sub-panel is an assessment panel member.
- (k) Justifications and decisions to adopt practices different from the usual/standard process should be recorded and incorporated in the relevant submissions to EACSB in a self-contained manner.

APPENDIX 3.7 SAMPLE MEMO TO REQUEST FOR RELEASE OF FEE PROPOSALS

RESTRICTED (CONTRACT)

MEMO

From Head of Department

Ref _____ *in* _____

Tel No _____

Fax No _____

Date _____

To Chairman EACSB
thro' Secretary EACSB

Your Ref _____ *in* _____

dated _____

Fax No _____

Agreement No. CE XX/XX

(Title of Agreement)

(Results of Technical Assessment)

I enclose for your reference the following:-

- (a) a copy of the minutes of the assessment panel meeting for the technical assessment;
- (b) a summary table of the marks given by each assessment panel member for each section of the technical proposal (a sample is given in **Appendix 3.14**); and
- (c) a summary of estimated staff rates for lump sum fee and additional Services, [*as well as RSS on-cost rates].

2. I should be pleased if you would release the consultants' fee proposals (, except the one submitted by _____,) * for my combined assessment. The Assessment Panel considers that all of the shortlisted consultants are capable of undertaking the assignment (except _____ because _____ as detailed in paragraph _____ of the above minutes of meeting).

()

* omit as appropriate

RESTRICTED (CONTRACT)

MEMO

<p><i>From</i> <u>Head of Department</u></p> <p><i>Ref.</i> <u>()</u> <i>in</i> _____</p> <p><i>Tel. No.</i> _____</p> <p><i>Fax. No.</i> _____</p> <p><i>Date</i> _____</p>	<p><i>To</i> <u>Chairman EACSB thro' Secretary EACSB</u></p> <p><i>(Attn.:)</i> _____</p> <p><i>Your Ref.</i> _____ <i>in</i> _____</p> <p><i>dated</i> _____ <i>Fax. No.</i> _____</p> <p><i>Total Pages</i> _____</p>
---	---

Engineering & Associated Consultants Selection Board (EACSB)

(Submission for consideration at meeting on _____)

1. **CONSULTANCY AGREEMENT NO. & TITLE**

Agreement No. CE XX/XX -

2. **AUTHORITY TO EMPLOY CONSULTANTS**

PWP Item No. :

Funding approval was given by _____ on _____

Funds approved : _____

Breakdown of cost (without MOD adjustment)

Estimated fees :

- | | | | |
|-----|----------------------------|-------|-------------------------------|
| (a) | Lump sum | _____ | |
| (b) | Variations | _____ | |
| (c) | Inflation-related Payments | _____ | (ref. Handbook Section 5.3.2) |
| (d) | RSS on-cost | _____ | (if applicable) |

Notional value of RSS cost : _____ (if applicable)

Estimated total value of all reimbursable items : _____ (if applicable)

Study period : _____ months

Estimated manpower input :

Directors / Partners:	_____	man-weeks
Chief Professional Staff:	_____	man-weeks
Senior Professional Staff:	_____	man-weeks
Professional Staff:	_____	man-weeks
Assistant Professional Staff:	_____	man-weeks

Technical Staff: _____

_____ man-weeks

3. **APPROVAL NOW REQUESTED**

The Board's approval is sought to appoint _____ to undertake the assignment at a lump sum of \$ _____ plus a fee ceiling of \$ _____ for additional Services.

4. **PREVIOUS SUBMISSIONS TO EACSB**

Dept/Office	Date of EACSB/ DCSC (if any) meeting, or state "CIRCULATION"	Decision/ Approval given	EACSB/ DCSC (if any) ref. & date

5. **BACKGROUND/ARGUMENT**

- 5.1 The issues of SPR 186 have been fully addressed. All members, including the Chairperson and the Secretary, of the Assessment Panel have declared they have no conflict of interest (actual, potential or perceived) in conducting the consultants selection for the agreement. Also, all officers involved in preparing consultancy documentation (including consultancy briefs and marking schemes) and assessment for the shortlisting exercise have declared they have no conflict of interest (actual, potential or perceived).
- 5.2 State concisely the result of the combined score assessment and the arguments leading to the recommendation of a consultant for the Assignment. The detailed combined score assessment is enclosed.
- 5.3 Rejection of consultants, if any, shall be fully substantiated in the submission.
- 5.4 An assessment on the reasonableness of fees and rates against the items set out in paragraph 7 of ETWB TCW No. 8/2003 should be carried out and the details of the assessment should be presented in the submission to the Board. As the case may be, the department should draw the attention of the Board on fees and rates which are considered substantially over or under-priced.
- 5.5 Checking of compliance with linkage requirements of Consultants' staff rates has been conducted in accordance with DEVB TC(W) No. 2/2016. The percentage differences between the "staff rates for additional Services" and staff rates in lump sum fee" for all consultants do not exceed the "Specified Percentage Range".
- 5.6 I confirm that sufficient funding is available for the award of the Agreement as the fee of the recommended bid has exceeded our estimated fee. (if applicable)

6. **ATTENDANCE**

State name, post and contact telephone and (confidential registry) fax numbers of the officer (D2 or above) who will attend the EACSB meeting when so directed by the Board.

7. **ATTACHMENTS**

- Appendix A - Minutes of the assessment panel meeting for the technical assessment, including a summary table of the marks given by each assessment panel member for each section of the technical proposal (ref. **Appendix 3.14**)
- Appendix B - Combined score assessment of the consultants' Technical and Fee Proposals

Appendix C - Soft copy of any previous DCSC submissions, following the requirements in Section 3.12(g) *(if applicable)*

()

c.c. SFST (Attn : DS(Tsy)3) w/e
SDEV (Attn : DS(W)2)

APPENDIX 3.9 STANDARD MEMO NOTIFYING EACSB OF SIGNING OF AGREEMENT

RESTRICTED (CONTRACT)

MEMO

From Head of Department	To Secretary, EACSB
Ref in	Your Ref in
Tel No	dated
Fax No	Fax No
Date	

Agreement No.
Agreement Title

In compliance with the stipulated procedure for the appointment of consultants for items approved by the EACSB, I append hereunder the information pertinent to the captioned Agreement :

Title of Agreement :

Name of Consultant :

Signing Date :

Commencement Date :

Anticipated Completion Date :

2. Enclosed is a certified true copy of the Agreement document.

()

APPENDIX 3.10 REFERENCE PROCEDURES FOR ONE-STAGE CONSULTANTS SELECTION

The reference procedures for the one-stage consultants selection process are set out in this Appendix.

2. Following the requirements in Section 3.1.3.1, the managing departments may adopt a one-stage consultants selection process as described in the following procedures:

- a) The managing department shall, before inviting Technical and Fee Proposals, submit to the EACSB/DCSC (i) the marking scheme (see Annex I to **Appendix 3.10**), Technical and Fee weighting, notional value for additional Services, and the selection criteria⁽¹⁾ for endorsement and (ii) the draft Brief & related documents for comment. The sample memo for first submission to EACSB/DCSC is given at **Appendix 3.2A**;
- b) Upon EACSB/DCSC's endorsement in principle in paragraph (a), the managing department shall invite Technical and Fee Proposals (sample invitation letter for Technical and Fee Proposals is given at **Appendix 3.4A**) from normally not fewer than 6 consulting firms⁽²⁾ (based on the endorsed selection criteria) as well as through open invitation, i.e. by posting the one-stage invitation on the website of the managing department (sample notice of inviting submission of Technical and Fee Proposals through internet is given at **Appendix 3.3A**). The number of pages of Technical Proposals shall normally be limited to 12 (Option 1) or 20 (Option 2) (see Annex I to **Appendix 3.10**). The consulting firms shall be required to declare that they meet the selection criteria (with supplementary proof, as stated/required by the managing department where necessary) as in the open invitation for EOI of a conventional two-stage consultants selection process;
- c) The Assessment Panel shall assess Technical Proposals of consulting firms who meet the selection criteria. Upon completion of the assessment of the Technical Proposals, the Assessment Panel shall obtain the Fee Proposals⁽³⁾ of normally the top four ranking consulting firms with the highest technical marks from the Secretary of EACSB to conduct the combined score assessment as in the stage 2 of a conventional two-stage consultants selection process to determine which consulting firm should be recommended for award of the consultancy.
- d) The managing departments shall then proceed with the "Stage 2 EACSB/DCSC Submission" according to the procedures given in Section 3.12 of the EACSB Handbook to complete the consultants selection exercise.

Note:

⁽¹⁾ When determining the selection criteria, the Assessment Panel shall make reference to those criteria adopted for establishing the longlist in a conventional

two-stage consultants selection process. Some examples of criteria being adopted in the conventional longlisting process are: minimum experience requirement of the consultant; minimum qualification and experience requirements of core personnel of the consultant's project team; consultant's status, e.g. under specified category or categories; minimum resource/technical capability requirements, etc.

(2) The initial list of consulting firms to be invited for submission of Technical and Fee Proposals shall be submitted together with the selection criteria in the first submission mentioned in paragraph 4(b) for the EACSB/DCSC's reference. The managing department shall provide explanation/justification in their first submission for the EACSB's consideration where less than 6 consulting firms are to be invited.

(3) In case there are more than one submission attaining the 1st, 2nd, 3rd or 4th highest technical marks, the Fee Proposals of all these submissions shall be opened for combined score assessment. The remaining submissions with Fee Proposals unopened shall however not be considered in the combined score assessment even upon identification of non-conforming Fee Proposals among the opened Fee Proposals.

(4) The managing department shall follow the general principles given in the EACSB Handbook. In case of discrepancies or inconsistencies between this Appendix and the Sections referred to, the provisions of this Appendix shall prevail for the one-stage consultants selection process.

**ANNEX I to APPENDIX 3.10 GUIDELINES ON PREPARATION OF
MARKING SCHEME, TECHNICAL
PROPOSALS AND TECHNICAL & FEE
WEIGHTING**

(A) Guidelines on Preparation of Marking Scheme

The managing department shall follow the guidelines given below when preparing a marking scheme for Technical Proposals:

1. The marking scheme and the limit on page/number of Technical Proposals (and attached document) invited under “Option 1” and “Option 2” are given in the following tables:

Marking Scheme		
Assessment Criteria	Option 1	Option 2
Consultant's Experience	5%-10%*	5%-10%*
Innovation and Creativity	5%-10%	5%-15%
Staffing	30%-35%	25%-35%
Past Performance		
- Past Performance of the consultant	10%-20%	10%-20%
- Past Performance of sub-consultants	0%-10%+	0%-10%+
Additional Aspects:		
- Response to Brief	0%-10%	5%-15%
- Approach to Cost Effectiveness and Sustainability	0%-20%	10%-25%
- Methodology & Work Programme	0%-20%	20%-30%

** For major tunnel projects with envisaged difficult geological and ground conditions, or major projects with high risks of scope changes and project complexities, the top mark of “10” could be adopted so as to place a greater weight for consultants' experience and knowledge on local geotechnical conditions and risk management for difficult complex conditions and changes.*

+ Regarding the assessment of past performance of sub-consultants in Technical Proposals, the Assessment Panel shall observe the requirements given in Section 3.5.2 of the EACSB Handbook.

Limits on Page/Number		
Submissions	Option 1	Option 2
Technical Proposals	12 pages	20 pages
Appendices (excluding curriculum vitae) (see Section (B) 4(a), (b) & (c) below)	30 pages	30 pages
Curriculum Vitae (see Section (B) 4(d) below)	2 pages/staff	2 pages/staff
Total number of Figures/Drawings attached to Technical Proposals	12 nos.	20 nos.

2. An officer at D2 or above level (normally, the chairperson of Assessment Panel) shall recommend which option to be adopted. For consultancies requiring intensive technical input, “Option 2” (i.e. with additional aspects) is considered more appropriate.
3. The marks to be allocated to each section of the Technical Proposal shall be within the range indicated in the above table and shall amount to 100%. The Assessment Panel shall pre-determine the marks to be allocated to each section and sub-section of the Technical Proposal.
4. The marking scheme shall be endorsed by the EACSB/DCSC prior to inviting Technical and Fee Proposals.

(B) Guidelines on Preparation of Technical Proposals

Consulting firms are encouraged to use electronic format in submitting their proposals. They are nevertheless free to choose the format (i.e. paper or CDROM). The Technical Proposal shall be limited to *12 or 20* pages in length. It shall be inexpensively bound and shall be of A4 size. The appendices (excluding curriculum vitae) attached to Technical Proposals shall be limited to 30 pages in length whilst the page limit on curriculum vitae is 2 pages per staff. The figures/drawings attached to Technical Proposals shall also be limited to *12 or 20* pages and their size shall not exceed [A3].

Technical Proposals exceeding the page limit shall not be considered. For submissions with font size, format, number of page of appendices and number of figures/drawings not conforming to the requirements specified above, marks shall be deducted from the overall Technical Mark. ^(Note 1)

- 1. Consultant's Experience**^(Note 6)
 - 1.1 Relevant experience and knowledge ^(Note 7)
- 2. Staffing**^(Note 6)
 - 2.1 Staff organisation chart with highlights on the efficiency and effectiveness of the organisation;
 - 2.2 Relevant experience (*including design constructability and risk management where applicable*) and qualifications of key staff ^(Note 7);
 - 2.3 Responsibilities and degree of involvement of key staff; and
 - 2.4 Adequacy of professional and technical manpower input ^(Note 8).
- 3. Innovation and Creativity**^(Note 3 and Note 6)
 - 3.1 Particular design aspects/issues/requirements (*as identified and specified by the departments*); and
 - 3.2 Particular construction aspects/issues/requirements (*as identified and specified by the departments*).
- 4. Additional Aspects**
 - 4.1 Response to the Brief^(Notes 4 and 6)
 - (a) Understanding of objectives;
 - (b) Identification of key issues;
 - (c) Appreciation of project constraints and special requirements; and
 - (d) Presentation of design approach and ideas (*in regard to aspects such as general arrangement, layout, functionality, green measures, heritage conservation, aesthetics and overall appearance where appropriate*).
 - 4.2 Approach to Cost Effectiveness and Sustainability^(Note 6)
 - (a) Examples and discussion of past projects to demonstrate the consulting firm's will, ability and physical measures to produce cost-effective, energy efficient and environmentally friendly solutions which are applicable to the project; and
 - (b) Approach to achieve cost-effectiveness (including life-cycle costs vis-à-vis initial project cost), energy efficiency and environmental friendliness on this project.

4.3 Methodology and Work Programme^(Note 6)

- (a) Technical approach to enable delivery of the project practicably having regard to the reasonable time required and other technical constraints vis-à-vis the project requirements (*including construction methods to facilitate mechanization, prefabrication and other productivity enhancements where appropriate, especially where they can reduce manpower demands of trades of acute labour shortage*);
- (b) Health & safety and environmental issues to be addressed in delivering the project;
- (c) Work programme with highlights to demonstrate ways to expedite the programme where practicable, to deal with programme constraints and interfaces, and to level and reduce the resources peak; and
- (d) Arrangements for contract management and site supervision including a proposed system of monitoring site supervision.

5. Appendices^(Note 1)

- (a) Relevant projects completed in the past 5 years, in table form;
- (b) Current projects, listing total and outstanding cost and duration (table) and staff expertise and deployment (table);
- (c) Manning schedule (without any indication of cost); and
- (d) Brief curriculum vitae (CV) for key staff.^(Note 2)

Note:

(Items 1-5 to be included in the above Guidelines on Preparation of Technical Proposals)

- 1. For submissions with appendices, figures and drawings exceeding the specified limits, one(1) mark shall be deducted from the overall Technical Mark for each of such extra page/number. Furthermore, one(1) mark shall be deducted from the overall Technical Mark if the submission is not conforming to the submission formats specified in the invitation documents for Technical and Fee Proposals.
- 2. For submission in paper format, consulting firms may provide the staff CV in separate softcopy format.
- 3. The assessment of Section 3 will be based on incorporation of new concepts and innovative ideas (including innovative and creative applications of existing technologies, materials and systems).
- 4. For sub-sections 4.1(b) and 4.1(c), merits will be given to key/special issues, constraints/risks and requirements additional to those set out in the brief. If no additional key/special ones are identified and appreciated, a “Fair” grading at most should be given.
- 5. Although “PAST PERFORMANCE” is one of the criteria in the Marking Scheme, Consulting firms are not required to include any details regarding their past performance in the Technical Proposals as this criterion will be marked in accordance with DEVB TCW No. 3/2016.

(Items 6-9 for departments’ reference only in the preparation of the above Guidelines)

- 6. State the marks to be allocated to each main section and sub-section.
- 7. It is considered that experience and knowledge of the consultants and their staff in risk management and local ground conditions are beneficial for the delivery of projects involving substantial underground works, such as major tunnel project, hence these aspects should be made sub-sections in the marking scheme where applicable.

8. *This sub-section should carry 7 - 12% of the overall marks.*
9. *Texts in italics are for departments' reference only and should be omitted or suitably amended in the Guidelines on Preparation of Technical Proposals.*

Appendix 3.11 STANDARD FORM FOR SUMMARY OF TECHNICAL AND FEE PROPOSALS

RESTRICTED (CONTRACT)
ENGINEERING & ASSOCIATED CONSULTANTS SELECTION BOARD (EACSB)
Summary of Technical and Fee Proposals

Agreement No.: CE /

Agreement Title :

Project Office's Estimated Manpower Input (man-week (mw)) :
P/D & CP: SP & P: AP & T:
Technical/Consultancy Fee/Fee Quality Weighting : % / % / %
Notional number of man-hours (mh) for time charge staff :
Notional number of man-months (mm) for RSS :

Technical Assessment & Fees

Consultant	Tech Score (TS, max: 100) / Fee Quality (FQ, max: 10)	Lump Sum (\$) (L)	All-inclusive Time Charge Rates (\$/mh)	Adjusted Notional Value for Additional Services (\$) (AN)	RSS On-cost Rate (\$/mm) (R)	Notional RSS On-Cost (\$) (AR)	Value for Total Fee (\$) (L) + (AN) + (AR)	Manpower Input (mw)
A			P/D: CP: SP: P: AP: T:					P/D & CP: SP & P: AP & T:
B			P/D: CP: SP: P: AP: T:					P/D & CP: SP & P: AP & T:
C			P/D: CP: SP: P: AP: T:					P/D & CP: SP & P: AP & T:
D			P/D: CP: SP: P: AP: T:					P/D & CP: SP & P: AP & T:

Consultant	Combined Scores (calculations based on DEVB TC(W) No. 2/2016)
A	
B	
C	
D	

Consultancy to be awarded to :

Name of Consultant (Consultant A/B/C/D)
--

Abbreviations :

P/D: Partners/ Directors
CP: Chief Professional Staff
SP: Senior Professional Staff
P: Professional Staff
AP: Assistant Professional Staff
T: Technical Staff

Secretary, EACSB

Date :

RESTRICTED (CONTRACT)

RESTRICTED (CONTRACT)

RESTRICTED (CONTRACT)

ENGINEERING & ASSOCIATED CONSULTANTS SELECTION BOARD (EACSB)

Summary of Technical and Fee Proposals

Agreement No.: CE /

Agreement Title :

Summary of Median Values of Rates and Manpower Input

The following figures are the median values of the relevant rates and manpower input used for assessing the Technical and Fee Proposals submitted.

Categories of Staff	Lump sum Fee		All-inclusive Time Charge Rate for Additional Services (\$/Man-hour)
	Staff Rate (\$/Man-week)	Manpower Input (Man-weeks)	
Partners/Directors			
Chief Professional			
Senior Professional			
Professional			
Assistant Professional			
Technical			

Categories of RSS Directly Employed by the Consultant (Refer to Schedule of Fees for the Respective Ranks)	All-inclusive On-cost Rate (\$/Man-month)
R1	
R2	
R3	
R4	
R5	
R6	
R10	

[Note : Please include the above table(s) as appropriate.]

RESTRICTED (CONTRACT)

**APPENDIX 3.12 STANDARD SPECIAL CONDITIONS OF EMPLOYMENT :
DISCLOSURE OF FEE PAYABLE TO THE CONSULTANTS**

- SCE1.1 The Consultants hereby irrecoverably authorize, consent and agree that the Employer may, whenever the Employer considers appropriate or upon request by any person (written or otherwise) and without further reference to the Consultants, disclose to any person in such form and manner as the Employer deems fit -
- (a) the fees, costs and expenses payable by the Employer for engaging the Consultants; and
 - (b) the lump sum fee proposal submitted by the selected consultant (in case of assignment remunerated on lump sum fee basis) / the notional time charge ceiling for the consultancy study (in case of assignment remunerated on time-charge basis) / the estimated lump sum fee calculated based on the percentage-fee proposal submitted by the selected consultant (in case of assignment remunerated on percentage-fee basis).
- SCE1.2 The Consultants hereby waive and forego their right, if any, to make any claims against the Employer for any losses, damages, costs, charges, liabilities, demands, proceedings and actions that may arise out of or in consequence of such disclosure by the Employer.

APPENDIX 3.13 SAMPLE FEE PROFORMA

RESTRICTED (CONTRACT)
ENGINEERING & ASSOCIATED CONSULTANTS SELECTION BOARD
FEE PROPOSAL
for

(Agreement No. _____)
submitted by _____

PROPOSED LUMP SUM FEE (L) [#] HK\$

ALL-INCLUSIVE TIME CHARGE RATES

&Partners/Directors (P/D) HK\$ / man-hour

[&]Chief Professional Staff (CP) HK\$ _____/ man-hour

& Senior Professional Staff (SP) HK\$ _____ / man-hour

&Professional Staff (P) HK\$ _____/ man-hour

& Assistant Professional Staff AP) HK\$ _____ / man-hour

&Technical Staff (T) HK\$ _____ / man-hour

*RESIDENT SITE STAFF (RSS) ON-COST RATES

*R1 HK\$ _____/ man-month

*R2 HK\$ _____ / man-month

*R3 HK\$ _____ / man-month

*R4 HK\$ _____ / man-month

*R5 HK\$ / man-month

*R6 HK\$ / man-month

*GOVERNMENT STAFF ON-COST RATES

*R7 HK\$ / man-month

*R8 HK\$ / man-month

*R9 HK\$ / man-month

*R10 HK\$ / man-month

*R11 HK\$ / man-month

*R12 HK\$ / man-month

Signed _____
()

Date _____

Technical/ Consultancy Fee/ Fee Quality weighting for this consultancy = %/ %/ 10%

Notional man-hours for additional Services

&Partners/Directors (P/D)	=
&Chief Professional Staff (CP)	=
&Senior Professional Staff (SP)	=
&Professional Staff (P)	=
&Assistant Professional Staff (AP)	=
&Technical Staff (T)	=

*Notional number of man-months of RSS (Notional RSS Establishment is given on Page ____ of this Fee Proforma)

*for R1	=
*for R2	=
*for R3	=
*for R4	=
*for R5	=
*for R6	=

*Total =

*Notional number of man-months of Government Staff (Notional Government Staff Establishment is given on Page ____ of this Fee Proforma)

*for R7	=
*for R8	=
*for R9	=
*for R10	=
*for R11	=
*for R12	=

*Total =

=====

Two signed copies of this Fee Proposal must be delivered **by hand** before 12:00 noon on _____ to:

Chairman, EACSB,
Director of Civil Engineering and Development,
15/F, Civil Engineering and Development Building,
101, Princess Margaret Road,
Ho Man Tin, Kowloon.

The Proposal must be in a sealed envelope marked "EACSB Fee Proposal for Agreement No. _____, submitted by _____".

=====

Notes on the preparation of this Fee Proposal are given on Pages 7 & 8 of this Appendix

Remarks:

- # The Proposed Lump Sum Fee shall be equal to the total fee for the Staff Charges and Non-Staff Charges for all stages in the summary breakdown in Part A.
- & *to be modified as appropriate; other categories for specialist staff as suggested at Appendix 3.13A of the EACSB Handbook may be incorporated as appropriate. [only for reference of the department's staff]*
- * *to be deleted if not relevant. [only for reference of the department's staff]*

**A. SUMMARY BREAKDOWN OF LUMP SUM FEE
AMONG STAGES OF THE AGREEMENT**

1. Staff Charges

Consultancy Stage ⁺	Man-Weeks [#]						Fee (HK\$)*
	P/D	CP	SP	P	AP	T	
Feasibility (F) Stage							
Investigation (I) Stage							
Design (D) Stage							
Construction (C) Stage							
Total							

2. Non-Staff Charges

Consultancy Stage ⁺	Fee (HK\$)*
Feasibility (F) Stage	
Investigation (I) Stage	
Design (D) Stage	
Construction (C) Stage	
Total	

NB # The manpower input in this breakdown shall tally with the manpower input in the technical proposal as well as that in Part D.

* The fees for Staff Charges and Non-Staff Charges for all stages shall be carried forward from Part D.

⁺ *Departments' staff should only include the relevant stage(s) in these tables.*

B. SPLIT OF LUMP SUM FEE AMONG CONSULTANTS

Name of Main Consultant(s)/Sub-consultant(s)	Fee (HK\$)	% of Total
Total		100%

C. ADDITIONAL SERVICES/ITEMS PROPOSED FOR THE CLIENT'S CONSIDERATION

No.	Description	Fee (HK\$)
1		
2		
3		
4		
5		
6		
7		
8		

N.B. These items will **not** be taken into consideration in the assessment of Fee Proposals.

D. BREAKDOWN OF FEE FOR _____ STAGE*

1. Staff Charges for Project Disciplines

Discipline	Man-Weeks [@]						Fees (HK\$)					
	P/D	CP	SP	P	AP	T	P/D	CP	SP	P	AP	T
Total												

2. Non-Staff Charges

Item	Charge (HK\$)
Computing Charges Report Charges Other Charges (please specify, if any):	
Total	

* N.B. A separate sheet must be included in the Fee Proforma issued to the shortlisted consultants for each of the Feasibility, Investigation, Design and Construction Stages of the consultancy.

[@]N.B. A conversion factor of 40.00 hours/week shall be adopted throughout the calculation.

E. MANNING SCHEDULE AND CHARGE RATES

Category of Staff: _____ (please input the category of staff)

No	Name	Position	Weekly Charge Rate (HK\$)	Time Input (Weeks)	Fee (HK\$)	Time Input in the Form of Bar Chart											
						Month No.											
						1	2	3	4	5	6	7	8	9	10	11	12
1																	
2																	
3																	
4																	
5																	
6																	
7																	
8																	
9																	
10																	
11																	
12																	
13																	
14																	
15																	
16																	
17																	
18																	
19																	
20																	
Total																	

- N.B. (a) Charge rates must be all-inclusive rates.
 (b) A separate sheet should be included for each category of staff.
 (c) Key staff such as partners/directors, professional and technical staff (of relevant disciplines) should be shown.

ENGINEERING & ASSOCIATED CONSULTANTS SELECTION BOARD

NOTES ON THE PREPARATION OF FEE PROPOSALS

Client Department [These notes in italics are only for reference of the department's staff]

- i. *Before the Fee Proposal forms are sent to the shortlisted consultants, the Client Department must enter the Agreement title and number, the technical/ consultancy fee/ fee quality weighting, the notional man-hours for additional Services, and the date on which the completed proposal must be delivered. Where applicable, the notional number of man-months of RSS and the notional number of man-months of Government staff to be posted on site should also be entered.*
- ii. *The disciplines into which the fee should be broken down (e.g. civil engineering, E&M engineering, environmental, planning) must be entered in Part D.*
- iii. *When the Fee Proposal forms for an Agreement are sent to shortlisted consultants, a copy of Pages 1 and 2 must be sent to the EACSB Chairman.*
- iv. *The Client Department must also predetermine the payment schedule and provide this to the shortlisted consultants along with the Fee Proposal forms. The payment schedule should be expressed as a proportion of the fee against time (e.g. monthly) or against progress (e.g. milestones).*

Consultant

1. The Fee Proposal should be completed in all respects appropriate to the consultancy using the Proforma provided. Two sets of the Fee Proposal should be submitted to the Chairman, EACSB.
2. If the Fee Proposal is submitted by a Joint Venture, all participants in the Joint Venture must sign the Fee Proposal.
3. The time charge rates entered in the Fee Proposal will be used for payment for additional Services not covered by the Brief. In addition, these rates will be applied with the notional man-hours for additional Services to arrive at the 'adjusted notional value for additional Services' to be used for fee assessment purposes. Please refer to the Schedule of Fees for details.
4. The Proposed Lump Sum Fee on Page 1 of the Fee Proposal shall be equal to the total of the Staff Charges and Non-Staff Charges for all stages in Part A.
5. Part C will not be taken into account in assessing fees for the award of this consultancy.
6. Part D should be completed for each stage covered by this consultancy.
7. The details required in Part E should be provided by using as many sheets as necessary if the consultancy lasts longer than 12 months or if more than 20 personnel

are involved. It should be noted that the charge rates quoted must be all-inclusive rates. This information is for checking that the consultant has fully accounted for the Services and has not made arithmetical errors. The rates shown will not be used for calculating payment for additional Services.

8. Combined score assessment of Technical and Fee Proposals will be carried out in accordance with the EACSB Handbook on Selection, Appointment and Administration of Engineering and Associated Consultants and any subsequent related Circulars.
9. Questions regarding the completion of this Fee Proposal should be made to *[the Client Department]*.

APPENDIX 3.13A SUGGESTED CATEGORIES OF STAFF FOR SERVICES AND ADDITIONAL SERVICES

The following are recommended categories of staff for the Services but the list is not meant to be exhaustive.

Category	Minimum Qualification Requirement	Minimum Experience Requirement
Partners/ Directors	Corporate member of an appropriate professional institution or equivalent; and A partner, or a company director who is a member of the Board with voting power at Board meetings	15 years relevant post- qualification experience (applicable to professional membership only)
Chief Professional	Corporate member of an appropriate professional institution or equivalent	12 years relevant post- qualification experience
	University degree or equivalent in an appropriate discipline for specialist trades, such as <i>geology, transport, environmental science, or other trades where appropriate professional institutions are not commonly in existence</i>	17 years relevant post- qualification experience
Senior Professional	Corporate member of an appropriate professional institution or equivalent	5 years relevant post- qualification experience
	University degree or equivalent in an appropriate discipline for specialist trades, such as <i>geology, transport, environmental science, or other trades where appropriate professional institutions are not commonly in existence</i>	10 years relevant post-qualification experience
Professional	Corporate member of an appropriate professional institution or equivalent	No additional requirement
	University degree or equivalent in an appropriate discipline for specialist trades, such as <i>geology, transport, environmental science or other trades where appropriate professional institutions are not commonly in existence</i>	5 years relevant post-qualification experience
Assistant Professional	University degree or equivalent in an appropriate discipline	No additional requirement
Technical	Diploma or Higher Certificate or equivalent in an appropriate discipline	No additional requirement

As regards the additional Services, the managing departments should select, modify and append items to suit individual consultancy. If considered necessary, the categories could be further broken down into disciplines.

If the managing department specifies staff for additional Services of categories other than those mentioned above, the equivalent staff category in the Services should also be clearly specified in the invitation document.

RESTRICTED (CONTRACT)

ENGINEERING & ASSOCIATED CONSULTANTS SELECTION BOARD

FEE PROPOSAL

for

(Agreement No. _____)

submitted by

(Name of the Consultant)

Staff Grades (<i>Note i</i>)	(1) Notional Man-hours Input (man-hours)	(2) All-inclusive Charge Rate (HK\$ /man-hour)
Partner/Director		
Chief Professional Staff		
Expert		
(a) Working in Hong Kong		
(b) Working in home country		
Senior Professional Staff		
Professional Staff		
Assistant Professional Staff		
Technical Staff		

Signed _____
(_____)

Date _____

Notes for department's staff preparing the fee proforma:

- i. The staff grades/categories basically follow those at **Appendix 3.13** with provision for input from experts as necessary, and may be modified as appropriate to suit individual assignments.*
- ii. Relevant notes on the preparation of fee proposals may be incorporated with reference to those given at **Appendix 3.13**.*

Note: A notional total fee will be calculated by the department by summing up the products of individual all-inclusive charge rates and the corresponding notional man-hours input in this Fee Proposal. This notional total fee will be used in the combined score assessment of Technical and Fee Proposals to be carried out in accordance with the EACSB Handbook on Selection, Appointment and Administration of Engineering and Associated Consultants and any relevant DEVB Technical Circulars.

Technical/Consultancy Fee/Fee Quality weighting for this consultancy = %/ %/ %

Two signed copies of this Fee Proposal must be delivered **by hand** before 12:00 noon on _____ to:

Chairman, EACSB,
Director of Civil Engineering and Development
15/F, Civil Engineering and Development Building,
101, Princess Margaret Road,
Ho Man Tin, Kowloon.

The Proposal must be in a sealed envelope marked:

“EACSB Fee Proposal for Agreement No. _____ ,

submitted by _____ ”

Appendix 3.14 SAMPLE SUMMARIES OF ASSESSMENTS

(a) expression of interests (EOIs)

RESTRICTED (CONTRACT)

Agreement No. CE xx/201y (zz)

(State Agreement Title)

Summary of Assessment of EOIs

(Input and to be submitted to EACSB)

	Assessment Criteria	Marks (Total 100%)	Member 1	Member 2	Member 3	Member 4	Member 5	Member 1	Member 2	Member 3	Member 4	Member 5	Member 1	Member 2	Member 3	Member 4	Member 5	Member 1	Member 2	Member 3	Member 4	Member 5	Member 1	Member 2	Member 3	Member 4	Member 5
			Consultant A					Consultant B					Consultant C					Consultant D					Consultant E				
1.	Appreciation of the key requirements and constraints/risks	10%	VG	VG	G			G	G	G			VG	G	G			F	G	G			G	G	VG		
2.	Approach and strategy to meet the requirements of the assignment	30%	G	VG	G			VG	G	G			G	G	F			F	F	G			VG	G	VG		
3.	Previous relevant experience both in Hong Kong and elsewhere	5%	G	F	F			G	F	F			F	G	F			F	G	G			G	F	G		
4.	Knowledge, experience and capability of key staff	35%	G	VG	G			G	F	G			VG	G	G			P	F	F			G	F	F		
5.	Past performance of the consultant	15%	13.84	13.84	13.84			13.58	13.58	13.58			13.25	13.25	13.25			12.68	12.68	12.68			13.82	13.82	13.82		
6.	Past performance of sub-consultants	5%	4.77	4.77	4.77			4.68	4.68	4.68			4.77	4.77	4.77			4.77	4.77	4.77			5.00	5.00	5.00		
Total		100%	84.61	96.61	81.61	0.00	0.00	88.25	74.25	81.25	0.00	0.00	90.02	82.02	75.02	0.00	0.00	54.95	68.45	74.45	0.00	0.00	88.82	74.82	83.82	0.00	0.00
Avg		100%	87.61					81.25					82.35					65.95					82.48				
Rank			2					9					6					14					5				
			Consultant F					Consultant G					Consultant H					Consultant I					Consultant J				
1.	Appreciation of the key requirements and constraints/risks	10%	VG	G	G			G	G	F			F	F	P			G	G	G			G	VG	VG		
2.	Approach and strategy to meet the requirements of the assignment	30%	G	G	G			G	F	G			P	F	P			VG	G	G			G	VG	VG		
3.	Previous relevant experience both in Hong Kong and elsewhere	5%	VG	G	VG			F	G	G			F	G	F			G	F	G			F	G	F		
4.	Knowledge, experience and capability of key staff	35%	F	G	F			VG	G	G			VG	G	G			G	G	F			F	P	F		
5.	Past performance of the consultant	15%	13.88	13.88	13.88			14.28	14.28	14.28			9.50	9.50	9.50			13.91	13.91	13.91			14.28	14.28	14.28		
6.	Past performance of sub-consultants	5%	4.68	4.68	4.68			4.68	4.68	4.68			3.17	3.17	3.17			4.77	4.77	4.77			4.77	4.77	4.77		
Total		100%	78.56	82.56	76.56	0.00	0.00	88.95	76.95	80.95	0.00	0.00	65.67	68.67	55.67	0.00	0.00	88.68	81.68	75.68	0.00	0.00	75.05	73.55	83.05	0.00	0.00
Avg		100%	79.22					82.29					63.33					82.01					77.21				
Rank			10					7					15					8					12				
			Consultant K					Consultant L					Consultant M					Consultant N					Consultant O				
1.	Appreciation of the key requirements and constraints/risks	10%	G	G	G			G	G	G			VG	VG	G			VG	VG	G			G	G	F		
2.	Approach and strategy to meet the requirements of the assignment	30%	G	VG	G			VG	G	G			VG	G	G			G	VG	G			G	G	G		
3.	Previous relevant experience both in Hong Kong and elsewhere	5%	F	G	G			G	F	F			G	F	F			VG	G	G			G	VG	G		
4.	Knowledge, experience and capability of key staff	35%	VG	VG	G			F	P	F			F	G	G			G	G	G			F	G	F		
5.	Past performance of the consultant	15%	13.40	13.40	13.40			12.59	12.59	12.59			14.69	14.69	14.69			14.85	14.85	14.85			15.00	15.00	15.00		
6.	Past performance of sub-consultants	5%	4.77	4.77	4.77			4.56	4.56	4.56			4.77	4.77	4.77			4.77	4.77	4.77			4.77	4.77	4.77		
Total		100%	88.17	95.17	82.17	0.00	0.00	80.15	62.65	73.15	0.00	0.00	84.46	84.46	82.46	0.00	0.00	86.62	91.62	83.62	0.00	0.00	76.77	84.77	74.77	0.00	0.00
Avg		100%	88.50					71.98					83.80					87.28					78.77				
Rank			1					13					4					3					11				
			Consultant P					Consultant Q					Consultant R					Consultant S					Consultant T				
1.	Appreciation of the key requirements and constraints/risks	10%																									
2.	Approach and strategy to meet the requirements of the assignment	30%																									
3.	Previous relevant experience both in Hong Kong and elsewhere	5%																									
4.	Knowledge, experience and capability of key staff	35%																									
5.	Past performance of the consultant	15%		0.00	0.00				0.00	0.00				0.00	0.00				0.00	0.00				0.00	0.00		
6.	Past performance of sub-consultants	5%		0.00	0.00				0.00	0.00				0.00	0.00				0.00	0.00				0.00	0.00		
Total		100%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Avg		100%	0.00					0.00					0.00					0.00					0.00				
Rank			-					-					-					-					-				

Notes: (1) Weighting of Assessment Panel Members (assume equal weighting)

No. of Members : 5 1/5 each

(2) For criteria 1, 2 and 3, insert grade (i.e. VG, G, F or P, as the case may be).

(3) For criteria 4 and 5, insert the mark assigned to the consultant [ref. Paragraphs 31 to 33 in Annex I of DEVB TC(W) No. 1/2014].

