

THE HONG KONG HOUSING AUTHORITY

Memorandum for the Building Committee

Status of Outsourcing of Capital Works Commissions to Consultant Quantity Surveyors against the Approved Annual Strategy 2000/2001

PURPOSE

The purpose of this paper is to inform Members the outsourcing status of capital works commissions to Consultant Quantity Surveyors (QS) against the approved annual strategy 2000/2001 in the first two quarters of 2000/2001.

BACKGROUND

2. Members approved in February 2000 vide Paper No. BC 20/2000 the outsourcing of 25 capital works projects to Consultant QS by the two-envelope system (**Annex A**).

CURRENT APPOINTMENT STATUS

3. Appointment of quantity surveying consultants had been processed for four of the capital works projects (**Annex A**). All commissions, except for North West Kowloon Reclamation (NWKR) Site 10 Phase 4, are appointed by the two-envelope system. The NWKR Site 10 Phase 4 has been combined with NWKR Site 10 Phase 3. Quantity Surveying service is thus arranged by negotiation with the QS commissioned for the NWKR Site 10 Phase 3 (Consultancy Agreement No. : CRB/Q/99/8) by extension of an existing agreement.

4. The fee awarded of these four capital works projects is summarized in **Annex B**.

5. Subsequent to the reveal of foundation problems and with the implementation of various quality housing initiatives, the workload of the Department has significantly increased. Some of the additional tasks, viz. preparation of standard documentation for piling/piling and pile caps contracts and extra contract advisory functions, have been outsourced to consultants under delegated authority subsequent to the approval of the outsourcing strategy via Paper No. BC 20/2000.

6. Two pilot projects for adopting site specific design, viz. Aldrich Bay Phase 5 and Shatin Area 52 Phases 1 and 2 have been approved for outsourcing to consultants vide Paper No. BC 113/2000.

7. Due to funding problem and unfavourable financial viability, the Sau Mau Ping Phase 10 project has been deleted and hence no further quantity surveying services will be required.

8. After taking into account the changes in paragraphs 6 and 7, the total project values approved to be outsourced has increased from \$15,208M to \$17,083M.

INFORMATION

9. This paper is issued for Members' information.

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