

Consultation on
the Standing Offer Agreement for
Quality Professional Services (SOA-QPS)
in the Government of the
Hong Kong Special Administrative Region

Office of the Government Chief Information Officer
The Government of the Hong Kong Special Administrative Region
30 November 2007

I. Introduction

Since 1994, the Office of the Government Chief Information Officer (OGCIO) has adopted a bulk supply arrangement to enable Government departments to obtain IT professional services as and when required.

2. Over the years, such arrangements have been continuously improved. The present arrangement, called the Standing Offer Agreement for Quality Professional Services (SOA-QPS) and launched in December 2005, has twenty-two (22) contractors in forty (40) Standing Offer Agreements. The SOA-QPS, as the replacement of predecessor -- the Information Technology Professional Services Arrangement (ITPSA), has incorporated a number of enhancements such as the introduction of quality assessment in the award of individual work assignments. The SOA-QPS will expire in June 2009. The OGCIO is reviewing the arrangement prior to developing a replacement, and wishes to explore if there are any areas for further improvement.

3. This consultation paper describes the present arrangement and discusses some issues and areas for potential improvement that have been identified through feedback from Government departments, SOA-QPS contractors and the industry. The paper also provides some initial analysis of the options.

4. **We would like to invite views from the IT industry in response to the discussions in this paper, and solicit comments and suggestions on improvements to the current arrangement. Please send your comments to the Office of the Government Chief Information Officer before 29 December 2007 by one of the following means:**

By Post: Office of the Government Chief Information Officer
6/F, North Point Government Offices,
333 Java Road,
North Point,
Hong Kong
(Attention: Mr. Kenneth C K YEUNG)

By Fax: (852) 2574 3670

Via E-mail: soaqps_review@ogcio.gov.hk

5. Please address enquiries concerning this consultation exercise to:

Mr. Alfred C W NG, Assistant Government Chief Information Officer
by telephone at (852) 2582 4576
or
Mr. Kenneth C K YEUNG, Senior Systems Manager
by telephone at (852) 2231 5480
or
the above persons by electronic mail
at "soaqps_review@ogcio.gov.hk".

6. To facilitate our processing, please mark on your reply email or document the title of "**Feedback on SOA-QPS Review**". **To enable further communication where necessary, please supply your name and the name of your organization in your feedback.**

7. This consultation document does not constitute legal, commercial or technical advice, nor does it commit the Government to adopting any or all of the suggestions received. We assume that all submissions to this consultation are not made in confidence unless you specify otherwise. We may reproduce and publish the submissions in whole or in part in any form and use, adapt or develop any proposals put forward without seeking permission from or providing acknowledgement to the parties that submit the proposals.

II. Background

The Need for IT Professional Services

8. The Government of the Hong Kong Special Administrative Region is a major consumer of IT professional services. The Government leads by example in the use of IT, both for internal operation as well as delivering public services, through the implementation of the e-government programme. This requires a large IT professional service capacity to deliver IT solutions. The Government adopts a vigorous IT outsourcing strategy so as to meet its IT needs and to benefit from the state-of-the-art technologies and services to enhance its operation and the delivery of public services. Under this strategy, we have outsourced about 90% of our capital-funded IT projects in the fiscal year 2006-07.

Government Procurement

9. The Government's long-standing procurement policy is to purchase goods and services through open and fair competition, by maintaining a level playing field with emphasis on transparency and public accountability. The procurement principles and practices are enshrined in the Government's Stores and Procurement Regulations (SPR) promulgated by the Financial Secretary under the Public Finance Ordinance and the tendering procedures that govern all purchases.

10. Under the SPR, Government procurement of goods and general services (including IT goods and services) exceeding HK\$ 1.3 million in value is normally done under open and competitive tendering procedures so as to obtain the best value for money. Limited or restrictive tendering procedures are only permissible under exceptional circumstances.