Scores: VG (Very Good) 1.0

G (Good) 0.8

F (Fair) 0.6

P (Poor) 0.3

(Name)

Date: Chairman, Assessment Panel
0-Jan-00

RESTRICTED (CONTRACT)

RESTRICTED (CONTRACT)

Agreement No. CE

(State Agreement Title)

Summary of Assessment of Technical Proposals

	Assessment Criteria	Marks (Total 100%)	Consultant A					Consultant B					Consultant C					Consultant D				
			Member 1	Member 2	Member 3	Member 4	Member 5	Member 1	Member 2	Member 3	Member 4	Member 5	Member 1	Member 2	Member 3	Member 4	Member 5	Member 1	Member 2	Member 3	Member 4	Member 5
1.0	Consultant's Experience	5%																				
(a)	Relevant experience and knowledge	5%	G	VG	VG	VG	VG	G	G	G	G	G	G	G	G	F	G	G	G	G	F	G
2.0	Response to the Brief	10%																				
(a)	Understanding of objectives	2%	G	G	G	VG	G	F	G	G	G	G	G	G	G	F	G	G	G	G	VG	G
(b)	Identification of key issues	2%	G	VG	VG	VG	VG	F	G	G	G	G	G	G	G	F	G	F	G	G	G	F
(c)	Appreciation of project constraints/risks and special requirements	3%	G	G	G	VG	G	F	G	G	G	G	F	F	F	F	G	F	F	F	G	F
(d)	Presentation of design approach and ideas (in regard to aspects such as general arrangement, layout, functionality, green measures, heritage conservation, aesthetics and overall appearance where appropriate)	3%	F	G	G	G	G	F	G	G	G	F	F	F	G	G	G	F	F	F	G	F
3.0	Approach to Cost-effectiveness and Sustainability	7%																				
(a)	Examples and discussion of past projects to demonstrate the consultant's will, ability and physical measures to produce cost-effective, energy efficient and environmentally friendly solutions which are applicable to the project	3%	G	G	G	VG	G	G	G	G	VG	G	F	F	F	F	G	F	F	F	F	F
(b)	Approach to achieve cost-effectiveness (including life-cycle costs vis-à-vis initial project cost), energy efficiency and environmental friendliness on this project	4%	F	G	G	G	G	G	G	G	G	G	F	F	F	F	F	F	F	F	F	F
4.0	Methodology and Work Programme	25%																				
(a)	Technical approach to enable delivery of the project practicably having regard to the reasonable time required and other technical constraints vis-à-vis the project requirements (including construction methods to facilitate mechanization, prefabrication and other productivity enhancements where appropriate, especially where they can reduce manpower demands of trades of acute labour shortage)	15%	G	VG	VG	VG	VG	G	G	G	G	G	F	G	F	F	G	F	G	F	F	G
(b)	Health & safety and environmental issues to be addressed in delivering the project	3%	G	VG	VG	VG	VG	G	G	G	G	G	F	G	F	G	G	G	F	G	G	F
(c)	Work programme with highlights to demonstrate ways to fast-track the programme where practicable, to deal with programme constraints and interfaces, and to level and reduce the resources peak	4%	G	G	G	G	G	G	G	G	G	G	F	G	G	G	F	F	G	G	G	G
(d)	Arrangement for contract management and site supervision including a proposed system of monitoring site supervision	3%	F	F	G	G	G	F	F	F	F	F	F	F	F	F	G	F	F	F	F	G
5.0	Innovation and Creativity	8%																				
(a)	Particular design aspects/issues/requirements (as identified and specified by the departments)	4%	F	G	G	G	F	G	G	G	G	F	G	VG	G	VG	G	VG	VG	VG	G	G
(b)	Particular construction aspects/issues/requirements (as identified and specified by the departments)	4%	G	G	G	G	F	F	G	G	G	G	G	VG	G	VG	G	G	VG	VG	VG	G
6.0	Staffing	25%																				
(a)	Staff organisation chart with highlights on the efficiency and effectiveness of the organisation	5%	G	VG	VG	VG	VG	F	G	G	VG	G	G	VG	G	G	VG	F	G	G	G	G
(b)	Relevant experience (including design constructability and risk management where applicable) and qualifications of key staff	5%	G	VG	VG	VG	G	G	G	G	G	G	G	G	G	F	G	G	G	G	F	G
(c)	Responsibilities and degree of involvement of key staff	5%	F	G	G	VG	G	F	G	G	G	VG	G	VG	VG	G	VG	G	G	G	G	G
(d)	Adequacy of professional and technical manpower input	10%	F	F	F	F	F	VG	VG	VG	VG	VG	G	G	G	G	G	VG	VG	VG	VG	VG
7.0	Past Performance	20%																				
(a)	Past performance of the consultant	20%	20.00					19.62					19.15					15.31				
Total :		100%	78.20	88.40	89.00	91.60	86.40	80.22	85.02	85.02	86.62	84.62	75.55	83.55	77.95	76.35	83.55	73.71	79.11	76.71	75.51	77/71
Average :		100%	86.72					84.30					79.39					76.55				
Rank :			1					2					3					4				

Notes : (1) Weighting of Assessment
Panel Members :
Members 1 – 5 0.2 each

(2) Scores : VG (Very Good) 1.0
G (Good) 0.8
F (Fair) 0.6
P (Poor) 0.3

(3) Members shall be clearly identified

AD,
Chairman, Assessment Panel
Date : _____

APPENDIX 3.15 PROCEDURES IN THE SELECTION OF CONSULTANTS FOR SMALL CONSULTANCY ASSIGNMENTS

1. This Appendix describes the procedures promulgated in DEVB TCW No. 3/2013 in respect of the selection of consultants for small consultancy assignments. Those relevant paragraphs, which concern consultancy assignments above the quotation limit, from the circular are basically subsumed hereunder.

Background

2. A considerable number of small consulting firms in Hong Kong are capable of providing consultancy services for small consultancy assignments comparable to that provided by large consulting firms. It is in the interest of the Government to see these small consulting firms thrive, and that they should be encouraged to participate in public works projects.

3. The then ETWB promulgated the small consultancy procurement procedures (the procedures) in 2002, requiring that for consultancy assignment of estimated fee not exceeding \$4 million, the longlisting should be confined to small consulting firms unless the assignment is not straightforward.

4. However, as most of the small consultancy assignments get more and more multi-disciplinary or specialized to meet the increasingly complicated requirements of projects over time, they have been exempted from the procedures according to the provisions therein. This situation has called for a revamp of the procedures to facilitate the small consulting firms with more opportunities of forming joint ventures (JV) and getting support from specialist sub-consultants so that the capable ones can be given a chance to undertake the small consultancies.

Policy

5. A consultancy assignment shall be subject to the small consultancy procurement procedures if the estimated consultancy fee (the estimated fixed lump sum fee, or adjustments to scale of percentage fees, or time-charge rates, where applicable) of the assignment does not exceed \$5 million. The procedures described in **Annex A** shall apply unless:

- (a) the Assessment Panel considers that the consultancy assignment is not suitable for small consultants as one or more of the conditions stated in paragraph 7 are present,
- (b) the Head of the Department is personally satisfied that the consultancy assignment is not suitable for small consultants and approves the recommendation of the Assessment Panel that the procedures shall not apply; and
- (c) the procuring department also seeks policy support from DEVB for exemption of the procedures with justifications. The procuring department should normally allow 2 weeks for this.

6. If exemption of the procedures is granted, the usual procedures for the selection and engagement of consultants described in the EACSB Handbook will apply. A copy of the standard form “Granting of exemption of small consultancy procurement procedures”, as shown at Annex C, shall be included in the Stage 1 submission (i.e. recommendation of a shortlist of suitable consultants) to the EACSB.

7. To better ensure consultancy assignments to be undertaken by consultants meeting the qualification requirements in a cost-effective manner and reasonable responses to the invitation for Expressions of Interest (EOIs), a consultancy assignment may be considered not suitable for small consultants if any one or more of the following conditions are present:

- (a) The assignment is for a pilot project, with no or rarely any similar reference in Hong Kong.
- (b) The specialized or other particular nature of the assignment requires a consulting firm with a sufficiently long history of proven experience or expertise knowledge which is not generally available in small consulting firms.
- (c) Less than six potential bidders (including individual small consulting firms and their JVs) or amongst the six or more potential bidders, less than four individual small consulting firms could meet the multi-disciplinary and other longlisting requirements, even with an expanded list of small consulting firms.

8. To determine the requirements on the number of professionals of small consulting firms and their JVs and to consider whether the condition in paragraph 7(c) above is met, the procedures in paragraphs 9 to 11 below shall be followed.

9. The assessment panel shall derive appropriate longlisting criteria based on the nature, scale and other particular situations of the consultancy assignment, but which should not be over-stringent to limit the level of competition unduly. Normally, the scale of small consultancies should not call for more than 2 numbers of professional staff in a service category when there are requirements for professional in more than one service category. The assessment panel should also take into account the possibility of bringing-in specialist sub-consultants for minor input, e.g. a planning or an environmental sub-consultant’s input for an engineering project. In this regard, services under a single discipline up to maximum 10% of the estimated fees could normally be considered as minor input through a sub-consultant. With the required services of the specialist sub-consultants clearly specified in the consultancy documents and provided by appropriate professional staff of a specialist sub-consultant, professional staff in such specialist services should not be specified again as one of the longlisting criteria.

10. If multi-discipline is one of the longlisting criteria, requiring professionals in more than one service category, the limit on the total number of works-related professional staff in a JV will be raised from 10 to 20, allowing the small consulting firms with more opportunities to form JV to satisfy the longlisting requirements. For the purpose of assessing the number of JVs in paragraph 7(c) when only four or five small consulting firms can be longlisted, a JV of reasonable formation for organisational efficiency can normally be

assumed to have no more than three JV participants/shareholders and the guidelines for determining the number of potential longlisted JVs (at **Annex D**) may be followed.

11. For small consultancies where any required minimum number stipulated in paragraph 7(c) above cannot be met, even with the limit raised as mentioned in paragraph 10 above, the maximum number of works-related professional staff in a small consulting firm or individual JV participants/shareholders can be raised from 10 to 15 subject to approval from an officer of D3 level or above. The condition stated in paragraph 7(c) should then be re-assessed in determining whether the small consultancy should be exempted.

12. A flow chart showing the steps to determine if the small consultancy procurement procedures should apply is at **Annex E**.

13. **Annex A** shows the small consultancy procurement procedures, which shall then be followed to establish a longlist and to invite EOIs. Other relevant provisions, for example, establishing the shortlist, combined technical and fee assessment etc., of the EACSB Handbook shall apply.

**Procedures on Invitation for
Expression of Interest for Small Consultancy Assignment**

1. Step I

Assessment Panel Establishing a Longlist of Small Consultants

- (a) For a small consultancy assignment, longlisting shall be confined to small consulting firms, as defined in sub-paragraphs 1(b) and 1(c). A reasonable number (but normally not less than 6) of "small consulting firms" shall be longlisted.
- (b) A consulting firm will be considered for the assignment if the total number of its works-related professional staff, for example, engineers, architects, surveyors, planners and landscape architects, does not exceed 10 [*or 15 as determined according to paragraph 13 of DEVB TCW No. 3/2013*]. At least half of the professional staff must be Hong Kong-registered professionals or corporate members of Hong Kong professional institutions in the appropriate disciplines. For a joint venture, it will be considered for the assignment if the total number of works-related professional staff in the joint venture does not exceed 10 [*15 or 20, as determined according to paragraphs 11 to 13 of DEVB TCW No. 3/2013*] and the number of works-related professional staff in each of the individual participant/shareholder does not exceed 10 [*or 15 as determined according to paragraph 13 of DEVB TCW No. 3/2013*].
- (c) Additionally, the consulting firm shall be registered and maintain an active office in Hong Kong.
- (d) Information on the consultants' staffing levels shall be obtained from available sources, for example, managing department's own sources, the EACSB Consultants' Services Directory, etc.

2. Step II

Inviting Expressions of Interest (EOIs)

- (a) The procuring department shall send an invitation letter to the consultants on the longlist requesting EOI. If the number of longlisted consultants is less than 15, additional small consultants meeting some longlisting criteria and/or with the potential to form JVs to meet the longlisting criteria should be included into the distribution list of the invitation letter so that they are made aware of the potential JV participants/shareholders whom they can contact. The list of additional small consultants to be included shall be determined by the Assessment Panel. A sample notification letter to potential consultants is attached at **Annex F** for reference. A Notice of Inviting Expression of Interest through Internet shall also be posted on the website of the department in accordance with Section 3.5.4 of EACSB Handbook.

- (b) Consultants shall be required to confirm in writing whether they satisfy the requirements as stipulated in the longlisting criteria, and declare the amount of outstanding work in hand to enable the Assessment Panel to assess whether the consulting firm will have the capacity to undertake the consultancy assignment. The following statements shall be included in the invitation letter:

"This assignment falls within the criteria for inviting Expression of Interest as a small consultancy assignment as laid down in DEVB TCW No. 3/2013. Accordingly, longlisting will be confined to consulting firms or joint ventures (JV) meeting the requirements as stipulated in Part 1 of Annex ____ to this letter (***Annex B** of this Appendix*). As a prerequisite for your submission to be considered, you (hereunder including all the consultant firms in your JV) must satisfy the same requirements. Also you are required to declare the amount of outstanding works in hand by providing a list of all current assignments with the Government and other clients. For each assignment, please provide details on the scope of assignment, name of client, consultancy fees, and percentage of work outstanding. Please complete Part 2 of Annex ____ and returning it to me together with your submission. Failure to do so will result in your submission not being considered."

- (c) Normally, about 10-15 working days should be allowed for consultants to submit the EOI document.

Annex ____ to Invitation Letter

Agreement No. CE _____

Requirements of "Small Consulting Firm"

Part 1. Requirements

- (a) A consulting firm will be considered for appointment of this agreement if the total number of its works-related professional staff, for example, engineers, architects, surveyors, planners and landscape architects, does not exceed 10 [*or 15 as determined according to paragraph 13 of DEVB TCW No. 3/2013*]. At least half of the professional staff must be Hong Kong-registered professionals or corporate members of Hong Kong professional institutions in the appropriate disciplines. For a joint venture, it will be considered for appointment of this agreement if the total number of works-related professional staff in the joint venture does not exceed 10 [*15 or 20, as determined according to paragraph 11-13 of DEVB TCW No. 3/2013*] and the number of works-related professional staff in each of its individual participants/shareholders does not exceed 10 [*or 15 as determined according to paragraph 13 of DEVB TCW No. 3/2013*].
- (b) The consulting firm shall be registered and maintain an active office in Hong Kong.

Part 2. Confirmation by Consultant (to be completed and returned to the managing department together with the Expression of Interest submission)

I hereby declare that my/our firms satisfy all the requirements stipulated in Part 1 above.

A list of all current assignments handled by my/our firms is attached.

Name of Consultant(s) : _____

Signed : _____
(_____)

Date : _____

Part 1

To: (Head of Department)
via

(Title of Consultancy and Assignment No.)
Granting of exemption of small consultancy procurement procedures

The estimated consultancy fee of the captioned assignment does not exceed \$5 million. The Assessment Panel, at its meeting held on _____, considered that this assignment is not suitable for small consultants for the reasons given below, and recommended that the procedures described in Appendix A of DEVB TCW No. 3/2013 in respect of the selection of consultants for small consultancy assignments should not apply.

Reasons:

Signature:

Name:

Post: (Chairman, Assessment Panel)

Date:

Part 2

To: (Chairman, Assessment Panel)

* I am satisfied that the above assignment is not suitable for small consultants and approve your recommendation that the procedures described in Appendix A of DEVB TCW No. 3/2013 in respect of the selection of consultants for small consultancy assignments shall not apply.

* Your recommendation made in Part 1 is not approved because _____

Signature:

Name:

Post: (Head of Department)

Date:

* Delete as appropriate

Part 3

To: (Chairman, Assessment Panel)

- * Based on the circumstances you stated in Part 1, I give my policy support that the procedures described in Appendix A of DEVB TCW No. 3/2013 in respect of the selection of consultants for small consultancy assignments shall not apply.
 - * Your recommendation made in Part 1 is not approved because _____
-

Signature:

Name:

Post: , DEVB

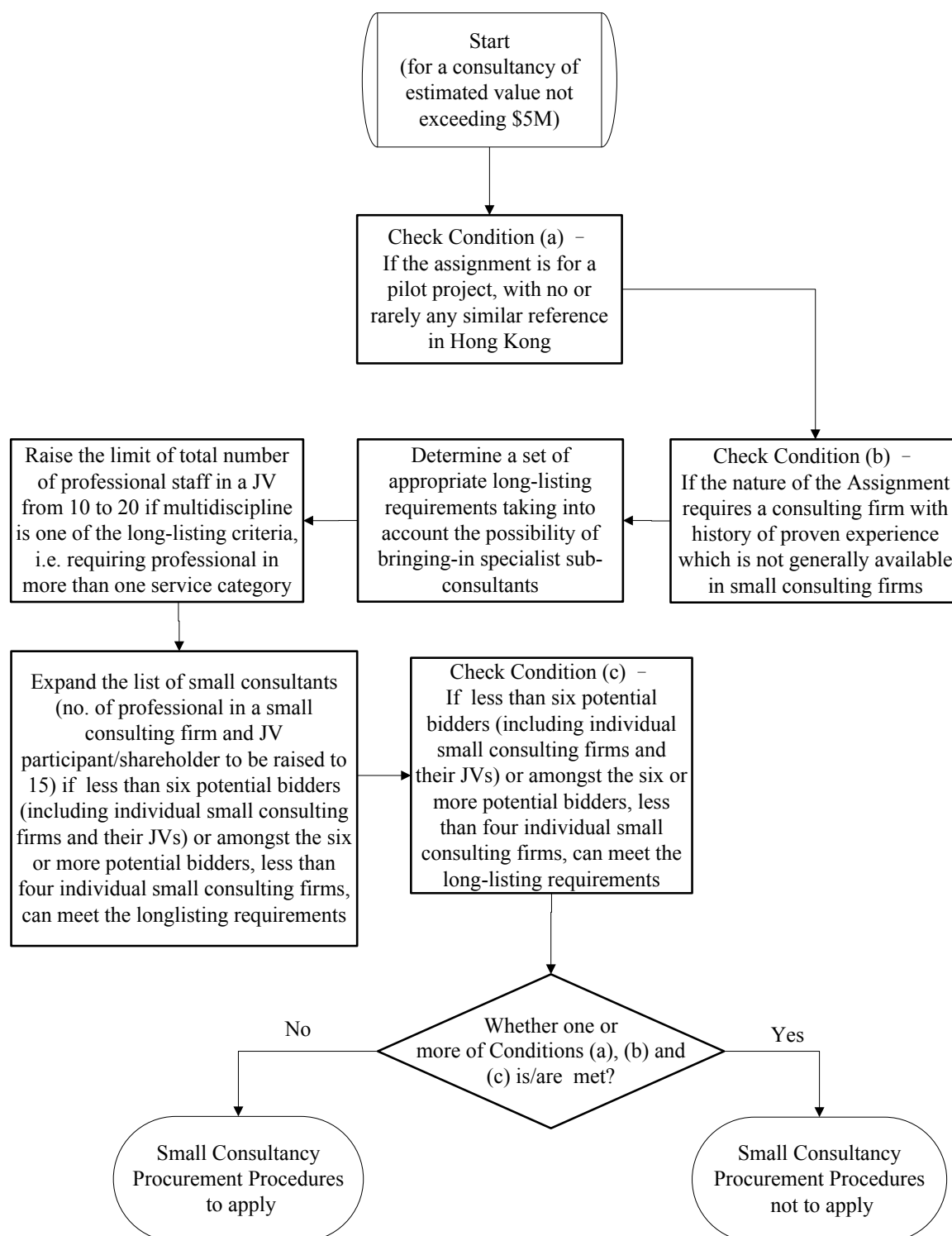
Date:

- * Delete as appropriate

Guidelines for determining the number of potential JVs

1. There is a need to ensure that sufficient number (at least six) of potential bidders (including individual small consulting firms and their JVs) can reasonably meet the longlisting criteria so that reasonable competition can still be maintained to procure services from qualified consultants cost-effectively. In addition, to better ensure there will be reasonable responses of EOIs, the number of individual small consulting firms which satisfy all the longlisting requirements should be at least four.
2. Therefore, these guidelines are applicable when only four or five small consulting firms can be longlisted.
3. Formation of JV is a commercial decision, which has to be reached by all the JV participants/shareholders. Therefore, its likelihood and the total number of potential longlisted JVs should be assessed with caution.
4. In assessing the number of potential longlisted JVs which may be formed by those consultants each not meeting all the longlisting requirements, it may be taken as the minimum amongst the number of individual consultants satisfying each combination of individual longlisting requirements. The combinations of longlisting requirements should be determined by the number of JV participants/shareholders in a JV which the procuring department considers is reasonable for organisational efficiency commensurate with the nature, programme, interfacing and other particular requirements of the consultancy services as mentioned in paragraph 12 of this circular. In other words, when there are N longlisting requirements (other than those which every JV participant/shareholder has to comply with) and the reasonable number of JV participants/shareholders in a JV is expected to be n, then the number of JVs may be taken as the minimum amongst the number of consultants satisfying any combination of N+1-n of the N longlisting requirements as further illustrated in the worked examples below:
 - a) Four longlisting requirements: A, B, C and D
 - b) Two JV participants/shareholders are considered reasonable.
 - c) Each combination of the longlisting requirements contains 4+1-2, i.e. 3 longlisting requirements (e.g. a longlisting requirement can be the minimum number of professionals in each discipline).
 - d) Number of individual consultants satisfying A, B and C is W
 Number of individual consultants satisfying A, B and D is X
 Number of individual consultants satisfying A, C and D is Y
 Number of individual consultants satisfying B, C and D is Z
 - e) The number of potential longlisted JVs may be taken as the minimum amongst W, X, Y and Z.
5. For the avoidance of doubt, the above procedures are solely for the purpose of assessing whether the exemption criterion related to the number of potential longlisted consultants and/or their JVs is met. They do not set any restriction on the formation of JVs including the actual number of JV participants/shareholders, which is up to the consultants themselves to propose having regard to the service requirements.

Flow Chart : Steps to Determine if Small Consultancy Procurement Procedures shall apply for consultancies of value not exceeding \$5M



Development Bureau Technical Circular (Works) No. 3/2013
Procedures in the Selection of Consultants for Small Consultancy Assignments

Notification Letter to Consultants with
potential to participate in a small consultancy as a joint venture partner

If the number of longlisted consultants is less than 15, a separate letter should be distributed to the potential consultants meeting some longlisting requirements and/or with the potential to form joint venture to meet the longlisting requirements as identified by the Assessment Panel. A sample letter is shown below. The distribution list of the potential consultants should be attached as an Appendix to the letter.

Dear Sirs,

I write to bring to your attention the attached notice to invite an expression of interest in undertaking the above small consultancy assignment.

A list of small consultants meeting some, but not all, longlisting requirements is given in the Appendix. If you are interested in this assignment, you may submit an expression of interest by forming joint venture (JV) with these and/or other small consultant(s) to satisfy all the longlisting requirements as well as other requirements stipulated in the notice. Please take note of the requirements and limits on the number of professional staff and ensure compliance when considering the formation of a JV for the captioned consultancy agreement.

I should be pleased if you would acknowledge receipt of this letter.

Yours faithfully,

()

c.c. Secretary, EACSB – w/o encl.

APPENDIX 3.16

DETAILS ON CHECKING OF COMPLIANCE WITH SPECIFIED PERCENTAGE RANGE, WORKED EXAMPLE FOR ASCERTAINING FEE QUALITY SCORE AND SAMPLE TEMPLATE FOR DEFINING DEGREE OF NON-COMPLIANCE WITH MINIMUM ACADEMIC/PROFESSIONAL QUALIFICATIONS AND/OR MINIMUM EXPERIENCE

Checking of Compliance with Specified Percentage Range

1. Checking shall be conducted for the following three staff groups

- | | |
|---|------------|
| - Partners/Directors and Chief Professional | P/D and CP |
| - Senior Professional and Professional | SP and P |
| - Assistant Professional and Technical | AP and T |

2. “Staff rate in lump sum fee” for a staff group shall be calculated as:

For example, the staff rate in lump sum fee for the staff group “P/D and CP” shall be calculated as:

$$\frac{\text{Total Fee}_{P/D} + \text{Total Fee}_{CP}}{\text{Total Manpower Input}_{P/D} + \text{Total Manpower Input}_{CP}}$$

3. “Staff rate for additional Services (AS)” of a staff group shall be calculated as:

$$\frac{\sum (\text{staff rate for AS} \times \text{Corresponding Notional Manhour}) \text{ of the Staff Group}}{\sum (\text{Notional Manhour}) \text{ of the Staff Group}}$$

For example, the staff rate for AS for the staff group “P/D and CP” shall be calculated as:

$$\frac{\text{Rate for AS}_{P/D} \times \text{Notional Man-hour}_{P/D} + \text{Rate for AS}_{CP} \times \text{Notional Man-hour}_{CP}}{\text{Notional Man-hour}_{P/D} + \text{Notional Man-hour}_{CP}}$$

4. A “% Difference” shall be calculated for each staff group according to the following formula:

$$\% \text{ Difference} = \frac{\text{Staff rate for AS} - \text{Staff rate in lump sum fee}}{\text{Staff rate for AS}}$$

Any bid with “% Difference” for any staff group exceeding the Specified Percentage Range

(SPR) of -10% to 40% shall not be further considered. If the total fee and total manpower input of a particular staff group are both zero, the requirement of SPR is not applicable to this staff group. However, the procuring department should further evaluate the reasonableness of the concerned manpower input and staff rates of this staff group in accordance with paragraph 26 of this Circular.

Note: If conversion from man-week to man-hour is required, a conversion factor of 40 hours/week is normally adopted.

A Worked Example for Ascertaining Fee Quality Score

Technical and Fee Proposals have been received from four bidders W, X, Y and Z with details as follows --

Table 1:

Bidder	Consultancy Fees (\$ million)				
	Lump Sum Fee [A] = [B] + [C]		Adjusted Notional Values for Additional Services [D]	Notional Resident Site Staff On-cost Charges [E]	Total Fee [F] = [A] + [D] + [E]
	Staff Costs [B]	Non-staff Costs [C]			
W	20.57	0	2.53	5.23	28.33
X	30.15	0	3.06	7.23	40.44
Y	16.37	0	1.90	4.80	23.07
Z	31.11	0	2.94	6.53	40.58

The steps for determining the Fee Quality Score for each bidder are as follows:

- **Step 1** : Calculate the weighted total manpower input of the technical proposal for each bidder using the ratio for three staff groups (viz. “P/D and CP”, “SP and P”, and “AP and T”) as determined by the Assessment Panel (a ratio of 6:3:1 assumed in this worked example) by means of the assessment method at Appendix C of DEVB TC(W) No. 2/2016, and insert in Table 2 below.
- **Step 2** : Calculate M_x for each bidder, being the weighted total manpower input of the concerned tenderer divided by the median weighted total manpower input which is equal to the median of the weight total manpower inputs of all conforming bids (including the PTE) using the formula:

$$\frac{\text{weighted total manpower input of the bidder}}{\text{median weighted total manpower input of all conforming bids (including the PTE)}}$$

- **Step 3** : Insert lump sum fee for each bidder into Table 2 below.
- **Step 4** : Calculate the ratio of the lump sum fee to the median of lump sum fees of all conforming bids (including the PTE), for each bidder.
- **Step 5** : Calculate a Factor for Marking Fee Quality Score as

$$\frac{\text{lump sum fee of the bidder}}{\text{median of lump sum fees of all conforming bids (including the PTE)}} \times \frac{1}{M_x}$$

- Step 6 : Determine the Fee Quality Score as follows:

Factor for Marking Fee Quality	Fee Quality Score
≤ 0.5	0
> 0.5 but < 0.8	On sliding scale between 0 and 10
≥ 0.8	10

The calculated figures for the above steps for each bidder are tabulated in Table 2 below.

Table 2:

Bidder	Weighted Total Manpower Input (Man-weeks) [G]	M_x [H]= [G] / Median of [G]	Lump Sum Fee (\$million) [I]	Ratio of Lump Sum Fee to Median of Lump Sum Fees [J]=[I] / Median of [I]	Factor for Marking Fee Quality [K]= [J]/[H]	Fee Quality Score
W	640.7	0.8712	20.57	0.6823	0.7831	9.44
X	674.0	0.9165	30.15	1.0000	1.0911	10.00
Y	735.4	1.0000	16.37	0.5430	0.5430	1.43
Z	824.6	1.1213	31.11	1.0318	0.9202	10.00
PTE	826.0	-	30.60	-	-	-
Median	735.4	-	30.15	-	-	-

The lump sum fee of a consultant is normally, prima facie, unreasonably low if both ratios of his lump sum fee / lump sum fee of the PTE and his lump sum fee / median of lump sum fees of all conforming bids (including the PTE) are less than 0.6.

**Sample Template for Defining Degree of Non-compliance with
Minimum Academic/Professional Qualifications and/or Minimum Experience**

Degree of non-compliance	Calculated Percentage = $B/A \times 100\%$ where A = Weighted total manpower input of the consultant B = Weighted manpower input of the proposed staff claimed to be in a particular staff category not meeting the minimum academic/professional qualifications and/or minimum experience requirements	Mark for the “adequacy of professional and technical manpower input” attribute shall be multiplied by (Exact multiplier to be decided by the Assessment Panel in the Marking Scheme)
Minor	$> 0\% \text{ and } \leq (5\%)$	0.95 to 0.9 (e.g. 0.95)
Medium	$> (5\%) \text{ and } < (10\%)$	0.9 to 0.8 (e.g. 0.9)
Serious	$\geq (10\%)$	Below 0.8 (e.g. 0.6)

Note:

- (a) If the consultant’s proposed staff claimed to be in a particular staff category do not meet the minimum academic/professional qualifications and/or minimum experience requirements, the “adequacy of professional and technical manpower input” attribute shall be adjusted by the Assessment Panel using the criteria above.
- (b) If the consultant does not input the staff category for any particular staff in the manning schedule of his technical proposal, the consultant may be approached for clarification on the applicable staff category, if any, inputted in the manning schedule of his fee proposal for the staff. If no staff category has been input for the staff in both technical and fee proposals, the staff shall be counted as non-compliance with the minimum academic/professional qualifications and/or minimum experience requirements for the purpose of assessment on this aspect only and the “adequacy of professional and technical manpower input” attribute shall be adjusted by the Assessment Panel using the criteria above. For the scenario with no staff category input in both technical and fee proposals, the staff category and the academic/professional qualifications and/or experience of the staff shall be determined from the information in the curriculum vitae for named staff or the declaration to meet the minimum academic/professional qualifications and/or minimum experience requirements in the relevant staff categories for unnamed staff submitted in the technical proposal together with any clarification from the consultant

on the factual information of the staff if appropriate.

Remarks:

1. The percentages in the brackets should be determined by the Assessment Panel to suit the consultancy agreement.
2. The criteria to determine the degree of non-compliance with explanatory notes above should be included in the Marking Scheme and **made known to the bidders**.
3. The Assessment Panel has its discretion to decide another new set of criteria for determining the degree of non-compliance provided that such criteria with explanatory notes are commented by DEVB, and if necessary, by LAD(W).

APPENDIX 3.17 SAMPLE LETTER TO BIDDERS WITH UNREASONABLY LOW BIDS

Dear Sirs,

Agreement No. CE /

(Agreement Title)

I refer to your Technical and Fee Proposals submitted for the captioned Consultancy Agreement dated *DD/MM/YYYY*.

2 Upon a preliminary vetting of your Fee Proposal, it appears that your proposed fee is unreasonably low. Thus, it raises doubts as to whether you are capable of fulfilling the terms of the Consultancy. *[Procuring departments shall also cite the prices or unit rates of any major items which are considered as unreasonably low, or other specific issues in relation to the proposed fee that the procuring department considers relevant in casting doubt on the consultant's capability.]*

3 To address our concern on this issue, you are requested to provide clarification or justification or any information which may be helpful in explaining why the proposed fee *[and the prices or unit rates of any major items mentioned in the above paragraph]* is/are not unreasonably low and how you are able to fulfil the consultancy at such a low price on or before *DD/MM/YYYY*.

4 Please note that only clarification or justification or any information provided in response to the third paragraph above can be submitted and considered by the Assessment Panel. You are not allowed to introduce any change to the Technical and Fee Proposals.

5 Please be reminded that this letter shall not be construed as either an acceptance or a rejection of your Technical and Fee Proposals. All bids are still under consideration and the Government of the Hong Kong Special Administration Region does not bind itself to accept any bid irrespective of whether the bid is the lowest or, where the assessment of the bids is based on a marking scheme or formula approach, the bid has the highest overall mark.

Yours faithfully,

()

APPENDIX 3.18 FEEDBACK AND DEBRIEFING TO UNSUCCESSFUL BIDDERS FOR CONSULTANCY AGREEMENTS

1. This Appendix describes the requirements and procedures promulgated originally in ETWB TCW No. 42/2002 for departments to provide feedback to bidders including debriefing to unsuccessful bidders. The relevant paragraphs from the original circular are basically subsumed hereunder. This Appendix has also been updated to bring in line with the revised marking schemes for selection of consultants promulgated under DEVB TCW No. 2/2016 and the extended category of unsuccessful bidders allowed to lodge requests for debriefing for consultancy agreements under SDEV's memo ref. (02UH8-01-7) in DEVB(PS) 106/43 dated 12 July 2016.

Effective Date

2. The above Circular has been effected on 1 February 2003. The arrangements stipulated in the Circular shall apply to the consultancy agreements for which the submission for approval of a shortlist is made to EACSB on or after 1 February 2003.

Background

3. Past performance, experience and the quality of technical submissions have become significant aspects in the selection process of consultants. As such, it is considered necessary that the managing departments shall provide feedback to unsuccessful bidders to help improve their competitive performance in future bidding exercises.

Policy

4. For a consultancy agreement with an awarded fee or fee ceiling above \$3 million, the managing department shall disclose to the bidders or, as the case may be, shortlisted/prequalified bidders, who have submitted conforming technical and fee proposals, the following information where applicable:

- (a) winning bid price;
- (b) the overall quality score of the winning bid (where applicable);
- (c) the highest score attained for each quality attribute in the exercise (where applicable); and
- (d) the bidder's own overall quality score and score for each quality attribute (where applicable).

5. The managing departments shall also notify the unsuccessful bidders in the following categories that they can lodge a request for a debriefing if considered beneficial:

Shortlisted but unsuccessful bidders for two-stage selection or unsuccessful bidders for one-stage selection, whose technical proposals have been completely assessed by the managing departments for consultancy agreements each of value exceeding the Quotation Limit as set out in section 220 of the Stores and Procurement Regulations (SPR 220).

Guidelines and Procedures

6. After the award of a consultancy agreement, the managing department shall provide the information in accordance with paragraph 4 to the bidders when notifying whether their bids have been accepted or not.

7. Where applicable, the unsuccessful bidders shall also be informed, pursuant to paragraph 5 above, that they can request for a debriefing session. Such request shall be raised within three weeks from the dates of the notification letter mentioned in paragraph 6 above. Late request will not be entertained. The request shall include a list of questions or issues that the unsuccessful bidder would like to have further feedback from the procuring department.

8. The unsuccessful bidders should be informed of the following ground rules for the debriefing:

- (a) the debriefing will be informal;
- (b) the bidders will be told the perceived strengths and weaknesses of their bidding submissions and their responses will be noted;
- (c) the merits of other bids, including the winning bid, will not be discussed;
- (d) the decision on the award of the consultancy agreement is final thus the debriefing session shall not be taken as a means or an opportunity for the bidder to lodge appeal or complaint against the bidding result of the consultancy agreement;
- (e) tape recording during the debriefing will not be allowed;
- (f) request for records of the debriefing or agreement on any notes prepared by either party will not be entertained, and
- (g) The bidder shall not use the information obtained during the debriefing for any judicial or administrative proceedings.

9. It should make it clear to the bidders that the debriefing should not be used to change the choice of consultant nor to re-open the selection procedure.

10. Any request from an unsuccessful bidder who fails to expressly agree or refuses to be bound by the ground rules shall not be entertained. Sample letters to unsuccessful bidders for consultancy agreements are given in Annex B respectively.

11. Upon receipt of a request for debriefing, the managing department shall fix the date, time and place of the debriefing. Separate debriefing session shall be arranged for individual bidder. The debriefing shall be conducted by a team led by an officer of the rank of senior professional or above from the managing department. At least one member of the team should have been a member of the assessment panel or have assisted directly in evaluating the bidding documents. When preparing the consultancy brief at EOI stage, the managing department shall note that for a works contract managed by consultants, a senior staff member from the consultant's project team for the project concerned should also be included in the debriefing team. If it is envisaged that the consultant's staff shall be required to serve in any debriefing exercise, the requirement should be spelt out in the consultancy brief concerned. The managing department shall determine the team size and flexibility is allowed to assign different team members to conduct different debriefing sessions under the same works contract or consultancy agreement. To allow exchange of views in a casual manner, the bidder shall be requested to limit the number of representatives attending the debriefing to three.

12. Each debriefing session should be carefully planned with due regard to the weaknesses and strengths of the bidder. In general, discussion should be limited to the information submitted by the bidder without comparison with other submissions. Where practicable, the bidder should be informed frankly, honestly and tactfully of the weaknesses and strengths of his submission which shall be measured against established practices, general experience of the department or standards in the industry. Any information that would impede the law enforcement or otherwise be contrary to public interest or would prejudice the legitimate commercial interest of particular enterprises, public or private, or might prejudice fair competition between consultants should not be released. The discussion during the debriefing should be limited to the issues/questions raised by the bidders as mentioned in paragraph 8 above. If necessary, some topics as suggested in Annex A for consultancy agreements can also be discussed. The departments shall also consider the appropriate level of details to be discussed. Nonetheless, care should be exercised to demonstrate that judgments are made only against the assessment criteria made known to the bidders. To facilitate the debriefing, the perceived strengths and weaknesses of each technical proposal discussed by the Assessment Panel should be recorded in the meeting minutes.

13. The debriefing should be conducted as an informal discussion, and not in writing. Nevertheless, the debriefing team should record the results and conclusions of the debriefings for internal reference in case follow-up actions are needed for improving the process of similar procurements and debriefings. Such notes shall not be sent to the bidder. The bidder is free to take notes for himself. However, request for records of the debriefing or agreement on any notes prepared by either party shall be refused. Tape recording by the bidder shall also be refused as it would hinder a free exchange of views between the parties and thus defeat the purpose of the debriefing.

Examples of Debriefing Topics for Consultancy Agreements

1. Cost – discussion on the competitiveness of the consultant's proposed fee in general terms
2. Consultant's experience – where the experience of the consultant is judged to be less than adequate for the work proposed and reference should only made to projects named in the consultant's technical proposal
3. Response to the brief
4. Cost-effectiveness and sustainability
5. Methodology
6. Works programme
7. Innovation and creativity
8. Staffing
9. Consultant's past performance - reference could be made to the consultant's past performance in the past three years as reflected in the performance reports but comparison with other bidders in qualitative terms should be avoided.

Sample Letter to Unsuccessful Consultants

(Consultant)
 (Address)

Dear Sirs,

Agreement No.:
 Project Title:

Thank you for your proposals submitted for the above consultancy Agreement in response to my letter of (date) .

I regret that on this occasion you have not been selected for the award of the Agreement. A copy of the Summary of Technical and Fee Proposals with the assessment results from the Engineering and Associated Consultants Selection Board in respect of the proposal submitted by the shortlisted consultants is enclosed for your information.

In accordance with Appendix 3.18 of EACSB Handbook, we also provide the following information for your reference:

Description	Highest Value/Score	Your Score
Fee of the winning bid (where applicable)*		
Technical point of the winning bidder (where applicable)*		
Highest score attained for each assessment criteria in Technical Proposals submitted in this exercise		
(a) Consultant's experience		
(b) Response to brief		
(c) Approach to cost effectiveness and sustainability		
(d) Methodology and work programme		
(e) Innovation and creativity		
(f) Staffing		
(g) Past performance		

* these two items could be deleted from the table if similar information has been given in the Summary as mentioned in the second paragraph above.

In accordance with Appendix 3.18 of EACSB Handbook, we will, at your request, conduct a debriefing in an informal manner with you or your representatives (no more than 3 persons). If you wish to have a debriefing, please lodge your request in writing within 3 weeks from the date of this letter. You are also required to state expressly in your request your agreement to abide by the conditions and ground rules stipulated in this letter. Your request will not be entertained if you fail to do so or refuse to abide by the conditions and ground rules. With a view to enabling us to better prepared for the debriefing session, you are requested to provide a list of specific items related to this selection of consultant exercise which you would like our feedback.

The debriefing session shall not be used as an opportunity for you to lodge appeal/complaint against the award of the consultancy agreement. You should also note that our decision on the award of the consultancy agreement is final and the debriefing cannot be used to change the choice of consultant nor to re-open the selection procedure. The main purpose of a debriefing session is for us to provide feedback to you on any shortcomings of your proposals to enable you to improve your competitive performance in future consultant selection exercises. Please note the following ground rules for the debriefing, if held:

- (a) the debriefing will be informal;
- (b) you will be told of the perceived strengths and weaknesses of your proposals and your responses will be noted;
- (c) the merits of other bids, including the winning bid, will not be discussed;
- (d) the debriefing is not to be taken as a means or an opportunity for you to lodge appeal or complaint against the bidding result;
- (e) tape recording during the debriefing will not be allowed;
- (f) request for records of the debriefing or agreement on any notes prepared by either party will not be entertained; and
- (g) you shall not use the information obtained during the debriefing for any judicial or administrative proceedings.

