

Response to the consultation on ITPSA



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General comment

- Support an ITPSA-like arrangement
 - Faster tender award process
 - Lower tender cost
 - Simple and easy to be used by the client Gov't depts
- The arrangement shall not accelerate price competition in IT industry, but shall be a driving force to facilitate quality improvement of the industry



Existing problems

■ Quality

- The work-force who goes to work on the assignment may not be as same as the one committed by the contractor in the tender proposal
- Some prime contractors may be eager to bid tenders before they find a sub-contractor who is capable to follow up the work assignment.

■ Price competition

- Because of keen price competition, some contractors may not be willing to pick up work assignments, e.g. never submit a tender proposal, always submit a high-price tender offer, etc
- Inactive contractors will lessen the choice of client Gov'y depts



Suggestions (1)

- Provide more choices to the client Gov't depts:
 - Increase the no. of contractor and sub-contractor in each service category / group

- Adverse report mechanism
 - The report as a cumulative reference
 - Performance of the contractors / sub-contractors will be evaluated by the client Gov't dept when the project is completed
 - Marks will be given on various factors at different weightings, e.g.
 - services quality
 - assignment completion time
 - provision of qualified / committed work-force, etc



Suggestions (2)

- To prevent “cut-throat” price competition
 - to exclude the contractor with the lowest offer (although the bidder may comply all technical requirements)

- Mid-term evaluation / review
 - Terminate the SOA if the contractor fails to comply certain criterion, e.g.
 - Never submit a tender proposal
 - Always submit the lowest offer / highest offer
 - Seldom pass the technical proposal
 - Poor performance - according to the adverse report, etc



New arrangement

- Will the ITPSA contractors enjoy privileges in the selection of contractors of the arrangement?
- Will the contractors in the next arrangement be divided into 2 categories, say prime contractors and sub-contractors?
- If yes, will there be any “level-up” mechanism that sub-contractors with good performance could be upgraded to become prime contractors during the validity period of SOA?