



Quantity Surveying Division

Sr Paul Wong QSD Council Chairman

Publication of Articles

1. Engage Independent Cost Consultants to Formulate an Effective Monitoring Mechanism

As stated in my February Chairman's Message, the main theme of the QSD during this Council year is construction cost control monitoring.

For existing Government civil engineering and infrastructure projects, the roles of the management of design and site progress and cost monitoring are handled by the same engineering consultant. The HKIS has recommended the Government to engage independent cost consultants, so as to boost the independence and transparency of construction costs.

To let the general public know how public money is being used on independent cost consultants in infrastructure projects, the QSD published an article, "Engage Independent Cost Consultants to Formulate an Effective Monitoring Mechanism (設獨立建造成本顧問優化監控)," in the *Hong Kong Economic Journal* on 12 July. To view the full version of this article, please click the link below:

<https://www.facebook.com/HKIS.qsd/photos/a.1421127444855917.1073741827.1404391893196139/1562984547336872/?type=3>

2. Independent Team for Monitoring Construction Cost: Should be Monitored by Specialists

A Project Cost Management Office (PCMO) under the Development Bureau was recently established to strengthen cost controls over public works projects.

The QSD considers that the quantity surveying profession is well-recognised and conversant with construction cost data collection, analysis and management, various local and global practising tender procurement systems, and different contractual arrangements devised for the risks

unique to construction. As such, the QSD strongly believes that the PCMO should have a substantial number of quantity surveyors in its ranks.

The QSD also notes that the Government's proposed PCMO is to improve the cost management of Hong Kong's public works. From the collective experiences of quantity surveyors in building works, the QSD considers that the use of independent cost controls and management is still a preferred solution to over-viewing, monitoring, and close tracking of budget expenses in order to avoid overruns in infrastructure projects.

To address this issue, I submitted an article, "Independent Team for Monitoring Construction Cost: Should be Monitored by Specialists (專組控制工程成本 宜專家掌舵)," for publication in the *Hong Kong Economic Times* on 13 July. To view the full version of this article, please click the link below:

<http://www.hkis.org.hk/hkis/general/media/media-20160713.pdf>

Meeting with the Development Bureau

A meeting between the Development Bureau (DevB) and the HKIS was held at Central Government Offices on 27 July.

The meeting was chaired by Ir Hon Chi-keung, the DevB's Permanent Secretary for Development (Works), and attended by his senior officials, as well as representatives from the HKIS: Sr C K Lau (HKIS President); Sr Thomas Ho (HKIS Senior Vice-President and QSD Past Chairman); Sr Raymond Kam and Sr Raymond Kong (both QSD Vice Chairmen); Sr T T Cheung, JP (HKIS Past President and QSD Past Chairman); Sr Keith Yim (QSD Past Chairman); Sr K C Tang (QSD Co-opted member and member of the Standard Setting Committee of the International Construction Measurement Standards (ICMS)); and I.

During the meeting, the HKIS representatives briefed the DevB on the ICMS and requested the DevB's support. Both parties also exchanged views on the QSD's most pressing issues with the PCMO under the DevB, independent cost consultants for infrastructure projects, and the use of NEC.

The QSD shall maintain close dialogue with the DevB, so as to persuade it to address the QSD's comments.

QSD 3rd Social Event – Shooting Fun Day (Classes 1 and 2)

The 3rd QSD social event of the 2015-2016 Council Year – Classes 1 and 2 of the Shooting Fun Day – was held at the Hong Kong Gun Club on 13 and 20 August, respectively.

A total of 24 members joined this event. Each class started with a one-hour briefing session on the basics of handgun practical shooting, including the relevant ordnance, safety precautions, range command, marksmanship principles, etc, led by an experienced coach from the Hong Kong Gun Club.

After members attended the briefing session, they were coached on the use of real pistols. During the two-hour practical training session, the coaches watched and corrected members' use of the pistols. All members showed great interest in learning a new skill.

To commemorate the event, the organisers took photos of all members during the two classes. All enjoyed the experience and brought home their own target sheets used in the training sessions.



QSD Visits

In August, the QSD organised two visits on 6 August and 20 August (a joint visit with YSG). The reports on these visits are published in the Education section of this issue of *Surveyors Times*.

I take this opportunity to encourage members to register for the following visits organised by the QSD:

1. 15 October: Central-Wan Chai Bypass and Island Eastern Corridor Link [FULL]
2. 22 October: tower crane yard
3. 22 October: 2nd visit to a steel bar cut-and-bend factory (joint event with YSG)
4. 29 October: recycled gypsum block factory in Panyu (joint event with the HKIE's Building Division)
5. 12 November: the Airport Express' Kowloon MTR Station (joint event with YSG) [FULL]

2016 QSD Pre-qualification Structured Learning (PQSL) Series

I want to draw the attention of our probationers and associate members to the HKIS QSD APC Rules and Guide, which state that candidates must undertake a minimum of **15 HOURS** of pre-qualification structured learning (**PQSL EVERY SIX MONTHS (NOT a minimum of 30 HOURS EVERY YEAR)**) after they enter the APC up to the time they take any written assessment. Candidates are reminded that fulfilling such a requirement is a precondition to admission into any written assessment under the QSD APC Scheme.