Last but not least, your effort and care in formulating your proposals are very much appreciated.

Yours faithfully,

()

Note

The 4th and 5th paragraphs shall be deleted if debriefing is not to be conducted

APPENDIX 4.1 STANDARD FORM OF MEMORANDUM OF AGREEMENT

(a) To be Signed by a Single Consultant

MEMORANDUM OF AGREEMENT

MEMORANDUM OF AGREEMENT made the _____ day of _____ BETWEEN THE GOVERNMENT OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION of ¹ _____ (hereinafter called “the

Employer”) of the one part and ² _____

_____ of ³ _____

_____ (hereinafter called “the Consultants”) of the other part

WHEREAS the Employer requires the Consultants to provide professional services in respect of

_____ (hereinafter called “the Assignment”) details of which are set out in the Brief annexed hereto AND WHEREAS the Consultants have agreed to provide such services in accordance with the Brief, the General Conditions of Employment of Engineering and Associated Consultants and the Special Conditions of Employment (if any) annexed hereto (both of which are hereinafter referred to as “the Conditions”), and subject to the payment to them by the Employer of the fees and other payments set out in the Schedule of Fees annexed hereto

NOW THEREFORE IT IS AGREED AS FOLLOWS :-

1. This Agreement shall comprise :-

- (a) The Brief
- (b) The Conditions
- (c) The Schedule of Fees
- (d) Any relevant correspondence
- (e) Any additional matters

all of which documents are annexed hereto and marked “Agreement No. ”

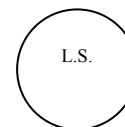
2. The Director for the purposes of this Agreement shall be ⁴

3. In consideration of the payments made at the times and in the manner set forth in the Agreement by the Employer, the Consultants hereby jointly and severally ⁵ undertake to perform and complete the said services subject to and in accordance with the Agreement.

IN WITNESS this Agreement has been executed as a deed on the date first above written

SIGNED, SEALED and DELIVERED by)
the Employer by)
[insert name and appointment of officer])
in the presence of:)

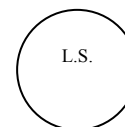
) *[Signature of the*
) *officer]**



.....)
[Name])
[Occupation])
[Address])

(a) SIGNED, SEALED and DELIVERED)
by [name of sole proprietor])
trading as [name of the Consultants])
in the presence of:)

) *[Signature of the sole*
) *proprietor]**

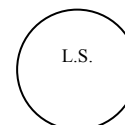


.....)
[Name])
[Occupation])
[Address])

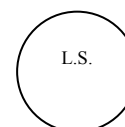
Or

(b) SIGNED, SEALED and DELIVERED by)
[name of partner] and)
[name of partner]^)
being the partners of [name of the Consultants])
in the presence of:)

) *[Signature of the*
) *individual partner]**



) *[Signature of the*
) *individual partner]**

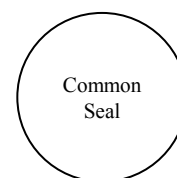


.....)
[Name])
[Occupation])
[Address])

Or

(c) Executed and delivered)
as a deed and the COMMON SEAL)
of [name of the Consultants])
was affixed in the presence of)
[] its [director(s) or)
director and secretary or person(s))
authorized to sign the contract by its)
board of directors]**)
in the presence of a witness:)

*[Signature of the
director(s) etc]**



.....)
[Name])
[Occupation])
[Address])

Or

(d) Executed and delivered)
as a deed)
by [name of the Consultants])
acting through)
[] (its sole director))
or)
[] and [] (its directors))
or)
[] (its director) and)
[] (its company secretary)**)

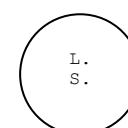
*[Signature of the
director(s) etc]**

in the presence of a witness:)
.....)
[Name])
[Occupation])
[Address])

Or

(e) SIGNED, SEALED and DELIVERED by)
[name of the Consultants] by [])
his/her/their** attorney under power of attorney)
dated [])

*[Signature of the
attorney]**



in the presence of:)
.....)
[Name])
[Occupation])
[Address])

NOTES: (for preparation of but not inclusion in the engrossment of the Memorandum of Agreement)

Case (a) is for use where the Consultants are a sole proprietor.

Case (b) is for use where the Consultants are a partnership.

Case (c) is for use where the Consultants are a company incorporated in Hong Kong and execute the deed with a Common Seal

Case (d) is for use where the Consultants are a company incorporated in Hong Kong and execute the deed without a Common Seal.

Case (e) is for use where the Consultants execute the deed under a power of attorney

- 1 Insert the address for service of documents.
- 2 Insert the name of the Consultants.
- 3 Insert the address of the Consultants
- 4 Insert the post title
- 5 Delete “jointly and severally” where cases (a), (c), (d) and (e) apply. Initial the deletion by the signatories of the Memorandum of Agreement.
- * The italic parts are not part of the execution clause. They are for guidance or information only.
- ** Select the correct expression for use. If none is applicable, insert an appropriate expression.
- ^ The deed shall be executed by all the partners. Add more names if required.

(b) To be Signed by a Joint Venture of Consultants

MEMORANDUM OF AGREEMENT

"MEMORANDUM OF AGREEMENT made the _____ day of _____ BETWEEN
THE GOVERNMENT OF THE HONG KONG SPECIAL ADMINISTRATIVE REGION
of ¹ _____ of the first part
("the _____ Employer")
and ² _____ of ³ _____ of the second part
and ² _____ of ³ _____ of the third part ("the Consultants") (*This may be appropriately
expanded if there are more than two (2) Joint Venture partners.*), which parties of the second and
third parts (*This should be correspondingly expanded if there are more than two (2) Joint Venture
partners.*) trading
as ⁴ _____ of ⁵ _____ are jointly and severally bound to the Employer under the
provisions of the Agreement."

WHEREAS:

- A. The Employer requires the Consultants to provide professional services in respect of

("the Assignment") details of which are set out in the Brief annexed to this agreement and
initialled by the parties.
- B. The Consultants have agreed to provide professional services in accordance with the Brief,
the General Conditions of Employment of Engineering and Associated Consultants and the
Special Conditions of Employment (if any) collectively referred to in this Agreement as
"the Conditions") annexed to this Agreement and initialled by the parties and subject to the
payment to them by the Employer of the fees and other payments set out in the Schedule of
Fees annexed to this Agreement and initialled by the parties.

NOW THEREFORE IT IS AGREED AS FOLLOWS :-

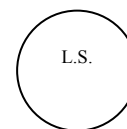
1. In this agreement, words and expressions shall have the same meanings as are respectively
assigned to them in the Conditions except when the context otherwise requires.
2. This Agreement shall comprise :-
 - (a) The Brief
 - (b) The Conditions
 - (c) The Schedule of Fees
 - (d) Any relevant correspondence
 - (e) Any additional matters

all of which documents are annexed hereto marked "Agreement No. _____" and
initialled by the parties.
3. The Director for the purposes of this Agreement shall be ⁶
4. In consideration of the payments made at the times and in the manner set forth in the
Agreement by the Employer, the Consultants hereby jointly and severally undertake to
perform and complete the said services subject to and in accordance with the Agreement.

IN WITNESS this Agreement has been executed as a deed on the date first above written

SIGNED, SEALED and DELIVERED by)
the Employer by)
[insert name and appointment of officer])
in the presence of:)

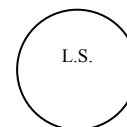
) *[Signature of the*
) *officer]**



.....)
[Name])
[Occupation])
[Address])

(a) #SIGNED, SEALED and DELIVERED)
by [name of participant] being a participant)
of the [name of the unincorporated joint venture])
in the presence of:)

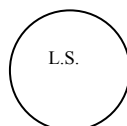
) *[Signature of the*
) *participant]**



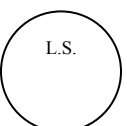
.....)
[Name])
[Occupation])
[Address])

(b) #SIGNED, SEALED and DELIVERED)
By [name of partner] and [name of partner]^)
being the partners of [name of participant])
being a participant)
of the [name of the unincorporated joint venture])
in the presence of:)

) *[Signature of the*
) *individual partner]**



) *[Signature of the*
) *individual partner]**



.....)
[Name])
[Occupation])
[Address])

Or

(c) #Executed and delivered)
as a deed and the COMMON SEAL)
of [name of participant] being a participant)
of the [name of the unincorporated joint venture]) *[Signature of the*
was affixed in the presence of) *director(s) etc]**
[] its [director(s) or)
director and secretary or person(s))
authorized to sign the contract by its)
board of directors]**)
in the presence of a witness:)

)
.....)
[Name])
[Occupation])
[Address])

Or

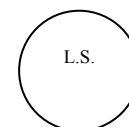
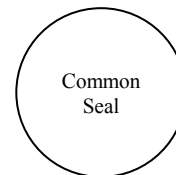
(d) #Executed and delivered)
as a deed)
by [name of participant] being a participant)
of the [name of the unincorporated joint venture])
acting through) *[Signature of the*
[] (its sole director)) *director(s) etc]**
or)
[] and [] (its directors))
or)
[] (its director) and)
[] (its company secretary)**)
in the presence of a witness:)

)
.....)
[Name])
[Occupation])
[Address])

Or

(e) #SIGNED, SEALED and DELIVERED)
by [name of participant] being a participant)
of the [name of the unincorporated joint venture])
by [])
his/her/its** attorney under power of attorney) *[Signature of the*
dated []) *attorney]**
in the presence of:)

)
.....)
[Name])
[Occupation])
[Address])



NOTES: (for preparation of but not inclusion in the engrossment of the Memorandum of Agreement)

Case (a) is for use where the joint venture participant is a sole proprietor.

Case (b) is for use where the joint venture participant is a partnership.

Case (c) is for use where the joint venture participant is a company incorporated in Hong Kong and executes the deed with a Common Seal.

Case (d) is for use where the joint venture participant is a company incorporated in Hong Kong and executes the deed without a Common Seal.

Case (e) is for use where the joint venture participant executes the deed under a power of attorney.

1 Insert the address for service of documents.

2 Insert the name of individual Joint Venture partner of the Joint Venture partnership.

3 Insert the address of individual Joint Venture partner.

4 Insert the name of the Joint Venture partnership.

5 Insert the address of the Joint Venture partnership.

6 Insert the post title.

Select the appropriate form or forms and REPEAT FOR EACH PARTICIPANT of the unincorporated joint venture.

* The italic parts are not part of the execution clause. They are for guidance or information only.

** Select the correct expression for use. If none is applicable, insert an appropriate expression.

^ The deed shall be executed by all the partners. Add more names if required.

APPENDIX 4.2 STANDARD FORM OF SCHEDULE OF FEES

AGREEMENT NO. _____

SCHEDULE OF FEES

Table of Contents

1. Definition
2. Basis of Fee
3. Interim Payment
4. Expenses
5. Payment for Additional Services
6. Reduction of Lump Sum Fees
7. Payment for Delays
8. Fees on Time Charge Basis
9. Charge Rates for Additional Services

SCHEDULE OF FEES

- | | |
|--------------|--|
| Definition | 1. 'approved' hereinunder means approved in writing by the Director's Representative before the cost, remuneration or expense is incurred. |
| Basis of Fee | 2. (A) The remuneration of the Consultants for the performance of the Services (other than in respect of the Resident Site Staff) ⁺ shall be a Lump Sum of *HK\$ _____, subject to the limitations, reservations and adjustments in Schedule of Fees Clauses 4, 5, 6 and 7 and price adjustments under sub-clause (B) of this Clause. |

[⁺omit if no RSS will be employed]

[insert the value on Agreement signing]*

- (B) (i) There shall be no price adjustment to the interim payments under Schedule of Fees Clause 3 until the first anniversary of the date on which this Agreement is due to commence. On the first and every subsequent anniversary (collectively referred as index update dates), a price adjustment factor equal to $(L - B)/B$ shall be calculated. The interim payments under Schedule of Fees Clause 3 to be invoiced on or after the latest index update date but before the next index update date shall be multiplied by this factor to determine the price adjustment amounts.

B referred to above is the monthly Consumer Price Index (C) of the due date for commencement of this Agreement and L is the monthly Consumer Price Index (C) of the latest index update date.

- (ii) "Consumer Price Index (C)" in this Schedule of Fees shall mean the Consumer Price Index (C) (October 2014 - September 2015 based) compiled by the Census and Statistics Department, and published monthly in the Hong Kong Monthly Digest of Statistics, or, in the event that the Index ceases to be compiled, such other Index as is, in the opinion of the Secretary for Development, substantially equivalent.

- | | |
|-----------------|---|
| Interim Payment | 3. Interim payments on account for the Lump Sum stipulated in sub-clause (A) of Schedule of Fees Clause 2 shall be made in such amounts and at such times as set out in the Payment Schedule below: |
|-----------------|---|

Payment Schedule

[Method of payment to be specified, i.e. % of completion, stages, milestones, and agreed by the AACSB/EACSB/DCSC].

- | | |
|---------------------------------|--|
| Expenses | <p>4. In addition to the Lump Sum stipulated in Schedule of Fees Clause 2, the Consultants shall be reimbursed by the Employer out-of-pocket expenses actually and properly incurred by them in respect of:</p> <ul style="list-style-type: none">(i) the cost of approved small scale site investigation works or survey with laboratory and field tests and other special investigations;(ii) the approved fees and expenses of specialists employed with the approval of the Director's Representative for inspection of works processes and the testing of work or plant and the testing and analysis of materials <i>[Delete if not appropriate]</i>;(iii) the cost of approved provision of the following computer facilities <i>[Give the details/Delete if not appropriate]</i>; <p>and <i>[To be specified]</i></p> |
| Payment for Additional Services | <p>5. (A) Where the Consultants consider that they are entitled to payment for additional Services pursuant to General Conditions of Employment Clause 33, the Consultants shall advise the Director's Representative in writing of such claims before the Consultants commence performing the additional Services.</p> <p>(B) The notice provision in sub-clause (A) of this Clause shall be a condition precedent to payment for additional Services.</p> <p>(C) If the Director's Representative agrees the Consultants' entitlement notified under sub-clause (A) of this Clause, he shall attempt to agree with the Consultants a lump sum payment for the additional Services with a corresponding payment schedule.</p> <p>(D) The lump sum payment shall be negotiated on the basis of the Director's Representative and the Consultants identifying which staff of the Consultants will be required to perform the additional Services and the estimated time required to complete the additional Services. The charge rates for calculating the lump sum payment shall be determined according to Schedule of Fees Clause 9.</p> |

	(E)	Where the staff or estimated time required to complete the additional Services cannot be identified and agreed, the additional Services will be paid on a time charge basis in accordance with Schedule of Fees Clause 8, subject to a fee cap set by the Director's Representative which should not be exceeded without his approval.
Reduction of Lump Sum Fees	6.	Where the Director's Representative determines that there is a reduction in the Services pursuant to General Conditions of Employment Clause 34, then the Lump Sum stipulated in sub-clause (A) of Schedule of Fees Clause 2 shall be reduced by negotiation taking into account any financial commitment or obligation properly incurred by the Consultants in accordance with this Agreement.
Payment for Delays	7.	Where the Director's Representative determines that the Consultants are entitled under General Conditions of Employment Clause 35 to payment in respect of any additional costs incurred as a result of the delays, such payment shall be determined by negotiation and shall be either a lump sum or on a time charge basis.
Fees on Time Charge Basis	8.	<p>(A) Where the Director's Representative agrees that the additional Services shall be paid on a time charge basis, sub-clauses (B) to (G) of this Clause shall apply.</p> <p>(B) The payment for additional Services on a time charge basis shall be the sum of the multiplication of man-hours properly spent and the charge rates. The charge rates as determined according to Schedule of Fees Clause 9 shall be adopted.</p> <p>(C) All staff proposed by the Consultants to perform the additional Services shall be subject to the agreement of the Director's Representative.</p> <p>(D) Time spent by clerical staff shall not be chargeable.</p> <p>(E) Time spent by partners and directors, chief professional, senior professional, professional, assistant professional and technical staff in approved travelling shall be chargeable.</p> <p>(F) In addition to remuneration to be paid under sub-clause (B) of this Clause, the Consultants shall be reimbursed by the Employer all reasonable out-of-pocket expenses actually and properly incurred by them in respect of:</p> <p>(i) printing, reproduction and purchase of all documents, drawings, maps, photographs and records;</p> <p>(ii) overseas communications including facsimile transmissions, telephone calls, telegrams, telex and air freight for documents;</p> <p>(iii) approved travelling and hotel expenses and other</p>

similar disbursements;

- (iv) other items approved by the Director's Representative.

- (G) The Consultants shall render monthly accounts, annexing copies of time sheets, in respect of fees on a time charge basis.

Charge Rates for
Additional Services

9. (A) The all-inclusive hourly rates shall be as follows:

- (i) Partners/Directors: at the rate of *HK\$ _____ per hour.
- (ii) Chief Professional Staff: at the rate of *HK\$ _____ per hour.
- (iii) Senior Professional Staff: at the rate of *HK\$ _____ per hour.
- (iv) Professional Staff: at the rate of *HK\$ _____ per hour.
- (v) Assistant Professional Staff: at the rate of *HK\$ _____ per hour.
- (vi) Technical Staff: at the rate of *HK\$ _____ per hour.

wherein the minimum qualifications and experience requirements for the respective staff categories are set out at Annex A.

[Departments to modify/insert more categories of staff as appropriate.]

[Insert the values in the Agreement for signing.]*

- (B) An adjusted notional value for additional Services shall be calculated by adding the totals of the multiplication of the all-inclusive hourly rates referred to in sub-clause (A) of this Clause and the respective notional man-hours for additional Services referred to in the Fee Proposal, which shall constitute the fee ceiling for the purposes of calculating payment for additional Services unless it exceeds 10% of the Consultants' Lump Sum offered for performing the Assignment and accepted by the Employer in which case the latter amount shall constitute the fee ceiling. For the avoidance of doubt, notwithstanding the above adjusted notional value for additional Services and fee ceiling, the Director's Representative has no obligation whatsoever to instruct any additional Services whether the estimated cumulative payment for additional Services before price adjustments under sub-clause (H) of this Clause exceeds the fee ceiling or not.
- (C) The charge rates for additional Services shall be the all-inclusive hourly rates referred to in sub-clause (A) of this Clause for estimated cumulative payment for additional Services before price adjustments under sub-clause (H) of this Clause up to the fee ceiling subject to sub-clauses (D) to (G) of this Clause. The payment for additional Services shall be subject to price adjustments under sub-clause (H) of this Clause.
- (D) Where the estimated cumulative payment for additional Services before price adjustments under sub-clause (H) of this Clause will exceed the fee ceiling, then the all-inclusive hourly rates referred to in sub-clause (A) of this Clause shall not apply for the calculation of payment for those additional Services straddling or exceeding the fee ceiling. New charge rates shall be agreed by negotiation based on the estimated time required to complete the additional Services, all-inclusive hourly rates referred to in sub-clause (A) of this Clause, and the prevailing market rates at the ordering of the additional Services for short term or part-time working with conversion to the price level of the date on which this Agreement is due to commence. Where such negotiation fails, the Director's Representative shall be at liberty to, among other options, not instruct the additional Services, or instruct a third party to perform the additional Services.
- (E) The all-inclusive hourly rates referred to in sub-clause (A) of this Clause shall be regarded as rates applicable to additional Services requiring short term or part-time working. Where the additional Services requiring long term or full time continuous periods of working, then the all-inclusive hourly rates referred to in sub-clause (A) of this Clause shall not apply for the calculation of payment for those additional Services and new reduced charge rates shall be agreed by

negotiation based on the estimated time required to complete the additional Services, the all-inclusive hourly rates referred to in sub-clause (A) of this Clause, the staff rates in lump sum fee for the respective staff categories (which are equal to the total fee of the respective staff category / the total manpower input of the respective staff category), and the prevailing market rates at the ordering of the additional Services for long term or full time continuous periods of working with conversion to the price level of the date on which this Agreement is due to commence. Where such negotiation fails, the Director's Representative shall be at liberty to, among other options, not instruct the additional Services, or instruct a third party to perform the additional Services.

- (F) Notwithstanding sub-clause (D) and (E) of this Clause, where the negotiations in sub-clause (D) and (E) of this Clause fail between the Director's Representative and the Consultants, the Director's Representative shall have the option of having the additional Services performed on the charge rates using the all-inclusive hourly rates referred to in sub-clause (A) of this Clause.
- (G) In exceptional cases where, in the opinion of the Director's Representative, the additional Services would best be performed by a particular staff member of the Consultants and the use of the all-inclusive hourly rates referred to in sub-clause (A) of this Clause is considered not appropriate for such staff member, the Director's Representative may, by negotiation, agree with the Consultants a new charge rate for the particular staff member, even when the fee ceiling has not been exceeded.
- (H) There shall be no price adjustment to the interim payments for the additional Services until the first anniversary of the date on which this Agreement is due to commence. On the first and every subsequent anniversary (collectively referred as index update dates), a price adjustment factor equal to $(L - B)/B$ shall be calculated. The interim payments for the additional Services to be invoiced on or after the latest index update date but before the next index update date shall be multiplied by this factor to determine the price adjustment amounts.

B referred to above is the monthly Consumer Price Index (C) of the due date for commencement of this Agreement and L is the monthly Consumer Price Index (C) of the latest index update date.

[Standard Schedule of Fees clauses relating to the direct employment of resident staff should be inserted if required]

Annex A – Categories of Staff for the Services and Additional Services

Staff category	Minimum academic / professional qualifications	Minimum experience requirement
Partners/ Directors	Corporate member of an appropriate professional institution or equivalent; and A partner, or a company director who is a member of the Board with voting power at Board meetings	15 years relevant post-qualification experience (applicable to professional membership only)
Chief Professional	Corporate member of an appropriate professional institution or equivalent	12 years relevant post-qualification experience
	University degree or equivalent in an appropriate discipline for specialist trades, such as geology, transport, environmental science or other trades where appropriate professional institutions are not commonly in existence	17 years relevant post-qualification experience
Senior Professional	Corporate member of an appropriate professional institution or equivalent	5 years relevant post-qualification experience
	University degree or equivalent in an appropriate discipline for specialist trades, such as geology, transport, environmental science or other trades where appropriate professional institutions are not commonly in existence	10 years relevant post-qualification experience
Professional	Corporate member of an appropriate professional institution or equivalent	No additional requirement
	University degree or equivalent in an appropriate discipline for specialist trades, such as geology, transport, environmental science or other trades where appropriate professional institutions are not commonly in existence	5 years relevant post-qualification experience
Assistant Professional	University degree or equivalent in an appropriate discipline	No additional requirement
Technical	Diploma or Higher Certificate or equivalent in an appropriate discipline	No additional requirement

APPENDIX 4.3 GUIDELINES ON THE PREPARATION OF BRIEFS FOR FEASIBILITY, INVESTIGATION, DESIGN AND CONSTRUCTION ASSIGNMENTS

The purpose of the Brief is to describe in detail the Assignment that the Consultants are to undertake. The form and content of briefs varies according to the particular assignment.

The Brief shall define clearly the scope, nature and timing of the services to be provided by the Consultants, the responsibilities they are to assume and all other requirements and constraints. It shall describe exactly what is to be achieved and what the output of the Assignment must be. Assumptions and methodology must be clearly defined.

It is in the interest of both the client and the Consultants that the Brief is sufficiently detailed and specific to enable the shortlisted consultants to properly estimate the resources necessary to carry out the Assignment and to quote competitive lump sum fees. It is important that the Brief is very clear as to the standard and level of service expected from the Consultants and that both the client and the shortlisted consultants have a clear and agreed understanding of the requirements. Any vagueness in the Brief will create potential for future dispute which may be detrimental to the progress of the project and must be avoided.

If there are specific aspects or parts of the Assignment that cannot be sufficiently well defined or over which there is much uncertainty at the time of preparing the Brief, then provision shall be made in the Schedule of Fees to exclude these works and services from the quoted lump sum fee and to remunerate the Consultants on a negotiated lump sum or time-charge basis. In particular, it should be noted that consultants cannot generally be expected to estimate reasonably in their fee proposals the extent of commitment and effort required for such services which should normally be treated as additional Services under Clause 5 of the Schedule of Fees.

The provisions of the Brief must be consistent with those of the General Conditions of Employment, Special Conditions of Employment (if any), Schedule of Fees and all other documents comprising the Agreement. Care should be taken that the Brief does not conflict with the General Conditions of Employment which must not be amended without obtaining legal advice from LAD(W), DEVB and endorsement of DEVB.

The Brief shall be prepared in consultation with all interested offices to whom it shall be circulated and whose input and where appropriate, agreement, shall be obtained. Also, if appropriate the Brief shall be submitted to the project steering or management group for formal agreement.

The Brief must be consistent with the requirements of the project as approved by the PWSC or other authority.

The Brief shall not be finalized until after the pre-submission meeting held with the shortlisted consultants.

The Brief shall be prepared in accordance with the directions and guidance given in the appropriate typical format. Different fonts are used in the typical formats of Brief to indicate the intention of the text, as follows :-

- (a) Words in bold font are mandatory unless otherwise indicated. These are mandatory clauses or headings which shall be included in the Brief unchanged, except with the prior approval of EACSB.
- (b) Words in normal font indicate sample clauses. These are not mandatory and shall be amended as necessary to suit the Assignment.
- (c) Words in *italics* are suggestions or instructions to aid preparation of the Brief. The exact content and wording to be used is left to the discretion of the writer of the Brief.

Consultancy Services involving EIA

Additional guidance on the preparation of Briefs promulgated originally in WBTC No. 17/98 as a result of the Environmental Impact Assessment Ordinance (EIA Ordinance) which came into operation on 1 April 1998, has basically been subsumed hereunder:

- (a) The attached Annex A includes sample clauses which indicate the services that the Consultants may be required to provide under a consultancy assignment as a result of the EIA Ordinance which came into operation on 1 April 1998. However, for each particular assignment the wording of the clauses shall be expanded and, where necessary, further clauses shall be added, to describe exactly and in as much detail as possible what is required.
- (b) The proponent department shall, in consultation with the Director of Environmental Protection if necessary, determine and state in the Brief whether the project is a designated project under the EIA Ordinance. In the case that the project is exempted from the provisions of the EIA Ordinance in accordance with section 9(2) and section 9(3) of the EIA Ordinance, this shall be stated in the Brief.

The Role of Consultants under the Land (Miscellaneous Provisions) Amendment Ordinance 2003 (LMPAO)

As stipulated in SETW's memo ref (00YMM-01-2) in ETWB(PS) 106/10 dated 20 January 2006, the clauses set out in Annex B should be included in the Brief for Design and Construction assignments to highlight the role of the Consultants under the LMPAO.

Management of Consultants' Performance

The clauses set out in Annex C relating to the management of consultants' performance should be included in the consultancy brief.

Sample Clauses (for Consultancy Services involving EIA)

- (1) Prepare a project profile as set out in the Technical Memorandum on Environmental Impact Assessment Process (under the Environmental Impact Assessment Ordinance (EIA Ordinance) S16) and advise and assist the Employer to apply to the Director of Environmental Protection (DEP) in accordance with the EIA Ordinance for an environmental impact assessment study brief or for approval to apply directly for an environmental permit.
- (2)¹ Conduct an environmental impact assessment (EIA) study and prepare an EIA report in accordance with the EIA study brief issued by the DEP and EIA Ordinance, and advise and assist the Employer in obtaining approval for the EIA report in accordance with the EIA Ordinance, including public consultation and presentation to the Advisory Council on the Environment if required.
- (3) Advise and assist the Employer in obtaining environmental permits for the Employer for **constructing/operating/decommissioning* the Project in accordance with the EIA Ordinance.
- (4) Liaise with the DEP or his representative to obtain variations of environmental permits for the Employer in accordance with the EIA Ordinance should there be any changes to the Project or to the environmental impact of the Project that would give rise to a need for variation of the conditions of the environmental permit. Where it is required by the DEP to submit an EIA report for the variations sought and the Director's Representative so instructs, the Consultants shall conduct an EIA study and prepare an EIA report for the variations sought in accordance with the EIA Ordinance. Payment for the cost of such study and report shall be on a time charge basis or by means of a negotiated lump sum fee.

* Delete as appropriate

Note :

1. *Clause (1) may be included in a Preliminary Project Feasibility Study assignment where the Project has already been confirmed as a designated project under the EIA Ordinance.*
2. *Clauses (2) and (3) shall be included in a consultancy assignment when the Project has obtained a study brief from the DEP.*
3. *Clause (4) shall only be included in a consultancy assignment which involves construction stage for designated project.*
4. *Projects that have obtained DEP's approval to apply directly for an environmental permit(s) only need to include clause (3) and/or clause (4).*

¹ Project proponent should ensure that adequate number of copies of the EIA report has been specified in the section of "Deliverables" in the assignment.

**Clauses Regarding the Role of the Consultants under
the Land (Miscellaneous Provisions) Amendment Ordinance 2003 (LMPAO)
for Incorporation into the Brief for a Design and Construction Assignment**

The following clauses should be added to the Sub-section “Services to be provided by the Consultants – Construction Phase” of the Brief:

- 6.4.9* The Consultants shall nominate a professional acceptable to the Employer to be named as the contact person of the Employer in applications for excavation permits and, where applicable, emergency excavation permits pursuant to the requirements of the Land (Miscellaneous Provisions) Ordinance, Cap 28.
- 6.4.10* (1) The Consultants shall carry out all duties imposed upon the Employer under the Land (Miscellaneous Provisions) Ordinance, Cap 28 or under the conditions of the excavation permits and, where applicable, emergency excavation permits in so far as such duties have not been imposed only on the Contractor under the Ordinance or under the Contract.
- (2) Notwithstanding Sub-clause (1), the Consultants shall not be liable to the Employer in respect of obligations stipulated under the following conditions of the excavation permits and, where applicable, emergency excavation permits:
- (i) the condition stipulated in the excavation permits and, where applicable, the emergency excavation permits relating to the obligation and liability of the Permittee to indemnify the Government against all losses and claims for injury or damage to any person or property, nuisance, disruption or interference whatsoever which may arise out of or in consequence of the work of the Permittee, and against all claims, demands, proceedings, damages, costs, charges or expenses whatsoever in respect thereof or in relation thereto, and
 - (ii) the condition stipulated in the excavation permits and, where applicable, emergency excavation permits relating to the obligation and liability of the Permittee to make good or pay for any works as a result of or in consequence of the work of the Permittee.
- (3) Sub-clause (2) above is without prejudice to Clause 22 of the General Conditions of Employment.
- 6.4.11* (1) The Consultants shall ensure that the Contractor complies with the permit conditions imposed by the Authority under the Land (Miscellaneous Provisions) Ordinance, Cap 28, including those conditions stipulated in the excavation permits to be observed by the Nominated Permittee or by both the Permittee and the Nominated Permittee and those stipulated in the excavation permits and, where applicable, emergency excavation permits to be observed by the Permittee but which the Contractor is required to comply with under the

Contract.

- (2) In respect of permit conditions which are stipulated in the excavation permits and, where applicable, emergency excavation permits to be complied with by the Permittee but which are required to be complied with by the Contractor under the Contract, if notwithstanding Sub-clause (1) above the Contractor has failed to comply with these conditions, the Consultants shall take such actions so as to ensure that these conditions are complied with by the Employer in his capacity as the Permittee irrespective of whether these actions are required to be carried out by the Contractor under the Contract.

6.4.12* Clause 6.4.9* to Clause 6.4.11* above shall apply only with respect to excavation in street maintained by the Highways Department that requires excavation permits and, where applicable, emergency excavation permits under the Ordinance for execution of the Works.

6.4.13* The Consultants shall [engage a competent person #/ ensure that a competent person is engaged #] to supervise the excavation works on behalf of the Employer, maintain a documented system for supervising the excavation works and maintain a documented system to ensure that the Contractor complies with his duties in relation to excavation works. The attention of the Consultants is drawn to section 10T(5) and (6) of the Land (Miscellaneous Provisions) Ordinance, Cap 28.

*Note: (a) The Clause number marked with * above may be changed to suit individual assignment brief.*

(b) # Delete as appropriate, depending on whether the competent person is intended to be engaged by the Consultants or the Employer direct.

Clauses for Management of Consultants' Performance

The following clauses should be added to the Section “Services to be provided by the Consultants” of the Brief :

6.X The Consultants shall take cognizance of and comply with relevant requirements of technical circulars and documents issued by the Government bureaux and departments including but not limited to the following:

- (a) EACSB Handbook and other relevant EACSB circulars and circular memoranda;
- (b) General/Technical circulars and other relevant circular memoranda issued by the Development Bureau;
- (c)

6.Y The Consultants agree that the management and reporting of the Consultants' Performance under this Agreement shall be subject to the reporting and management mechanism set out in Development Bureau Technical Circular (Works) No. 3/2016 or its latest revision or replacement.

Agreement No.BRIEF**1. Introduction**

This Brief is to be read in conjunction with the Memorandum of Agreement, General Conditions of Employment for a Feasibility Assignment, Special Conditions of Employment and Schedule of Fees. For the avoidance of doubt but without prejudice to Clause 7 of the General Conditions of Employment, the performance of the Services specified herein shall be subject to Clause 22 of the General Conditions of Employment.

2. Description of the Project

Describe the Project of which this Assignment forms a part. Include relevant historical and general background and any significant events, milestones, policy decisions and other background that may have a bearing on the Assignment.

3. Objectives of the Assignment

This should follow logically on from section 2 and shall list what is to be achieved upon satisfactory completion of the Assignment.

4. Description of the Assignment

Describe the Assignment in complete detail. Make reference not only to what is included but also what is not included. This is particularly relevant where the scope of the Assignment is different from the scope of the Project described in section 2. Describe any interfaces between the Assignment and any other parts of the Project or other projects. Be as specific as possible.

5. Deliverables

Specify everything that is to be produced by the Consultants as part of the Assignment. For example, draft reports, final reports, working papers, programmes, estimates, progress and financial reports, design and other calculations, design certificates, minutes of meetings, drawings, plans, maps and models. Also specify the need to produce documents for the purposes of compliance with statutory procedures, government procedures and consultative procedures.

Specify the numbers of each item to be delivered, the scales for drawings, timing and frequency of delivery and any special requirements for production and method and form of presentation and storage.

Specify the need for the Consultants to draw to the Employer's attention any Deliverables that are under licence and any pre-existing copyright or patent on any Deliverables and any other restriction whatsoever affecting the Employer's use of the same and, if required by the Director's Representative, to establish the existence of any licence, copyright, patent or restriction.

6. Services to be provided by the Consultants

- 6.1** *Describe all the activities and procedures the Consultants are required to carry out in producing the Deliverables described in section 5. The following sample clauses provide an indication of the sort of activities and procedures that may be required for a Feasibility Assignment. However, for each particular assignment the wording of the clauses shall be expanded and, where necessary, further clauses shall be added, to describe exactly and in as much detail as possible what is required. If the Consultants are to carry out any detailed design work or to prepare or manage any substantial investigation, works or supply contracts as part of the Assignment,*

then appropriate clauses relating to such services must be included in the Brief. Guidance on appropriate clauses can be found in the typical formats of Brief for Investigation and for Design & Construction Assignments.

- (a) Carry out or have carried out all necessary surveys, levels and soundings and make such investigations and inquiries as are necessary for the satisfactory completion of the Assignment. These shall include but shall not necessarily be limited to *[insert specific details of known requirements, if any]*.
- (b) Prepare and submit a report to the Director's Representative on the results, findings and conclusions of the surveys, levels, soundings, investigations and inquiries carried out under clause (a).
- (c) Direct and control the making or carrying out of boring tests, trial pits, test piles, models, soil investigations and other special investigations, prepare drawings specifications and documents and call for or assist the Employer in calling for tenders or otherwise placing orders for carrying out these works. These works shall include but shall not necessarily be limited to *(insert specific details of known requirements, if any)*. *(Note, the Schedule of Fees provides for reimbursement of the Consultants in respect of these works)*.
- (d) Identify *[insert the number required]* alternative options for *[describe relevant aspect or part of the Assignment for which options are required]*.
- (e) Draw to the attention of the Director's Representative the need to consider any legal implications and consequences arising out of or in relation to the Assignment and the alternative options.
- (f) Identify any resumption, clearance and reprovisioning works that may be required and liaise with relevant bodies and assist with negotiations for the resumption, clearance and reprovisioning works.
- (g) Identify all facilities, installations and existing rights that may be affected by the Assignment and alternative options.
- (h) Prepare necessary land requirement plans showing the extent of land requirements for the Assignment and alternative options.
- (i) Prepare an outline environmental impact assessment for the Assignment and alternative options.
- (j) Prepare an outline landscaping assessment for the Assignment and alternative options.
- (k) Prepare an order of cost of the Assignment and the alternative options, including the cost of reprovisioning and compensation.
- (l) Advise the Director's Representative on the feasibility and practicability of the Assignment and alternative options.
- (m) Consider in detail the economic, financial, technical, environmental, legal and social implications of the Assignment and alternative options and recommend to the Director's Representative an order of preference for the alternative options.
- (n) Determine the extent of further ground investigations and surveys and further studies required to implement the recommended options.
- (o) Identify whether the Design and Build type of contract is suitable for the implementation of the works of any part or the whole of the Assignment.

6.2 *Specify the method of reporting and the day-to-day administration of the Assignment. Highlight the timing of meetings and the need for progress reporting.*

6.3 *Identify the documents the Consultants must take cognizance of during the Assignment and highlight very important documents.*

- 6.4 *Identify other studies, projects or interface issues which the Consultants must take cognizance of during the Assignment.*
- 6.5 *Identify the bodies, departments, organisations, public utilities and persons with which the Consultants must consult, liaise and coordinate. Indicate the role or purpose of the consultation, liaison or coordination. Refer to the requirements of Clause 19 of the General Conditions of Employment.*
- 6.6 *Draw to the Consultants' attention any specific regulations or ordinances which the Consultants must take account of in providing the Services.*
- 6.7 *Specify any need for the Consultants to advise on the formulation and application of criteria for the identification, assessment, evaluation and adoption of options.*

7. **Response to Queries**

The Consultants shall respond to queries under Clause 20 of the General Conditions of Employment raised prior to a date 3 months after the final submission of the Deliverables required under the Agreement. Such date shall be confirmed in writing to the Consultants by the Director's Representative.

8. **Programme of Implementation**

- 8.1 *Specify the due date for commencement of the Agreement referred to in Clause 2 of the Schedule of Fees. The following clause is mandatory.*

The due date for commencement of the Agreement is *[must be filled in to facilitate pricing by the tenderers pursuant to SoF Clause 2]*.

- 8.2 *In order to enable consultants to properly estimate a Lump Sum for inclusion in their fee proposal, and to make the submissions comparable, it is necessary that key dates are identified in the Brief to the consultants. The key dates should be those dates the alteration of which will cause large changes in the consultants' resources input. Although precise information of the key dates may not be available to the writer of the Brief, he shall nevertheless insert the key dates based on his best estimation of events. After award of the Assignment, the key dates may be changed, upon proposal from the Consultants and agreement by the Director's Representative pursuant to Clause 26(A) of the General Conditions of Employment. It is also possible that these key dates may have to be altered during the course of the Assignment as things develop which may, or may not, depending on the circumstances, result in the need to negotiate with the Consultants for additional fees.*

Specify the required time table for the various phases of the Assignment, giving key dates and targets. Describe what is required in the Programme under Clause 26 of the General Conditions of Employment. The period specified for the submission of and response to the draft programme should be kept as short as practicable. The following sample Clause, amended to suit the Assignment, shall be included:

Pursuant to Clause 26(B) of the general Conditions of Employment, the Consultants shall submit the draft programme and revised draft programmes and the Directors Representative shall agree, or instruct, within the following periods:

Submission of the draft programme :	Within 4 weeks of the due date for commencement of the Agreement
Agreement of the draft programme :	Within 4 weeks from receipt of the draft programme or instruction for submission of the revised draft programme
Submission of revised draft programme :	Within 2 weeks from the instruction of the Director's Representative

The draft programme and revised draft programmes shall detail the activities to be carried out, target dates for particular tasks and any decision dates that may be required for the uninterrupted progress of the Assignment. The Consultants shall discuss with the Director's representative during the above periods to agree the timing of submission of reports, other documents and plans for each of the main elements of the Assignment, for inclusion in the draft programme and revised draft programme.

