

Please find below the comments from Au Posford Consultants Limited on the SOA-QPS"-

(f) Sub-contracting

We observe that some of the principal contractors for SOA-QPS are acting merely as an 'Agent' in bidding for the SOA-QPS contracts. In many cases, these principal contractors provide only a dummy project manager and leaving all the remaining works to the sub-contractors. There are two implications for such arrangement:-

- The principal contractors will always charge for a huge sum of management fee for 'running' the project, therefore depriving the sub-contractors of a reasonable return for their hard work.
- Because of the little money received by the sub-contractors, some of them may cut cost by reducing the input into the projects, or by employing staff of less experiences or lower qualifications. The projects are therefore 'completed' with adverse qualities and the Government is also suffering from these sub-contracting arrangements.

To resolve the problems, it is suggested that the fee payable to the sub-contractor together with their proposed input into the project should be entered into the contract with the Government. In accessing the tender, the Government should evaluate whether the sub-contractor is receiving a reasonable fee for the amount of work to be done in ensuring the good qualities of work are received by the Government.

(h) Timing for Proposal Submission

We understand that efficiency is important to the SOA-QPS procurement arrangement, and we support the present timing arrangement for proposal submission i.e. 10 to 15 working days for proposal preparation. However, it has been observed that some of the invitation letters were sent to the contractors by post, and a week or two was past when the tender reached the contractors, therefore leaving very little time to study and reply to the tender.

In this connection, we have two suggestions:-

- Allow the dispatch / submission of proposal via email.
- Allow flexibility for withdrawal of proposal submission should the SOA-QPS contractors consider that they do not have enough time to prepare the proposal.

We hope the information is of use to you.

Regards,
APCL