11. A typical open tendering exercise involves the formal process of tender invitation and submission, opening and evaluation of tenders, recommendation for acceptance and consideration by tender board, and award of contract. This process may take several months to complete.

Procurement of IT Products and Services

Policy Objectives

12. The Government's primary objective in procuring IT professional services is to obtain the best value for money in meeting the operational and service needs of its departments. Given the rapid changes in IT and its product/service market, it is imperative that the procurement system is efficient, responsive and able to provide timely solutions to address the business and operational needs of departments.

13. In addition to meeting the above requirements, we also continue to find ways and means through our procurement arrangements to facilitate the development of the local IT industry, particularly the participation of small and medium enterprises (SMEs) in Government IT projects.

The SOA-QPS

14. In December 2005, the Office of the Government Chief Information Officer launched the SOA-QPS to enable Government departments to obtain IT professional services efficiently under a competitive environment. **Annex A** provides a general description of the SOA-QPS. The SOA-QPS is a bulk supply arrangement that aims to strike a reasonable balance between maintaining procurement efficiency and competition in the acquisition of IT professional services.

15. The SOA-QPS involves a two-stage procurement process. The Government enters into a number of standing offer agreements (the SOAs) with suppliers that have been selected through open tendering. Within the validity period of the SOAs, Government departments invite price quotations and technical proposals for individual IT assignments from the SOA contractors. Services will be awarded to the contractor with proposal meeting the technical requirements and attaining the highest combined price/quality score according to a Standard Marking Scheme. **Annex B** provides a general description of the Standard Marking Scheme.

16. From the statistics and feedback collected from regular returns, SOA-QPS was well received by Government departments as an effective and efficient means to acquire IT professional services. Between the launch of SOA-QPS in December 2005 and the end of October 2007, sixty-seven (67) Government departments have awarded 321 SOA-QPS work assignments at a total cost of HK\$376 million. About 20% of the work assignments were awarded within 20 working days from the invitation for proposals and over 86% were awarded within 50 working days. The procurement process was found to be greatly expedited.

17. We are however not complacent with these achievements, and we would like to explore if there are any areas for further improvement. We therefore launch this consultation exercise with a view to solicit views from the industry so that we would enrich or further improve our new arrangement that would succeed the current SOA-QPS upon its expiry in June 2009.

III. Consultation

18. Industry feedback during this process is crucial to developing a new arrangement with further improvements. We encourage the industry, including the existing SOA-QPS contractors and sub-contractors, to contribute generously to this consultation exercise.

19. The following paragraphs discuss a few particular issues that we would like to invite specific inputs from respondents.

- (a) Categorisation of Services and Suppliers
- (b) Participation by Suppliers
- (c) Length of Contracts
- (d) Selection of Contractors and Quality Consideration
- (e) Categorisation of Human Resources
- (f) Sub-contracting
- (g) Contractor's Liability
- (h) Timing for Proposal Submission
- (i) Payment for Services

Categorisation of Services and Suppliers

20. The SOA-QPS divides professional services into four (4) service categories. Within each service category, contractors are sub-divided into two groups based on value of work required and whether the work is deemed mission critical or high-risk. (Please see paragraph 2 of **Annex A**.) A supplier can be a contractor in more than one service category but can only be in either one group within any one category. The group sub-division has the effect of creating two competition platforms within a service area. This to an extent enhances the opportunity for contractors of different capacities to compete in different platforms.

21. While we believe that existing service categorisation is useful in helping Government departments to identify contractors with the right

skills, there have been suggestions that service categories of low business volume can be combined together and that service categories of wide service scope can be further subdivided into specific service areas. There has also been suggestion of no further sub-division of contractors in groups.

22. While it seems to be a common view that the services should remain categorized in a technology neutral manner, there are areas where we wish to review and explore in respect of the basis of services categorization as well as the means of sub-dividing contractors.

23. We welcome views from the industry on the categorisation of services and contractors, and the grouping of contractors within service categories. Suggestions with supporting reasons will be most appreciated.

