

# SURVEYORS

測量師時代  
Times

Vol.19 • No.11 • November 2010

## HKIS Annual Dinner 2010



## HKIS 2009-2010 General Council

香港測量師學會2009-2010年度理事會

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香港測量師學會

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- YSG Annual Dinner 27 November 2010

At the Institute's Annual General Meeting held on 10 December, Peter Wong, Serena Lau, Stephen Lai, Edwin Tang and Simon Kwok were elected as the President, Senior Vice President, Vice President, Honorary Secretary and Honorary Treasurer respectively. The AGM also announced the election of other Office Bearers and Councillors to the General Council for the year 2010-2011.

Most Divisions including QSD, GPD, LSD and PFMD also held their Annual General Meetings and elected their new Office Bearers and Council Members for the coming year(s). Most Divisional Chairmen also reported these major tasks, activities and achievements in this issue.

The BSD Conference was held on 30 October with more than 200 participants. The Secretary for Development, Mrs Carrie Lam, delivered the keynote speech for this conference. The BSD Council representatives attended the 2010 China Shanghai International Project Management Conference on 4-5 November.

For the 2nd reciprocal agreement with China Engineering Cost Association, training sessions was conducted by QSD senior members in Shenzhen on 9 - 10 November for 170 CECA members. On 5 November, two former QSD chairmen visited the Shanghai Construction Department to reinforce the link with the administrative heads of the Construction Bureau.

I wish HKIS members would have Merry Christmas and Happy New Year.

Dr Paul Ho  
bshkho@cityu.edu.hk

學會周年大會於十二月十日舉行，黃比、劉詩韻、賴旭輝、鄧海坤、郭志和分別獲選為會長、高級副會長、副會長、義務秘書和義務司庫。大會同時宣布 2010-11 年度選出的理事會理事人選。

包括工料測量組、產業測量組、土地測量組和物業設施管理組等組別，都舉行了周年大會，並選出來年度的執行理事和理事，該等事務和年內的活動、成果，詳見本期有關文章。

建築測量組會議於十月三十日舉行，逾 200 人參加，由發展局局長林鄭月娥作開幕演說。組別代表於十一月四至五日，參加中國上海 2010 工程項目管理國際論壇。

工料測量組的資深會員於十一月九至十日，就與中國建設工程造價管理協會 (CECA) 簽定的第二項互認協議，於深圳為 170 位 CECA 會員提供培訓。組別兩位前主席探訪上海市建築建材市場管理總站，加強與建設部行政方的聯繫。

在此謹祝各會員聖誕和新年快樂。

何學強博士  
bshkho@cityu.edu.hk



Professor Chau Kwong Wing

## A Happy Ending

After the Annual General Meeting on 10 December, I will step down as President of the HKIS. The year 2010 has been a very busy and challenging year for me. While the last month of my term has been my busiest, it was also filled with events that were surprisingly fun and entertaining. I was invited by the Liaison Office of the Central People's Government in the Hong Kong SAR to preview the Opening Ceremony of the Asia Games in Guangzhou. It was truly an amazing show. There is a huge difference between seeing it live and watching it on television. I must thank the Liaison Office again for its invitation and arrangements.

I attended the Presidents Cup of Caring Cooking Competition at the Chinese Cuisine Training Institute organized by the Law Society on 6 November. Thanks to the help of Jo Lau and Lesley, we prepared a dish that was both delicious and innovative. I have also attended many dinners and functions organized by the different Divisions of our institute. They were all very relaxing and enjoyable events. In addition, many of delights of these functions were further enhanced by the presence of our past president and wine specialist, Raymond Chan, who always brought his best wine to share with us. The YSG Annual Dinner and the Sports Nights were full of energy. Attending these functions made me feel at least 20 years younger. The performance of our newly-formed band on

Sports Night proved that many of our members are very talented. The two events were organized and participated in mainly by our younger members. These events were not just fun and entertaining, but also exhibited the cohesion amongst our younger members, which, I believe, is very important for building members' sense of belonging to the organization. I am most grateful for concluding my term of presidency with so many enjoyable events over the last few weeks.

By the time this message appears in the Surveyor Times, we would have elected all the Office Bearers. Nominations have already been sent to members a while ago. Since all positions have only one nominee, I do not need a sophisticated model to predict the outcome. May I congratulate all nominees in advance and thank them for their willingness to serve our Institute. I would also like to congratulate all Council Members of all Six Divisions and the YSG. I am sure that the newly-elected Office Bearer Council Members will take our Institute to new heights during the coming Council Year.

### 圓滿句號

在十二月十日的周年大會後，我便會卸任學會會長。對我來說，今年既忙碌而富挑戰性，任期的最後一個月公務繁忙，月內卻不乏愉悅活動；在中聯辦的邀請下，我出席了廣州亞運的開幕式，見證傳奇一刻，置身現場與電視機前的感覺迥異，這裡特向有關方面的安排致謝。

十一月六日，我參加了香港律師會舉辦的廚神大賽，在 Jo Lau 及 Lesley 的襄助下，我們煮出創新美味的菜餚。我又出席了學會不同組別的晚宴和活動，全都盡興而還，特別是前會長及紅酒專家陳旭明經常提供佳釀與眾同享。YSG 周年晚宴和運動之夜活力澎湃，使我有青春 20 年的感覺；運動之夜中學會新埋班樂隊的繞樑獻唱，更證明學會甚多能人異士。以上兩項活動的參與者以青年會員居多，顯示他們強勁的凝聚力，對建立會員對學會的歸屬感極為重要。以這麼歡樂的活動結束會長任期，我感到相當興奮。

當大家閱讀本文時，新一屆執行理事已選出，提名資料已於較早時寄發予會員。由於所有職位都只得一人候選，形勢沒有懸念。我謹此預祝各位候選者，並感謝其服務學會的意願，同時恭賀各組別及青年組的理事，深信來年他們必能再創高峰。

## HKIS Annual Dinner 2010

The HKIS Annual Dinner was successfully held on 2 November at the Grand Hyatt Hong Kong. We were honored to have the Honourable John Tsang Chun Wah, GBM, JP, Financial Secretary of the Government of the Hong Kong Special Administrative Region to deliver an opening speech.