8.3 The key dates referred to in clause 8.2 of this Brief shall include but not be limited to:

- (i) The date of submission of the Draft Report.
- (ii) The date of submission of the Draft Final Report.

Where an ambiguity may arise as to the meaning of any key date included in this section, that key date should be clearly defined in the Brief to avoid ambiguity.

9. **Progress Reports**

The Consultants shall submit to the Director's Representative progress reports at _____ intervals on all aspects of the Services relating progress to the Programme referred to in clause 8 of this Brief. The reports shall include a list of those parts of the Services the execution of which is behind the Programme, together with proposals to expedite progress, so as to complete the work on time. The reports shall also include updated expenditure forecasts in accordance with clause 10 of this Brief.

10. **Financial Management**

At _____ intervals or at such other intervals as the Director's Representative may require, the Consultants shall submit a report on the current and forecast expenditure on the Assignment and the fees due to the Consultants, in a form to be agreed by the Director's Representative.

11. **Standards and Specifications**

The Consultants shall adopt the following (*insert details*) and such other technical & design standards and specifications as are in current use by the (*insert appropriate names*) Department(s) or, if non-existent, British Standard Codes of Practice and Specifications. Should instances arise for which suitable standards or specifications do not exist or for which the current standards or specifications appear to require modification or if by the adoption of current standards the Consultants would incur additional expenses not within reasonable contemplation, the Consultants shall submit recommendations on appropriate alternatives to the Director's Representative for agreement.

12. **Director's Representative**

The Director's Representative as defined in the General Conditions of Employment shall be the _____ (*usually specify the post of a D2 officer or above but not lower than D1*) or such other person as may be authorised by the Director in writing and notified to the Consultants. The Director's Representative may delegate any of the powers and functions vested in him to other officers. If the Consultants are dissatisfied with a decision or instruction of any such officer the matter shall be referred to the Director's Representative for a ruling.

During the course of the Agreement the Consultants shall report direct to the Director's Representative.

13. **Control of the Project and Assignment**

List the committees, conferences, boards, groups and other meetings which the Consultants shall attend, serve or report to, as required by the Director's Representative. The documents the Consultants shall produce in serving or reporting to these bodies e.g. meeting minutes and progress reports, shall be stated in section 5 - Deliverables.

14. Information and Facilities Provided by the Employer

All available information relevant to the Assignment will be provided to the Consultants. Relevant documents including reports, drawings and other background materials are listed in Appendix _____ to this Brief. The Consultants shall indicate for guidance those documents which they currently hold and those of which a copy may be needed, should the Assignment be awarded to them. A copy of each of the documents indicated as needed will be supplied free of charge by the Director's Representative on request from the Consultants, except those currently available from the Sales section of the Information Services Department. In the case of plans and drawings, one transparency and two prints of each plan or drawing shall be provided free of charge if requested by the Consultants.

15. Consultants' Office and Staffing

15.1 The Consultants shall maintain for the duration of this Agreement an office in Hong Kong under the control of the Project Director of the Consultants who shall be responsible for the Project. He shall have adequate authority and sufficient professional, technical and administrative support staff in all relevant disciplines to ensure progress to the satisfaction of the Director's Representative.

15.2 The Consultants shall provide the staff and manpower input in accordance with the Technical Proposal which was submitted with the Consultants' tender for this Assignment. The Director's Representative shall have the right to check the time-log record of the Consultants' staff deployed for the Assignment.

15.3 If the Director's Representative considers that the performance of the Consultants is not satisfactory due to inadequate staffing and manpower input allocated to the Assignment, the Consultants shall, upon the request of the Director's Representative, forthwith submit to the Director's Representative the time-log record of the staff deployed for the Assignment for the Director's Representative to check against the Technical Proposal.

15.4 The Consultants' failure to adhere to their staffing proposal, in particular the employment of core personnel of the Consultants and their sub-consultants, thus causing an adverse impact on the performance of the Services, shall be duly reflected in the Employer's performance report on the Consultants.

15.5 If the Consultants are unable to maintain any of the core personnel specified in the Technical Proposal, the Consultants shall as soon as possible report this to the Director's Representative and propose, for the Director's Representative's approval, a revised personnel arrangement which is equivalent to or better than the existing personnel arrangement, in terms of qualifications, experience and competence.

16. Specialist and Sub-consultant Services

16.1 The Consultants shall provide all specialist and sub-consultant services required for the satisfactory completion of the Assignment. No additional fees or expenses for the provision of such services rendered locally or overseas shall be payable by the Employer except as otherwise provided for in the Schedule of Fees.

16.2 Without derogating from the generality of clause 38(i) of the General Conditions of Employment, the Consultants shall, upon the award of this Agreement and save as otherwise agreed by the Director's Representative, appoint the sub-consultants as proposed in their Technical Proposal for the Assignment. The Director's Representative shall have the right to check the sub-consultancy agreements. If the Director's Representative considers that the performance of the Consultants is not satisfactory due to inadequate staffing and manpower input allocated to the Assignment, the Consultants shall, upon the request of the Director's Representative, forthwith submit to the Director's Representative a certified copy of any or all of the sub-consultancy agreements.

17. Surveys

17.1 Two prints of topographical mapping at 1:1000, 1:5000 and 1:20000 scales prepared by the Survey and Mapping Office of the Lands Department, where available for the area covered by the Project of which the Assignment forms a part, can be obtained free of charge on application to the Director's Representative.

- 17.2 The Consultants may apply for the supply of the series of Digital Map products from Lands Department for the exclusive use of this Assignment free of charge. Applications should be made to the Director's Representative by completing and submitting the form "Undertakings by Consultant/Contractor on the Use of Digital Map from Land Information Centre" (SMF-0096) together with a list of the Digital Map product required. The Consultants are required to provide the storage media for the supply of the Digital Map product files unless Lands Department advises the otherwise.
- 17.3 All the mapping information provided shall be for the exclusive use of this Assignment. In using the Digital Map products supplied by Lands Department, the Consultant shall abide by the terms and conditions as stipulated in the undertaking form. Upon completion of the Assignment, the Consultant shall destroy immediately the supplied Digital Map products and confirm the destruction to Lands Department by completing and returning the form "Confirmation by Government's Consultant/Contractor on the Cessation of the Use of Digital Map from Land Information Centre" (SMF-0097) to the Director's Representative within two weeks upon completion of the Assignment.
- 17.4 All the lot boundary information provided is for identification of approximate location of lot only and is subject to amendments by the Lands Department without prior notice. The Consultants shall refer to the District Survey Offices of the Lands Department for the most up-to-date lot boundary information.
- 17.5 The Consultants shall be responsible for verifying the accuracy and, where necessary, updating all survey and mapping information provided. Unless otherwise provided for in the Assignment, all field survey work required for the proper execution of the Assignment shall be the duty of the Consultants in accordance with ____ (*list any special requirements*). A copy of field notes, field data and resultant plans arising from these surveys shall be handed over to the Director's Representative in hardcopy (paper, transparency and/ or microfilms) and MicroStation (DGN) file format upon completion of the Assignment. The accuracy as well as presentation of these surveys shall be of a standard agreed by the Director's Representative. After the Director's Representation has accepted the survey results, the Consultants shall forward a set of as-built survey plans in hardcopy and softcopy to the Land Information Centre of the Survey and Mapping Office of the Lands Department.
- 17.6 The Consultant shall be responsible for submitting drawing computer files which shall be delivered on compact disc in MicroStation (DGN) file format unless otherwise specified by the Director's Representative. The survey drawings shall be in compliance with the CAD Standard for Works Project (CSWP) version 1.03.00 (or later versions as agreed by the Director's Representative) as posted on the Development Bureau's web-site and the Drafting Specification for Engineering Survey Rev 2.0 (or later versions as agreed by the Director's Representative) as posted on Civil Engineering and Development Department's web-site.
- 17.7 Appendix ____ specifies the division of responsibility for other surveying between the Consultants, the Lands Administration Office and Survey and Mapping Office as well as the relevant sub-offices at district level of the Lands Department. (*See Appendix A*)

18. **Insurance**

The amount of insurance cover to be maintained in accordance with Clause SCE xx (*the one set out in Appendix 4.17*) of the Special Conditions of Employment shall be HONG KONG Dollars _____. (*Please follow the procedures for the procurement of Professional Indemnity Insurance and the methodology for determining the amount of insurance cover given in DEVB TCW No. 9/2007 and state the assessed amount of the insurance cover in terms of the lump sum fee, subject to minimum and maximum values, as appropriate.*)

AGREEMENT NO.**Responsibility for Survey Work**

The division of responsibility among the Consultants, the Lands Administration Office, and the Survey and Mapping Office of the Lands Department for surveying required in connection with the Assignment shall be as follows :-

<u>Task</u>		<u>Responsibility of</u>
(1)	(a) Provision of basic horizontal and vertical survey control	Survey and Mapping Office (Consultants to download from www.geodetic.gov.hk)
	(b) Checking of given control point values and establishment of survey control net-work(s) based on survey control given vide (a)	Consultants
(2)	(a) Provision of topographic map (at 1:1000 or other standard scales relevant to the Assignment)	Survey and Mapping Office (excluding those specified as to be provided by the Consultants in the Assignment)
	(b) Provision of available Digital Map products relevant to the Assignment	Land Information Centre, Survey and Mapping Office
	(c) Updating and verification of accuracy of information supplied vide (a) and (b) as necessary in relation to the Assignment	Consultants
	(d) Carrying out detailed surveys for site investigation and for preparation of design and contract documents as necessary in relation to the Assignment	Consultants
(3)	Supply of existing cadastral plans and records and co-ordinate data	District Survey Office
(4)	Computation of detailed dimensioned layouts of roads, drainage and waterworks reserves, platforms, etc.	Consultants (checked and accepted by District Survey Office)
(5)	Determination of site/lot boundaries, calculation of areas, etc. in connection with the agreed dimensioned layouts	District Survey Office (in liaison with District Lands Office)
(6)	(a) Processing of resumption and surrender for privately owned land in Development Area	District Lands Office (in liaison with District Survey Office and Consultants)
	(b) Resumption and surrender plans and demarcation of lands to be resumed	District Survey Office (in liaison with District Lands Office and Consultants)

<u>Task</u>		<u>Responsibility of</u>
(7)	(a) Setting-out of roads, drainage works, formation areas, etc.	Contractors (checked and accepted by Consultants, usually by resident site staff under their supervision.)
	(b) Initial site survey, and interim and final payment surveys	Consultants, usually by resident site staff under their supervision (joint survey with contractors or agreed survey with contractors)
(8)	Preparation of proposal plans for Government land allocations and other land grants relevant to the Assignment	District Survey Office (in liaison with District Lands Office)
(9)	Preparation of dimensioned plans and setting out of boundaries of sites and lots for Government land allocation and other land grants relevant to the Assignment	District Survey Office
(10)	As-built surveys (including records of positions and levels on all underground pipelines, etc.)	Consultants, usually by resident site staff under their supervision
(11)	Supply a set of as-built survey plans in both hardcopy and softcopy to the Land Information Centre of the Survey and Mapping Office of the Lands Department	Consultants, usually by resident site staff under their supervision

Agreement No.BRIEF**1. Introduction**

This Brief is to be read in conjunction with the Memorandum of Agreement, the General Conditions of Employment for an Investigation Assignment, Special Conditions of Employment and Schedule of Fees. For the avoidance of doubt but without prejudice to Clause 7 of the General Conditions of Employment, the performance of the Services specified herein shall be subject to Clause 22 of the General Conditions of Employment.

2. Description of the Project

Describe the Project of which this Assignment forms a part. Include relevant historical and general background and any significant events, milestones, policy decisions and other background that may have a bearing on the Assignment.

3. Objectives of the Assignment

This should follow logically on from section 2 and shall list what is to be achieved upon satisfactory completion of the Assignment.

4. Description of the Assignment

Describe the Assignment in complete detail. Make reference not only to what is included but also what is not included. This is particularly relevant where the scope of the Assignment is different from the scope of the Project described in section 2. Describe any interfaces between the Assignment and any other parts of the Project or other projects. Be as specific as possible.

5. Deliverables

Specify everything that is to be produced by the Consultants as part of the Assignment. For example, draft reports, final reports, working papers, programmes, estimates, progress and financial reports, design and other calculations, design certificates, minutes of meetings, drawings, plans, maps and models. Also specify the need to produce documents for the purposes of compliance with statutory procedures, government procedures and consultative procedures.

Specify the numbers of each item to be delivered, the scales for drawings, timing and frequency of delivery and any special requirements for production and method and form of presentation and storage.

Specify the need for the Consultants to draw to the Employer's attention any Deliverables that are under licence and any pre-existing copyright or patent on any Deliverables and any other restriction whatsoever affecting the Employer's use of the same and, if required by the Director's Representative, to establish the existence of any licence, copyright, patent or restriction.

6. Services to be provided by the Consultants

- 6.1** *Describe all the activities and procedures the Consultants are required to carry out in producing the Deliverables described in section 5. The following sample clauses provide an indication of the sort of activities and procedures that may be required for an Investigation Assignment. However, for each particular assignment the wording of the clauses shall be expanded and, where necessary, further clauses shall be added, to describe exactly and in as*

much detail as possible what is required. If the Consultants are to carry out any detailed design work or to prepare or manage any substantial investigation, works or supply contracts as part of the Assignment, then appropriate clauses relating to such services must be included in the Brief. Guidance on appropriate clauses can be found in the typical format of Brief for a Design and Construction Assignment.

- (a) Carry out or have carried out all necessary surveys, levels and soundings and make such investigations and inquiries as are necessary for the satisfactory completion of the Assignment. These shall include but shall not necessarily be limited to *(insert specific details of known requirements, if any)*.
- (b) Prepare and submit a report to the Director's Representative on the results, findings and conclusions of the surveys, levels, soundings, investigations and inquiries carried out under clause (a).
- (c) Direct and control the making or carrying out of boring tests, trial pits, test piles, models, soil investigations and other special investigations, prepare drawings specifications and documents and call for or assist the Employer in calling for tenders or otherwise placing orders for carrying out these works. These works shall include but shall not necessarily be limited to *(insert specific details of known requirements, if any)* (Note, the Schedule of Fees provides for reimbursement of the Consultants in respect of these works).
- (d) Prepare and submit a report to the Director's Representative on the results, findings and conclusions of the tests, trials and investigations carried out under clause (c).
- (e) Identify the need for any resumption, clearance and reprovisioning and liaise with relevant bodies and assist with negotiations for any resumption, clearance and reprovisioning that may be required.
- (f) Identify all facilities, installations and existing rights that may be affected by the Assignment.
- (g) Prepare necessary land requirement plans showing the extent of land requirements for the Assignment.
- (h) Determine the extent of further ground investigations and surveys and further studies required for detailed design purposes.
- (i) Prepare preliminary designs, plans, drawings, profiles, sections, specifications and calculations.
- (j) Prepare a preliminary design for environmental mitigation measures.
- (k) Prepare a sketch landscape design.
- (l) Prepare all necessary documents for the Advisory Committee on the Appearance of Bridges and Associated Structures (ACABAS) submissions.
- (m) Advise the Director's Representative on the types and forms of contract, including Design & Build, most suitable for the implementation of the works.
- (n) Advise the Director's Representative on the number and scope of contracts for implementation of the works.
- (o) Prepare estimates of the cost of works for the Assignment and the contracts including the cost of compensation and reprovisioning.

6.2 *Specify the method of reporting and the day-to-day administration of the Assignment. Highlight the timing of meetings and the need for progress reporting.*

6.3 *Identify the documents the Consultants must take cognizance of during the Assignment and highlight very important documents.*

6.4 *Identify other studies, projects or interface issues which the Consultants must take cognizance of during the Assignment.*

- 6.5 *Identify the bodies, departments, organisations, public utilities and persons with which the Consultants must consult, liaise and coordinate. Indicate the role or purpose of the consultation, liaison or coordination. Refer to the requirements of Clause 19 of the General Conditions of Employment.*
- 6.6 *Draw to the Consultants attention any specific regulations or ordinances which the Consultants must take account of in providing the Services.*
- 6.7 *Specify any need for the Consultants to advise on the formulation and application of criteria for the identification, assessment, evaluation and adoption of options.*

7. **Response to Queries**

The Consultants shall respond to queries under Clause 20 of the General Conditions of Employment raised prior to a date 3 months after the final submission of the Deliverables required under the Agreement. Such date shall be confirmed in writing to the Consultants by the Director's Representative.

8. **Programme of Implementation**

- 8.1 *Specify the due date for commencement of the Agreement referred to in Clause 2 of the Schedule of Fees. The following clause is mandatory.*

The due date for commencement of the Agreement is [must be filled in to facilitate pricing by the tenderers pursuant to SoF Clause 2].

- 8.2 *In order to enable consultants to properly estimate a Lump Sum for inclusion in their fee proposal, and to make the submissions comparable, it is necessary that key dates are identified in the Brief to the consultants. The key dates should be those dates the alteration of which will cause large changes in the consultants' resources input. Although precise information of the key dates may not be available to the writer of the Brief, he shall nevertheless insert the key dates based on his best estimation of events. After award of the Assignment, the key dates may be changed, upon proposal from the Consultants and agreement by the Director's Representative pursuant to Clause 26(A) of the General Conditions of Employment. It is also possible that these key dates may have to be altered during the course of the Assignment as things develop which may, or may not, depending on the circumstances, result in the need to negotiate with the Consultants for additional fees.*

Specify the required time table for the various phases of the Assignment, giving key dates and targets. Describe what is required in the Programme under Clause 26 of the General Conditions of Employment. The period specified for the submission of and response to the draft programme should be kept as short as practicable. The following sample Clause, amended to suit the Assignment, shall be included:

Pursuant to Clause 26(B) of the general Conditions of Employment, the Consultants shall submit the draft programme and revised draft programmes and the Directors Representative shall agree, or instruct, within the following periods:

Submission of the draft programme :	Within 4 weeks of the due date for commencement of the Agreement
Agreement of the draft programme :	Within 4 weeks from receipt of the draft programme or instruction for submission of the revised draft programme
Submission of revised draft programme :	Within 2 weeks from the instruction of the Director's Representative

The draft programme and revised draft programmes shall detail the activities to be carried out, target dates for particular tasks and any decision dates that may be required for the uninterrupted progress of the Assignment. The Consultants shall discuss with the Director's representative during the above periods to agree the

timing of submission of reports, other documents and plans for each of the main elements of the Assignment, for inclusion in the draft programme and revised draft programme.

8.3 The key dates referred to in clause 8.2 of this Brief shall include but not be limited to:

- (i) The date of submission of the Draft Report.
- (ii) The date of submission of the Draft Final Report.

Where an ambiguity may arise as to the meaning of any key date included in this section, that key date should be clearly defined in the Brief to avoid ambiguity.

9. **Progress Reports**

The Consultants shall submit to the Director's Representative progress reports at _____ intervals on all aspects of the Services relating progress to the Programme referred to in clause 8 of this Brief. The reports shall include a list of those parts of the Services the execution of which is behind the Programme together with proposals to expedite progress, so as to complete the work on time. The reports shall also include updated expenditure forecasts in accordance with clause 10 of this Brief.

10. **Financial Management**

At _____ intervals or at such other intervals as the Director's Representative may require, the Consultants shall submit a report on the current and forecast expenditure on the Assignment and the fees due to the Consultants, in a form to be agreed by the Director's Representative.

11. **Standards and Specifications**

The Consultants shall adopt the following (*insert details*) and such other technical & design standards and specifications as are in current use by the (*insert appropriate names*) Department(s) or, if non-existent, British Standard Codes of Practice and Specifications. Should instances arise for which suitable standards or specifications do not exist or for which the current standards or specifications appear to require modification or if by the adoption of current standards the Consultants would incur additional expenses not within reasonable contemplation, the Consultants shall submit recommendations on appropriate alternatives to the Director's Representative for agreement.

12. **Variations and Other Commitments** [*Mandatory if the Assignment covers works contracts, the supervision of which is part of the Services*]

- 12.1 The value of a variation to the contract works or other expenditure commitment for the purposes of Clause 24 of the General Conditions of Employment is \$_____.
- 12.2 All variations to the contract works shall be covered by a variation order in a form to be agreed by the Director's Representative, except that no variation order will be required for increase or decrease in quantities arising from remeasurement of the items in the bills of quantities.
- 12.3 The Director's Representative shall advise the Consultants of his approval or otherwise under Clause 24 of the General Conditions of Employment within _____ days of submission. The reasons for non-approval, which may include insufficiency of supporting information provided with the submission, will be provided to the Consultants at the same time. If, because of the need for consultation or referral elsewhere, the Director's Representative is unable to give his decision within the period stated then he shall inform the Consultants immediately and advise them of when he will give his decision. Provided that, in any case, a different period can be applied by mutual agreement.

- 12.4 Under sub-clause (iii) of Clause 25 of the General Conditions of Employment, the Consultants shall report all claims to the Director's Representative within ____ days of their receipt. The Director's Representative shall provide the Employer's views to the Consultants within ____ days of receipt of the Consultants' principles of assessment of a claim.
- 12.5 Under sub-clause (iv) of Clause 25 of the General Conditions of Employment, the Consultants shall report all delays to the Director's Representative within ____ days of the delay being identified. The Director's Representative shall provide the Employer's views to the Consultants within ____ days of receipt of the Consultants' assessment of extension of time.

13. Director's Representative

The Director's Representative as defined in the General Conditions of Employment shall be the ____ (*usually specify the post of a D2 officer or above but not lower than D1*) or such other person as may be authorised by the Director in writing and notified to the Consultants. The Director's Representative may delegate any of the powers and functions vested in him to other officers. If the Consultants are dissatisfied with a decision or instruction of any such officer the matter shall be referred to the Director's Representative for a ruling.

During the course of the Agreement the Consultants shall report direct to the Director's Representative.

14. Control of the Project and Assignment

List the committees, conferences, boards, and other meetings which the Consultants shall attend, serve or report to, as required by the Director's Representative. The documents the Consultants shall produce in serving or reporting to these bodies eg. meeting minutes and progress reports shall be stated in section 5 - Deliverables.

15. Information and Facilities Provided by the Employer

All available information relevant to the Assignment will be provided to the Consultants. Relevant documents including reports, drawings and other background materials are listed in Appendix ____ to this Brief. The Consultants shall indicate for guidance those documents which they currently hold and those of which a copy may be needed, should the Assignment be awarded to them. A copy of each of the documents indicated as needed will be supplied free of charge by the Director's Representative on request from the Consultants, except those currently available from the Sales section of the Information Services Department. In the case of plans and drawings, one transparency and two prints of each plan or drawing shall be provided free of charge if requested by the Consultants.

16. Consultants' Office and Staffing

- 16.1 The Consultants shall maintain for the duration of this Agreement an office in Hong Kong under the control of the Project Director of the Consultants who shall be responsible for the Project. He shall have adequate authority and sufficient professional, technical and administrative support staff in all relevant disciplines to ensure progress to the satisfaction of the Director's Representative.
- 16.2 The Consultants shall provide the staff and manpower input in accordance with the Technical Proposal which was submitted with the Consultants' tender for this Assignment. The Director's Representative shall have the right to check the time-log record of the Consultants' staff deployed for the Assignment.
- 16.3 If the Director's Representative considers that the performance of the Consultants is not satisfactory due to inadequate staffing and manpower input allocated to the Assignment, the Consultants shall, upon the request of the Director's Representative, forthwith submit to the Director's Representative the time-log record of the staff deployed for the Assignment for the Director's Representative to check against the Technical Proposal.
- 16.4 The Consultants' failure to adhere to their staffing proposal, in particular the employment of core personnel of the Consultants and their sub-consultants, thus causing an adverse impact on the performance of the Services, shall be duly reflected in the Employer's performance report on the Consultants.

- 16.5 If the Consultants are unable to maintain any of the core personnel specified in the Technical Proposal, the Consultants shall as soon as possible report this to the Director's Representative and propose, for the Director's Representative's approval, a revised personnel arrangement which is equivalent to or better than the existing personnel arrangement, in terms of qualifications, experience and competence.
17. **Specialist and Sub-consultant Services**
- 17.1 The Consultants shall provide all specialist and sub-consultant services required for the satisfactory completion of the Assignment. No additional fees or expenses for the provision of such services rendered locally or overseas shall be payable by the Employer except as otherwise provided for in the Schedule of Fees.
- 17.2 Without derogating from the generality of clause 38(i) of the General Conditions of Employment, the Consultants shall, upon the award of this Agreement and save as otherwise agreed by the Director's Representative, appoint the sub-consultants as proposed in their Technical Proposal for the Assignment. The Director's Representative shall have the right to check the sub-consultancy agreements. If the Director's Representative considers that the performance of the Consultants is not satisfactory due to inadequate staffing and manpower input allocated to the Assignment, the Consultants shall, upon the request of the Director's Representative, forthwith submit to the Director's Representative a certified copy of any or all of the sub-consultancy agreements.
18. **Surveys**
- 18.1 Two prints of topographical mapping at 1:1000, 1:5000 and 1:20000 scales prepared by the Survey and Mapping Office of the Lands Department, where available for the area covered by the Project for which the Assignment forms a part, can be obtained free of charge on application to the Director's Representative.
- 18.2 The Consultant may apply for the supply of the series of Digital Map products from Lands Department for the exclusive use of this Assignment free of charge. Applications should be made to the Director's Representative by completing and submitting the form "Undertakings by Consultant/Contractor on the Use of Digital Map from Land Information Centre" (SMF-0096) together with a list of the Digital Map products required. The Consultant is required to provide the storage media for the supply of the Digital Map product files unless Lands Department advises the otherwise.
- 18.3 All the mapping information provided shall be for the exclusive use of this Assignment. In using the Digital Map products supplied by Lands Department, the Consultant shall abide by the terms and conditions as stipulated in the undertaking form. Upon completion of the Assignment, the Consultant shall destroy immediately the supplied Digital Map products and confirm the destruction to Lands Department by completing and returning the form "Confirmation by Government's Consultant/Contractor on the Cessation of the Use of Digital Map from Land Information Centre" (SMF-0097) to the Director's Representative within two weeks upon completion of the Assignment.
- 18.4 All the lot boundary information provided is for identification of the approximate location of lot only and is subject to amendments by the Lands Department without prior notice. The Consultants shall refer to the District Survey Offices of the Lands Department for the most up-to-date lot boundary information.
- 18.5 The Consultants shall be responsible for verifying the accuracy and, where necessary, updating all survey and mapping information provided. Unless otherwise provided for in the Assignment, all field survey work required for the proper execution of the Assignment shall be the duty of the Consultants in accordance with ____ (*list any special requirements*). A copy of field notes, field data and resultant plans arising from these surveys shall be handed over to the Director's Representative in hardcopy (paper, transparency and/ or microfilms) and MicroStation (DGN) file format upon completion of the Assignment. The accuracy as well as presentation of these surveys shall be of a standard agreed by the Director's Representative. After the Director's Representative has accepted the survey results, the Consultants shall forward a set of the as-built survey plans in hardcopy and softcopy to the Land Information Centre of the Survey and Mapping Office of the Lands Department.

- 18.6 The Consultant shall be responsible for submitting drawing computer files which shall be delivered on compact disc in MicroStation (DGN) file format unless otherwise specified by the Director's Representative. The survey drawings shall be in compliance with the CAD Standard for Works Project (CSWP) version 1.03.00 (or later versions as agreed by the Director's Representative) as posted on the Development Bureau's web-site and the Drafting Specification for Engineering Survey Rev 2.0 (or later versions as agreed by the Director's Representative) as posted on Civil Engineering and Development Department's web-site.
- 18.7 Appendix ____ specifies the division of responsibility for other surveying between the Consultants, the Lands Administration Office and Survey and Mapping Office as well as the relevant sub-offices at district level of the Lands Department. (See Appendix A)

19. **Insurance**

The amount of insurance cover to be maintained in accordance with Clause SCExx (the one set out in Appendix 4.17) of the Special Conditions of Employment shall be HONG KONG Dollars _____. (Please follow the procedures for the procurement of Professional Indemnity Insurance and the methodology for determining the amount of insurance cover given in DEVB TCW No. 9/2007 and state the assessed amount of the insurance cover in terms of the lump sum fee, subject to minimum and maximum values, as appropriate.)

AGREEMENT NO.**Responsibility for Survey Work**

The division of responsibility among the Consultants, the Lands Administration Office, and the Survey and Mapping Office of the Lands Department for surveying required in connection with the Assignment shall be as follows :-

<u>Task</u>		<u>Responsibility of</u>
(1)	(a) Provision of basic horizontal and vertical survey control	Survey and Mapping Office (Consultants to download from www.geodetic.gov.hk)
	(b) Checking of given control point values and establishment of survey control net-work(s) based on survey control given vide (a)	Consultants
(2)	(a) Provision of topographic maps (at 1:1000 or other standard scales relevant to the Assignment)	Survey and Mapping Office (excluding those specified as to be provided by the Consultants in the Assignment)
	(b) Provision of available Digital Map products relevant to the Assignment	Land Information Centre, Survey and Mapping Office
	(c) Updating and verification of accuracy of information supplied vide (a) and (b) as necessary in relation to the Assignment	Consultants
	(d) Carrying out detailed surveys for site investigation and for preparation of design and contract documents as necessary in relation to the Assignment	Consultants
(3)	Supply of existing cadastral plans and records and co-ordinate data	District Survey Office
(4)	Computation of detailed dimensioned layouts of roads, drainage and waterworks reserves, platforms, etc.	Consultants (checked and accepted by District Survey Office)
(5)	Determination of site/lot boundaries, calculation of areas, etc. in connection with the agreed dimensioned layouts	District Survey Office (in liaison with District Lands Office)
(6)	(a) Processing of resumption and surrender for privately owned land in Development Area	District Lands Office (in liaison with District Survey Office and Consultants)
	(b) Resumption and surrender plans and demarcation of lands to be resumed	District Survey Office (in liaison with District Lands Office and Consultants)

(7)	(a) Setting-out of roads, drainage works, formation areas, etc. (b) Initial site survey, and interim and final payment surveys	Contractors (checked and accepted by Consultants, usually by resident site staff under their supervision.) Consultants, usually by resident site staff under their supervision (joint survey with contractors or agreed survey with contractors)
(8)	Preparation of proposal plans for Government land allocations and other land grants relevant to the Assignment	District Survey Office (in liaison with District Lands Office)
(9)	Preparation of dimensioned plans and setting out of boundaries of sites and lots for Government land allocation and for other land grants relevant to the Assignment	District Survey Office
(10)	As-built surveys (including records of positions and levels on all underground pipelines, etc.)	Consultants, usually by resident site staff under their supervision.
(11)	Supply a set of as-built survey plans in both hardcopy and softcopy to the Land Information Centre of the Survey and Mapping Office of the Lands Department	Consultants, usually by resident site staff under their supervision.

Agreement No.BRIEF

[Clauses for QSSP at Annex A should be incorporated.]

1. **Introduction**

This Brief is to be read in conjunction with the Memorandum of Agreement, the General Conditions of Employment for a Design and Construction Assignment, Special Conditions of Employment, Schedule of Fees and Schedule of Resident Site Staff standards and duties. For the avoidance of doubt but without prejudice to Clause 7 of the General Conditions of Employment, the performance of the Services specified herein shall be subject to Clause 22 of the General Conditions of Employment.

2. **Description of the Project**

Describe the Project of which this Assignment forms a part. Include relevant historical and general background and any significant events, milestones, policy decisions and other background that may have a bearing on the Assignment.

3. **Objectives of the Assignment**

This should follow logically on from section 2 and shall list what is to be achieved upon satisfactory completion of the Assignment.

4. **Description of the Assignment**

Describe the Assignment in complete detail. Make reference not only to what is included but also what is not included. This is particularly relevant where the scope of the Assignment is different from the scope of the Project described in section 2. Describe any interfaces between the Assignment and any other parts of the Project or other projects. Be as specific as possible.

5. **Deliverables**

Specify everything that is to be produced by the Consultants as part of the Assignment. For example, draft reports, final reports, working papers, programmes, estimates, progress and financial reports, design and other calculations, design certificates, minutes of meetings, drawings, plans, maps and models. Also specify the need to produce documents for the purposes of compliance with statutory procedures, government procedures and consultative procedures.

Specify the numbers of each item to be delivered, scales for drawings, timing and frequency of delivery and any special requirements for production and method and form of presentation and storage.

Specify the need for the Consultants to draw to the Employer's attention any Deliverables that are under licence and any pre-existing copyright or patent on any Deliverables and any other restriction whatsoever affecting the Employer's use of the same and, if required by the Director's Representative, to establish the existence of any licence, copyright, patent or restriction.

6. Services to be provided by the Consultants

6.1 Review Phase

- 6.1.1 *Specify whether the Consultants are to carry out a review of the work or report of an Investigation consultant and define clearly the desired scope of the review. A suggested clause is -*

Review the work carried out by the consultant for the investigation stage of the Project and the findings, conclusions and recommendations of the final report of the investigation stage (*identify clearly which consultancy and which report is to be the subject of the review*). The review shall focus on the following aspects (*specify exactly the scope of the review, including the extent of checking of any factual information such as soil surveys, materials tests or other surveys or factual investigations*).

6.2 Design Phase

- 6.2.1 *Describe all the activities and procedures the Consultants are required to carry out during the Design phase in producing the Deliverables described in section 5. The following sample clauses provide an indication of the sort of activities and procedures that may be required. However, for each particular assignment the wording of the clauses shall be expanded and, where necessary, further clauses shall be added, to describe exactly and in as much detail as possible what is required.*

- (a) Prepare a Design Memorandum which shall set out the standards governing the design of the works.
- (b) Prepare detailed designs, specifications for works, drawings, dimensions, sections, plans with such design data, calculations and other information as may be required for the purpose of or in connection with the Assignment.
- (c) Co-operate with the makers or suppliers of plant, if any, and take all necessary steps to obtain from them all details necessary for the timely completion of the Assignment.
- (d) Liaise with relevant bodies and assist with negotiations for any reprovisioning works that may be required.
- (e) Identify all facilities and installations affected by the Assignment.
- (f) Prepare necessary land requirement plans showing the extent of land resumption for construction of works, borrow areas and dumping areas.
- (g) Prepare all necessary documents for the Advisory Committee on the Appearance of Bridges and Associated Structures (ACABAS) submissions.
- (h) Determine the extent of further ground investigations and surveys and further studies required to carry out the detailed design of the Assignment.
- (i) Prepare all necessary documentation and reports on ground investigation and survey data together with interpretation of results.
- (j) Prepare detailed designs for environmental mitigation measures.
- (k) Prepare detailed landscape designs.
- (l) Prepare estimates of the cost of the Assignment (*Specify the level of detail wanted and the requirements for updating*).
- (m) Prepare papers and briefing notes which will be required to consult and obtain the views of representatives of community groups and District Board members.

- 6.2.2 *Identify and describe any sub-phases and milestones in the Design phase.*

- 6.2.3 *Specify the consent from the Director's Representative on the design concept and other key design aspects for each sub-phase which the Consultants must obtain before proceeding to the next sub-phase.*

- 6.2.4 *Identify the documents the Consultants must take cognizance of during the Assignment.*
- 6.2.5 *Identify other studies or projects which the Consultants must take cognizance of during the Assignment.*
- 6.2.6 *Identify the bodies, departments, organisations and public utilities and persons with which the Consultants must consult, liaise and coordinate. Indicate the role or purpose of the consultation, liaison or coordination. Refer to the requirements of Clause 19 of the General Conditions of Employment.*
- 6.2.7 *Identify any regulations or ordinances of which it is particularly important that the Consultants take cognizance.*
- 6.3 **Tender Phase**
- 6.3.1 *Describe all the activities to be carried out and services to be provided by the Consultants to enable the Employer to invite tenders including any pre-qualification exercises if required or to otherwise place orders for the works.*
- 6.3.2 *Specify the requirement to adopt standard Government documents in the contract preparation and spell out the actions required from the Consultants for any departure from the standard. A standard clause is suggested as follows:-*
- The General Conditions of Contract shall remain unaltered. Any necessary amendments required shall be by means of Special Conditions of Contract authorised in writing by the Director's Representative.
- 6.3.3 *Specify the Consultants' involvement and input required in the finalisation of land requirements for the Assignment and define the role of the Employer in the acquisition and clearance of land.*
- 6.3.4 *Specify the information required from the Consultants, such as estimates and programmes, to enable the Director's Representative to obtain authority to proceed with the works.*
- 6.3.5 *Specify the actions required from the Consultants regarding the ordering and purchasing of materials, plant, etc. necessary for the construction of the works but not supplied under the contracts for the works.*
- 6.3.6 *Specify the involvement of the Consultants in the calling of tenders for the works and, if applicable, in the pre-qualification process.*
- 6.3.7 *Specify the involvement of the Consultants in the assessment of tenders and, if applicable, in the pre-qualification process and their input in the making of tender recommendations.*
- 6.4 **Construction Phase**
- Describe all the activities and procedures the Consultants are required to carry out during the Construction phase. The following sample clauses provide an indication of the sort of activities and procedures that must be covered. The clauses may be suitable as shown but should if necessary be expanded and other clauses added, to describe exactly and in as much detail as possible what is required for the particular assignment.*
- 6.4.1 *Prepare and provide contract documents for signature and record purposes.*
- 6.4.2 *Carry out the duties of the Engineer under the terms of the contracts (hereinunder in clause 6.4 of this Brief called works contracts) for the construction, completion, maintenance and supply of the works (hereinunder in clause 6.4 of this Brief called contract works) which shall be deemed to include the coordinating of works carried out by public utility companies and water and other authorities, bodies or persons for or in connection with or necessitated by the Assignment.*
- 6.4.3 *Supervise and direct the execution of the contract works rendered under the works contracts including the appointment and control of such resident site staff as may be approved by the Director's Representative.*
- 6.4.4 *Prepare all further designs, drawings, schedules, estimates and related things necessary for the completion of the contract works.*
- 6.4.5 *Prepare progress reports and estimates of expenditure for the works contracts during the progress of the contract works, as follows (specify requirements).*

- 6.4.6 Advise on, arrange where necessary and direct the inspection and testing of materials and plant supplied for the contract works.
- 6.4.7 Give three months' notice or as long a notice as possible up to three months to the Director's Representative of the intention to issue to a contractor a completion or taking-over certificate for the whole or part of the contract works under any works contract and upon issue of such certificate deliver to the Director's Representative such drawings, calculations and instructions as are necessary for the operation of the contract works.
- 6.4.8 After completion of the contract works under any of the works contracts and within a period to be agreed by the Director's Representative, prepare and deliver to the Director's Representative drawings showing in full detail the contract works and utilities works as actually carried out together with calculations and information necessary for the maintenance of the contract works and submit all records and accounts relating to the contract works.

7. Programme of Implementation

- 7.1 *Specify the due date for commencement of the Agreement referred to in Clause 2 of the Schedule of Fees. The following clause is mandatory.*

The due date for commencement of the Agreement is [must be filled in to facilitate pricing by the tenderers pursuant to SoF Clause 2].

- 7.2 *In order to enable consultants to properly estimate a Lump Sum for inclusion in their fee proposal, and to make the submissions comparable, it is necessary that key dates are identified in the Brief to the consultants. The key dates should be those dates the alteration of which will cause large changes in the consultants' resources input. Although precise information of the key dates may not be available to the writer of the Brief, he shall nevertheless insert the key dates based on his best estimation of events. After award of the Assignment, the key dates may be changed, upon proposal from the Consultants and agreement by the Director's Representative pursuant to Clause 26(A) of the General Conditions of Employment. It is also possible that these key dates may have to be altered during the course of the Assignment as things develop which may, or may not, depending on the circumstances, result in the need to negotiate with the Consultants for additional fees.*

Specify the required time table for the various phases of the Assignment, giving key dates and targets. Describe what is required in the Programme under Clause 26 of the General Conditions of Employment. The period specified for the submission of and response to the draft programme should be kept as short as practicable. The following sample Clause, amended to suit the Assignment, shall be included:

Pursuant to Clause 26(B) of the general Conditions of Employment, the Consultants shall submit the draft programme and revised draft programmes and the Directors Representative shall agree, or instruct, within the following periods:

Submission of the draft programme :	Within 4 weeks of the due date for commencement of the Agreement
Agreement of the draft programme :	Within 4 weeks from receipt of the draft programme or instruction for submission of the revised draft programme
Submission of revised draft programme :	Within 2 weeks from the instruction of the Director's Representative

The draft programme and revised draft programmes shall detail the activities to be carried out, target dates for particular tasks and any decision dates that may be required for the uninterrupted progress of the Assignment. The Consultants shall discuss with the Director's representative during the above periods to agree the timing of submission of reports, other documents and plans for each of the main elements of the Assignment, for inclusion in the draft programme and revised draft programme.