Participation by Suppliers

24. The SOA-QPS, through open tendering, pre-selects contractors to commission work for multiple projects. The arrangement embodies a two-stage competition process that enhances efficiency in the selection of contractors for individual projects. The contractual arrangement also enables an effective governance framework to be put in place to ensure overall integrity of the system.

25. Within each of the four service categories, three (3) to six (6) contractors are available for selection to undertake IT projects. (Please see paragraph 2 of **Annex A.**) Altogether twenty-two (22) principal contractors participate in the SOA-QPS, and seven (7) of them were identified as SMEs at the time of tendering in 2005.

26. To determine the number of contractors under each of the service categories-groups, we need to strike a balance between maintaining an efficient procurement system for IT services and broadening industry participation. Making the pool of contractors too large could erode the attractiveness of the arrangement and undermine the

effectiveness of the assignment bidding and selection process.

27. General feedback from stakeholders suggests that there is not much benefit for a large increase in the number of contractors in each service category-group. The general view inclines to suggest the status quo or only a slight increase in the number of contractors if deemed necessary. In determining the number of contractors, due consideration should be given to the type of services required, the availability of service providers in the market, and categorisation of suppliers.

28. We welcome views on the number of contractors in various service categories-groups for participation by suppliers.

Length of Contracts

29. Length of contracts has been of interests to most suppliers. A short validity period would give suppliers that have not been selected for inclusion in the current arrangement another opportunity sooner, and is thus generally favoured by the unsuccessful bidders. On the other hand, a long validity period is commonly preferred by the successful contractor, but it may render the arrangement less responsive to market and technology conditions.

30. The existing SOAs are valid for 42 months with an option of early exit in the last 12 months of the validity period. It seems to be a common view that technology changes during the validity period should not have any substantial impact on the effectiveness of the arrangement because the services covered by the arrangement are largely technology neutral.

31. It is noted that tendering exercises generally involve high administrative costs for both the Government and the supplier community. All successful bidders will incur additional administrative costs in setting up their respective programme management systems to support the ongoing execution of the SOAs. A right balance should therefore be struck in determining the duration of the SOAs so that resources

investment would be optimal and fair opportunities would be provided to market players.

32. We welcome views on the “duration” for the new arrangement to succeed the current SOA-QPS.

Selection of Contractors and Quality Consideration

33. The existing twenty-two (22) SOA-QPS contractors were selected through public tendering. Consideration of the quality aspects, that is, the suppliers’ experience, technical capacity, management and quality systems including process accreditation, were given a 70% weighting in the selection process, while 30% was given to price ranking.

34. Under the SOA-QPS arrangement, Government departments issue work assignment briefs specifying their service requirements. All contractors within the service category-group would submit bids for the work assignments. To enable quality assessment in the selection of contractors to undertake the work assignments, a Standard Marking Scheme with a weighting of 30% in quality assessment and 70% in price assessment is adopted. The quality assessment in turn comprises 60% in general quality aspects of contractor and a maximum of 40% in quality aspects specific to the bid. (Please see **Annex B.**)

35. Depending on the requirements of work assignments, Government departments may choose to adopt up to 40% in weighting for bid-specific quality assessment in which they could put into consideration the quality of services and contractors’ innovativeness in the selection of contractors. We noted that about half of work assignments have adopted bid-specific quality assessment in the selection of contractors to undertake work assignments. This indicates a general acceptance of the current Standard Marking Scheme that allows flexibility in the adoption of price and quality weightings.

36. While the general views suggest that the existing Standard Marking Scheme serves its purpose in giving more emphasis on quality in

the selection of contractors to undertake work assignments, there has been suggestion that higher weighting of quality assessment can be applied to reflect the importance of quality in the assessment.

37. We welcome views from the industry on the subject of supplier selection and quality consideration in general and in particular the quality weighting in the selection of contractors to undertake work assignments.