This year, the Training Sub-committee has completed 17 PQSL talks and four APC workshops. The next three PQSL talks are as follows:

1. Direct Loss and Expenses Claims (27 September)
2. Basic Understanding of the MVAC System and Measurement (4 October)
3. Introduction to the Standard Form of Contract for Maintenance and Renovation Works (7 November)

Candidates who are scheduled to take any coming APC Assessment are encouraged to join these talks. More details on them are available at:

http://www.hkis.org.hk/en/professional_cpd.php.

Update on the Proposed Security of Payment Legislation

The HKIS has been working closely with the Hong Kong Institute of Architects (HKIA) and the

Hong Kong Institution of Engineers (HKIE) on the proposed Security of Payment Legislation (SOPL). A number of meetings on this issue have been held with the DevB since the public consultation concluded at the end of August 2015.

One focus of the discussions was on the establishment of the Joint Adjudication Appointing Body (hereafter the Body) by the HKIA, HKIE, and HKIS. Progress has been made here with the DevB and the last proposal was to have the Body comprise members of four organisations: the HKIA, HKIE, HKIS, and the Hong Kong International Arbitration Centre (HKIAC).

The above organisations are currently reviewing the Body. Further meetings will be held with the DevB to resolve other outstanding issues.

Updated Arrangement for Off-prints of the Old (1986) Edition of the SFBC

Further to my May Chairman's Message on this subject, I want to advise that the new edition of the four standard forms of building contracts (2005/2016 Edition; hereafter the New Forms), viz. the Agreement and Schedule of Conditions of Building Contract with Quantities (2005), Agreement and Schedule of Conditions of Building Contract without Quantities (2006), Agreement and Schedule of Conditions of Nominated Sub-Contract (2005), and Agreement and Schedule of Conditions of Nominated Supply Contract (2005), will be published sometime during the fourth quarter of 2016.

To echo the advice of some members of and stakeholders in the construction industry, I would like to inform members that six months after the publication of the New Forms, the four standard forms of building contracts published

in 1986 and subsequently amended (hereafter the Old Forms), viz. the Building Contract with Quantities, Building Contract without Quantities, and Sub-Contract and Tender (for supply contract), will no longer be available for sale from the Institute.

Those members who still adhere to the Old Forms are strongly advised to familiarise themselves with the New Forms, as the Old Forms will soon be retired from the construction industry.

3rd Batch of Applications to Qualify PRC-Registered Cost Engineers

Following the signing of the 2nd Supplemental Agreement for the Reciprocity Agreement between the China Engineering Cost Association (CECA) and the HKIS in October 2015 in Beijing, the QSD had a series of discussions with the CECA in respect of the arrangements for the application to qualify as a PRC-Registered Cost Engineer. The preliminary timeline of the application process is tentatively fixed as follows:

- September 2016: the QSD will issue letters to professional members with at least ten years of post-qualification experience (up to February 2017) and fellow members who have not previously applied for the qualification to solicit their interest in applying for the PRC-Registered Cost Engineer qualification.
- November 2016: the QSD will issue letters to formally invite those members who have expressed interest in application to qualify as PRC-Registered Cost Engineers.
- February 2017: the training and assessment will commence in a Mainland city close to Hong Kong.

The QSD will work out the details and logistics of the training and assessment with the CECA. Already, the prerequisites for applying for the PRC-Registered Cost Engineer qualification were revised in the 2nd Supplementary Agreement for the Reciprocity Agreement:

http://www.hkis.org.hk/en/hkis_abouts_reciprocity.php.

Re-register the PRC Registered Cost Engineer Qualifications of HKIS Members:

In July, the CECA informed the Institute to re-register the PRC Registered Cost Engineer qualifications of HKIS members or else they will expire on 31 December 2016. The HKIS will issue letters to them in September 2016 to arrange their re-registration.

Upcoming QSD Social Event – Oyster Shucking Class

HKIS QSD SOCIAL EVENT
(for QSD members only)

OYSTER SHUCKING CLASS

ROOM 905, WESTLAND CENTRE, QUARRY BAY, HK

For details, please visit http://www.hkis.org.hk/en/professional_cpd.php

DATE: 28 OCT 2016
TIME: 7:30PM TO 9PM
EVENT CODE: QSD/5/201614
QUOTA: 30
CLOSING DATE: 14 OCT 2016

\$150