7.3 The key dates referred to in clause 7.2 of this Brief shall include but not be limited to:

- (i) The date of submission of the review report, if required under clause 6.1 of this Brief;
- (ii) The dates of submission of the contract documents for tendering of the works contracts;
- (iii) The dates of return of tenders for the works contracts;
- (iv) The dates of commencement of the works contracts;
- (v) The dates of substantial completion of the works contracts;
- (vi) The dates for the finalisation of the accounts of the works contracts.

The key dates shall be determined through the Brief writer's best estimation of events, including any possible extensions of time of works contracts. Where an ambiguity may arise as to the meaning of any key date included in this section, that key date should be clearly defined in the Brief to avoid ambiguity.

8. **Progress Reports**

The Consultants shall submit to the Director's Representative progress reports at _____ intervals on all aspects of the Services relating it to the Programme referred to in clause 7 of this Brief. The reports shall include a list of those parts of the Services the execution of which are behind the Programme together with proposals to expedite progress, so as to complete the work on time. The reports shall also include updated expenditure forecasts in accordance with clause 9 of this Brief.

9. **Financial Management**

At _____ intervals or at such other intervals as the Director's Representative may require, the Consultants shall submit a report on the current and the forecast expenditure on the various elements of the Project and the fees due to the Consultants, in a form to be agreed by the Director's Representative.

The Consultants shall closely monitor progress and expenditure on any works contracts and be alert to the possibility of the approved contract sum being exceeded. They shall advise the Director's Representative immediately if there is any likelihood of the approved contract sum being exceeded. To ensure sufficient time to obtain the necessary authorities and make funds available, the Consultants shall give the Director's Representative at least four months notice in writing of the need to increase the approved contract sum to meet contractual payments and shall provide the supporting information, except that if the need cannot be foreseen so far ahead, then the Consultants shall give as much notice as is possible in the circumstances. The following information shall be provided:-

- (a) full details of the proposed net increase broken down into the following categories:-
 - (i) price fluctuation payment under the contract. An arithmetical derivation based on the projected percentage and the estimated final effective value of work done is required;
 - (ii) additional works and savings arising from the bills of quantities items and variation orders. Reasons shall be given for increases and decreases in the earlier estimates; and
 - (iii) claims from the contractors. These shall be the Consultants' estimates of the amounts which will be certified for payment.
- (b) an assessment of increase in consultancy fees and site staff costs if the contract period is likely to be extended or additional site staff are required; and
- (c) a revised projected monthly cash flow pattern of contract payments, consultancy fees and site costs.

10. **Standards and Specifications**

The Consultants shall adopt the following (*insert details*) and such other technical & design standards and specifications as are in current use by the (*insert appropriate names*) Department(s) or, if non-existent, British Standard Codes of Practice and Specifications. Should instances arise for which suitable standards or specifications do not exist or for which the current standards or specifications appear to require modifications or if by the adoption of current standards the Consultants would incur additional expenses not within reasonable contemplation, the Consultants shall submit recommendations on appropriate alternatives to the Director's Representative for agreement.

11. **Checking and Certification of the Design**

The Consultants shall submit to the Director's Representative in accordance with clause 5 of this Brief, a full set of design calculations including a statement of the standards, procedures and codes of practice adopted. It shall be accompanied by a certificate that the design calculations have been checked by another qualified independent designer in the Consultants' employ and that the drawings are in accordance with the calculated designs. The standard form of 'Design Certificate' set out in Appendix 4.7 of EACSB Handbook shall be used for this purpose wherever applicable.

12. **Variations and Other Commitments**

12.1 **The value of a variation to the contract works or other expenditure commitment for the purposes of Clause 24 of the General Conditions of Employment is \$_____.**

12.2 **All variations to the contract works shall be covered by a variation order in a form to be agreed by the Director's Representative, except that no variation order will be required for increase or decrease in quantities arising from remeasurement of the items in the bills of quantities.**

12.3 **The Director's Representative shall advise the Consultants of his approval or otherwise under Clause 24 of the General Conditions of Employment within _____ days of submission. The reasons for non-approval, which may include insufficiency of supporting information provided with the submission, will be provided to the Consultants at the same time. If, because of the need for consultation or referral elsewhere, the Director's Representative is unable to give his decision within the period stated then he shall inform the Consultants immediately and advise them of when he will give his decision. Provided that, in any case, a different period can be applied by mutual agreement.**

12.4 **Under sub-clause (iii) of Clause 25 of the General Conditions of Employment, the Consultants shall report all claims to the Director's Representative within _____ days of their receipt. The Director's Representative shall provide the Employer's views to the Consultants within _____ days of receipt of the Consultants' principles of assessment of a claim.**

12.5 **Under sub-clause (iv) of Clause 25 of the General Conditions of Employment, the Consultants shall report all delays to the Director's Representative within _____ days of the delay being identified. The Director's Representative shall provide the Employer's views to the Consultants within _____ days of receipt of the Consultants' assessment of extension of time.**

13. **Resident Site Staff** [*Mandatory if it is intended to employ Resident Site Staff*]

13.1 The establishment, duties, appointment, deployment, remuneration, conditions of employment and administration of Resident Site Staff shall be in accordance with the Special Conditions of Employment, Schedule of Fees and Schedule of Resident Site Staff standards and duties.

13.2 The Consultants shall submit to the Director's Representative for approval the proposed establishment of Resident Site Staff prior to the commencement of the recruitment process.

- 13.3 The Consultants shall recruit RSS in an open and fair manner as far as practicable. Normally, a recruitment notice for any RSS vacancy shall be posted in two local newspapers in bilingual languages (English and Chinese), or other channel(s) agreed by the Director's Representative, for open invitation of applications. A recruitment interview shall also normally be conducted for the selection of candidates. For RSS services of a short duration or for any urgent or other special circumstances which may render open recruitment impractical or unjustifiable, the Consultants shall provide justifications and obtain prior approval from the Director's Representative. All the Consultants' staff involved in the RSS recruitment exercise must declare whether they have any actual, potential or perceived conflict of interest at the onset of the recruitment exercise or as soon as they become aware of a conflict of interest. If such circumstances have arisen during the recruitment exercise, the Consultants shall implement suitable remedial measures. For instance, the Consultants' staff having a conflict of interest declared should be abstained from further involvement in the recruitment exercise. For avoidance of doubt over an interest in conflict, where there is any potential RSS candidate from the Consultants' own organization, the employment relationship of itself would not normally be considered as an actual, potential or perceived conflict of interest.
- 13.4 Notwithstanding Clause 13.3 and subject to the approval of the Director's Representative, the Consultants may deploy their professional graduates in assistant professional rank in RSS for the purposes of training pertinent to the acquisition of the relevant professional qualification, without embarking on the open recruitment procedure.
- 13.5 For all recruitment exercises for RSS, the Consultants shall submit to the Director's Representative (*Number to be inserted by the procuring department*) copies of a CD diskette containing records of the entire recruitment process. The records should include, but not limited to, the recruitment information, qualification and experience required for the vacancy, selection criteria for recruitment interview and/or job offers, criteria for setting a waiting list with a validity period, interview records and assessment leading to the job offers. It should also include records of declarations of conflict of interest by all the Consultants' staff participating in the recruitment exercise, and any mitigation measures implemented in the case of conflict.
- 13.6 For the employment of the Labour Relation Officer (LRO), the Consultants shall, within 14 days of commencement of the Contract, or as the case may be, within 14 days after being notified by the Director's Representative of his disapproval of employment of any person as LRO, submit the name and particulars of the person they intend to employ as the LRO to the Director's Representative for his approval. The Consultants shall furnish further information within 7 days pertinent to the employment of such person if required by the Director's Representative. *[Mandatory if LRO is included in the establishment of Resident Site Staff]*
- 13.7 The Consultants shall be provided with uniform free of charge for the Resident Site Staff under the works contracts. The Consultants shall ensure that Resident Site Staff, except those who are not involved in site work, such as office-based staff, or those engaged in work requiring personal protective equipment which, in the opinion of the Consultants, render the wearing of uniform unsuitable or impractical, wear the uniform in carrying out their duties of administration and site supervision of the works contracts.

14. **Director's Representative**

The Director's Representative as defined in the General Conditions of Employment shall be the (*usually specify the post of a D2 officer or above but not lower than D1*) or such other person as may be authorised by the Director in writing and notified to the Consultants. The Director's Representative may delegate any of the powers and functions vested in him to other officers. If the Consultants are dissatisfied with a decision or instruction of any such officer the matter shall be referred to the Director's Representative for a ruling.

During the course of the Agreement the Consultants shall report direct to the Director's Representative.

15. **Control of the Project and Assignment**

List the committees, conferences, boards and other meetings which the Consultants shall attend, serve or report to, as required by the Director's Representative. The documents the Consultants shall produce in serving or reporting to these bodies eg. meeting minutes and progress reports should be stated in section 5 - Deliverables.

16. Information and Facilities Provided by the Employer

All available information relevant to the Assignment will be provided to the Consultants. Relevant documents, reports, drawings and other background materials are listed in Appendix _____ to this Brief. The Consultants shall indicate for guidance those documents which they currently hold and those of which a copy may be needed, should the Assignment be awarded to them. A copy of each of the documents indicated as needed will be supplied free of charge by the Director's Representative on request from the Consultants, except those currently available from the Sales section of the Information Services Department. In the case of plans and drawings, one transparency and two prints of each plan or drawing shall be provided free of charge if requested by the Consultants.

17. Consultants' Office and Staffing

- 17.1 The Consultants shall maintain for the duration of this Agreement an office in Hong Kong under the control of the Project Director of the Consultants who shall be responsible for the Project. He shall have adequate authority and sufficient professional, technical and administrative support staff in all relevant disciplines to ensure progress to the satisfaction of the Director's Representative.
- 17.2 The Consultants shall provide the staff and manpower input in accordance with the Technical Proposal which was submitted with the Consultants' tender for this Assignment. The Director's Representative shall have the right to check the time-log record of the Consultants' staff deployed for the Assignment.
- 17.3 If the Director's Representative considers that the performance of the Consultants is not satisfactory due to inadequate staffing and manpower input allocated to the Assignment, the Consultants shall, upon the request of the Director's Representative, forthwith submit to the Director's Representative the time-log record of the staff deployed for the Assignment for the Director's Representative to check against the Technical Proposal.
- 17.4 The Consultants' failure to adhere to their staffing proposal, in particular the employment of core personnel of the Consultants and their sub-consultants, thus causing an adverse impact on the performance of the Services, shall be duly reflected in the Employer's performance report on the Consultants.
- 17.5 If the Consultants are unable to maintain any of the core personnel specified in the Technical Proposal, the Consultants shall as soon as possible report this to the Director's Representative and propose, for the Director's Representative's approval, a revised personnel arrangement which is equivalent to or better than the existing personnel arrangement, in terms of qualifications, experience and competence.

18. Specialist and Sub-consultant Services

- 18.1 The Consultants shall provide all specialist and sub-consultant services required for the satisfactory completion of the Assignment. No additional fees or expenses for provision of such services rendered locally or overseas shall be payable by the Employer except as otherwise provided for in the Schedule of Fees.
- 18.2 Without derogating from the generality of clause 38(i) of the General Conditions of Employment, the Consultants shall, upon the award of this Agreement and save as otherwise agreed by the Director's Representative, appoint the sub-consultants as proposed in their Technical Proposal for the Assignment. The Director's Representative shall have the right to check the sub-consultancy agreements. If the Director's Representative considers that the performance of the Consultants is not satisfactory due to inadequate staffing and manpower input allocated to the Assignment, the Consultants shall, upon the request of the Director's Representative, forthwith submit to the Director's Representative a certified copy of any or all of the sub-consultancy agreements.

19. Surveys

- 19.1 Two prints of topographical mapping at 1:1000, 1:5000 and 1:20000 scales prepared by the Survey and Mapping Office of the Lands Department, where available for the area covered by the Project for which the Assignment forms a part, can be obtained free of charge on application to the Director's Representative.

- 19.2 The Consultant may apply for the supply of the series of Digital Map products from Lands Department for the exclusive use of this Assignment free of charge. Applications should be made to the Director's Representative by completing and submitting the form "Undertakings by Consultant/Contractor on the Use of Digital Map from Land Information Centre" (SMF-0096) together with a list of the Digital Map products required. The Consultant is required to provide the storage media for the supply of the Digital Map product files unless Lands Department advises the otherwise.
- 19.3 All the mapping information provided shall be for the exclusive use of this Assignment. In using the Digital Map products supplied by Lands Department, the Consultant shall abide by the terms and conditions as stipulated in the undertaking form. Upon completion of the Assignment, the Consultant shall destroy immediately the supplied Digital Map products and confirm the destruction to Lands Department by completing and returning the form "Confirmation by Government's Consultant/Contractor on the Cessation of the Use of Digital Map from Land Information Centre" (SMF-0097) to the Director's Representative within two weeks upon completion of the Assignment.
- 19.4 All the lot boundary information provided is for identification of the approximate location of lot only and is subject to amendments by the Lands Department without prior notice. The Consultants shall refer to the District Survey Offices of the Lands Department for the most up-to-date lot boundary information.
- 19.5 The Consultants shall be responsible for verifying the accuracy and, where necessary, updating all survey and mapping information provided. Unless otherwise provided for in the Assignment, all field survey work required for the proper execution of the Assignment shall be the duty of the Consultants (*list any special requirements*). A copy of field notes, field data and resultant plans arising from these surveys shall be handed over to the Director's Representative in hardcopy (paper, transparency and/ or microfilms) and MicroStation (DGN) file format upon completion of the Assignment. The accuracy as well as presentation of these surveys should be of a standard agreed by the Director's Representative.
- 19.6 The Consultant shall be responsible for carrying out as-built surveys (including records of positions and levels on all underground pipelines, etc.) and submission of a set of as-built survey plans in both hardcopy and soft copy to the Director's Representative. The as-built drawings shall be submitted upon phase completion of the Project. The Consultant shall be responsible for submitting survey information which was presented in an acceptable professional standard and in an appropriate scale specified by the Director's Representative. A copy of field notes, field data and resultant plans arising from these surveys shall be handed over to the Director's Representative in hardcopy (paper, transparency and/or microfilms) and digital format upon completion. The Consultant is responsible to rectify and re-submit the corrected set of as-built survey plans if errors were found in any survey audits by the Director's Representative. After the Director's Representative has accepted the survey results, the Consultants shall forward a set of the as-built survey plans in hardcopy and softcopy to the Land Information Centre of the Survey and Mapping Office of the Lands Department.
- 19.7 The Consultant shall be responsible for submitting drawing computer files which shall be delivered on compact disc in MicroStation (DGN) file format unless otherwise specified by the Director's Representative. The survey drawings shall be in compliance with the CAD Standard for Works Project (CSWP) version 1.03.00 (or later versions as agreed by the Director's Representative) as posted on the Development Bureau's web-site and the Drafting Specification for Engineering Survey Rev 2.0 (or later versions as agreed by the Director's Representative) as posted on Civil Engineering and Development Department's web-site.
- 19.8 To assure the provision of the required road inventory records for the asset management of the Highways Department, as-built surveys of those completed road(s) to be handed over to Highways Department for maintenance shall follow the engineering survey and geographical information system (GIS) requirements of as-built surveys of Highways Department.
- 19.9 The Consultants shall provide sets of as-built inventory records of completed road works in ArcGIS or other GIS format fully compatible with the Road Data Maintenance System of Highways Department and in accordance with the GIS Specifications for Engineering Surveys of Highways Department Rev. 1.0 (or later version as agreed between the Director's Representative and the Consultant/Contractor from time to time) as posted on Highways Department's web-site. A copy of the submission should also be provided to the Land Information Centre of the Survey and Mapping Office of the Lands Department.
- 19.10 Appendix ____ specifies the division of responsibility for other surveying between the Consultants, the Lands Administration Office and Survey and Mapping Office as well as the relevant sub-offices at district level of the Lands Department (*see Appendix A*).

20. **Insurance**

The amount of insurance cover to be maintained in accordance with Clause SCExx (the one set out in Appendix 4.17) of the Special Conditions of Employment shall be HONG KONG Dollars_____. *(Please follow the procedures for the procurement of Professional Indemnity Insurance and the methodology for determining the amount of insurance cover given in DEVB TCW No. 9/2007 and state the assessed amount of the insurance cover in terms of the lump sum fee, subject to minimum and maximum values, as appropriate.)*

AGREEMENT NO.**Responsibility for Survey Work**

The division of responsibility among the Consultants, the Lands Administration Office, and the Survey and Mapping Office of the Lands Department for surveying required in connection with the Assignment shall be as follows :-

<u>Task</u>		<u>Responsibility of</u>
(1)	(a) Provision of basic horizontal and vertical survey control	Survey and Mapping Office (Consultants to download from www.geodetic.gov.hk)
	(b) Checking of given control point values and establishment of survey control net-work(s) based on survey control given vide (a)	Consultants
(2)	(a) Provision of topographic maps (at 1:1000 or other standard scales relevant to the Assignment)	Survey and Mapping Office (excluding those specified as to be provided by the Consultants in the Assignment)
	(b) Provision of available Digital Map products relevant to the Assignment	Land Information Centre, Survey and Mapping Office
	(c) Updating and verification of accuracy of information supplied vide (a) and (b) as necessary in relation to the Assignment	Consultants
	(d) Carrying out detailed surveys for site investigation and for preparation of design and contract documents as necessary in relation to the Assignment	Consultants
(3)	Supply of existing cadastral plans and records and co-ordinate data	District Survey Office
(4)	Computation of detailed dimensioned layouts of roads, drainage and waterworks reserves, platforms, etc.	Consultants (checked and accepted by District Survey Office)
(5)	Determination of site/lot boundaries, calculation of areas, etc. in connection with the agreed dimensioned layouts	District Survey Office (in liaison with District Lands Office)

	<u>Task</u>	<u>Responsibility of</u>
(6)	(a) Processing of resumption and surrender for privately owned land in Development Area	District Lands Office (in liaison with District Survey Office and Consultants)
	(b) Resumption and surrender plans and demarcation of lands to be resumed	District Survey Office (in liaison with District Lands Office and Consultants)
(7)	(a) Setting-out of roads, drainage works, formation areas, etc.	Contractors (checked and accepted by Consultants, usually by resident site staff under their supervision.)
	(b) Initial site survey, and interim and final payment surveys	Consultants, usually by resident site staff under their supervision (joint survey with contractors or agreed survey with contractors)
(8)	Preparation of proposal plans for Government land allocations and other land grants relevant to the Assignment	District Survey Office (in liaison with District Lands Office)
(9)	Preparation of dimensioned plans and setting out of boundaries of sites and lots for Government land allocation and other land grants relevant to the Assignment	District Survey Office
(10)	As-built surveys on all completed phases of the Works (including records of positions and levels on all underground pipelines, etc.)	Consultants, usually by resident site staff under their supervision.
(11)	Submission of a set of as-built survey plans in hardcopy (paper, transparency and/or microfilms) and soft copy comply with the specifications to the Department submitted upon phase completion of the Works.	Consultants, usually by resident site staff under their supervision.
(12)	Supply a set of as-built survey plans in both hardcopy and softcopy to the Land Information Centre of the Survey and Mapping Office of the Lands Department	Consultants, usually by resident site staff under their supervision.
(13)	For as-built surveys of those completed road works to be handed over to Highways Department for maintenance, submission of a set of road inventory data in GIS format in compliance with the specifications to Highways Department. A copy of the submission should also be provided to the Land Information Centre of the Survey and Mapping Office of Lands Department.	Consultants, usually by resident site staff under their supervision.

Template with sample Clauses for incorporating the requirements of
a Quality Site Supervision Plan (QSSP) into Assignment Brief

This Annex describes the requirements of QSSP promulgated originally in SETW's memo ref. ETWB(W)925/50/01 dated 29.1.2003. The relevant paragraphs are subsumed hereunder.

To address ICAC's concerns raised in the study of ICAC's Assignment No. 92/2001 – Site Supervision of Civil Engineering Contracts, representatives of works departments agreed, during the meeting held on 5.6.2002, to require consultants to implement a QSSP for consultant-managed construction projects.

The following is a template including sample clauses to be incorporated into the Brief of a Design and Construction Assignment or a Construction Assignment requiring the consultants to prepare and implement a QSSP. As the template only spells out the outline requirements, project officers should develop their Brief based on the template but with the clauses modified as appropriate to suit the actual needs of their projects.

4. Description of the Assignment

4.1 The Review Stage is to:

....

4.2 The Design Stage is to:

....

- (xx) identify the critical construction activities and structural elements in the design that warrant the formulation of special site supervision requirements for such activities and structural elements;

....

5. Deliverables

- 5.1 The following is a list of more specific deliverables to be submitted by the Consultants and the timing of submissions. The Consultants should note that there are other more general reports or designs that need to be produced in order to fulfil their duties under this Assignment. The Consultants shall submit all deliverables to the Director's Representative (DR) and circulate to relevant parties in sufficient copies.

No.	Deliverable	Contents	No. of copies	Deadline for Submission
xx	Quality Site Supervision Plan (QSSP) (One for each works contract)	Refer to Clauses 6.1.x and 6.3.1(x)	n sets	p months from start of Design Stage <i>(departments may set separate deadlines for the Draft and the Final documents, e.g. the Draft QSSP to be submitted when</i>

				<i>design of the project or the relevant contract is being finalized and the Final QSSP to be submitted together with the finalised tender drawings/documents)</i>
xy.	Revised QSSP	Refer to Clause 6.5(xy)	q sets	Upon major modification of the QSSP during construction stage

Note: n, p and q to be specified by the project team

6. Services to be provided by the Consultants

6.1 General

....

- 6.1.x Upon completion of the detailed design, the Consultants are required to prepare a Quality Site Supervision Plan in accordance with clause 6.3.1(x) and their own quality management system. The Quality Site Supervision Plan and its execution shall be subject to Employer's technical audits. The consultants shall also review the Quality Site Supervision Plan with the site staff during the construction stage.

....

6.2 Review Stage

6.2.1 General

.....

- (x) recommend a strategy for site supervision (*the consultants could be instructed to carry out this in conjunction with the recommendation on the construction staging and packaging of works contract, and the tendering strategy for letting out the works contract(s)*).

...

6.3 Design Stage

6.3.1 General

The Consultants shall provide the following services for the Design Stage:

....

- (x) Submit a Quality Site Supervision Plan in line with the strategy of site supervision recommended in the Review Stage, and to include, but not limited to, the following details -

- i. A detailed site supervision arrangement, including arrangements for supervision of construction activities that are required to be carried out outside the normal working hours of the site staff;
- ii. A list of critical construction activities and structural elements that require special attention together with the associated supervision requirements for such items, where appropriate the level of supervision and the rank of staff who should perform the supervision of such items and/or sign the Request for Inspection Form (or a purposely made inspection form for a particular activity or test);
- iii. If necessary, the consultants shall also specify for any critical construction activities, structural elements and particular aspects or details that should be noted by the inspection officer on the Request for Inspection Form for future reference;
- iv. A guideline on the details of inspection to be recorded for specialist works or critical elements;
- v. In case it is envisaged that construction or fabrication works will be carried out outside Hong Kong, the consultants shall formulate supervision requirements and inspection arrangement for such works. The consultants shall also prepared comprehensive guidelines to be followed by the RSS who need to conduct inspection outside Hong Kong. The guideline shall include the three minimum requirements as given below.

(a) In the event that production activities in a works contract are undertaken outside Hong Kong, the supervisory staff conducting inspections on the production sites outside Hong Kong shall, to the best of their knowledge, declare to the Engineer for the contract if the main contractor, the sub-contractor for the production activities, or any of their employees in his spouse, family member, or close relatives.

(b) Such inspection visits shall also be subject to the approval of the consultants. Where the contractor makes arrangement for transportation, accommodation and entertainment including meals, such arrangement shall be agreed to by the Engineer for the contract beforehand. Other than the agreed arrangement, supervisory staff shall not be allowed to receive any form of hospitality or entertainment from the contractor during such inspection visits.

(c) Should the supervisory staff incur reimbursement expenses in the course of inspection, all claims for reimbursement should all be made to the consultants in accordance with the prevailing rules and regulations for such. The Consultants will in turn seek reimbursement from the contractor where applicable. Under no circumstances should all the staff seek reimbursement direct from the contractor.

....

- 6.4 Tender Stage (The Consultants shall not proceed with the Tender Stage unless and until they have received the written instruction of the Director's Representative)

....

- 6.5 Construction Stage (The Consultants shall not proceed with the Construction Stage unless and until they have received the written instruction of the Director's Representative)

Upon receipt of instruction from the Director's Representative to proceed with the Construction Stage work for the whole or part of the Assignment., the Consultants shall carry out the duties listed below :-

....

- (xx) provide training and refresher courses, including(*details shall be included by the project team to suit the project need*) to the site staff, the consultants shall also identify special training requirement regarding the supervision of critical construction activities and critical structural elements and provide the necessary training to the site staff;
- (xy) At the commencement of works, review the Quality Site Supervision Plan (QSSP) (against the activities described by the Contractor in his Quality Plan prior to the execution of works if the contractor is required to submit it under the contract), and conduct regular reviews of the QSSP with site staff subsequently, and as the need arises, and make necessary updating and modification in order to suit the actual circumstances (*this may be carried out in conjunction with the review of the resident site staff manual giving details on authorities, duties, responsibilities and contract management and works supervision procedures for the guidance of all grades of the site establishment, if there are such requirements./practice in the departments*), and the consultants shall report in the monthly progress report the status of implementing the QSSP and any major modifications to it as result of a review. The consultants shall submit a revised QSSP to the DR if there is a major revision and as requested by the DR.

....

APPENDIX 4.7 STANDARD FORM OF DESIGN CERTIFICATE

DESIGN CERTIFICATE

Agreement No. & Title :

Project Title :

Contract No. & Title :

Consulting Engineer :

We certify that :

- (i) Our design complies with the standards set out in the Agreement and with amendments agreed to by the Director's Representative.
- (ii) All reasonable and professional skill, care and diligence have been exercised.
- (iii) An in-house independent check of the design calculations and contract documents has been undertaken and the design and contract documentation comply with the requirements of the Agreement.

Signed

Name.....
Partner/Director

Professional Qualifications.....

Date.....

**APPENDIX 4.8 SAMPLE SUMMARY FOR
REIMBURSABLE ITEMS UNDER CONSULTANCY ASSIGNMENTS**

Consultancy Agreement No. CE

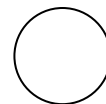
Summary of Reimbursable Items

<u>Item</u>	<u>Details</u>	<u>Estimated cost</u>	<u>Expected Start Date</u>	<u>Expected Completion Date</u>
Topographic Survey	to survey flood prone areas, and hydraulical structures (Clause XX of the Brief)	\$0.4 million	10/2000	1/2001
Manhole and CCTV Survey	to collect information on the condition and structural integrity of the drainage system. (Clause XX of the Brief)	\$0.6 million	10/2000	12/2000
Water Sampling and Testing	to detect illegal connections (Clause XX of the Brief)	\$0.1 million	6/2000	12/2000

Total = \$1.1 million

**APPENDIX 4.9 SAMPLE REPORT ON TENDERS FOR
REIMBURSABLE ITEMS UNDER CONSULTANCY ASSIGNMENTS**

MEMO



From Head of Department
Ref. () *in* _____
Tel. No. _____
Fax. No. _____
Date _____

To Chairman, EACSB
(Attn.: Secretary EACSB) _____
Your Ref. _____ *in* _____
dated _____ *Fax. No.* _____
Total Pages _____

ENGINEERING & ASSOCIATED CONSULTANTS SELECTION BOARD

**REPORT ON TENDERS FOR REIMBURSABLE ITEMS
UNDER CONSULTANCY ASSIGNMENTS**

Agreement No.:
Agreement Title:

Brief Description of Reimbursable Items

[For supply tenders, give a brief description of the commodity required.]

[For works or service tenders, give a brief description of the scope of work and location of project.]

[Highlight any special tendering and contract requirements which have affected the tender recommendation.]

Details of Tenders

[State number of invitations issued and number of tenders received.]

[State whether the lowest tender is a competitive tender and list any tender as being non competitive (being 25% above the estimate).]

[Note any tenderer who has withdrawn..]

[List the tenderers in the form of a comparative statement showing the tendered sums quoted by the respective tenderers.]

APPENDIX 4.10 STANDARD SPECIAL CONDITIONS OF EMPLOYMENT : INTEREST ON OVERDUE PAYMENT

(WBTC No. 8/2001 has been archived and its relevant requirements have generally been subsumed hereunder.)

Standard Special Conditions of Employment Interest on Overdue Payment

Payment of accounts **S.C.E.1** Clause 31 of the General Conditions of Employment is deleted and replaced by the following:

31. (A) Except as provided for in sub-clause (B) of this Clause accounts of all money due from the Employer to the Consultants in accordance with this Agreement shall be paid within 28 days after receipt of the Consultants' invoice by the Director's Representative. In the event of failure by the Employer to make payment to the Consultants in compliance with the provisions of this Clause the Employer shall pay to the Consultants interest at one percent below the judgement debt rate prescribed from time to time by the Rules of the High Court (Chapter 4 of the Laws of Hong Kong) upon any overdue payment from the date on which the same should have been made.

(B) If any item or part of an item of an account rendered by the Consultants is reasonably disputed or reasonably subject to question by the Employer, the Employer shall within 14 days after receipt of the invoice by the Director's Representative inform the Consultants in writing of all items under dispute or subject to question. Payment by the Employer of the remainder of that account shall not be withheld on such grounds and the provisions of sub-clause (A) of this Clause shall apply to such remainder.

**APPENDIX 4.11 STANDARD SPECIAL CONDITIONS OF EMPLOYMENT:
APPROVAL OF MAJOR REVISIONS TO APPROVED DOCUMENTS
AND REFERRAL AND REPORTING BY CONSULTANTS OF
VARIATIONS, CLAIMS AND DELAY IN WORKS CONTRACTS**

Scope

1. WBTC No. 22/2001 requires consultants for a design and construction assignment to obtain Director's Representative's written approval for major revisions to the already approved tender and contract documents. It also requires consultants to refer and report in writing to the Director's Representative details of all variations to contract works, claims for additional payment made by contractors, and delays to the progress of the contract works. WBTC No. 22/2001 has been archived and its requirements have generally been subsumed hereunder.
2. Examples of major revisions are changes in design that may affect the performance, operation or maintenance of a plant or installation, or alternative designs especially those aspects involving deviation from the industry standard engineering practice.

Policy

3. According to Clause 15 of the General Conditions of Employment for a [Investigation], Design and Construction Assignment (1997 Edition), documents prepared by the Consultant shall not be used for tendering purpose unless they have been approved by the Director's Representative. It is decided that after the approval, the Consultant shall also obtain the Director's Representative's written approval for any major revisions to these documents.
4. Separately, Clause 25 of the General Condition of Employment requires the Consultant to refer and report to the Director's Representative, details of variations to the contract works and claims for additional payment made by the Contractor. To enhance effectiveness, it is decided that such referral and reporting shall be made in writing.
5. The SCE given at Annex A to this Appendix shall be incorporated in consultancy documents of all consultancy agreements.

Special Conditions of Employment

Approval of Major Revisions to Approved Documents and Referral and Reporting by Consultants of Variations, Claims and Delay in Works Contracts

Approval of documents

S.C.E.1 Clause 15 of the General Conditions of Employment is deleted and replaced by the following:

15. (A) All drawings, designs, plans, specifications, bills of quantities or other documents, matters or things prepared by the Consultants for or in connection with any invitation for tenders shall not be used for such purpose unless they shall first have been approved by the Director's Representative in writing.

(B) Any major revisions to such approved drawings, designs, plans, specifications, bills of quantities or other documents, matters or things shall not be used for any purposes unless they have been approved by the Director's Representative in writing.

(C) The Consultants shall, when so requested by the Director's Representative, submit in writing to him for his approval such drawings, designs, plans, specifications, bills of quantities or other documents, matters or things prepared by them as a direct requirement of the Assignment as he may specify or require.

(D) No such approval shall affect the responsibility of the Consultants in connection with the Services.

Referral of variations and claims

S.C.E.2 Clause 25 of the General Conditions of Employment is deleted and replaced by the following:

25. (A) Notwithstanding the requirements of Clause 24 the Consultants when acting as Engineer to any works contract shall:

- (i) refer the details of every variation to the contract works, including the reasons for it and its estimated value, to the Director's Representative for information as soon as the variation is ordered;
- (ii) as soon as the value of a variation to the contract works has been determined, refer the details of the evaluation to the Director's Representative for information;
- (iii) report to the Director's Representative all claims for additional payment made by the contractor and, except for those solely in respect of agreement of rates, refer the principles underlying their assessment of each claim, to enable the Employer to provide his view of the matter before the Consultants reach a decision; and

- (iv) report to the Director's Representative all delays to the progress of the contract works and, except for those delays solely in respect of inclement weather conditions or the hoisting of storm signals, refer their assessment of grant of extension of time for completion, if any, to enable the Employer to provide his view of the matter before the Consultants reach a decision.

(B) The foregoing referrals and reporting to the Director's Representative shall be in writing.

APPENDIX 4.12 STANDARD SPECIAL CONDITIONS OF EMPLOYMENT : PROJECTS IMPLEMENTED IN PHASES

Scope

1. Works Bureau Technical Circular No. 18/2002 introduces a set of Special Conditions of Employment clauses for use in consultancy assignments, and which cover more than one phase of a project but the implementation of some of these phases has not been decided upon at the time when submissions for the consultancy services are invited. WBTC No. 18/2002 has been archived and its requirements have generally been subsumed hereunder.

Background

2. Many projects are delivered in phases such as investigation, design, tender and construction. Sometimes a single consultant may be awarded a consultancy agreement with more than one phase. However, the project may at a later stage have to be abandoned or temporarily withheld for some reasons, and in such event, the consultancy agreement has to be terminated or suspended after the completion of a certain phase. For instance, a design and construction assignment may have to be terminated after the completion of the design phase due to failure in securing the necessary financial resources for the tendering and construction phases.
3. In the current set of General Conditions of Employment, there are already provisions allowing the Employer to suspend or terminate a consultancy agreement at any time by the Director's Representative giving the consultants three months' notice in writing. These provisions may not be sufficient to satisfy the specific needs of some projects because the consultancy agreement will not be automatically suspended or terminated at the conclusion of a particular phase. The consultant may continue to provide services beyond the phase until he receives written notice of suspension or termination from the Director's Representative.

Policy

4. Though there are provisions in the General Conditions of Employment for suspension and termination of a consultancy agreement, it is considered that provisions for Phases Subject to Incorporation should also be required in consultancy agreements to cater for projects under the circumstances as mentioned in paragraph 2 above.
5. A "Phase Subject to Incorporation" means a phase designated in the consultancy Brief, the details of which are known, but the implementation of which has not been decided upon by the Director's Representative at the time the documents inviting submissions for consultancy services are issued, which may be incorporated into the Project on a later date.
6. The Phase(s) Subject to Incorporation should be clearly identified and specified in the consultancy Brief. The consultant should not commence and would not be paid for the services comprised within a Phase Subject to Incorporation without a written instruction to do so from the Director's Representative.

7. The document containing the time for instruction, commencement and completion of the Phase Subject to Incorporation should be referred to in the Memorandum of Agreement so as to make it clear that such timing form part of the Agreement as defined in clause 1 of the General Conditions of Employment.
8. Payment shall be made in accordance with the Schedule of Fees. The Schedule of Fees should be designed in such a way that payment for each phase can truly reflect the cost of Services for that phase.

Implementation

9. The standard Special Condition of Employment given at Annex A to this Appendix shall be included in documents for consultancy assignments covering more than one phase and the implementation of some of these phases has not been decided upon at the time the documents inviting submissions for consultancy services are issued.

Standard Special Conditions of Employment
Phases Subject to Incorporation Clause for Consultancy Agreement

*Phases subject to S.C.E.1
incorporation*

- (1) The provisions of this Special Condition of Employment shall apply to those Services identified in the Brief as Phases Subject to Incorporation.
- (2) The General Conditions of Employment are amended as follows:
 - (a) by the addition of the following definition to Clause 1:

“Phase Subject to Incorporation” means a Phase designated in the Brief (the details of which are known, but the implementation of which has not been decided upon by the Director's Representative at the time the documents inviting submissions for consultancy services are issued) which may be incorporated into the Project pursuant to Subclause (3) of this Special Condition of Employment.
 - (b) Clause 27 of the General Conditions of Employment is amended by the addition of the words “, and shall also include the total fees of the Phases Subject to Incorporation, which shall be inclusive of all labour, material and expenses incurred in the performance of the Services and which shall not be payable unless an instruction is issued in accordance with Subclause (3) of the Special Condition of Employment” at the end.
- (3) Without derogating from the generality of Clause 17 and 23 of the General Conditions of Employment, the Director's Representative may, within ____ days prior to/after the completion of the ____ Phase, instruct the Consultant in writing to proceed with the Services comprised within a Phase Subject to Incorporation.

[Alternative (3):

Without derogating from the generality of Clause 17 and 23 of the General Conditions of Employment, the Director's Representative may, within the relevant time stated in the documents inviting submissions for consultancy services (commencing from and including the date for commencement of the Consultancy Agreement), instruct the Consultant in writing to proceed with the Services comprised within a Phase Subject to Incorporation.]

- (4) In the event that the Director's Representative issues an instruction in accordance with Subclause (3) of the Special Condition of Employment:
 - (a) the Consultant shall thereafter perform and complete the Services comprised within the relevant Phase Subject to Incorporation as part of the Project in accordance with the Agreement; the Consultant shall commence providing the Services for the Phase Subject to Incorporation upon receipt of the instruction and shall complete that Phase within the time for completion of that Phase stated in the documents inviting submissions for consultancy

services, or such extended time as may be approved by the Director's Representative. The time for completion commences from and includes the date for commencement of the Phase notified by the Director's Representative in accordance with Subclause (3) of this Special Condition of Employment.

- (b) the Agreement shall thereafter be construed in every way as if the relevant Phase Subject to Incorporation had at all times formed part of the Project; and
 - (c) the fees for the Phases Subject to Incorporation shall be payable in accordance with Clause 27 of the General Conditions of Employment.
- (5) In the event that the Director's Representative does not issue an instruction in accordance with Subclause (3) of this Special Condition of Employment:
 - (a) without prejudice to the provisions of Clause 17 and 23 of the General Conditions of Employment, the Consultant shall not thereafter be obliged to execute and complete the Services comprised within the relevant Phase Subject to Incorporation;
 - (b) the Consultant shall not be entitled to any payment or other compensation or relief in respect of or attributable to the relevant Phase Subject to Incorporation;
 - (c) the Agreement shall thereafter be construed in every way as if the relevant Phase Subject to Incorporation had not at any time formed part of the Agreement and all references thereto shall be of no effect;
 - (d) the Consultant shall review the Programme submitted pursuant to Clause 26 of the General Conditions of Employment and, if appropriate, revise and submit an amended or varied version of the same to the Director's Representative for approval under Clause 26(B) of the General Conditions of Employment;
 - (e) the Consultant shall review all drawings and other documents relating to its Services which have been submitted to the Director's Representative and if appropriate, revise and submit an amended or varied version of the same to the Director's Representative in accordance with Clause 15 of the General Conditions of Employment.
- (6) The Consultant shall not commence the Services comprised within a Phase Subject to Incorporation without a written instruction to do so from the Director's Representative, pursuant to Subclause (3) of the Special Condition of Employment.
- (7) For the avoidance of doubt, Phases Subject to Incorporation do not fall within the provisions of Clauses 33, 34 and 41 of the General Conditions of Employment.