Categorisation of Human Resources

38. The work assignments under SOA-QPS are conducted on a fixed-price and deliverable-based basis. The service charge is determined by the manpower required (say, man-days) at the unit prices for different Staff Categories. There are ceiling unit prices on all Staff Categories to regulate the prices of service proposals for individual work assignments.

39. Some Standard Staff Categories are defined under SOA-QPS based on general IT qualification and length of relevant working experience (Please see paragraph 3 of **Annex A**). The ranking structure so constituted represents a common frame of reference that applies across work assignments. It also serves as an objective yardstick for benchmarking.

40. Apart from the Standard Staff Categories, the SOA-QPS also allows Supplier-specific Staff Categories proposed by individual SOA-QPS contractors that are unique to their human resources profiles. This is an enhanced feature under the SOA-QPS which aims to encourage innovation from contractors and to enable the Government to access new and specialist skills that are available in the industry. However, this new feature has not been widely utilized by SOA-QPS contractors with just a few Supplier-specific Staff Categories proposed in the current arrangement.

41. While the general feedback from stakeholders suggests that the existing staff categorisation system generally serves its purposes, **we welcome suggestions on ways to improve the service charging structure, the human resources categorisation structure and the supplier-specific staff categories in the new arrangement.**

Sub-contracting

42. Sub-contracting is a common practice in Government IT contracts. There are at present over one hundred (100) sub-contractors under the SOA-QPS. In about 17% of work assignments, the principal contractors involve sub-contractors.

43. As an established practice, the Government does not intervene in the commercial relationship or the operational arrangements between principal contractors and sub-contractors. We however strive to minimize the time required for principal contractors to obtain the Government's approval to engage or change sub-contractors. This is typically accomplished within ten (10) days and there has not been any unsuccessful application to-date. We believe that we should continue to uphold the policy of non-intervention in the commercial relationship between principal contractors and sub-contractors.

44. We welcome views on this subject.

Contractor's Liability

45. Contractor's liability is another issue of common interests. While we understand suppliers' desire to reduce their exposure under Government IT contracts, a balance should be struck between reducing a supplier's risk exposure and protecting the Government from accepting risks prematurely before having the chance to study and assess the supplier's proposal.

46. We have made reference to the practices adopted in other

jurisdictions. We note that most jurisdictions do not set caps on important subjects such as infringement of intellectual property rights, death and personal injury, but may, under suitable conditions, limit liabilities of contractors on indirect or consequential damages. The Government has been addressing contractor's liability in-line with this common practice and has set caps on liabilities of contractors on indirect and consequential damages in contracts where the project conditions are deemed suitable.

47. The issues of liability should reasonably be considered under the context of risk management. Setting cap on contractor's liability should be considered on a per-project basis so that the level of risks and the extent of impact of individual proposals could be properly assessed and the amount of contractor's liability to be capped could be sensibly and prudently determined for the sake of protecting the public interests.

48. It is considered reasonable that only for projects of low risk or with proven solutions that contractor liability could be determined at the early stage of the procurement process or set out in the tender document. For projects that are of high risk or with much uncertainty in the solutions, it should be prudent and in the interest of the public that the scope and amount of contractor's liability should be determined after proper assessments of the contractors' proposals at a later stage of the procurement process.

49. The SOA-QPS is a two-stage procurement process with the first stage solely targeted for selecting the standing contractors only. The assignments to be bid by contractors are yet to exist in the first stage. It therefore imposes much difficulty in determining the scope of liability as well as the amount of liability cap at the first stage.

50. We would like to explore possible approaches of determining contractor's liability under the two-stage procurement process of SOA-QPS. We welcome suggestions on this subject.

Timing for Proposal Submission

51. Depending on the service requirements, contractors normally have 10 to 15 working days to prepare and submit their proposals in response to the work assignment brief issued by Government departments. For complex projects, we also encourage Government departments to give briefing on the service requirements. We believe such arrangement can facilitate contractors in understanding the service requirements as well as preparing proposals within the allowed timeframe.

