# HKITF Response to
# Consultation on the Standing Offer Agreement for Quality Professional Services (SOA-QPS) in the Government of the HKSAR

The council members of The Hong Kong IT Federation have reviewed the consultation paper on the captioned scheme on government projects. A summarized list of comments and suggestions are included below:

1. Suggest the quality ratio in the standard marking scheme to be increased:
Currently the quality/price ratio is 30/70 in the work assignment marking scheme. Suggest to increase to 50/50. Then under the quality marking, the current general sub score/work specific sub score marking ratio is 60/40. Suggest to increase the work specific ratio.

2. Limitation of Liability

    a. Direct liability
    Suggest to assign a fixed cap in direct liability using the contract value as a breakpoint. Currently each assignment has to go through a risk assessment before a cap can be determined. If, for example, contract value under $2M has a cap, and contract value over $2M has another cap, then it will save both sides a lot of time studying and arguing what cap value should be used. The other countries usually use 2.5 to 3 times the contract value as a cap.

    b. Indirect liability
    We suggest that contractors should not be held liable for any indirect or consequential damages that are unforeseeable.

    c. Exceptions
    We agree that for certain subjects, such as infringement of IPR or gross negligence leading to death or personal injury, the cap on liability may not apply. [For IPR infringement, specific remedies, such as procurement of right to use, replacement with functional equivalent, modification to make non-infringing, may be more appropriate.]

3. Qualification and experience requirements:
The qualification requirements of specific project team members such as the one in have been too general and out of date. For example in Category 4 (Information Security), information security related projects require specific domain knowledge for different projects. But the current requirements from almost all assignments only name a general list of certification requirements, which the candidate is required to only fulfill ANY two of them. Some of these certifications are not even cover the same domain knowledge and

experience for the same project team member's roles and responsibilities. The list of qualifications should be updated and reviewed on an annual basis to ensure quality and materiality. New certification with proper professional scrutiny should be added to reflect new knowledge and experience requirements.

Also, the experience requirements have been reduced from many projects for key project team members such as lead consultants and project managers, even for Major Group projects. Despite the fact that so many security and quality incidents with government projects involved negligent contractors, we are at most shocked by this trend. The same roles for the kind of projects in similar size and nature were requiring much higher level of experience. For example, projects in Category 4, Information Security, often entails more complicated and sensitive tasks, and yet the project manager and lead consultant often requires only cat 4 staff level 8 years of total working experience and 4 years in information security. This is not only putting the project at risk, but also the security protection of the B/Ds who hires under qualified people.

It is suggested to increase the category and qualification requirements of project team members for critical and complicated projects accordingly.

4. Clearly state IPR is released to contractors, with a non-exclusive license to use the IPR granted to the HK Government. Both parties will be allowed to make and own further modifications/developments of the IPR without the need for authorization or duty to account to the other party for any royalties.

5. Government should initiate the adjustment, both up and down, according to the consumer price index –B (CPI-D). The current system does not incorporate an upward pricing mechanism.

6. For minor group Cat 3, 1.3 M for SDLC is too small and often lead to cancellation of work assignments because of contractors bid over budget per effort estimation. It is suggested to raise it to 3M. However, for those over 1.3M, the B/D can request performance bond by individual project case, same as the major group now.

7. Quality Score: for tender 70% quality and 30% price shall remain to selected pre qualified contractors, but during WAB stage, 60% on price and 40% on continuous quality monitoring score is recommended.

8. Many B/Ds asked contractors to provide ballpark for budget purpose in Feasibility Studies or similar projects. In order to make sure the ballpark is accurate for B/D and encourage more work assignments, B/D should allocate budget for Feasibility Study so the estimated price, implementation schedule and technology used can be formulated in a realistic way.

9. OGCIO should assign its own staff with project experience to sit in the QPS project as central governance from OGCIO to eliminate the unnecessary barrier and expedite the project in an IT professional manner.


Hong Kong Information Technology Federation
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*Established in 1980, the Hong Kong Information Technology Federation is a nonprofit, non-political trade association that acts as a forum in which the IT-related businesses in Hong Kong can work together for the benefit of the industry and to maintain a high level of business practice amongst the members.*
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