Ref. Subclause Alternative (3) of S.C.E. 1

Sample Clause to be Included in Documents
Inviting Submissions for Consultancy Services

Phases Subject to Incorporation:

	(i)	(ii)
<u>Phase</u>	<u>Time for Ordering Phases Subject to Incorporation</u>	<u>Time for Completion of Phases Subject to Incorporation</u>
	(commencing from and including the date for commencement of the Consultancy Agreement)	(calculated from and including the date of commencement in column (i))
<i>XXX</i>	<i>yy</i> months	<i>zz</i> months

APPENDIX 4.13 STANDARD SPECIAL CONDITIONS OF EMPLOYMENT : CONFLICT OF INTEREST AND DEBARRING

1. This Appendix describes the requirements and procedures promulgated originally in ETWB TCW No. 18/2005 in respect of the conflict of interest and debarring. The relevant paragraphs from the original circular are basically subsumed hereunder.

Background

2. Requirements on the avoidance of conflicts of interest for officers and firms involved in Government procurement were originally set out in Financial Circular No. 9/2003. This circular was cancelled in January 2005, and the latest requirements are now stipulated in Chapter IA of Stores and Procurement Regulations (SPR). SPR 192 requires that procuring departments should include in the consultancy agreement a clause to oblige the selected consulting firm to report on situations which may give rise to conflict of interest and a clause to debar the selected consultants from participating in any subsequent exercise for the procurement of any goods and/or services arising out of or which was the very subject of the consultancy.

3. To achieve consistency, a standard Special Conditions of Employment (SCE) clause is prepared for use in consultancy agreements.

Policy

4. The **SCE** at Annex A shall be incorporated into all consultancy agreements.

5. Departments shall check that declarations forms (sample attached) submitted by consultants have been properly completed, and signed by an authorized person of the consultants whose specimen signature has been deposited with the Director's Representative. Nevertheless, checking of the arrangements between the consultants and their employees, agents, sub-consultants, and advisers is not normally required, unless irregularities are found or reported.

Special Conditions of Employment Clause
Conflict of Interest and Debarring

SCE [] Clause 46 of the General Conditions of Employment is deleted and replaced by the following:

- (A) On appointment and during the term of this Agreement and for []¹ months thereafter, the Consultants must declare any interest if it is considered to be in actual, apparent, potential or perceived conflict with the Services, including any interest or association the Consultants, their associated companies, their associates or associated persons or any of their sub-consultants may have with any contractors, suppliers, specialist contractors or sub-contractors. The Consultants shall during the term of this Agreement and for [] months thereafter forthwith notify the Employer in writing and keep the Employer notified of all or any facts which may reasonably be considered to give rise to a situation where the financial or other interest of the Consultants, their associated companies, their associates or associated persons or any of their sub-consultants, conflict or compete, or may conflict or compete, with the Consultants' duties to the Employer under this Agreement.

For purpose of this Clause 46 of the General Conditions of Employment, the “term of this Agreement” shall mean the period from appointment of the Consultants until completion of the Agreement, i.e. upon issue of the letter of completion of Agreement by the Employer.

- (B) The Consultants shall not, and shall ensure that any of their associated companies, their associates or associated persons or any of their sub-consultants shall not, during the term of this Agreement and for [] months thereafter, undertake any services, tasks or jobs or do anything whatsoever for or on behalf of any third party (other than in

¹ The duration of the restraint should be filled in by the procuring department taking into account the specific nature of the Services involved and the legitimate interests that the Government has to protect.

the proper performance of this Agreement), which touches, concerns or affects the Services or which may reasonably be seen to touch, concern or affect the Services, except with the prior written approval of the Director's Representative which approval shall not be unreasonably withheld.

- (C) Without prejudice to the generality of sub-clause (B), the Consultants shall not (whether on their own or through their associated companies, associates or associated persons or in joint venture with others), and shall ensure that any of their sub-consultants shall not,
- (i) undertake or compete for the role of a contractor or supplier or otherwise be involved as a shareholder of the contractor or supplier, in a subsequent procurement of any services and/or goods arising out of or relating to this Agreement;
 - (ii) undertake any services for a contractor (including acting as a sub-contractor) or supplier in respect of a contract between that contractor or supplier and the Employer for which the Consultants are providing a service arising out of or relating to this Agreement ;
 - (iii) undertake any services for, including without limitation provision of advice to, a bidder bidding for a contract arising out of or relating to this Agreement,

except with the prior written approval of the Employer.

In the event that the Consultants have advised on the preparation of the tender, including tender specifications and tender assessment, the Consultants undertake that under no circumstances will they bid, participate or be financially involved in that or related tender exercise.

The Consultants shall take all necessary steps to ensure that under no circumstances will their associated companies, associates, associated persons and sub-consultants participate or be financially involved in

the tender exercise referred to in the preceding sub-paragraphs.

- (D) The Consultants shall render their advice or recommendations pursuant to this Agreement to the Employer on an impartial basis without giving favour to any particular product, services or equipment in which the Consultants have a commercial interest. The Consultants shall notify the Employer immediately and in writing and keep the Employer notified of any actual, apparent, potential or perceived conflict they or their associated companies, associates or associated persons or any of their sub-consultants may have in, or any association or connection they or the aforesaid persons may have with, any of the services, products or equipment proposed or recommended by the Consultants under this Agreement. The Consultants shall obtain from each and every one of their directors, employees, agents and sub-consultants who are involved in this Agreement a binding undertaking to observe this sub-clause.
- (E) The Consultants shall require their directors, employees, agents and sub-consultants who are involved in this Agreement to declare in writing to the Consultants and keep the Consultants informed regularly of any actual, apparent, potential or perceived conflict between their personal/ financial interests and their duties in connection with this Agreement, including all or any facts which may reasonably be considered to give rise to a situation which the financial interests of such persons, conflict or compete, or may conflict or compete, with the Consultants' duties to the Employer under this Agreement. In the event that such conflict is disclosed in a declaration, the Consultants shall forthwith take such reasonable measures as are necessary to mitigate as far as possible or remove the conflict so disclosed.
- (F) The Consultants shall prohibit their directors and employees who are involved in this Agreement from engaging in any work or employment other than in the performance of this Agreement, with or without remuneration, which could give rise to any actual, apparent, potential or perceived conflict between their personal/financial interests and their duties in connection with this Agreement. The Consultants shall

require their agents and sub-consultants to impose similar restriction on their directors and employees by way of a contractual provision.

(G) The Consultants shall take all necessary measures (including by way of contractual provisions where appropriate) to ensure that their directors, employees, agents and sub-consultants who are involved in this Agreement are aware of the provisions under the aforesaid sub-clauses (B) to (F). Where the Consultants have obtained the written approval of the Director's Representative to appoint sub-consultants to undertake any part of the Services, the Consultants shall take all necessary steps to procure and ensure that the same covenants as in this Special Conditions of Employment Clause, mutatis mutandis, are imposed on the sub-consultants and shall take all necessary steps to enforce such covenants.

(H) In this Special Conditions of Employment Clause,

“associated company” or “associated companies” in relation to the Consultants means

any company which is the holding company or subsidiary company or sister company of the Consultants. A “sister company” means a company which belongs to the same holding company as the Consultants’.

“associate” or “associates” in relation to the Consultants means

(i) any partner of the Consultants; or

(ii) any company one or more of whose directors is in common with one or more of the directors of the Consultants.

“associate person” or “associated persons” in relation to the Consultant means

(i) any person who has control, directly or indirectly, over the Consultants; or

(ii) any person who is controlled, directly or indirectly, by the Consultants; or

(iii) any person who is controlled by, or has control over, a person at (i) or (ii) above.

“control” in relation to another person means holding office as a director or the power of a person to secure

(i) by means of the holding of shares or interests or the possession of voting power in or in relation to that or any other person; or

(ii) by virtue of powers conferred by any constitution, memorandum or articles of association, partnership, agreement or arrangement (whether legally enforceable or not) affecting that or any other persons;

that the affairs of the first-mentioned person are conducted in accordance with the wishes of that other person.

“director” means any person occupying the position of director by whatever name called and without limitation a de facto or shadow director.

- (I) The Consultants shall submit a signed declaration in the form prescribed in Appendix [] to these Special Conditions of Employment (with only such amendments thereto as may previously have been agreed in writing by the Employer) to confirm compliance with the provisions as stated in the above sub-clauses when demand is made for payment under this Agreement at a frequency, which shall not be more frequent than once per month, as specified by the Director’s Representative. If the Consultants fail to submit the declaration as required, the Employer shall be entitled to withhold payment until such declaration is submitted and the Consultants shall not be entitled to interest in that period.”

Sample Declaration Form by Consultants
on their compliance with the conflict of interest avoidance
and debarring requirements
(to be attached to the payment application submitted by the Consultants)

To: Director's Representative

Agreement No.:
Title:

In accordance with SCE Clause [], we confirm and declare that we have complied with the provisions stated therein. We further confirm and declare that we have taken action to ensure that our associated companies, associates or associated persons, sub-consultants, employees and agents are aware of the provisions therein stipulated including the following:

- (a) our associated companies, associates or associated persons or any of our sub-consultants shall not, during the term of this Agreement and for [] months thereafter, undertake any services, tasks or jobs or do anything whatsoever for or on behalf of third party (other than in the proper performance of this Agreement), which touches, concerns or affects the Services or which may reasonably be seen to touch, concern or affect the Services, except with the prior written approval of the Director's Representative;
- (b) our associated companies, associates or associated persons, and any of our sub-consultants shall not,
 - (i) undertake or compete for the role of a contractor or supplier or otherwise be involved as a shareholder of the contractor or supplier, in a subsequent procurement of any services and/or goods arising out of or relating to this Agreement;
 - (ii) undertake any services for a contractor (including acting as a sub-contractor) or supplier in respect of a contract between that contractor or supplier and the Employer for which we are providing a service arising out of or relating to this Agreement;
 - (iii) undertake any services for, including without limitation provision of advice to, a bidder bidding for a contract arising out of or relating to this Agreement,

except with the prior written approval of the Employer;

- (c) we are under an obligation to render advice or recommendations pursuant to this Agreement to the Employer on an impartial basis without giving favour to any particular product, services or equipment in which we have a commercial interest. We also have an obligation to notify the Employer immediately and in writing and keep the Employer notified of any actual, apparent, potential or perceived conflict we or our associated companies, associates or associated persons or any of our sub-consultants may have in, or any association or connection we or the aforesaid persons may have with, any of the services, products or equipment proposed or recommended by us under this Agreement. Each and every one of our directors, employees, agents and sub-consultants who are involved in this Agreement have given a binding undertaking to observe the aforesaid;
- (d) our directors, employees, agents and sub-consultants who are involved in the Agreement are required to declare in writing to us and keep us informed regularly any actual, apparent, or potential or perceived conflict between their personal/financial interests and their duties in connection with this Agreement, including all or any facts which may reasonably be considered to give rise to a situation which the financial interests of such persons, conflict or compete, or may conflict or compete, with our duties to the Employer under this Agreement. In the event that such conflict is disclosed in a declaration, we are under an obligation to forthwith take such reasonable measures as are necessary to mitigate as far as possible or remove the conflict so disclosed; and
- (e) our directors and employees who are involved in the Agreement are prohibited from engaging in any work or employment other than in the performance of this Agreement, with or without remuneration, which could create or potentially give rise to any actual, apparent, potential or perceived conflict between their personal/financial interests and their duties in connection with the Agreement. Our agents and sub-consultants are required to impose similar restriction on their directors and employees by way of a contractual provision.

(Name of the Consultants)
(Name of the Signatory)
(Position of the Signatory)
(Date)

APPENDIX 4.14 STANDARD SPECIAL CONDITIONS OF EMPLOYMENT : RETENTION OF DOCUMENTS AND INSPECTION

1. This Appendix describes the requirements and procedures promulgated originally in ETWB TCW No. 30/2004 in respect of retention of documents and inspection. The relevant paragraphs from the original circular are basically subsumed hereunder.

Background

2. Clause 12 of the General Conditions of Employment requires consultants to retain their records, measurement books, accounts and other information (“the documents”) after completion of works contracts they are supervising. The main purpose is to ensure the preservation of documents to facilitate the assessment and resolution of outstanding claims, finalizing accounts and dealing with any residual dispute proceedings as well as for audit purposes. The appropriate retention period is to enable these processes to be completed and having due regard to the relevant limitation period applicable to the works contract which normally will be a minimum period of 12 years following completion.

3. It has been the past practice to retain all original documents. With the advancement of computing technology, original documents can now be scanned and stored in CD or DVD discs in the form of electronic image files with the original documents destroyed to reduce storage space and cost. Another benefit of using electronic storage is that multiple copies of the CD or DVD discs can be made and kept at minimal cost, with much lower risk of loss of information due to accidental damage compared with storing original documents.

Policy and Introduction of Special Conditions of Employment

4. Accordingly, given the advancement in technology in relation to the electronic storage of original documents, such storage is now supported and Clause 12 of the General Conditions of Employment is amended to provide for consultants to submit a storage and retrieval proposal as part of which permission may be sought for the electronic storage of original documents.

Storage and Retrieval Proposal

5. Pursuant to the Special Conditions of Employment appended in Annex A, the consultants are required to prepare a storage and retrieval proposal and submit it to the Director’s Representative for approval.

6. The storage and retrieval proposal shall be prepared on the basis of the following matters and principles:

6.1 Documents generally

- (a) The proposal shall include the intended list of documents to be retained.
- (b) The volume of documents shall generally be kept to a minimum.
- (c) Duplicate copies of documents and copies of documents that have been passed to the maintenance agencies and/or user departments may generally be destroyed.

- (d) The documents to be retained shall depend on the type and nature of the individual project.
- (e) The proposal shall state the location of the intended storage facilities.
- (f) The proposal shall state the intended environmental conditions in which the documents are to be stored.
- (g) The storage system shall allow for easy retrieval of documents in case of need.
- (h) The proposal shall state the intended method of retrieval including the approximate time it will take to retrieve documents.

6.2 Storage of electronic copies of original documents

- (a) In view of the benefits of electronic storage, the consultants are encouraged to propose the conversion of original documents to electronic copies and for the destruction of original documents.
- (b) Generally approval for destruction of original documents will only be given after the completion of final account of the particular works contract.
- (c) Where there are pending claims or disputes relating to a works contract, original documents should be retained until the outstanding claims or disputes are resolved.
- (d) For works contracts where there are no known or anticipated unresolved claims or disputes, original copies generally may be destroyed after electronic copies have been prepared and retained.
- (e) The original copies of all contract documents, supplemental agreements, warranties, bonds, insurance policies and contract drawings shall be retained as original documents.
- (f) Scanning should be done carefully and meticulously and thoroughly indexed for subsequent retrieval and inspection.
- (g) To ensure the evidential value of electronic copies, detailed records will be required vouching for the integrity of the electronic scanning and storage process including that:
 - (1) The documents scanned are properly identified.
 - (2) The date of scanning is recorded.
 - (3) The identity of the person responsible for scanning is recorded.
 - (4) The type of machine used for scanning is recorded.
 - (5) It is recorded that the original documents have been destroyed.
 - (6) Any affidavit required by the Evidence Ordinance or other ordinances is properly prepared and executed.

- (7) The scanning effectively copies the documents including all handwritten annotations etc.
- (8) Where the scanning is performed by a commercial provider that proper confidentiality undertakings are obtained.
- (h) The documents shall be saved in CD or DVD discs and kept in a protective pocket. The CD or DVD discs shall be checked to be free from any contamination by computer virus. The discs shall be clearly labelled on the surfaces and the protective cases with the date of production, agreement number and title, and names of the managing department and consultants. The spines of the cases shall be marked with the agreement number.
- (i) Documents shall be scanned and saved in Encapsulated PostScript Files (EPSF), Tag Image File Format (TIFF), Graphic Interchange File Format (GIF), Joint Photographic Experts Group (JPEG), or Acrobat format.
- (j) As the documents to be scanned are as-built records, only write once read many CD and DVD recordable discs shall be used.
- (k) Since CD and DVD discs have a definite life expectancy, the discs should be checked and backed up at intervals of not exceeding three years. The original set of media should always be used as the source for the back up unless they have become unreadable. High quality CD or DVD discs should be used to improve durability.
- (l) In addition to the discs kept by the consultants, a duplicate set of all the discs shall be provided to the Employer.

6.3 Particular Requirements of the Director's Representative

In addition the consultants shall be subject to any particular requirements of the Director's Representatives with respect to the storage and retrieval of any particular documents in any works contract.

7. The Director's Representative shall have power to order amendment of or change to an approved storage proposal. The consultants are entitled to additional payment if such instruction is issued.

Finalization of Consultants' Fee and Reporting Procedures

8. The continued obligations of the consultants regarding document storage and retrieval should not prevent:
- (a) the payment of the consultants' fee under the consultancy agreement, nor
 - (b) the issuing of the Final Report on the consultants' performance.

Application to Consultancy Agreements before the effect of ETWB TCW No. 30/2004 on 21 September 2004

9. Whilst the new Special Conditions of Employment Clause 12 does not apply to consultants engaged under consultancy agreements before the effect of the Circular, those consultants may nevertheless be invited to submit proposals for the implementation of storage and retrieval of documents. Such an invitation should be in writing and should state that the consultants are not entitled to claim or receive any fee or other payment either for preparing such proposal or implementing such proposal if accepted.

Special Conditions of Employment Clause

Retention of Documents and Inspection

SCE () Clause 12 of the General Conditions of Employment is deleted and replaced by the following:

- (A) For a period of 12 years¹ commencing from the date of substantial completion of any works contract or ground investigation contract (and where there are multiple sections for completion of the works, then the date of the last of such sections substantially completed and for the purposes of this Clause referred to as the “date of substantial completion”), supervision of which is part of the Services, the Consultants shall store records, files, measurement books, accounts and other information (for the purposes of this Clause called the “documents”) however generated and whether generated by or received by the Consultants in respect of each works contract or ground investigation contract, in accordance with the approved storage and retrieval proposal as referred to in sub-clause (B) of this Clause.
- (B) The Consultants shall before the date of substantial completion submit a storage and retrieval proposal to the Director’s Representative for approval. The proposal may be approved by the Director’s Representative with or without conditions. On approval the Consultants shall subject to this Clause deal with the documents in strict accordance with the approved storage and retrieval proposal.
- (C) The Consultants shall give assistance to public officers authorized by the Employer to locate, retrieve, inspect or copy such documents and shall answer queries or supply information reasonably requested by such officers on the concerned documents.
- (D) Upon the expiry of and notwithstanding the 12 years period, the Consultants shall first obtain the written consent of the Employer before destroying any of the documents. If so instructed by the Employer, the Consultants shall deliver any or all of such documents to the Employer’s designated store.

¹ “12 years” is a minimum period. Departments may set a longer period to suit their own requirements. In such cases, the period of “12 years” in sub-clauses (D) and (F) should also be amended to tally.

- (E) The Consultants shall notify the Employer immediately in case of any accidents or incidents leading to the loss or damage of any of the documents. The Consultants shall also inspect the documents at regular intervals of not exceeding three years to ensure that they are in good condition and shall report to the Employer promptly in case of any sign of deterioration.
- (F) The Employer may before the expiry of the 12 years period request that any of the documents be transferred from the Consultants to the Employer's designated store.
- (G) Notwithstanding sub-clause (A) to (F) of this Clause the Consultants may propose from time to time the destruction of certain documents or classes of documents and the Employer may consent to such destruction, such consent to be in writing.
- (H) The Director's Representative shall have power to order the amendment of or change to the approved storage proposal. Should the Director's Representative order such amendment or change the Consultants are entitled to be reimbursed any increase in the cost of storage.
- (I) For the avoidance of doubt, the Consultants' fee covers all of the obligations set out in this Clause, except instructions issued under sub-clause (H) of this Clause.

**APPENDIX 4.15 STANDARD SPECIAL CONDITIONS OF EMPLOYMENT :
RETENTION OF MONEY PAYABLE TO NON-RESIDENT
CONSULTANTS FOR SETTLEMENT OF PROFITS TAX IN
CONSULTANCY AGREEMENTS**

1. This Appendix describes the requirements and procedures promulgated originally in ETWB TCW No. 34/2004 to set out tax withholding provisions for consultancy agreements. The relevant paragraphs from the original circular are basically subsumed hereunder.

Background

2. The need for inclusion of Special Conditions of Employment in consultancy agreements to enable the Government to withhold sufficient amount of money from fees payable to non-resident consultants for settlement of profits tax chargeable to them stems from a value-for-money audit conducted by the Audit Commission.

3. In paragraph 4.13 of its Report No. 39, October 2002, the Audit Commission considers that, in the absence of statutory power for deducting money from payments other than those made to non-resident entertainers or sportsmen, Government departments need to include special terms in the contracts entered into with non-residents to enable departments to withhold a sufficient amount of money for payment of the tax due by the non-residents.

Policy

4. It shall be included in consultancy agreements for engaging non-resident consultants (unincorporated or incorporated businesses), a provision for withholding money out of payments made to them, for the settlement of profits tax chargeable on the fee.

5. The procuring departments shall withhold a percentage of the fees payable to the consultants according to the SCE set out in Annex C for settlement of any profits tax that may be chargeable on the fees due to the non-resident consultants.

6. The procuring departments shall make timely reports to the Inland Revenue Department (IRD) on all payments made to non-resident consultants. The procedures set out in Annex A shall be followed.

7. IRD will issue notices of assessment to the non-resident consultants direct. As there are secrecy provisions in the Inland Revenue Ordinance, unless the procuring department is appointed as the authorized representative of the non-resident consultants, IRD cannot disclose information on the tax affairs of the non-resident consultants to the procuring department.

8. For the avoidance of ambiguity, the tax withholding requirement applies to non-resident main consultants only, but not non-resident sub-consultants who do not have direct contractual relationships with the Government.

Implementation

9. Consultants bidding for consultancy agreements shall be asked to declare in their bids whether they are Hong Kong residents or not. The standard clauses set out in Annex B shall be included in invitation letters for consultancy proposals.

10. The Special Conditions of Employment set out in Annex C shall be incorporated in consultancy agreements.

**Procedures to be Followed in the Retention of Money
Payable to Non-resident Consultants for Settlement of Profits Tax**

(1) Retention provision to be included in consultancy agreements

Departments should include in the consultancy agreements a provision (i.e. SCE clause set out in Annex C) for withholding money out of payments made to non-resident consultants (unincorporated or incorporated businesses) in respect of services rendered in Hong Kong.

(2) Timing for withholding money

The procuring department should withhold money in accordance with the provision stipulated in the above paragraph upon each payment to the non-resident consultants.

(3) Calculation of the amount to be withheld for tax payment

The amount of tax withheld should be calculated on the **gross fee** payable (exclusive of any reimbursement of expenses, if any)

Example:

Department A engaged non-resident consultants (unincorporated) to conduct a study in Hong Kong during the period 25-30 July 2004 with consultancy fee of HK\$1,400,000.

The tax withheld is HK\$224,000 [i.e. 16% x HK\$1,400,000]

(4) Notification to IRD

A written notification should be given to IRD under the employer's return reference of the procuring department **within one month** from the end of the consultancy agreement together with a transfer voucher or cheque for the money withheld. The following particulars in relation to the non-resident consultants should be given in the notification:

(a) Full name of the non-resident consultants;

- (b) Correspondence address and contact telephone number in Hong Kong;
- (c) Overseas correspondence address;
- (d) Type of services rendered;
- (e) Consultancy fee and consultancy period;
- (f) Total payments (net of money withheld for tax payment purposes) made in the fiscal year ended 31 March;
- (g) Amount of money withheld for settlement of profits tax liability of the non-resident consultants.

To facilitate reporting of the above information to IRD, the standard memo form set out in the Attachment may be used. Similar format or summary statement containing the above particulars of the non-resident consultants is also acceptable.

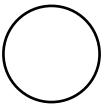
In addition, in the case that the consultancy agreement spans over more than one year and there are progress payments made at different stages of completion of the consultancy agreement, departments should, within one month after the end of the fiscal year, give IRD notification together with a transfer voucher or cheque for the money withheld for that year. Notification of final payment upon completion of the consultancy agreement should be made as advised at the beginning of this section.

(5) Notification by IRD to the Non-residents

The money retained and sent to IRD by the departments will be applied in settlement of the profits tax liability of the non-resident consultants. Notice(s) of assessment and notification(s) of the settlement of tax liabilities will be sent by IRD to the non-residents direct.

(6) Further enquiry

Enquiries should be made to the Assessors of Group A, Inland Revenue Department, Unit 2 at 2594 2061 or 2594 2276.



M E M O

From _____ Ref. () in _____ Tel. No. _____ Fax No. _____ Date _____ 	<div style="border-top: 1px solid black; height: 180px; margin: 0 auto;"></div>	To _____ (Attn: _____) Your Ref. _____ in _____ Dated _____ Fax No. _____ Total Pages _____
--	---	--

Money Withheld for Payment of Profits Tax **Non-resident Consultants**

Please be informed that the following non-resident consultants received payments from our department in respect of services provided in Hong Kong. Details are as follows:

(a) Full name of the non-resident consultants	
(b) Correspondence address and contact telephone number in Hong Kong	
(c) Overseas correspondence address	
(d) Type of services rendered	
(e) Consultancy fee and consultancy period	
(f) Total payments (net of money withheld for tax payment purposes) made in the fiscal year ended 31 March	

(g) Amount of money withheld for payment of profits tax liability of the non-resident consultants	
---	--

2. Transfer voucher/cheque * No. _____ in the amount of HK\$ _____, being money withheld for settlement of profits tax liability of the non-resident consultants, is attached for your action.

3. For further enquiry, please contact the responsible officer _____ at telephone number _____.

()
for

**Additional Clauses to be Included in
Invitation Letters for Consultancy Proposals**

Please note that where the Consultants are non-resident corporation or, where the Consultants are unincorporated joint venture or partnership or sole proprietorship, any one of the participants or partners or the sole proprietor is a non-resident, the Government shall withhold a percentage equivalent to the prevailing Hong Kong Special Administrative Region (hereinafter referred to as Hong Kong) profits tax rate applicable to unincorporated and incorporated business at the time the services are rendered (the current rates being [16%]¹ for unincorporated business and [17.5%]² for incorporated business for the year of assessment of [2004/2005]³) of any fee payable to the Consultants, whether by way of lump sum, instalments or discounted payments, but exclusive of any reimbursement of expenses, if any, in respect of the Services performed/provided in Hong Kong for the settlement of Hong Kong profits tax chargeable on the fee. Any balance representing the excess of fees so withheld in the basis period of the year of assessment over the Consultants' tax liability for that year will be returned to the Consultants without interest within a reasonable time upon final determination and settlement of their tax liabilities.

Where the Consultants are non-resident corporation or, where the Consultants are unincorporated joint venture or partnership or sole proprietorship, any one of the participants or partners or the sole proprietor is a non-resident, should they be awarded the consultancy, such data (including but not limited to their names, nature of engagement, consultancy period, consultancy fee, correspondence address (both local and overseas) and the amount of tax withheld) will be notified/provided to the Inland Revenue Department for tax assessment and collection purposes.

“Non-resident” means in the case of an individual, one who maintains a place of abode outside Hong Kong; and in the case of a corporation, one

¹ Insert the current rate at the time the invitation is issued.

² Ditto.

³ Insert the relevant year.

which is not incorporated in Hong Kong.

Consultants shall declare their resident status or the sole proprietor's resident status in their consultancy proposals. If the Consultants are unincorporated joint venture or partnership, the Consultants must declare the resident status of each and every participant or partner thereof. A sample declaration letter is at [Annex xxx].

Sample Declaration Letter

Consultancy for the provision of Services for Project

[xxxxxxxxxxxxxxxxxxxx]

To: The Government of the HKSAR

⁴We declare that we are Hong Kong Resident / Non-resident [please delete where inappropriate] having regard to the definition of “Non-resident” in Clause [yy] of the Invitation Letter for consultancy proposal in respect of the Project.

Or

⁵We declare that our sole proprietor is a Hong Kong Resident / Non-resident [please delete where inappropriate] having regard to the definition of “Non-resident” in Clause [yy] of the Invitation Letter for consultancy proposal in respect of the Project.

Or

⁶We declare that the participants/partners of the Consultants’ unincorporated joint venture/partnership are all Hong Kong Residents having regard to the definition of “Non-resident” in Clause [yy] of the Invitation Letter for consultancy proposal in respect of the Project.

Or

⁷We declare that the following participants/partners in the Consultants’ unincorporated

⁴ For use where the Consultants are an incorporated company.

⁵ For use where the Consultants are sole proprietorship.

⁶ For use where the Consultants are an unincorporated joint venture or partnership and all the participants/partners are Hong Kong Residents.

⁷ For use where the Consultants are an unincorporated joint venture or partnership and some but not all the participants/partners are Hong Kong Residents.

joint venture/partnership are Non-resident(s) having regard to the definition of “Non-resident” in Clause [yy] of the Invitation Letter for consultancy proposal in respect of the Project, and the rest of the participants/partners are Hong Kong Residents:

1.

2.

3.

.

.

.

Name of Consultants: _____

Signature of Person authorised to sign the Proposal: _____

Name in block letters _____

Telephone number: _____

Date: _____

Standard Special Conditions of Employment

SCE () - Tax Withholding

- (1) Where the Consultants are non-resident corporation or, where the Consultants are unincorporated joint venture or partnership or sole proprietorship, any one of the participants or partners or the sole proprietor is a non-resident (whether as declared in the consultancy proposals or as subsequently notified to or found out by the Government), the Government shall withhold a percentage equivalent to the prevailing Hong Kong profits tax rate applicable to unincorporated and incorporated business at the time the Services are rendered (the current rates being [16%] for unincorporated business and [17.5%] for incorporated business for the year of assessment of [2004/2005]) of any fee payable to the Consultants, whether by way of lump sum, instalments or discounted payments, but exclusive of any reimbursement of expenses, if any, in respect of the Services performed/provided in Hong Kong for the settlement of Hong Kong profits tax chargeable on the fee. Any balance representing the excess of fees so withheld in the basis period of the year of assessment over the Consultants' tax liability for that year will be returned to the Consultants without interest within a reasonable time upon final determination and settlement of their tax liabilities.
- (2) The Consultants acknowledge and consent that in the event that the Consultants are non-resident corporation or, where the Consultants are unincorporated joint venture or partnership or sole proprietorship, any one of the participants or partners or the sole proprietor is a non-resident, such data (including but not limited to their names, nature of engagement, consultancy period, consultancy fee, correspondence address (both local and overseas) and the amount of tax withheld) will be notified/provided to the Inland Revenue Department for tax assessment and collection purposes.
- (3) The Consultants shall notify the Director's Representative immediately whenever there is any change during the currency of the Agreement in their resident status or the sole proprietor's resident status or, where the Consultants are unincorporated joint venture or partnership, in any one of the participants' or partners' resident status, from that declared in the consultancy proposals.
- (4) "Non-resident" means in the case of an individual, one who maintains a place of abode outside Hong Kong; and in the case of a corporation, one which is not incorporated in Hong Kong.

**APPENDIX 4.16 STANDARD SPECIAL CONDITIONS OF EMPLOYMENT :
ADAPTION TO NEW ARBITRATION ORDINANCE**

(The revised SCE for Adaption to New Arbitration Ordinance, as promulgated in SDEV's memorandum ref. (02BYW-01-2) in DEVB(W) 505/17/01 dated 27.5.2011 and amended in SDEV's memorandum ref. DEVB(W) 510/10/01 dated 4.12.2014, have been subsumed hereunder. The revised SCE should be adopted for consultancy agreements for which Technical and Fee Proposals are invited on or after 1 January 2015.)

Revised SCE XA

General Conditions of Employment Clause 44 is deleted and replaced by the following:

" **44.** *(A) / (1) If any dispute or difference of any kind whatsoever shall arise between the Employer and the *Consultants / Consultant in connection with or arising out of this Agreement, either party shall be entitled to refer the dispute or difference to the Director and the partner or director of the *Consultants / Consultant, who shall meet within 21 days of such matter being referred to them.

 *(B) / (2) If the dispute or difference cannot be resolved within 2 months of a meeting under sub-clause *(A) / (1) of this Clause or upon written agreement that the dispute or difference cannot be resolved, either the Employer or the *Consultants / Consultant may at any time thereafter request that the matter be referred to mediation in accordance with and subject to The Government of the Hong Kong Special Administrative Region Construction Mediation Rules or any modification thereof for the time being in force.

 *(C) / (3) If the matter cannot be resolved by mediation, or if either the Employer or the Consultants do not wish the matter to be referred to mediation then either the Employer or the *Consultants / Consultant may within the time specified herein require that the matter shall be referred to arbitration in accordance with and subject to the provisions of the Arbitration Ordinance and any such reference shall be deemed to be a submission to arbitration within the meaning of such Ordinance. Any such reference to arbitration shall be made within 90 days of either the refusal to mediate, or the failure of the mediation.

 *(D) / (4) (i) Subject to paragraphs (ii) and (iii) of this sub-clause, the Domestic Arbitration Rules (2014) of the Hong Kong International Arbitration Centre (the Arbitration Rules) shall apply to any arbitration instituted in accordance with this

Clause.

- (ii) Notwithstanding any provision of the Arbitration Rules, the place of meetings and hearings in the arbitration shall be Hong Kong unless the parties otherwise agree.
- (iii) Article 20.1 of the Arbitration Rules shall be deleted and replaced by:

" 20.1(a) The arbitration proceedings are private and confidential between the parties and the arbitrator. Subject to the provisions of section 18 of the Ordinance and these Rules, no information relating to the arbitration shall be disclosed by any person without the written consent of each and every party to the arbitration. Disclosures are permissible where disclosures –

- (a) are necessary for implementation or enforcement;
- (b) are required by the parties' auditors or for some other legitimate business reason;
- (c) are required by any order of the courts of Hong Kong or other judicial tribunal;
- (d) are necessary for the making of claims against any third party or to defend a claim brought by any third party.

20.1(b) Notwithstanding Article 20.1(a) and subject to the following provisions, the party comprising the Government of the Hong Kong Special Administrative Region (the Government party) may disclose the outline of any dispute with the other party and the outcome of the arbitration to the Public Accounts Committee of the Legislative Council upon its request. Before disclosures are made to the said Committee, the Government party shall inform the other party. Disclosures shall not be made to the said Committee before expiry of the first 6 months from the date of the outcome of the arbitration without the written consent of the other party but such consent shall not be unreasonably withheld. The other party shall be deemed to have given his consent to disclosures on the expiry of the first 6 months from the date of the outcome of the arbitration. The other party may, if he considers necessary to protect the sensitive nature of certain information relating to him, request the Government party to disclose such specified information to the said Committee strictly on a confidential basis. If the Government party considers that there are legitimate grounds to accede to the other party's request, the Government party

shall convey the request to the said Committee for its consideration. "

*(E) / (5) All the provisions in Schedule 2 to the Arbitration Ordinance shall apply to any arbitration instituted in accordance with this Clause.

*(F) / (6) For the purposes of this Clause, "Arbitration Ordinance" means the Arbitration Ordinance (Cap. 609) or any statutory modification thereof for the time being in force. "

* *Delete as appropriate.*

Appendix 4.17 STANDARD SPECIAL CONDITIONS OF EMPLOYMENT : PROFESSIONAL INDEMNITY INSURANCE

SCE () Professional Indemnity Insurance

General Conditions of Employment Clause 47 is deleted and replaced by the following:

- (1) Without limiting their obligations and responsibilities nor their liability to indemnify the Employer under Clause 22, the Consultants shall effect and maintain with well established insurers of repute, professional indemnity insurance for a minimum amount [] in respect of their obligations in relation to the Services or any part thereof, for any one occurrence or series of occurrences arising out of any one event, or each and every claim, from the date of commencement of this Agreement until [] years from the date of notification of completion in writing issued by the Director's Representative (hereinafter referred to in this Clause as the "requisite period"). The professional indemnity insurance shall be effected with an insurer or insurers acceptable to the Employer. The Consultants shall immediately inform the Employer in writing if such insurance ceases to be available at reasonable commercial rates or otherwise is not maintained in accordance with this Clause or for any reason becomes void or unenforceable.
- (2) If the insurance policy is project specific, the maximum deductible/excess allowed under the policy shall not exceed 20% of the minimum amount required under sub-clause (1) of this Clause.
- (3) (a) If (i) the insurance policy contains a limit of indemnity in the aggregate for all claims for the period of insurance under the insurance policy, and (ii) the period of insurance under the insurance policy is twelve months or less, then either:
 - (A) the limit of indemnity in the aggregate for all claims for the period of insurance under the insurance policy shall be reinstated in full upon exhaustion of the limit of indemnity by reason of indemnity payments made on account of any claim, loss, damage, liability, cost or expense paid or payable under the insurance policy until the total amount of indemnity payable by the insurer under the insurance policy reaches 2 times the minimum amount required under sub-clause (1) of this Clause; or
 - (B) the limit of indemnity in the aggregate for all claims for the period of insurance under the insurance policy shall not be less than 2 times the minimum amount required under sub-clause (1) of this Clause; or
 - (C) the limit of indemnity for any one occurrence or series of occurrences arising out of any one event, or each and every claim

under the insurance policy shall not be less than 2 times the minimum amount required under sub-clause (1) of this Clause.

- (b) If (i) the insurance policy contains a limit of indemnity in the aggregate for all claims for the period of insurance under the insurance policy, and (ii) the period of insurance under the insurance policy exceeds twelve months, then either:
 - (A) the limit of indemnity in the aggregate for all claims for the period of insurance under the insurance policy shall be reinstated in full upon exhaustion of the limit of indemnity by reason of indemnity payments made on account of any claim, loss, damage, liability, cost or expense paid or payable under the insurance policy until the total amount of indemnity payable by the insurer under the insurance policy reaches 3 times the minimum amount required under sub-clause (1) this Clause; or
 - (B) the limit of indemnity in the aggregate for all claims for the period of insurance under the insurance policy shall not be less than 3 times the minimum amount required under sub-clause (1) of this Clause; or
 - (C) the limit of indemnity for any one occurrence or series of occurrences arising out of any one event, or each and every claim under the insurance policy shall not be less than 3 times the minimum amount required under sub-clause (1) of this Clause.
- (4) The Consultants shall provide to the Employer within 60 days from the date of commencement of this Agreement and thereafter, in the case where the insurance policy does not cover the entire requisite period, within 7 days of professional indemnity insurance being effected upon the expiry of the earlier insurance policy:
 - (i) an undertaking that the current insurance policy complies with the terms in this Clause in Form [] in Appendix [] to these General Conditions of Employment; and
 - (ii) a certified copy of the full insurance policy for the approval of the Employer unless the Consultants can demonstrate to the satisfaction of the Employer that it is not reasonably practicable to provide a certified copy of the full insurance policy in which event the Consultants shall provide a certificate in Form [] in Appendix [] to these General Conditions of Employment issued by the insurer or insurance broker of the insurance policy and any information relating to the insurance policy that the Employer may reasonably require.
- (5) If the Consultants shall fail upon request to produce to the Employer satisfactory evidence that there is in force professional indemnity insurance required under this Clause, the Employer may effect and keep in force any such insurance and

pay such premium as may be necessary for that purpose. The Employer shall be entitled to deduct such premium, together with expenses incurred, in accordance with the provisions of Special Conditions of Employment Clause []¹ and/or to recover such amount as a debt due from the Consultants.

- (6) In determining the period of insurance under an insurance policy for the purpose of this Clause, any extension or renewal of the insurance policy shall be treated as a separate insurance policy and shall not have the effect of extending the period of insurance.

¹ Insert the number of the following Special Condition of Employment relating to setting off money due to the Government from defaulting Consultants promulgated in SETW's memo of 2 June 2003, ref. (59) in ETWB(PS) 106/11 Pt 19:

“SCE []

- (1) All damages, losses, costs, expenses, debts or sums for which the Consultants are liable to the Employer under any provision of this Agreement may be deducted by the Employer from monies due to the Consultants under this Agreement and the Employer shall have the power to recover any balance not so deducted from monies due to the Consultants under any other Government consultancy agreement between the Employer and the Consultants.
- (2) All damages, losses, costs, expenses, debts or sums for which the Consultants are liable to the Employer under any provision of any other Government consultancy agreement between the Consultants and the Employer may be deducted by the Employer from monies due to the Consultants under this Agreement.”