52. There has been occasional expression of desire for a longer timeframe for proposal submission. We believe that efficiency is important to the SOA-QPS procurement arrangement. A general increase in the time window for service proposal may erode the attractiveness of SOA-QPS and undermine the effectiveness of the invitation and bidding processes. While the present arrangement is basically working well, we will continue to enhance it and find ways to facilitate contractors in preparing their proposals.

53. We welcome views in respect of the process and time window for preparing service proposals.

Payment for Services

54. Under SOA-QPS, payment for on-going services will either be made in fixed price at regular intervals or on time-and-material basis upon satisfactory completion of tasks on actual man-effort or time consumption.

55. In the case of one-off services, insofar as the work deliverables are clearly defined and due consideration is given to the risk inherent in the delivery of the outcome, payment schedule can be structured on the basis of both the result of work as well as the effort that has been put in to deliver the result. For this reason, under SOA-QPS, payment for one-off services can be in the form of completion-of-work fee, stage fees, monthly or regular fees.

56. We note that about 65% of one-off services under SOA-QPS adopted the stage fees model. General feedback from stakeholders suggests that the existing payment structure generally serves its purposes, and to an extent alleviates the cashflow burden of contractors, in particular the SMEs.

57. We would like to solicit views on ways to further improve the payment structure, if any.

IV. Invitation for Comments

58. We should be grateful if you would contribute your valuable views and opinions on the various topics discussed in this paper. The method of responding to this consultation is provided in paragraphs 4 to 6 of the paper.

**Office of the Government Chief Information Officer
The Government of the Hong Kong Special Administrative Region**

November 2007

**The Standing Offer Agreement for Quality Professional Services
(SOA-QPS)**

Background

Through public tendering, the Office of the Government Chief Information Officer (OGCIO) has entered into 40 standing offer agreements (SOAs) with 22 companies for the provision of IT professional services for 42 months effective from 28 December 2005 with an option of early exit during the last 12 months of the validity period. The SOAs are non-exclusive contractual agreements with a uniform set of terms and conditions. There are four categories of IT professional services. Each category is sub-divided into two groups, namely Minor Works Group and Major Works Group. There are three to six contractors in each category-group.

2. The service category, service group and contractors of SOA-QPS are listed as follows:

Service Category

1	Pre-implementation and independent programme / project management services: <ul style="list-style-type: none"> - Departmental Information Technology Plan - Feasibility and Technical Study - Independent Programme Management - Independent Project Management
2	On-going services: <ul style="list-style-type: none"> - System Maintenance and Support - Network Support Services
3	Implementation & full system development life cycle services: <ul style="list-style-type: none"> - Network Planning, Design and Implementation - Office System Implementation - System Analysis and Design - System Implementation and System Integration - Full System Development Life Cycle Services

4	Information security services: - Security Risk Assessment and Audit Services - Security Management Design and Implementation Services - IT Security Monitoring and Incident Response Support Services
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Service Group

For Service Categories 1, 2 and 3

Minor Works Group:	Work Assignments with value not exceeding HK\$1.3 million
Major Works Group:	Work Assignments with value exceeding HK\$1.3 million and not exceeding HK\$10 million; or Work Assignments that are deemed to be mission critical or high-risk in nature and not exceeding HK\$10 million

For Service Category 4

Minor Works Group:	Work Assignments with value not exceeding HK\$260,000
Major Works Group:	Work Assignments with value exceeding HK\$260,000 and not exceeding HK\$10 million; or Work Assignments that are deemed to be mission critical or high-risk in nature and not exceeding HK\$10 million

Contractor List

Contractor	Category 1		Category 2		Category 3		Category 4	
	Group		Group		Group		Group	
	Major	Minor	Major	Minor	Major	Minor	Major	Minor
	1. Arcotect Limited		✓		✓		✓	
2. Au Posford Consultants Limited		✓						
3. Automated Systems (H.K.) Limited		✓	✓		✓		✓	
4. Azeus Systems Limited	✓		✓		✓			
5. Computer And Technologies Solutions Limited								✓

Contractor	Category		Category		Category		Category	
	1		2		3		4	
	Group		Group		Group		Group	
	Major	Minor	Major	Minor	Major	Minor	Major	Minor
6. Doctor A Security Systems (HK) Limited								✓
7. ELM Computer Technologies Limited						✓		
8. ESRI China (Hong Kong) Limited						✓		
9. Fujitsu Hong Kong Limited				✓				
10. Future Solutions Laboratory Limited						✓		
11. HCL Technologies Limited			✓					
12. Hewlett-Packard HK SAR Limited	✓		✓		✓		✓	
13. IBM China/Hong Kong Limited	✓							
14. ICO Limited				✓				
15. Integrated Enterprise Solutions Limited				✓				
16. Jardine OneSolution (HK) Limited				✓				
17. Kinetix Systems Limited						✓		
18. NCSI (HK) Limited			✓		✓		✓	
19. NETdefence Company Limited								✓
20. PCCW Solutions Limited		✓			✓		✓	
21. Unisys China/Hongkong Limited	✓		✓		✓		✓	
22. Y&A Professional Services Limited		✓				✓		

3. The SOA-QPS has a set of standard staff categories, which can

be augmented by supplier-specific staff categories, if any, for individual SOA-QPS contractors that are unique to their human resources profiles. This is an enhancement feature under SOA-QPS, which aims to encourage innovation from contractors and enable the Government to access new and specialist skills that are available in the industry. The following is a summary of the staff categories and their respective requirements on qualification / experience:

Service Category	Staff Category
1 - Pre-implementation and independent programme / project management services	There are 10 staff categories requiring from at least 1 year to at least 15 years of IT experience, including specified length of experience in the relevant function/speciality.
2 - On-going services	There are 10 staff categories requiring from at least 1 year to at least 11 years of IT experience, including specified length of experience in the relevant function/speciality.
3 - Implementation & full system development life cycle services	There are 12 staff categories requiring from at least 1 year to at least 15 years of IT experience, including specified length of experience in the relevant function/speciality.
4 - Information security services	There are 6 staff categories requiring from at least 2 years to at least 15 years of IT experience, including specified length of experience in the relevant function/speciality.

4. To obtain IT professional services under SOA-QPS, a Government department issues a work assignment brief to invite for proposals from contractors in the relevant category-group. The work assignment brief will describe service requirements that should be within

the scope of the selected category-group. Every contractor in the category-group would normally have 10 to 15 working days to prepare and submit a service proposal in response to the work assignment brief. The Government department awards the work assignment to the contractor that submits the proposal meeting the technical requirements and attaining the highest combined price/quality score according to the Standard Marking Scheme described in Annex B.

5. There is a ceiling charge rate for each staff category under each service category for each contractor in respect of on-site, off-site and off-shore execution of work assignments. The service charge for a work assignment is calculated based on the manpower estimate and relevant staff charging rates limited by the ceiling charge rates. The ceiling charge rates are subject to review and adjustment upward or downward in accordance with Consumer Price Index B annually. To offer more competitive prices to the Government, contractors may apply a unit rate lower than the corresponding ceiling charge rate in their service proposals.

6. During execution of work assignments, either Government departments or contractors may initiate a request for change. Both parties should follow the change management system in place to handle changes. Government departments will also assess contractors' performance in work assignments periodically.

7. Under the SOA-QPS, seven (7) out of the 22 contractors were small and medium enterprises (SMEs) according to information provided in their tenders in 2005.