**Appendix 4.18 STANDARD SPECIAL CONDITIONS OF EMPLOYMENT :
CONTRACTS (RIGHTS OF THIRD PARTIES) ORDINANCE**

Contracts (Rights of Third Parties) Ordinance

SCE()

- (1) Nothing in this Agreement confers or purports to confer on any third party any benefit or any right pursuant to the Contracts (Rights of Third Parties) Ordinance (Cap.623) to enforce any term of the Agreement.
- (2) This Special Condition of Employment shall only be applicable if this Agreement is awarded on or after the commencement date of the Contracts (Rights of Third Parties) Ordinance (Cap. 623).

Notes Sub-clause (2) will not be required for Technical and Fee Proposals invited on or after the commencement date (i.e. 1.1.2016) of Cap. 623, or for Technical and Fee Proposals invited before such commencement date but with a submission deadline on or after such commencement date.

APPENDIX 5.1 SAMPLE HOURLY RATE CHARGE CALCULATION SHEET

Agreement No. & Title

Consultant

C.V. No.

Name

ROLE

- (1) STATUS (a) Single
(b) Married + children (incl. ages)

Salary

Annual Salary

Bonus

Employer's Pension Contribution.....

Gross Annual Earnings (Annual Salary Cost ASC)

(1) Hourly Rate at (M x ASC/1,680) HK\$ (A)

Expenses

(2) Education Allowance HK\$
Medical Insurance HK\$
Workers Compensation Insurance HK\$
Accommodation HK\$
Passages HK\$
Gross Annual Expenses HK\$
Hourly Rate (GAE divided by 1,680) HK\$ (B)
Total Hourly Charge (A + B) HK\$

- Notes : (1) (a) & (b) delete whichever does not apply
(2) incl. school passages for overseas where applicable

APPENDIX 5.2 CONSULTANTS REMUNERATION – FEES BASED ON A PERCENTAGE BASIS

(Applicable only to certain old ongoing agreements)

1. BACKGROUND

- 1.1 This Appendix describes the fee adjustment measures promulgated originally in Lands and Works Branch Technical Circular Nos. 9/84 and 2/85 (both subsumed and suitably adapted hereunder), but no longer applicable to new assignments since July 1989.
- 1.2 Fees for the investigation, design and construction stage services in respect of engineering projects under certain old but still ongoing consultancy agreements are calculated as a percentage of the cost of the works according to a fixed scale of percentage charges. The validity of such a scale relies on the assumption that there is a constant relationship between the cost of the works and the cost of the consultant in providing the service. However, the general trend is for the cost of works to rise substantially when the construction industry is booming and to fall dramatically during recession. Set against this, consultants' operating costs tend to rise steadily irrespective of these factors.
- 1.3 This Appendix sets out the measures to counter the effect that large and rapid variations in the level of tender prices have on consultants' fees which are calculated as a percentage of the cost of the works, viz. :-
- (a) a Consultants Remuneration Index (CRI) designed to take account of the overall trend in the level of tender prices and Consulting Engineer's operating costs; and
 - (b) provision to make further adjustments in the cost of the works where Uncharacteristic Tenders are accepted which are lower or higher than the level expected from the prevailing conditions which the Consultants Remuneration Index is designed to counter.
- 1.4 The adjustment of Percentage Scale Fee using CRI has subsequently been replaced by another system of inflation index, as promulgated in L&WB TC No. 9/89 effected on 1 July 1989, by the application of an index known as Civil Engineering Works Index (CEWI) (see **Appendix 5.3**).

2. CONSULTANTS REMUNERATION INDEX

2.1 Introduction

- 2.1.1 The Consultants Remuneration Index (CRI) has been developed as a means of adjusting the cost of works on which consulting engineers fees are calculated. Being a function of the Gross Domestic Product Deflator (GDP Deflator) which reflects the fluctuations in consulting engineer's operating cost from quarter to quarter and the Tender Price Index (TPI) for public building projects which reflects the fluctuations in tender prices from quarter to quarter, it links consulting engineers' fees to the prevailing conditions. A base of 100 points has been selected representing an equitable remuneration to consulting engineers when the remuneration is based on the scales of fees currently in use. The Secretary, EACSB issues from time to time the CRI to departments who still

have such old ongoing consultancy agreements. For information, the index from the 3rd quarter of 1982 to 4th quarter of 1983 are as follows :-

	<u>Period</u>	<u>CRI</u>
1982	3rd quarter	102
	4th quarter	105
1983	1st quarter	118
	2nd quarter	118
	3rd quarter	115
	4th quarter	113

- 2.1.2 A resume of the basic principles and compilation of the CRI is included at **Annex A** for information.
- 2.2 Application
- 2.2.1 For those old ongoing engineering Investigation, Design & Construction (IDC) agreements for which the CRI adjustment method [No longer applicable since July 1989] has been adopted, the adjustment is in particular applicable to:
- (a) all new arrangements then in conjunction with anti-inflation measures which provide for design stage fees to be based on the Net Cost of the Works.
 - (b) all existing agreements then where the consulting engineers have so requested.
- 2.2.2 (omitted)
- 2.2.3 (omitted)
- 2.2.4 (omitted)
- 2.3 Operation
- 2.3.1 Where applicable, the CRI is intended to adjust the cost of works of individual contracts for the purpose of fee calculation and shall operate as follows :-
- (a) (omitted)
 - (b) on all cost of works as a percentage addition or deduction after all other additions or deductions on the cost of works provided under the agreement have been applied.
 - (c) the CRI shall correspond to the quarter during which tenders for the contract have been received.
 - (d) no adjustment will be made if the CRI lies between 95 and 105 points. The cost of works shall be adjusted upwards by 1% for every point that the index rises above 105 points and shall be adjusted downwards by 1% for every point that the index drops below 95 points.
- 2.3.2 (standard clause omitted)

3. UNCHARACTERISTIC TENDERS

3.1 It has been recognized that if an uncharacteristically low tender is to be accepted, consultant's fees might be reduced to a level at which they could no longer provide an adequate service during the Construction Stage.

3.2 In certain agreements where such an uncharacteristically low tender has been accepted, an upward adjustment to the cost of works for the purpose of fee calculation might have been negotiated.

3.3 On rare occasions, Government might have accepted a tender which is uncharacteristically high (e.g. when time pressures precluded re-tendering). In such an instance, consultants might be over-remunerated for the effort they put into the works and a downward adjustment to the cost of works for the purpose of fee calculation might have been negotiated.

3.4 (standard clause omitted)

3.5 Procedures for dealing with uncharacteristically low tenders

3.5.1 Application

3.5.1(a) For the purpose of fee calculation, upward adjustments to the cost of works of uncharacteristically low tenders might be applicable to contracts as approved by the EACSB and signed on or after 1st July 1982 [No longer applicable since July 1989].

3.5.2 Operation

3.5.2(a) When a consultant considers that the accepted tender is uncharacteristically low, he may submit his justification to the Director's Representative for an initial upward adjustment in the cost of the works for the purpose of calculating interim fee. The justification shall be fully argued in the consultant's submission. For guidance, the following criteria (which are not exhaustive) may be used singularly or collectively :-

- (i) by the statistical analysis at **Annex B**,
- (ii) by visual inspection of a graph of all tenders received for the contract as at **Annex C**,
- (iii) from a comparison with the Engineer's estimate.

3.5.2(b) The upward adjustment of the tender price will establish a "floor value" for the contract and should be determined through methods described in paragraph 3.5.2(a) above and be submitted to the EACSB for approval. If an upward adjustment is approved by the EACSB the difference between the accepted tender and the approved "floor value" should be expressed as a percentage increase and interim fees for the design stage should be based on the estimated final contract sum enhanced by the percentage. Similarly, interim fees for the construction stage should be based on the cost of the completed works to date enhanced by the same percentage. However, as the contract proceeds the validity of the original assessment of the "floor value" should be checked

in the light of variations or any other changes and if considered necessary a revised "floor value" and percentage adjustment should be submitted to the EACSB for approval.

- 3.5.2(c) On completion of the contract when all claims have been assessed and the final contract sum is known, the Director's Representative should review whether the final cost is valid for the purpose of calculating final fees. If the final contract sum is not considered uncharacteristically low for the works executed, the final fees shall be based on the actual cost of the works in accordance with the provisions of the agreement. If the final contract sum is still considered uncharacteristically low and warrants an upward adjustment for the purpose of calculating final fees, a further submission shall be made to the EACSB reassessing the "floor value" in line with para. 3.5.2(a) above. (It should be noted that where the cost of the works exceeds the tendered sum as a result of increased quantities on remeasurement or variations priced at rates comparable with tendered rates, the original "floor value" and percentage adjustment will remain valid.)
- 3.5.2(d) Attention is drawn to the fact that contracts initially assessed as being uncharacteristically low are likely to give rise to legalistic claims and pressure to agree high rates for extra works. In reviewing the validity of the "floor value" for the purpose of calculating interim or final fees, the Director's Representative should take account of the magnitude of the claims settlement and the cost of extra works in relation to the resources expended by the consultant in dealing with these matters. (i.e. The payment to the contractor may be large while the Consultant's effort is small and vice versa).

3.6 Procedures for dealing with uncharacteristically high tenders

3.6.1 Application

- 3.6.1(a) Similar to those for dealing with uncharacteristically low tenders, downward adjustments to the cost of works of uncharacteristically high tenders might be applicable to contracts as approved by the EACSB and signed on or after 1st July 1982.

3.6.2 Operation

- 3.6.2(a) On the rare occasion when an uncharacteristically high tender has to be accepted, the Director's Representative shall have initiated action with the consultants to agree on a downward adjustment to the cost of works for the purpose of calculating fees. The adjustment shall operate on similar lines to those outlined in para. 3.5 for dealing with uncharacteristically low tenders. The arrangements negotiated with the consultants shall be submitted to the EACSB for approval.

4. ADJUSTMENT FOR BOTH CRI AND UNCHARACTERISTIC TENDERS

- 4.1. In cases where adjustment is to be made for both circumstances, the percentage adjustment in respect of the uncharacteristic tender must be made first as agreed by the EACSB, after which the agreed price will be further adjusted in respect of the rise or fall of the Consultants Remuneration Index.
- 4.2 It follows that the total adjustment finally to be applied to the tendered price is the product, and not the sum, of the two percentage adjustments.

CONSULTANTS REMUNERATION INDEX

1. Basic principles and assumptions

For certain old existing consultancies, consulting engineers are to be remunerated through scales of fees for provision of service in respect of design and supervision of projects. The underlying assumption of those scales is that there is a relationship between the cost of construction of the works and the consulting engineers' cost for designing and supervising works. In the situation where the cost of works fluctuates widely in relation to the cost of design and supervision, an adjustment to the cost of works through a Consultants Remuneration Index (CRI), which is basically a ratio of relative changes to the cost of design and supervision and relative changes to the cost of construction of works, will be necessary. The CRI adjustment attempts to take account of the movements of tender prices due to boom and recession conditions.

2. Compliance

The CRI is derived from the factor of $\frac{(\text{Gross Domestic Product Deflator})}{(\text{Tender Price Index})}$ expressed as

a percentage and normalised to a base of 100 points. For those agreements concerned, the Gross Domestic Product Deflator (GDP Deflator) published by the Census & Statistics Department is considered a good indicator of the cost of operating a consulting engineer's office for provision of service in respect of engineering projects. The Tender Price Index (TPI) for public building projects published in the Quarterly Economic Report of the Economic Services Branch is considered to reflect reasonably well the trend in the cost of engineering construction. The average of CRI over the 32 quarters from 3rd quarter of 1975 to 2nd quarter of 1983 has been taken as the datum of 100 points.

The Consultants Remuneration Index is compiled as follows :

- An Apparent CRI is obtained by expressing the factor $\frac{(\text{GDP Deflator})}{(\text{TPI})}$ as a percentage.

APPARENT CRI

<u>YEAR</u>	<u>1ST QUARTER</u>	<u>2ND QUARTER</u>	<u>3RD QUARTER</u>	<u>4TH QUARTER</u>
1975	-	-	85	84
1976	79	80	83	84
1977	77	74	71	64
1978	65	64	60	59
1979	56	53	53	50
1980	50	49	49	47
1981	48	48	53	53
1982	57	57	65	67
1983	75	75	(73)	(72)

Number of Index 32
Sum of Index 2034
Average of Index 63.56

(73) & (72) - These figures not included in the calculation of the datum.

- The Apparent CRI is then normalised taking the average of the 32 quarters (63.56) as the datum at 100 points.

CONSULTANTS REMUNERATION INDEX

<u>YEAR</u>	<u>1ST QUARTER</u>	<u>2ND QUARTER</u>	<u>3RD QUARTER</u>	<u>4TH QUARTER</u>
1975	-	-	134	132
1976	124	126	131	132
1977	121	116	112	101
1978	102	101	94	93
1979	88	83	83	79
1980	79	77	77	74
1981	76	76	83	83
1982	90	90	102	105
1983	118	118	(115)	(113)

Number of Index 32
Average of Index 100

(115) & (113) - These figures not included in the calculation of the datum.

At each step of calculation, the figures are rounded off to the nearest integer.

STATISTICAL EVALUATION OF UNCHARACTERISTICALLY LOW TENDERS

An initial evaluation of whether a low tender is considered uncharacteristically low may be performed by carrying out the following statistical analysis.

- (i) Determine the arithmetic mean \bar{x} of all tenders received.

$$\bar{x} = \frac{\sum x_i}{n}$$

Where n is the number of tenders and x_i is the individual tender price for which $i = 1$ to n.

- (ii) Determine the standard deviation $\bar{\sigma}$ of all tenders received.

$$\bar{\sigma} = \sqrt{\frac{\sum (x_i - \bar{x})^2}{n}}$$

- (iii) Determine the Characteristic Factor (CF) for the accepted tender at a price p.

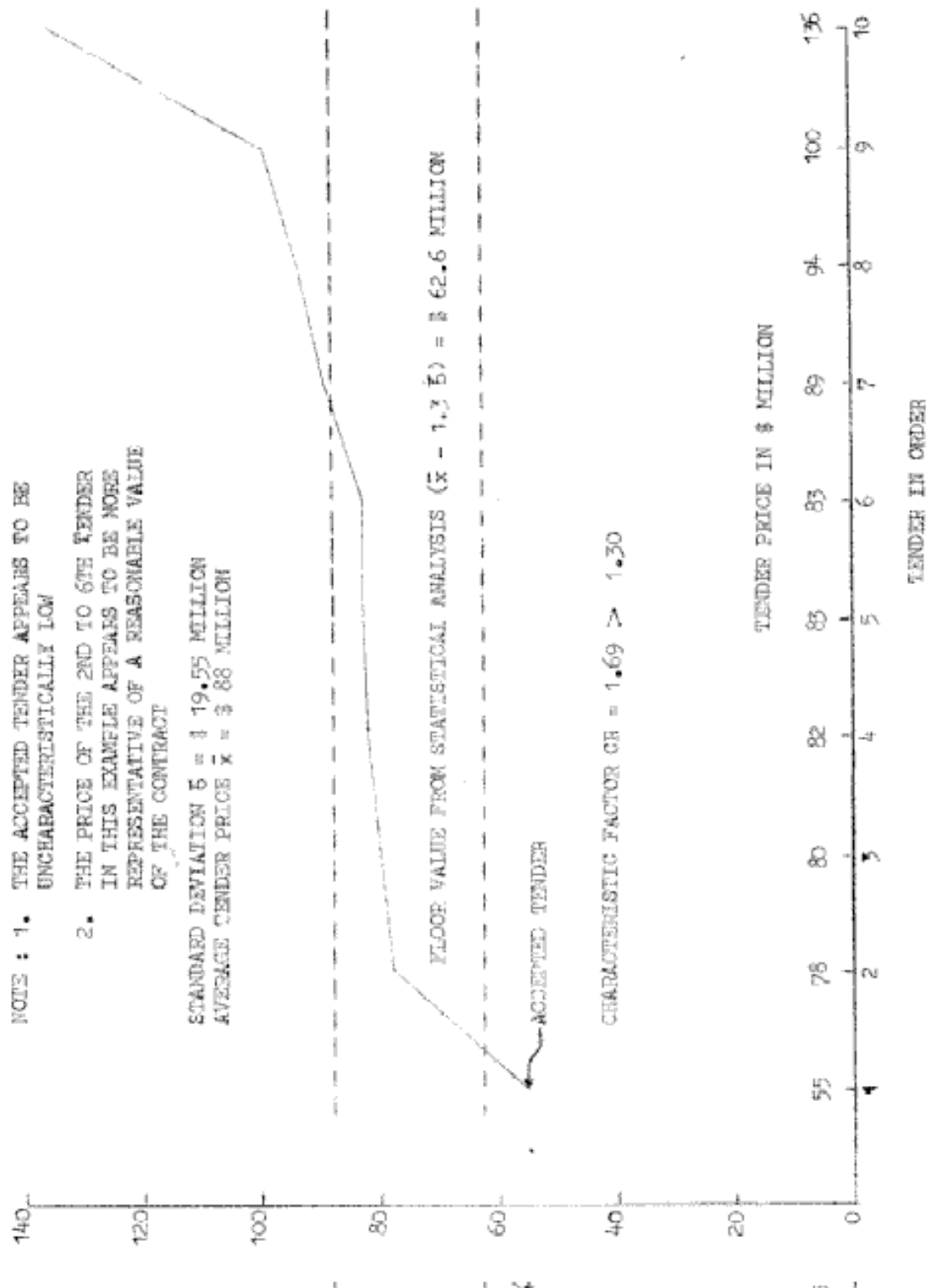
$$CF = \frac{\bar{x} - p}{\bar{\sigma}}$$

An uncharacteristically low tender can initially be identified as one having a CF greater than 1.3 but other considerations may influence the final decision regarding whether any adjustment is required for fee calculation purposes.

By similar reasoning, an initial "floor value" for the contract can be determined through the expression :-

Initial "floor value" of the contract = $(\bar{x} - 1.36)$

GRAPHIC ANALYSIS OF ALL TENDERS
RECEIVED FOR THE CONTRACT



APPENDIX 5.3

ADJUSTMENT OF CONSULTANTS' REMUNERATION BY THE CIVIL ENGINEERING WORKS INDEX (Applicable only to certain old ongoing agreements)

Introduction

This Appendix describes the fee adjustment measures promulgated originally in L&WB TC No. 9/89 and WBTC No. 9/90, but no longer used in new assignments since May 1991, to compensate the eroding effects of inflation on consultants' fees which are calculated as a percentage of the Cost of Works. The relevant paragraphs from the original circulars are basically subsumed hereunder, without updating or extension of the relevant data quoted in the circular, in order to retain the background and requirements for reference. The measures shall not be used in new assignments.

Civil Engineering Works Index

2. The Civil Engineering works Index (CEWI) has been developed as a means of relating the costs of civil engineering works at current prices to those at 1980 when the current standard Scale of Percentage Fees (**Annex A**) was first established. The CEWI is based on the labour index and various materials costs indices published monthly by the Census & Statistics Department. The weighting factors used for compiling the CEWI are based on a comprehensive review of over 350 civil engineering works contracts during the period 1984-1987 from the then Civil Engineering Services Department, Water Supplies Department, Housing Department, Highways Department and former Territory Development Department. A list of the weighting factors adopted and the values the CEWI calculated for the period since 1980 are given at **Annex B**.

The CEWI Remuneration Method

3. The CEWI remuneration method involves the following procedures :-
- (a) The Net Cost of the Works for any construction contract should be deflated by the ratio of the Civil Engineering Works Index (CEWI) in 1980 to the CEWI at the close of tenders for that contract. The Net Cost of any part of the Works for which tenders have not yet closed should be deflated by multiplying the latest estimate of the Net Cost of that part of the Works by the ratio of the 1980 CEWI to the CEWI at the time of the latest estimate.
 - (b) The deflated Net Cost of the Works obtained by summing the deflated Net Costs of the various parts of the Works should then be used to obtain the overall fee percentage from the Scale of Percentage Fees, which should then be applied to the Cost of the works, Net Cost of the Works and Adjusted Net Cost of the Works to calculate the fees due.
 - (c) The additional fee on the reinforced concrete portion and on the structural metalwork portion of the Works may also be calculated in the same manner.
4. A worked example of the CEWI remuneration method is at **Annex C**.

Application

5. The CEWI remuneration method applies to those old engineering Investigation, Design & Construction (IDC) agreements signed on or after 1 July 1989 [No longer applicable since May 1991].

6. This method also applies to the following types of certain old IDC agreements signed before 1 July 1989, subject to mutual agreement between the consultants and Government:

- (i) Single-contract agreements where the closing date of tender is on or after 1 July 1989.
- (ii) Multi-contract agreements where the closing dates of tender of all contracts in the agreement are on or after 1 July 1989.
- (iii) Individual "phases" of a multi-contract agreement where there are provisions for the calculation of fees for each "phase" of the work and that the closing dates of tender of all contracts for that phase are on or after 1 JULY 1989.

7. The CEWI remuneration method and the method for dealing with uncharacteristic tenders as described in the following paragraphs shall be applied as a package in the existing agreements described in Para. 6 above.

The Method for Adjustment to Uncharacteristic Tenders

8. For the purpose of calculating fees, adjustment to an uncharacteristic tender can be made as follow :-

- (1) Inspect the corrected tender prices for a contract and exclude those tenders which do not meet contract provisions,
- (2) Calculate the average tender price (\bar{p}) and the standard deviation (σ) of the tender prices based on the corrected tender prices,
- (3) Calculate the characteristic factor, CF(T), of the accepted tender based on the corrected tender price of the accepted tender ($p(t)$).
- (4) If $CF(T) > 1.922$, then the accepted tender is considered as uncharacteristically low. Then CF is taken as 1.922 for calculation of the adjusted tender price in (6) below.
- (5) If $CF(T) < 0.612$, then the accepted tender is considered as uncharacteristically high. Then CF is taken as 0.612 for calculation of the adjusted tender price in (6) below.
- (6) For an uncharacteristic tender identified by (4) or (5) above, Adjusted tender price (p) = Average tender price (\bar{p}) - CF \times standard deviation

(σ) ,

- (7) Adjustment factor = Adjusted tender price (p)/Accepted tender price (p(t)),
- (8) Adjusted Cost of Works = Adjustment factor \times Cost of Works.

The mathematical derivation of the Characteristic Factor (CF(T)) for the accepted tender and worked examples illustrating the application of the proposed method to uncharacteristically low and high tenders can be found at **Annexes D, E and F**.

Application

- 9. The method for adjustment to uncharacteristic tenders applies to the relevant engineering Investigation, Design and Construction (IDC) agreements signed on or after 1 July 1989 [No longer applicable since May 1991].
- 10. Subject to mutual agreement between Government and the consultants, the method also applies to some old agreements for those contracts whose tender closing date is on or after 1 July 1989. The above method and the remuneration method using the Civil Engineering Works Index shall be applied as a package in those relevant existing agreements.
- 11. Some old agreements have adopted another type of method for dealing with uncharacteristic tender as promulgated originally in LWBTC Nos. 9/84 and 2/85. This another type of method is described at **Appendix 5.2** for reference.

Scale of Percentage Fees**Table 1****Buildings, Civil Engineering, Electrical and Mechanical works**

Cost of Works				Fees			
				11.5% of the Cost of Works			
From	Up to	\$200,000	\$23,000	+9.2%	bal. over	\$200,000	
	\$200,000 to	\$500,000	\$50,600	+8.05%	"	\$500,000	
	\$500,000 to	\$800,000	\$74,750	+6.9%	"	\$800,000	
	\$800,000 to	\$1,500,000	\$123,050	+6.325%	"	\$1,500,000	
	\$1,500,000 to	\$3,500,000	\$249,550	+5.75%	"	\$3,500,000	
	\$3,500,000 to	\$7,000,000	\$450,800	+5.175%	"	\$7,000,000	
	\$7,000,000 to	\$12,000,000	\$709,550	+4.8875%	"	\$12,000,000	
	\$12,000,000 to	\$20,000,000	\$1,100,550	+4.6%	"	\$20,000,000	
Over	\$20,000,000 to	\$100,000,000	\$4,780,550	+4.3125%	"	\$100,000,000	

Table 2**Additional Fee on the Reinforced Concrete Portion of the Works**

Cost of the Reinforced Concrete Portion of the Works				Additional Fees			
Under	\$4,000,000			4.025% of the cost of the Reinforced Concrete Portion of the works			
From	\$4,000,000	to	\$6,000,000	\$161,000	+2.875%	bal. over	\$4,000,000
	\$6,000,000	to	\$8,000,000	\$218,500	+2.3%	"	\$6,000,000
Over	\$8,000,000			\$264,500	+1.725%	"	\$8,000,000

Table 3**Additional fee on the Structural Metalwork Portion of the Works**

For structural metalwork, the additional fee shall be one half of that for reinforced concrete, as calculated from Table 2 above.

Weighting factors and list of CEWI since 1980

Labour and Material Index	Weighting Factors
Labour	0.42064
Aggregates	0.05133
Bitumen	0.03286
Bricks	0.02503
Diesel fuel	0.10026
High tensile steel bars 10 mm - 40 mm	0.10297
Light structural steel	0.03524
Round mild steel bars 20 mm and above	0.02689
Round mild steel bars 16 mm and above	0.03120
Portland Cement (Ordinary)	0.11065
Timber	0.06293

Weighting factors and list of CEWI since 1980 (Cont'd)

Year	Quarter	Civil Engineering Works Index (CEWI)
1980	Annual	100
1981	1st Quarter	105.0
	2nd Quarter	108.2
	3rd Quarter	109.4
	4th Quarter	111.8
1982	1st Quarter	114.5
	2nd Quarter	115.4
	3rd Quarter	115.9
	4th Quarter	117.8
1983	1st Quarter	119.4
	2nd Quarter	121.6
	3rd Quarter	124.9
	4th Quarter	132.6
1984	1st Quarter	133.0
	2nd Quarter	133.8
	3rd Quarter	134.3
	4th Quarter	133.9
1985	1st Quarter	133.9
	2nd Quarter	133.9
	3rd Quarter	133.0
	4th Quarter	133.2
1986	1st Quarter	135.8
	2nd Quarter	134.5
	3rd Quarter	134.1
	4th Quarter	136.5
1987	1st Quarter	141.7
	2nd Quarter	144.7
	3rd Quarter	153.4
	4th Quarter	164.8
1987	1st Quarter	172.9
	2nd Quarter	174.9
	3rd Quarter	180.5
	4th Quarter	188.7

Worked example of application of the CEWI remuneration method

1. A project consists of three contracts :

- (i) Contract No. 1 has been completed. There has been a delay of over 90 days between the substantial completion of design/contract stage and closing date of tender and an adjustment factor of say 0.95 to the Net Cost of Works for calculation of the Design Stage Fee is obtained from the standard Adjustment Clause.
- (ii) Contract No. 2 is on-going.
- (iii) Contract No. 3 has not been tendered.
- (iv) For all three contracts, it is assumed that adjustments in respect of uncharacteristic tenders need not be made.

Contract No.	Estimated Cost of Works	Tender Sum	Final Contract Sum	Total PFA*	CEWI** at tender closing date	Current CEWI**
1	Contract completed	Contract completed	\$105M	\$10M	133.2	164.8
2***	\$68M	\$69M	Not known	Not known	141.7	164.8
3	\$30M	Not known	Not known	Not known	Not known	164.8

Notes:-

- * PFA is price fluctuation adjustments in the contract
- ** CEWI is the Civil Engineering Works Index and base CEWI at 1980 is 100.0. Current CEWI is taken as that at 1987 4th Quarter which is 164.8
- *** For Contract No. 2, updated estimated cost of works (including estimated PFA of \$ M and variation of \$1M) = \$75M

Equivalent Fee Percentage Calculation

Contract No. 1

Cost of works including price fluctuation adjustments	= \$105M
Cost of Works excluding price fluctuation adjustments	= \$105M-\$10M
	= \$95M
Deflated cost of works at 1980	= \$95M*100/133.2

Contract No. 2

Updated estimate of Cost of Works (excluding estimated PFA of \$ M)	= \$75M-\$5M
	= \$70M
Deflated cost of works at 1980	= \$70M*100/141.7
	= \$49.4M

Worked example of application of the CEWI remuneration method (Cont'd)Contract No. 3

Estimated Cost of Works	= \$30M
Deflated cost of works at 1980	= \$30M*100/164.8
	= \$18.2M
For all 3 contracts, total deflated cost of works	= \$71.3M+\$49.4M+\$18.2M
	= \$138.9M

Based on total deflated cost of works at 1980, consultant fee may be obtained from the 1980 Scale of Fees at Annex A

Consultant Fee at 1980	= \$4,780,550 + 4.3125% * (\$138.9M - \$100M)
	= \$6,458,113

Equivalent fee percentage	= \$6,458,113/\$138.9M * 100%
	= <u>4.649%</u>

Consultant Fee Calculations

For all three contracts, assume that the negotiated fee percentage for the design stage is 47% and for the construction stage is 28%.

The estimated completion percentages of each contract are as follows :-

	Contract No. 1	Contract No. 2	Contract No. 3
Design Stage	100%	100%	30%
Construction Stage	100%	40%	0%

Contract No. 1

As stated in para. 1(i) above, an adjustment factor of 0.95 is applicable to the Net Cost of Works for calculation of the Design Stage Fee,

Adjusted Cost of Works	= 0.95 * (\$105M - \$10M)	= \$90.25M
Design Stage Fee	= 4.649% * \$90.25M * 100% * 47%	= \$1,971,990
Construction Stage Fee	= 4.649% * \$105M * 100% * 28%	= <u>\$1,366,806</u>
Total Fee for interim payment for Contract No. 1		= \$3,338,796

Worked example of application of the CEWI remuneration method (Cont'd)Contract No. 2

Updated estimate of Cost of Works (excluding	= \$75M - \$5M
estimated PFA of 5M)	= \$70M
Design Stage Fee = $4.649\% * \$70M * 100\% * 47\%$	= \$1,529,521
Construction Stage Fee = $4.649\% * \$75M * 40\% * 28\%$	= \$ 390,516
Total Fee for interim payment for Contract No. 2	= <u>\$1,920,037</u>

Contract No. 3

Estimated Cost of Works	= \$30M
Design Stage Fee	= \$ 196,653
As the contract has not been tendered,	
Total Fee for interim payment for Contract No. 3	= \$ 196,653

The fees calculated above are for interim payments only. When the Final Contract Sum and Price Fluctuation Adjustments (if any) for Contracts No. 2 and 3 are known, the equivalent fee percentage and hence the total consultant fee for all three contracts should be re-calculated in the same manner as shown above and final adjustments to payments to consultants should then be made.

**Mathematical Derivation of
Characteristic Factor (CF(T)) for Accepted Tender**

Number of tenders received	n
Individual tender price	$p(i); i=1,...,n$
Accepted tender price	$p(t)$
Average tender price	$\bar{p} = \frac{\sum p(i)}{n}$
Standard deviation	$\sigma = \sqrt{\frac{\sum (p(i) - \bar{p})^2}{n}}$
Characteristic factor for accepted tender	$CF(T) = \frac{\bar{p} - p(t)}{\sigma}$

Worked Example for Adjusting Uncharacteristically Low Tender

Data

Tender prices for a contract are as follows :-

\$41.377 M, \$46.257 M, \$46.400 M, \$48.245 M, \$48.312M,
\$48.942 M, \$49.804 M, \$50.350 M, \$51.685 M, \$52.232M,
\$54.081 M

Accepted tender price	$p(t)$	= \$41.377 M
Average tender price	\bar{p}	= \$48.877 M
Standard deviation	σ	= \$3.301 M
Characteristic factor of accepted tender	CF(T)	= $\frac{(\$48.877 - \$41.337)M}{\$3.301 M}$ = 2.284

Procedure

- (1) CF(T) = 2.284 > 1.922 (Refer to Para. 8(4) of Appendix 5.3)
Therefore, it is an uncharacteristically low tender
i.e. CF = 1.922
- (2) Adjusted tender price (p) = Average tender price (\bar{p})
- CF × standard deviation (σ)
= \$(48.877 - 1.922 × 3.301) M
= \$42.533 M
- (3) Adjusted factor = $\frac{\text{Adjusted tender prices (p)}}{\text{Accepted tender price (p(t))}}$
= \$42.533 M/\$41.337 M
= 1.029
- (4) Adjusted Cost of Works = Adjustment factor × Cost of Works
= **1.029 × Cost of Works**

Worked Example for Adjusting Uncharacteristically High Tender

Data

Tender prices for a contract are as follows :-

\$135.399M, \$143.246M, \$146.083M, \$147.153M, \$158.000M, \$179.101M,
\$189.538M

Accepted tender price	$p(t)$	= \$147.153 M
Average tender price	\bar{p}	= \$156.931 M
Standard deviation	σ	= \$18.594 M
Characteristic factor of accepted tender	$CF(T)$	= $\frac{(\$156.931 - \$147.153)M}{\$18.594 M}$ = 0.526

Procedure

- (1) $CF(T) = 0.526 < 0.612$ (Refer to Para. 8(5) of Appendix 5.3)

Therefore, it is an uncharacteristically high tender

i.e. $CF = 0.612$

- (2) Adjusted tender price (p) = Average tender price (\bar{p})
- $CF \times$ standard deviation (σ)
= $\$(156.931 - 0.612 \times 18.594) M$
= \$145.522 M
- (3) Adjusted factor = $\frac{\text{Adjusted tender prices (p)}}{\text{Accepted tender price (p(t))}}$
= $\$145.522 M / \$147.153 M$
= 0.989
- (4) Adjusted Cost of Works = Adjustment factor \times Cost of Works
= **0.989 \times Cost of Works**

APPENDIX 6.4 REFERENCE FOR MANAGING DEPARTMENTS IN PREPARING THE "SCHEDULE OF RESIDENT SITE STAFF STANDARDS AND DUTIES"

Section I: Minimum Qualification and Experience

Section II: Normal Duties

I Minimum Experience which could be considered for Adoption and Minimum Qualification Required on Common Ranks of Resident Site Staff.

The following abbreviations are used in the table below:

r relevant

p post

q qualification

e experience

eq equivalent

HC Higher Certificate

Dip Diploma

TI Technical institute in Hong Kong

TC Technical college in Hong Kong

Rank	Minimum Academic/Professional Qualification Required	Minimum Experience Which Could be Considered for Adoption
CRE	MHKIE or eq. in an appropriate discipline.	10 yr r.p.q.e.
SRE	MHKIE or. eq. in an appropriate discipline.	5 yr r.p.q.e.
RE	MHKIE or eq. in an appropriate discipline.	r.e.
SRQS	MHKIS Quantity Surveying Div. or eq.	5 yr. r.p.q.e.
RQS	MHKIS Quantity Surveying Div. or eq.	r.e.
SRLS	MHKIS Land Surveying Div. or eq.	5 yr. r.p.q.e.
RLS	MHKIS Land Surveying Div. or eq.	r.e.
RSIOW	Dip from TI or eq. in an appropriate discipline.	11 yr. r.p.q.e.
	HC from TC or eq. in an appropriate discipline.	12 yr. r.e. inclusive of 9 yr. r.p.q.e.
	-	4 yr. appropriate experience as IOW in a Government or quasi Government project
RIOW	Dip from TI, or eq. in an appropriate discipline.	7 yr. r.p.q.e.
	HC from TC or eq. in an appropriate discipline.	8 yr. r.e. inclusive of 5 yr. r.p.q.e.
	-	4 yr. appropriate experience as AIOW in a Government or quasi Government project
RAIOW	Dip from TI, or eq. in an appropriate discipline.	3 yr. r.p.q.e.
	HC from TC or eq. in an appropriate discipline.	4 yr. r.e. inclusive of 1 yr. r.p.q.e.
		4 yr. r.e. inclusive of 1 yr. at WS in a Government or quasi-Government project.
	-	3 yr. appropriate experience as WSI in a Government or quasi Government project.
RWSI	Cert. from TI or eq. in an appropriate discipline.	3 yr. r.p.q.e.
	Completed a high diploma apprenticeship	3 yr. r.p.q.e
RWSII	Cert. from TI or eq. in an appropriate discipline.	-
	Completed a high diploma apprenticeship	-
RTO(C)	5 passes in HKCEE, including English Syl B at grade E and mathematics at grade C, plus Cert. from TI in an appropriate discipline.	3 yr. r.e.
	HC from TC or Dip from TI or eq. in an appropriate discipline.	-

Rank	Minimum Academic/Professional Qualification Required	Minimum Experience Which Could be Considered for Adoption
RSTO(C)	5 passes in HKCEE, including English Syl B at grade E and mathematics at grade C, plus Cert. from TI in an appropriate discipline.	7 yr. r.e. inclusive of 4 yr. r.p.q.e.
	HC from TC or Dip from TI or eq. in an appropriate discipline.	4 yr. r.p.q.e.
RSO(E)	5 passes in HKCEE, including English Syl B at grade E and mathematics at grade C, plus Cert. from TI in an appropriate discipline.	3 yr. r.e.
	HC from TC or Dip from TI or eq. in an appropriate discipline.	-
RSSO(E)	5 passes in HKCEE, including English Syl B at grade E and mathematics at grade C, plus Cert. from TI in an appropriate discipline.	7 yr. r.e. inclusive of 4 yr. r.p.q.e.
	HC from TC or Dip from TI or eq. in an appropriate discipline.	4 yr. r.p.q.e.
RPSO(E)	5 passes in HKCEE, including English Syl B at grade E and mathematics at grade C, plus Cert. from TI in an appropriate discipline.	11 yr. r.e. inclusive of 8 yr. r.p.q.e.
	HC from TC or Dip from TI or eq. in an appropriate discipline.	8 yr. r.p.q.e.
RSO(Q)	5 passes in HKCEE, including English Syl B at grade E and mathematics at grade C, plus Cert. from TI in an appropriate discipline.	3 yr. r.p.q.e.
	HC from TC or Dip from TI or eq. in an appropriate discipline.	-
RSSO(Q)	5 passes in HKCEE, including English Syl B at grade E and mathematics at grade C, plus Cert. from TI in an appropriate discipline.	7 yr. r.e. inclusive of 4 yr. r.p.q.e.
	HC from TC or Dip from TI or eq. in an appropriate discipline.	4 yr. r.p.q.e.
RTO(L)	5 passes in HKCEE, including English Syl B at grade E and physics or chemistry at grade C, plus Cert. from TI in an appropriate discipline.	3 yr. r.e.
	HC from TC or Dip from TI or eq. in an appropriate discipline.	-
RSTO(L)	5 passes in HKCEE, including English syl B at grade E, physics or chemistry at grade C, plus Cert. from TI in an appropriate discipline.	7 yr. r.e. inclusive of 4 yr. r.p.q.e.
	HC from TC or Dip from TI or eq. in an appropriate discipline.	4 yr. r.p.q.e.
RPTO(L)	5 passes in HKCEE, including English syl B at grade E, physics or chemistry at grade C, plus Cert. from TI in an appropriate discipline.	11 yr. r.e. inclusive of 8 yr. r.p.q.e.
	HC from TC or Dip from TI or eq. in an appropriate discipline.	8 yr. r.e. inclusive of 4 yr. r.p.q.e.
LRO	attaining five subjects at grade 'E' or above in the Hong Kong Certificate of Education Examination (HKCEE) (including Chinese, English (Syllabus B) and Mathematics) or equivalent; and	
	full-time working experience on personnel management or human resources related duties and good job records; and	

Rank	Minimum Academic/Professional Qualification Required	Minimum Experience Which Could be Considered for Adoption
LRO	good command of both oral and written English and Chinese; and good computer knowledge preferably with past experience on the operation of a computerized smart-card system; and	
	preferably have completed a post secondary certificate programme on human resources or personnel management	

II Normal Duties of Common Ranks of Resident Site Staff

CRE

May include duties, as appropriate, to :

overall control the construction work supervision.

regularly review each contractor's programme of work to ensure the satisfactory progress of the project as a whole.

provide forecasts of the anticipated expenditure on individual contracts within the Project.

ensure that instruction laid down and standards set within the contract documents are adhered to in relation to the construction of the civil engineering works and the installation of the equipment.

liaise with Government departments, utility companies etc., where their activities affect the Project.

programme site staff recruitment as the need arise.

keep the Engineer fully advised on all matters relating to the work on site.

be responsible for the overall administration and supervision of civil engineering contracts

monitor RSS matters including establishment levels, recruitment, promotion, deployment of staff, salaries and overtime, leave approvals, staff performance appraisal reports

attend contract monthly progress meetings, liaise with consultants and Government

liaise with client department staff and other HK Government Departments , Housing Authority, and utility companies

chair senior RSS meetings and determine common supervisory policy

prepare for and organise site visits by senior HK Government personnel and officials overseas

deal with any other duties as may be assigned from time to time by the Engineer.