SOA-QPS Statistics

8. Between 28 December 2005 and 31 October 2007, 67 Government departments have awarded 321 SOA-QPS work assignments in the eight category-groups at a total cost of HK\$376 million. Among the 321 SOA-QPS work assignments that have been awarded, about 20% were awarded within 20 working days from invitation for proposals and over 86% were awarded within 50 working days. A summary of work

assignments awarded:

Number of departments used SOA-QPS	:	67
Number of work assignments awarded	:	321
Number of work assignments completed	:	98
Number of work assignments with work in progress	:	223
Value of work assignments awarded (HK\$ million)	:	376
Manpower of work assignments awarded (man-year)	:	807.7

9. A breakdown of number of work assignments by values:

Assignment Value (HK\$) ¹	No. of Work Assignments	%
Over HK\$5 million but not exceeding HK\$10 million	21	6.6
Over HK\$1.3 million but not exceeding HK\$5 million	55	17.1
Over HK\$0.65 million but not exceeding HK\$1.3 million	55	17.1
Over HK\$0.26 million but not exceeding HK\$0.65 million	64	19.9
HK\$0.26 million or below	126	39.3
Total:	321	100%

10. The latest consumption in the SOA-QPS can be found in <http://www.ogcio.gov.hk/eng/itbusiness/esoq-qps.html>

Facilitating the Use of SOA-QPS

11. SOA-QPS is managed and supported by a Contract

¹ The classification of the Assignment Value in the table is based on the relevant schedule of procurement authority in the Government's procurement system.

Administrator, a Client Liaison Officer and a Supplier Liaison Officer to ensure the integrity, efficiency, effectiveness and quality of the SOA-QPS.

12. The SOA-QPS Contract Administrator oversees the effective execution of the 40 SOAs. The SOA-QPS Client Liaison Officer, through a dedicated theme page and helpdesk services, provides guidelines and advice to assist Government departments on the use of the SOA-QPS. The SOA-QPS Supplier Liaison Officer maintains close contact with the contractors and advises and assists them in the execution of the SOA-QPS and providing quality services to Government departments.

13. The SOA-QPS is a non-exclusive arrangement and Government departments can acquire IT professional services through other means in accordance with the Government's procurement regulations.

Standard Marking Scheme under the SOA-QPS

The Government adopts a Standard Marking Scheme to enable quality assessment in the selection of contractors to undertake work assignments under the SOA-QPS. The Standard Marking Scheme for work assignments under the SOA-QPS adopts a 30% quality weighting and a 70% price weighting in the computation of the Price-Quality Score:

$$\text{Price-Quality Score} = \text{Quality Score} + \text{Price Score}$$

2. The quality score of a proposal in turn consists of two parts:
 - (a) a General Quality Sub-score that considers the contractor's qualifications, past performance of work for Government, past performance in bidding for work assignments under the SOA-QPS, the quality of programme management and sub-contractor management; and
 - (b) a Work Assignment Quality Sub-score that considers the specific requirements of the work assignments in question.

The quality scoring structure is given below.

Item Scored in General Quality Sub-score	Item Scored in Work Assignment Quality Sub-score
1. Qualification of the suppliers	1. Qualification / skill / experience of the personnel proposed to deploy to the work assignment in question, if required
2. Qualification of the IT personnel deployed to Government work in the past 3 years	2. Past experience on similar nature of projects or business, if required

Item Scored in General Quality Sub-score	Item Scored in Work Assignment Quality Sub-score
3. Contractor's performance index (the Contractor performance of all work assignments executed by the Contractor)	3. New approaches, methods or techniques that are of extra value to the work assignment, if required
4. Bidding performance under the SOA-QPS	4. Other features specific to the work assignment, if required
5. Key performance indicators (KPIs) on programme management, sub-contracting and sub-contractor management under the SOA-QPS	

3. The OGCIO will assign one General Quality Sub-score to individual Contractor half-yearly based on the criteria shown in paragraph 2 above having considered information supplied by the Contractor and Government departments from time to time.

4. As for Work Assignment Quality Sub-scores, Government departments will publish the criteria and marking scheme as part of the work assignment brief in the invitation of work assignment proposals.