SRE

May include duties, as appropriate, to :

control the supervision of the civil engineering construction work/equipment installation on particular section of the Project and the related administrative matters.

monitor the progress of each of the contractors under his control to ensure that the overall objectives of the Project are met.

compilation of reports, programmes of work, financial forecasts etc., relevant to his section of the Project.

ensure that the requirements of the Contract documents and the proper administrative procedures are followed.

manage his subordinates to optimise the use of his staff resources.

attend meetings on matters within his sphere of activities.

liaise with senior personnel from the Engineer, Government departments and the utility companies.

comment on temporary works designs and other submissions presented by the Contractor for approval.

make recommendations to the Engineer on the subject of contractual matters including contractors' claims.

keep the CRE and the Engineer's senior staff fully informed on the progress of the Works, staffing requirements, technical matters etc.

assist CRE in the overall administration and supervision of the civil engineering contracts with particular responsibility for the following aspects.

supervise performance of the RE and staff in order to achieve the satisfactory operation of the contracts for which they are responsible.

ensure that standards accepted are applied uniformly throughout and to coordinate progress and interface problems.

establish direct liaison with the relevant staff of the Engineer, and all other Government agencies or outside authorities.

deal with any other duties as may be assigned from time to time by his superior.

RE

May include duties, as appropriate, to :

ensure that the civil engineering construction work/equipment installation is carried out in accordance with the requirements of the Contract documents.

monitor the progress of the work.

maintain an effective site staff organisation to adequately supervise the construction/erection work.

prepare monthly progress reports, financial forecasts and making recommendations to the Engineer on the subject of contractual matters including contractors' claims.

comment on contractor's temporary works designs and any contractor's proposals for modifications to the permanent works.

attend meetings on matters affecting the construction work/equipment installation under his control.

keep the CRE or SRE and the Engineer's senior staff fully informed of the progress of the Works technical matters etc.

deal with any other duties assigned by the CRE or SRE.

monitor progress of the work to see whether reasonable progress is achieved and to ensure the work will be completed within the contract period.

prepare monthly progress report to the Engineer.

solve problems encountered on site which arose due to adverse ground and groundwater conditions, land boundary disputes, and conflicts with local residents/villagers.

ensure the work is constructed according to the Engineer's design, including ensuring all the materials used are in strict compliance with the Specification and relevant Standards.

gather information and make recommendations to the Engineer as to whether or not and how long any EOT should be granted to the Contractor.

ensure the adequacy of all temporary work and for those temporary works requiring checking and certification by the checking engineer, and to ensure that they are so checked and certified.

work together with the Q.S. team to monitor expenditures and look after the financial side of contract administration.

programming projects;

deal with financial planning and control;

preparation of documents and drawings for contracts;

implement and administer contracts;

supervise contract works including guidance to the contractor on programming, quality control, liaison with utility companies in connection with services, arrangement of traffic diversions, checking of quantities, and control of expenditure, certifying contract payments;

prepare drafts reports of all kinds;

planning and personal administration of his subordinates;
deal with any other duties as may be assigned from time to time by his superior

ARE

May include duties, as appropriate, to :

be responsible for general day to day contract administration.

general correspondence with the Contractor.

answer technical queries and supplying further information.

approve method statements and contractor's proposals.

prepare site instructions and variation orders.

liaise with third parties.

prepare reports on progress of works and safety.

check contractor's submissions.

liaise with various government departments and utility companies.

supervise construction works.

prepare meeting minutes and RE's instructions for design modifications.

deal with other duties as may be assigned from time to time by his superior.

RSIOW

May include duties, as appropriate, to :

control and direct RIOW, RAIOW, RWS and supervise the Contractor's activities.

check that the contractor follows the agreed works programme.

ensure that work are carried out according to specifications and drawings by identifying faulty materials, workmanship etc.

report to professional staff on site problems, progress, quality of workmanship, etc.

arrange for allocation of quarry materials from Government and checking site measurements.

guide works supervisors in the preparation of site measurements and checking site measurements

ensure proper contract management and that site measurements, diary and other records are kept up to date.

submit monthly progress report or any other return as required by his superior.

check and verify bills submitted by the Contractor.

check observation of safety precautions for works to be carried out.

ensure consistent supervision and measurement standard across all sites.

be responsible for overtime records of all site staff.

liaise with the appropriate superior in posting site staff to various contracts.

control and direct RIOW, RAIOW, RWS and to supervise contractor's activities.

check that the contractor follows the agreed works programme.

report to professional staff on site problems, progress, quality of workmanship, etc.

check that the contractor follows the agreed works programme;

arrange for allocation of quarry material and Government plant if such are specified to be supplied to the Contractor;

guide ARIOW and RWS in the preparation of site measurements and checking such measurements;

oversee larger or more complex contract;

deal with general site supervision and outdoor staff management.

offer comments on method statement and material submissions.-

prepare the progress reports and site records.

offer on job training to his subordinates.

deal with any other duties as may be assigned from time to time by his superior

RIOW

May include duties, as appropriate, to :

be responsible for the general supervision of work done by the Contractor and check whether it complies with Specification drawings and approved method statement.

maintain contemporary site records.

arrange and monitor method tests and soil tests.

liaise with public on site.

assign works to RAIOW and RWS daily and providing guidance and instruction.

check site dairy.

supervise and check construction works complying with contract documents

inspect all works on site as regards safety to workman.

check lighting signing to traffic diversion.

supervise and train the junior staffs.

complete all site records.

deal with any other duties as may be assigned from time to time by his superior

RAIOW

May include duties, as appropriate, to :

assist in the supervision on site of works.

carry out field work investigation and to assist in problem investigation.

Under the supervision of a RE/RSIOW/RIOW, ensure that works are carried out according to Specifications and drawings and identifying faulty materials. workmanship etc. This involves liaising with the relevant contractors.

report to the RIOW/professional staff on site problems, progress, quality workmanship, etc.

ensure proper contract management and that site measurement, diary and other records are kept up-to-date.

check and verify bills submitted by contractors.

guide RWS in the preparation of site measurements and the checking of such measurements.

assist the RIOW/RSIOW in overseeing the minor staff.

assist in the diversions of traffic. utilities or laying of new services etc.

carry out field investigations on the works and to assist professional staff in problem investigation and planning.

be responsible for the general supervision of work done by contractor and check whether it complies with rectification drawings and approved method statement.

maintain contemporary site records.

arrange and monitor method tests and soil tests.

liaise with public on site.

be responsible for specific aspects of work.

watch, inspect and report if not in accordance with contract requirements.

lead a team of RWS and artisan for site supervision

control and direct RWS and contractors' activities.

check that the Contractor follows the agreed works programme.

ensure that works are carried out according to Specifications and drawings by identifying faulty materials, workmanship etc.

report to RIOW and professional staff on site problems, progress, quality of workmanship, etc.

handle plant hire matters under contract.

arrange interim sounding survey and liaise with the engineer in charge on relocation of the marker pontoon, or buoy.

guide RWS in the preparation of site measurements and checking such measurements.

ensure proper contract management and that site measurement, diary and records are kept up to-date.

submit monthly progress report or any other return as required by his superior

check observation of safety precautions for works to be carried out.

deal with any other duties assigned by the superior.

arrange for traffic diversion if required.

convene meetings with representatives of utility companies for diversion of utilities or laying of new services.

RWSI

May include duties, as appropriate, to :

be responsible to the RIOW in ensuring that all site works are carried out expeditiously in accordance with specifications and drawings.

supervise the construction of works.

assist in supervising site works carried out by contractors.

take site measurements.

prepare estimates.

check that work sites are properly lighted, guarded and fenced.

perform routine site tests.

carry out investigation into public complaints.

ensure the site works are constructed in accordance with contract specification, drawings and site instructions

check material quality and workmanship.

prepare estimates and assists checking of interim certificates submitted by the Contractor.

take quantities from drawings and site measurements.

perform site tests.

keep sites records, diary, weather chart, progress report, piling records, material delivery records etc.

assist in preparation of reports.

supervise and train site staff.

supervise contract works on difficult sites, including making and recording site measurements and maintaining site records.

identify faulty materials and workmanship etc.

check that the contractor follows the agreed works Programme.

report to his supervisor on site difficulties, day-to day progress of work quality of workmanship, adequacy of contractor's plant and labour force required for the proper execution at the works etc.

check that all contractor's site staff observe safety precautions for works to be carried out.

ensure that all site works are carried out in accordance with contract terms, drawings, general/particular specification and conditions of contract.

liaise with Police, utility undertakers and other Government offices/departments on reinstatements, obstructions and traffic diversion etc.

inspect and report damage to existing roads and drainage systems, street furniture etc.

assist in requisition and control of stores.

perform and record simple quality control tests on site.

keep and update site records.

supervise works by contractors, as required.

deal with any other duties as may be assigned from time to time by his superior.

RWSII

May include duties, as appropriate, to :

watch, inspect and record contractors work and vetting it in accordance with contract requirements.

report direct to RIOW/ARIOW.

be responsible for specific activities i.e. earthworks, counting vehicles, loads, checking tickets, checking materials and testing.

measure information for RSSO(Q).

supervise works

complete site daily record, file all correspondence & general site records, prepare tests request form, prepare as built drawings.

monitor dumping operations.

check that the contractor follows the agreed works programme.

ensure that works are carried out according to specifications and drawings by identifying faulty materials. workmanship etc.

report to his supervisors on site difficulties, day-to-day progress of works, quality of workmanship, adequacy of contractor's plant and any other plant from other contracts admitted working on site etc.

keep daily records of site operations and details and prepare weekly reports and site measurements.

ensure that all site, staff strictly observe safety precautions for works to be carried out on works site close to existing fairways.

deal with any other duties assigned by the superior

SRQS

May include duties, as appropriate, to :

advise on estimates on the cost for projects.

give QS advise.

advise on unit rates for items of work to be ordered for which no rates exist in the BQ and minor items not included in the S of R and advise on significant variations.

vet final accounts for contracts prepared by contractors and ensure that such accounts are consistent with the contract documents.

communicate and interface with the Contractor, the CRE, SRE and RE, as necessary, and shall direct the work of the RQS and survey staff. (quantities).

check interim payment certificates.

maintain records of certified work.

estimate and prepare variation orders.

check claims.

advise others on the provisions of the contract documents.

finalise accounts.

ensure that staff keep good records of measurement, labour and plant returns.

review the Contractor's progress curve and ensure payments are made in accordance with the contract conditions.

review and amend, in consultation with parties concerned and under the supervision of CRE, the Standard Method of Measurement with reference to the Specification

deal with any other duties as may be assigned from time to time by his superior

RQS

May include duties, as appropriate, to :

check interim payment certificates.

estimate and financial forecast.

advise on the provisions of contract documents.

negotiate rate and prepare variation orders.

deal with any other duties as may be assigned from time to time by his superior.

RPSO (Q)

May include duties, as appropriate, to :

assist in routine administration work, particularly of the surveying staff (quantity).

control organize, direct, supervise, assist, monitor, and be responsible for supporting staff working within his unit.

deal with any other duties as may be assigned from time to time by his superior.

RSSO(Q)

May include duties, as appropriate, to :

direct, supervise and control a team of survey officers (quantity) and other staff assigned to him.

process and check interim and final payment certificates.

calculate fluctuations for contract payments.

assist professional officers in assessing claims and proposed rates for variations.

investigate and bring to professional officers' attention problems associated with the work and suggest solutions.

direct and supervise the work of the survey officers. (Quantity).

carry out independent checks on the work of his subordinate.

calculate and check wage, material and cost of sand and cement content in ready mixed concrete, taking into consideration the price fluctuation and the like.

bill and check variation bills and cross-check bill of quantities rates.

check quantity transfer in bill of quantities and final accounts.

prepare and check abstracts of remeasured engineering works.

assist in technical checking and in preparation of interim and final accounts including site measurement.

prepare estimates.(H)

check and to undertake or supervise site measurement or remeasurement contracts.

assist in preparation of bill of quantities for works projects by taking off quantities from drawings, abstracting and billing.

prepare bar schedules from reinforced concrete drawings.

supervise and organise the re-checking of sample accounts previously checked in other sections.

prepare statistical analysis of the quality of accounts presented by contractors and the quality of the checking of accounts by the checking unit.

advise on areas of dispute and discrepancies in the presentation of accounts and on more efficient methods of measuring on site and checking of accounts.

answer general enquiries and queries relating to work of his unit.

deal with any other duties as may be assigned from time to time by his superior

RSO(Q)

May include duties, as appropriate, to :

perform quantity surveying functions.

take off quantities and preparing bar schedules from contract drawings abstracting and billing.

assist preparation of estimates.

check site measurement of remeasurement contracts including squaring and other related arithmetic operation.

check bar schedule from RC drawings.

prepare and check abstracts of remeasured work.

prepare and check final bill.

check final bill submitted form contractor.

check Interim Payment submitted form contractor.

calculate and check Contract Price Fluctuation.

prepare less complicate star or prorata rates.

assist in assessing claims.

assist in assessing proposed rates for variation.

prepare monthly financial reports.

assist in technical checking and preparation of the interim and final accounts including site measurement and checking.

assess effective value of works and materials on site.

estimate costs of valuations to the contract.

value dayworks.

measure and prepare accounts.

Prepare financial reports and estimates.

take off quantities from drawings.

carry out site measurement of 'as built' work.

assist professional officers in assessing claims and proposed rates for variations.

bill and check variation bills and cross-check bill of quantities rates.

check quantity transfer in bill of quantities and final accounts.

prepare and check abstracts of remeasured engineering works.

assist in technical checking and in preparation of interim and final accounts including site measurement.

prepare simple estimates.

check and to undertake or supervise site measurement of remeasurement contracts.

deal with any other duties as may be assigned from time to time by his superior.

SRLS

May include duties, as appropriate, to :

co-ordinate the survey support to CRE on computerisation of survey work.

provide direct supervision of and co-ordination between RLS and the staff under their control.

coordinate the efforts and facilities of those survey sections.

ensure the maintenance of survey standards in those sections.

maintain close liaison with RLS both within and outside the site

be CRE's adviser on all survey matters stemming from his areas of responsibility for stores, equipment and vehicle

advise CRE on all computerisation requirements including hardware, software, staff requirements including training, implementation of the facilities of the survey section

report and advise on administrative matters relating to survey standards, procedures, personnel and equipment.

attend technical meetings with the Contractor.

approve the work of the Independent Surveyor.

provide monthly and final measurement quantities to the quantity surveying section for the purpose of certifying interim payment to the Contractor.

ensure as far as possible that all Works included in the various Contracts are constructed to correct line, level and dimensions.

provide surveys and information as requested by the Engineer.

deal with any other duties as may be assigned from time to time by his superior.

RLS

May include duties, as appropriate, to :

report and advise on administrative matters relating to survey standards, procedures, personnel and equipment.

provide surveys and information as requested by the Engineer.

provide monthly quantities for the QS section for the purpose of certifying interim payments to the Contractor.

deal with any other duties as may be assigned from time to time by his superior.

RPSO (E)

May include duties, as appropriate, to :

be responsible to the CRE through the RLS for the technical and administrative functions of survey.

be responsible to the CRE to coordinate, allocate work and do the general administration of the survey section.

liaise and organise the joint use of resources such as specialised equipment, boats, vehicles, and computer facilities must be carried out in an effective and mutually agreeable manner.

be responsible for day to day control and discipline of technical and labour personnel.

plan and liaise with engineers, RSSO and RLS to determine priority and scheduling of tasks and efficient use of scarce manpower and expensive resources.

carry out routine personnel matters of minor staff, transport and equipment allocation.

supervise and care of survey equipment and arranging the maintenance thereof.

liaise with RE, contractors site staff, and other agencies to receive work, convey results and generally organise the work of the section.

assist the RLS in the day-to-day running of a survey section.

allocate survey jobs and to supervise the work of RSSO(E) and RSO(E).

be responsible for the maintenance and management of survey equipment and vehicles.

To be responsible for maintaining a proper record of survey data, plans and managerial statistics.

deal with any other duties as may be assigned from time to time by his superior.

RSSO(E)

May include duties, as appropriate, to :

be responsible to the RLS and RPSO for the management of a survey team and the processing, plotting and checking of the data that they produce.

be responsible to the RLS for a team of RSO and associated equipment and minor staff.

organise and carry out land and marine field surveys as a team leader in charge of RSO, boat, survey equipment, vehicles and minor staff.

be responsible in the tasks assigned, for the acquisition of land and marine survey data, the processing and checking thereof and production of calculations and final fair drawings.

plan and liaise with other RSSO and RSO determine scheduling of tasks and efficient use of scarce and expensive resources, ie. boats, computers, survey equipment, manpower, vehicles, etc.

supervise and care of survey equipment including checking, maintenance, calibration and adjustment thereof.

teach other staff the use of specialist survey systems.

liaise with contractors' site staff, engineers and others to receive work and convey results and organise use of shared resources.

be responsible for supervising and managing survey officers under RLS and RE for surveying works.

check contractor's submissions; computation of quantities, monitoring of movement and settlement.

supervise, direct and control a survey party of Chainmen, Workmen II and Driver who work for him/her, or lead several survey parties headed by RSO(E).

check the work of RSO(E).

perform complicated and high accuracy demanding tasks including highway geometry design computation, its setting out on ground and subsequent monitoring.

organize daily field parties and deploy survey vehicles.

deal with any other duties as may be assigned from time to time by his superior.

RSO(E)

May include duties, as appropriate, to :

be responsible for giving supporting land surveying service to RSSO(E) of the land survey team of the division.

under the direction and supervision of the RLS/RPSO(E)/RSSO(E).

act as a team leader to carry out topographic survey, engineering survey, hydrographic survey, monitoring survey and other surveys.

perform field work including reconnaissance, field data measurements and records in terms of linear, angular using survey instruments.

supervise and direct junior staff in field operation.

supervise the construction and maintenance of survey monuments.

search for survey/design data.

survey computation and design computation.

plan plotting and preparation,

job port writing,

record folder compilation.

assists the RLS/RPSO(E)/RSSO(E) in carrying out survey tasks.

ensures that survey instruments in his charge are maintained in good adjustment and proper working order at all times.

operates computer systems.

initial site survey record surveys.

assist RQS for measurement purpose.

check and verify contractors' setting out in accordance with drawings and specification and further check as built works.

check contractor's setting out works.

assist in producing earthwork quantities, check minor settlement of reclamation and structures and carry out contract surveys.

deal with day-to-day survey work necessary to ensure the project is constructed to design, and day to day survey work necessary to measure the quantities of earthwork materials for payment purposes.

carry out the field survey work necessary to provide control positions, initial survey data for planning and design, quality control. setting out and complies with all survey requests of the engineer in relation to the design and construction of the project.

liaise with RLS, RSSO(E) in determining priority and scheduling of tasks to be processed.

carry out all office calculations reduction and plotting of the field wok. including use of computers and specialised software.

carry out hydrographic surveys to determine initial seabed levels, determine the accuracy of underwater excavation, placement of underwater fill and structures and carry out the calculation of quantities and reduction of hydrographic survey measurements.

use and help ensure day to day efficient operation of specialist survey systems, including data loggers computers, and automated measuring and hydrographic systems, and report to the RSSO(E)/RPSO(E)/RLS(E) any detected malfunctioning or failure symptom of survey hardware and or software systems.

direct and supervise the work of minor staff and the coordination of all other staff involved in field surveys.

assist in forecasting and arrange for the reprovisioning of consumable stores required by the survey systems.

direct, supervise and control a survey team of Chainmen and Workmen II in his own survey party.

carry out all the survey work necessary to support the engineering staff of the in the efficient execution of their role.

check contractor' setting-out work and to verify positions of constructed works by contractor.

deal with any other duties as may be assigned from time to time by his superior.

RSTO(C)

May include duties, as appropriate, to :

enable professional engineering staff to obtain the necessary technical support through a coordinated channel and to ensure the smooth running of the Engineering Section of the Drawing Office.

oversee all officers in the engineering technical grades and supervise and direct the work of the Drawing Office.

plan and deploy work of RTO(C).

supervise, check, and control the quality of work of technical staff.

secure necessary equipment and maintain a suitable stock of stationary at all times for Drawing Office use.

liaise with the RSTO(L) on overall Drawing Office policy matters.

prepare reports on work performed by the Engineering Section of the Drawing Office.

be responsible for processing and editing all survey data input production of joint survey record plans.

document and estimate bulk quantities for all contracts.

provide technical guidance on computerised data gathering and recording to site surveyors

undertake the more' complex designs, calculations and drawings.

plan and organise the workload distribution of the Drawing Office.

offer advice/guidance to the RTO in the preparation of designs calculations and drawings.

check the drawings produced by RTO.

acquire drawing equipment and stores and coordinate their issue and use with proper record-keeping.

be responsible for the safe keeping of drafting equipment, stationery and drawing materials etc.

be responsible for the keeping of divisional records and information system and for their updating regularly.

assist RE/ARE in the technical matters.

give advice on the usage of the computer software currently in use.

develop and maintain software for simple management and technical applications.

undertake preliminary system analysis and design.

help maintain an inventory record of the computer items and library.

process the procurement of standard computer equipment.

deal with any other duties as may be assigned from time to time by his superior.

RTO(C)

May include duties, as appropriate, to :

provide general assistance to professional staff in all technical aspects of civil engineering work. To carry out minor design work, prepare drawings, charts and schedules and to maintain civil engineering records.

calculate, design and detailing minor works.

check designs against approved standards.

maintain records and details of filing systems and operating manuals of drawings and charts.

check and coordinate site designer for amendments of drawings.

carry out plotting related to engineering surveys.

produce record drawings.

carry out site visits and prepare field sketches.

prepare programme charts, works progress schedules and plans.

prepare minor specifications and estimates.

prepare draft drawings from Engineer's free hand sketches of project layout involving multiple disciplines, or emphasis of aesthetics, etc.

comment on and prepare sketch plans for enquiries in connection with road widening/improvement schemes, future road levels etc.

provide technical service to professional officers.

forecast of materials normal for a technical Drawing Office.

plan/organise work and Drawing Office practice.

cooperate and contact with resident professional or assistant professional and with technical officers in the client departments as necessary.

deal with any other duties as may be assigned from time to time by his superior.

RPTO(L)

May include duties, as appropriate, to :

ensure that the laboratories are efficiently operated and that an adequate service is provided to client offices.

be responsible for the day-to-day technical management of the main laboratories.

assist the CRE in the financial control of the operation of the laboratories.

ensure that laboratory testing is carried out to the requisite standards and that the main laboratories have the necessary equipment for this purpose.

ensure that testing carried out for Government by external agencies is properly supervised and to ensure its adequacy.

inspect and report on commercial materials testing laboratories.

supervise laboratory staff.

keep records of all material tested.

ensure testing equipment in good condition.

report to SRE of any deficiencies in materials quality.

liaise with GEO.

be responsible for all aspect of material testing.

advise on quality control.

deal with any other duties as may be assigned from time to time by his superior.

RPTO(L)

May include duties, as appropriate, to :

ensure a smooth and efficient day to day operation of the regional laboratory, so as to provide an adequate service to laboratory clients in accordance with the relevant standards and with minimum disruption to the CRE's work in case of external clients.

be authorised to:

certify test certificates/reports for SE/RL;

sign memos/letters for SE/RL and CGE/M;

programme and supervision of testing work in the regional laboratory, including overseeing of the proper documentation and filing of test results;

the security of the laboratory, equipment, samples and records.

liaise with laboratory clients.

check test results and preparing of test reports/certificates.

oversee the maintenance and calibration of equipment in his laboratory.

manage technical and minor staff in his regional laboratory.

advise laboratory clients on matters related to laboratory testing.
plan overall testing programme of work in his regional laboratory.
deal with any other duties as may be assigned from time to time by his superior.

RSTO(L)

May include duties, as appropriate, to :

assist in control and co-ordinate the activities of a unit of the laboratory, or a field testing service or to supervise testing in a commercial laboratory.
co-operate and contact the client offices, members of the public, testing contractors.
have a thorough knowledge of existing equipment and testing techniques.
supervise RTO(L), Laboratory Attendants and workman in the preparation of samples and performance of tests.
perform more sophisticate tests.
receive and dispose of samples for testing.
draft test certificates and reports.
supervise testing carried out in commercial laboratory.
deal with any other duties as may be assigned from time to time by his superior.

RTO(L)

May include duties, as appropriate, to :

ensure a complete and all around training construction material testing in accordance with the training programme.
carry out various construction materials testing.
keep proper documentation and filing of test results.
be responsible for the security of the equipment, samples and records.
assist RSTO(L) in the maintenance of testing equipment.
assist RSTO(L) in supervising minor staff.
deal with any other duties as may be assigned from time to time by his superior.

LRO

May include duties, as appropriate, to :

act as a one-point contact for the Site Personnel on Site on any enquiries in relation to employment matters;
conduct briefing sessions to inform and to educate the Site Personnel the benefits of the wage payment control measures being implemented under the Contract, in particular, the workers' obligations to report wage arrears;
conduct regular site visits to promote the monitoring system and to establish contacts with Site Personnel to obtain feedback;
monitor payment of wages and MPF contributions to assess whether they are made timely by the Contractors and all sub-contractors;

oversee the setting up and maintenance of a record system on employment contracts, workers attendance, re-deployment, and wage payments;

undertake regular physical checks to verify the accuracy and reliability of the records and to identify irregularities, if any, for early intervention;

establish a simple and user-friendly complaint system, including the operation of a telephone hotline to receive enquiries from Site Personnel on employment matters and to receive reports on wage defaults;

alert the Engineer/Architect's Representative of anomalies and to refer the same to the Contractor for investigation and appropriate follow-up actions;

refer to the Labour Department complaints on wage arrears as soon as they are received and to provide necessary assistance to Labour Department to facilitate investigation and/or dispute resolution where appropriate.

check and verify the proper operation of the smart-card system; the records of the system and the records of transactions of payment of the wages and MPF contributions;

prepare monthly report on payment of the wages and MPF contributions and the smart-card records to the Engineer based on the daily records and transaction records submitted by the Contractor; and

attend interviews with the local labour unions and contractors associations, who visit the Site from time to time to promote the wage payment and monitoring process, to ascertain whether there are any difficulties with the monitoring process and offer assistance where necessary.

APPENDIX 7.1 SAMPLE LETTER TO SUCCESSFUL CONSULTANT

Date

Dear Sirs,

Agreement No. CE XX/XX

I wish to inform you that based on your Technical and Fee Proposals, you have been selected for the award of the above Agreement.

Please find enclosed the following set of the draft Agreement documents for your reference :-

- (a) Memorandum of Agreement;
- (b) Brief;
- (c) General Conditions of Employment;
- (d) Special Conditions of Employment; and
- (e) Schedule of Fees.

I should be grateful if you would confirm in writing your agreement to the draft Agreement documents, or let me have your proposed amendments, if any.

Upon your confirmation, your authorised representatives are requested to come to my office at (time) on (date) for the purpose of executing the Agreement. You are now required to confirm to me the names of your representatives who will sign and witness the Agreement on behalf of your Company.

You are also required to submit documentary proof of the following to me before entering into the Agreement :-

- (a) requirements for a limited liability company to enter into the Agreement, ie. the majority of the voting power in meetings of the company shall be held by directors who are consulting engineers (or equivalent professionals of associated professions);
- (b) insurance cover as stipulated in Clause of the Conditions of Employment (*please specify*); and
- (c) authority of your nominated representatives to sign the Agreement on your behalf.

You are reminded of the following obligations :-

- (a) Prevention of Bribery as stipulated in Clause of the Conditions of Employment (*please specify*);
- (b) Confidentiality as stipulated in Clause of the Conditions of Employment (*please specify*); and

- (c) Conflict of Interest and debarring as stipulated in Clause ____ of the _____ Conditions of Employment (*please specify*).

A copy of the Summary of Technical and Fee Proposals with the assessment results is also enclosed for your information.

Yours faithfully,

()

c.c. Secretary, Consultants Review Committee of the Department

APPENDIX 8.1 GENERAL RANGE OF DOCUMENTS FOR CONSULTANCY AGREEMENTS

1. General Conditions of Contract (list various types and editions).
2. Articles of Agreement (list various types).
3. Standard Special Conditions of Contract.
4. Model Arbitration Rules.
5. General Specifications (list various editions).
6. Standard Methods of Measurement (list various types and editions).
7. Project Administration Handbook (list volumes).
8. Standard Drawings.
9. Technical Circulars (list separately).
10. Handbook on Selection, Appointment and Administration of Engineering and Associated Consultants.
11. Practice Notes .
12. Departmental or Office Instructions, Circulars or Guidance Notes (list separately).
13. Financial and General Circulars (list separately).
14. Stores and Procurement Regulations.
15. Civil Service Regulations (list sections specifically relevant).
16. Government Forms (list separately).
17. Construction Standard(s).
18. Emergency Manual(s).
19. Special Reports, Publications, Memoirs (list separately).

[NOTE : These are general guidelines only, and the Project Officer should indicate the specific documents appropriate to each consultancy.]

APPENDIX 8.2 CHANGE OF CORE PERSONNEL IN THE CONSULTING TEAM

The procedures promulgated via SDEV's memorandum ref. DEVB(PS) 106/42 dated 14 January 2013 are appended below:

In view of the significant input by core personnel of the consultant's team and the impact of their leaving the team, the consultant should report as soon as possible to the Director's Representative (DR) when a core personnel such as the project manager, partner in charge, project director, or specialist, needs to be changed and propose for the DR's approval a revised arrangement. Prior to approving a consultant's proposal for changes of core personnel, the DR shall prepare a submission stating clearly that he is satisfied that the core personnel leaving the company is due to genuine and unavoidable grounds, and the revised staffing arrangement is equivalent to or better than the person(s) being replaced, in terms of qualifications, experience, and competence. An assessment/comparison of the core personnel involved should be done by using the proforma at Annex A. The following approval procedure shall be followed by departments when dealing with proposed change of core personnel in the consulting team in respect of the following cases:

- (a) For cases of core personnel leaving the company (including retirement and resignation) or leaving the post and duties for a prolonged period due to family or medical reasons.

A D2 (or above) officer assigned by the Head of Department (HoD) shall consider the submission and, if deemed appropriate, give an approval for the application.

- (b) For all other cases

The DR shall forward the submission to a D2 (or above) officer, who shall consider the submission and make a recommendation to the HoD. Then the HoD may personally give an approval for the application.

If the consultant's proposal for a change of core personnel is not accepted, the consultant shall either adhere to their original staffing proposal or submit another proposal to the procuring department for consideration.

Departments shall be required to submit annual return on approved cases.

This proforma should be completed and appended to the submission to a D2 Officer or above / the Head of Department

Proposal for Change of Core Personnel in Consulting Team

Assessment/Comparison of the Core Personnel

Agreement No . : _____
 Position of Core Personnel : _____
 Proposed Date of Change : _____

	Existing Core Personnel	Proposed Replacement
Name of Personnel		
Academic Qualifications		
Professional Qualifications		
Years of Relevant Experience		
Other Remarks ^(See Note 1)		

Note 1

In addition to direct comparison of academic & professional qualifications and years of relevant experience, please demonstrate in the “Other Remarks” row that the revised staffing arrangement is equivalent or better than the person(s) being replaced.

APPENDIX 11.1 STANDARD FORM OF LETTER OF COMPLETION

Date

Dear Sir,

Consultancy Agreement No. CE /
Title :

I wish to notify you that I have been satisfied on xxx** that you have completed all those necessary services required under Agreement No. CE / , * with the exception of those outstanding services listed in the schedule attached to this letter which you have agreed to complete as soon as possible.

I wish to remind you, however, that certain obligations extend beyond the completion of the said services and draw your attention particularly to the following clauses in the General Conditions *and/or Special Conditions :-

G.C. Clause _____ Retention of Documents and audit inspection

G.C. Clause _____ Care & Diligence

G.C. Clause _____ Insurance

Please acknowledge receipt and agreement to this letter.

Yours faithfully,

()
Director's Representative

c.c. Secretary, EACSB
 Director of Audit

* Delete if not required

** The date of the completion notified to the consultants should be consistent with the completion date as reported in the CNPIS, i.e. the Final Report on the Consultants' Performance.

APPENDIX 11.2 POST-COMPLETION REVIEW ON MAJOR CONSULTANCY AGREEMENTS UNDER PUBLIC WORKS PROGRAMME

1. This Appendix describes the requirements and procedures promulgated originally in ETWB TCW No. 26/2003 in respect of post-completion review on major consultancy agreements. The relevant paragraphs from the original circular are basically subsumed hereunder.

Introduction and Background

2. To achieve value for money in the procurement of services for construction and engineering works and consultancy services, the delivery of the product should be to the specified quality and standards. Moreover, the functional and user requirements should be met in a cost-effective and efficient manner. It is considered that a post-completion review which serves the following key purposes is a useful project management tool –

- (a) to measure the success or otherwise of a project in achieving its planned objectives on time, within budget and at the specified quality level;
- (b) to bring up the lessons learned, both good and bad, so that, where appropriate, these can be used to benefit future projects; and
- (c) to provide an opportunity to review the overall effectiveness of the procurement strategy and procedures in place in the light of project performance, so as to identify any necessary improvement areas.

3. The Construction Industry Review Committee was also of the view that such a review and experience sharing process would be conducive to continuous improvement in the performance of all parties involved and the development of long-term partnership, thus recommended in their Report of January 2001 the implementation of a post-completion review by Government.

Policy

4. A post-completion review shall be conducted upon the substantial completion of a major consultancy agreement or a major works contract on projects under the PWP. However, as the practice is new to Government departments, it is not appropriate to lay down a rigid definition for major projects or the minimum number of reviews to be

undertaken by departments. Nonetheless, as a broad guideline, it is considered that post-completion reviews are generally not warranted for consultancy agreements and works contracts of a project which has a total cost less than \$500 million or of a project which does not involve complicated technical and management issues. Some suggested indicators of the involvement of complicated issues are provided in the Appendix for reference. Based on the above guidelines, departments could select agreements/contracts to be reviewed at their discretion.

5. Upon the completion of a post-completion review, the department shall prepare a report documenting all concerned issues, findings, conclusions and recommendations for future reference by the department. If the findings of a review are considered useful to other departments/bureaux, the department may circulate the findings to other departments/bureaux for experience sharing purpose. Furthermore, if input has been offered or provided by any consultant or contractor or other service provider in the review, the report should also be copied to such service provider. Nevertheless, the report copied to a service provider may need to have the information or details of or on the other service providers blocked out.

Guidelines and Procedures of the Review

6. It is desirable that input from major project participants, including the service providers such as consultants and contractors, could be included in the review. Nevertheless, the participation of the service providers or any relevant party in the review is to be on a voluntary and good faith basis. More than one discussion session with the presence of different service providers may be conducted, if necessary. However, as consultancy assignments for feasibility studies or investigation may be completed long before the commencement of the works contract, departments shall consider if separate reviews for such feasibility study/investigation assignments are required taking into account the benefits of such reviews against the resources required.

7. The emphasis and objective of the review are to gain maximum benefit from the experience accrued, rather than to apportion blame, i.e. it is not intended to be an auditing exercise. Any observed shortfall in the procurement, contract management and practices, and monitoring of the performance of the consultants and contractors should however be critically reviewed and rectified to avoid repetition of the same mistakes in the future.

8. Guidance notes for the conducting of a post-completion review and the suggested issues to be examined in the review are given in the Annex A. Nonetheless, departments should determine the scope and details of the review to suit individual project.

Guidance Notes for the Post-Completion Review

(A) Introduction

A post-completion review is a means of recording experience, both success and failure, from past projects, so it can be used where appropriate to improve future projects by avoiding past mistakes and allowing good practices to be better understood by project staff.

In general terms, the review should consider –

- (a) project objectives in terms of cost, time and quality;
- (b) management;
- (c) organization;
- (d) systems and procedures;
- (e) suitability of the design, contract types and contract packaging; and
- (f) public reaction during construction and operation.

Departments may consider conducting a single post-completion review examining aspects in both the consultancy agreement and works contracts together.

(B) On what type of projects should a Post-Completion Review be conducted

It is considered that the post-completion review (being a new initiative and there is also a need to optimize the benefits against resources to be deployed) need not be conducted for consultancy agreements and works contracts of a project which has a total cost less than \$500 million or of a project which does not involve complicated technical and management issues. Indicators that a project involves complicated issues may include the following:

- (a) project involving a variation item costing substantial amount, say over \$1 million;
- (b) project involving a claim of a substantial sum, say over \$1 million;
- (c) project involving design or construction method not commonly used in Hong Kong; and

- (d) project involving incidents that attract public attention.

(C) Who and what should be involved in a Post-Completion Review

A post-completion review should be led by the officer in charge of the project (normally at senior professional level or above) and he or she should solicit input from the client and other project participants (such as the consultants, contractors and subcontractors) as appropriate. The department should also determine the depth of the review, taking into account the issues to be examined, and consider if assistance from legal advisor or technical specialists should be sought. Consideration should also be given to inviting project officers who have left the project team to provide input.

A post-completion review may involve both a document review and discussion sessions with the presence of different project participants. Due to the different concerns of different project participants, it may be necessary to have more than one discussion session with different party in order to facilitate better collection of views and exchange of ideas.

(D) When should the Post-Completion Review be carried out

A post-completion review should be carried out within a reasonable period, say 6 months, after the substantial completion of a consultancy agreement or a works contract. However, in case there are on-going disputes with the service providers, it may be more appropriate to defer the review until the disputes are settled or the review may have to be carried out without the participation of the service provider concerned. For a project that comprises a number of contracts/consultancy agreements, the project office may elect, in view of the benefit of an overall review, to conduct a single review upon the substantial completion of the last contract.

(E) The review

The project office could determine issues to be examined in a post-completion and some suggestions are given below:

- (a) pre-contract arrangements/procedures;
- (b) contract administration system/arrangements;
- (c) adequacy and suitability of specifications/brief;
- (d) programme/cost/variation control measures;
- (e) management of consultant's/contractor's performance;
- (f) management and control in relation to subcontractors/subconsultants;
- (g) procedures in relation to the management of quality, safety and environmental aspects and traffic management issues;
- (h) contract documents;
- (i) acceptance, testing and commissioning system/procedures;
- (j) quality/performance of service providers;
- (k) organization of consultants/contractors/other service providers;
- (l) management/handling of public complaints;
- (m) adequacy of contract period/study period.

Departments are also suggested to develop performance indicators to facilitate the review and develop after reviewing the projects, suitable benchmarks of project performance. The relevant indicators and benchmarks for the following aspects of performance or any other appropriate one should be developed:

- (a) Cost performance - say by comparing the final out-turn prices as against the initial estimates and tender prices;
- (b) programme performance – say by comparing the actual project delivery as against the planned programme; and
- (c) staffing performance – say by comparing the adequacy of the level of staffing assigned to the project against any established departmental guidelines.

Established benchmarks should also be subject to review from time to time.

Although the post-completion review is essentially for exploring areas where improvement could be made, it is not expected that consensual views among the client and service providers on all issues examined could be made nor solutions to all problems revealed could be formulated. Nonetheless, the review itself is part of a process of enhancing awareness among the participants in the problematic areas thus would actuate improvement as a natural outcome in the long-term.

(F) Views of the users may be included

If the timing of the post-completion review allows, the view of the users, and management/maintenance parties in the following areas or any others proposed by the users may be included in the review -

- (a) an assessment of whether user requirements have been met, such that they would be better ascertained and conveyed to designers in future;
- (b) an assessment of the costs in use as against the planned operating cost, and how the planned efficiency and effectiveness of the equipment and facilities compare with those as built; and
- (c) any recommendations that the users may wish to make to improve value for money performance of future projects, e.g. facilities which are in fact unnecessary for most users can be omitted from future projects.

The department may also consider, if resources is available, conducting a separate review with the users and management/maintenance parties at a later time, say one year, after they take over the project.