Following the welcome speech by the President Professor K W Chau, the current Executive Committee Members, Board Chairmen and Past Presidents had a toast to all the guests. Then the Guest of Honor Mr John Tsang delivered the opening speech. After that, the President Professor K W Chau presented a tailor-made souvenir to Mr Tsang. The Vice President and also Chairperson of the Annual Dinner Organizing Committee, Ms Serena Lau, then gave a vote of thanks to the guest of honor.

While enjoying the dinner, there was a wonderful cappella performance by a performing group Senza A Cappella. A cappella is a singing style where songs are performed without musical instrument. Our performing group, Senza A Cappella, is an ensemble formed by students from various departments of Hong Kong Baptist University.

Following the performance by the Senza A Cappella, the HKIS Founding President Mr Kan Fook Yee, brought us 2 pieces of singing – Il Lacerato Spirito, and An Die Musik. Mr Kan, the HKIS Founding President and a practicing barrister, surprises many people by his being also a baritone and an ardent lover of bel cantosinging. Not only does he still maintain an active practice, but continues to receive vocal training from the well renowned vocal master.





The dinner was well attended by member firms. Those prominent guests in the Head Tables included but not limited to Mr Leung Chun Ying, Convenor of Non-official Members of Executive Council of the HKSAR, Professor Patrick Lau, Legislative Councillor, Mr Barry Cheung, Chairman of Urban Renewal Authority, Mr Pan Yonghua, Director General of the Education, Science and Technology Department of the Liaison Office of the Central People's Government in the HKSAR, Mr Song Chun Hua, President of the China Institute of Real Estate Appraisers and Agents, etc. Other guests included directorates of government departments, presidents of relevant professional institutions, representatives from academia, etc.



Ms Michelle Chung, Committee Member of Young Surveyors Group, brought to the floor two famous songs, which led the event to an end.

For the newspaper supplement and dinner publication, please visit the HKIS website <http://www.hkis.org.hk>.

The Organizing Committee Chairperson Ms Serena Lau sincerely thanked those members of the Organizing Committee and the Master of Ceremony:



- |                 |  |
|-----------------|--|
| Mr Lesly Lam    | HKIS Honorary Treasurer                    |
| Ms Jo Lau       | BSD Representative                         |
| Mr Kason Cheung | GPD and YSG Representative                 |
| Ms Lizzy To     | LSD Representative /<br>Master of Ceremony |
| Mr Antony Yu    | LSD Representative                         |
| Mr Ben Chong    | PDD Representative                         |
| Ms Hannah Tse   | PFMD Representative                        |
| Ms Tzena Wong   | QSD Representative                         |
| Mr Honby Chan   | QSD Representative                         |
| Ms Angela So    | Master of Ceremony                         |
| Mr Wayne Chau   | Master of Ceremony                         |



# HKIS Annual Dinner 2010

## *Preparation ...*



## *On Stage ...*



# Guests and Friends ...

# HKIS Annual





# Dinner 2010

*Joy Everywhere ...*



## Revised PNAPs

The Building Authority (BA) has revised the following Practice Note for Authorized Persons, Registered Structural Engineers and Registered Geotechnical Engineers.

### **Revised PNAP ADM-14 Minor Amendments to Plans and Specified Forms**

To facilitate processing of plans which are considered by the Buildings Department (BD) as approvable under the Buildings Ordinance (BO) subject to minor amendments, authorized persons (APs), registered structural engineers (RSEs) and registered geotechnical engineers (RGEs) would be allowed to make minor amendments to such plans and relevant specified forms with BD's prior agreement. This Practice Note sets out the related procedures.

#### **Procedures**

2. With immediate effect, the procedures for making minor amendments to plans which are approvable under the BO subject to such amendments and other relevant specified forms already submitted to BD are as follows :

#### **(a) Amending plans and specified forms in BD**

It is usual practice for BD staff to conduct an interview with the design team from AP/RSE/RGE to clarify queries on the submissions prior to minor amendments to the plans. AP/RSE/RGE may amend the plans and specified forms in BD and authenticate the amendments by his signature. Should clarification be required on the work the design of which has been prepared by specialist or proprietary contractors such as glazing works, cladding and curtain wall works, foundation works and hoarding works, the AP/RSE/RGE or his competent representative who understands the entire project is always encouraged to attend the interview with the specialist or proprietary contractor for better co-ordination and prompt resolution of interface problems raised by BD.

#### **(b) Substituting sheets and specified forms**

AP/RSE/RGE may amend the plans by handing in substitute sheets with all the amendments clearly

annotated and individually authenticated. Such amendments should first be agreed with the case officer and the substitute sheets should reach him on a date to be agreed with him, in any case not more than two working days from the date the AP/RSE/RGE approaches the case officer. AP/RSE/RGE may replace the specified forms by handing in substitute ones. Such substitution should first be agreed with the case officer.

#### **(c) Taking away part of the submission and specified forms**

AP/RSE/RGE may request in writing the removal of part of a submission of plans or specified forms. Such request should specify the reference or number of the plans or the specified forms to be taken away and must contain an undertaking to return the amended plans or specified forms in not more than two working days. The precise date of return should be agreed with the case officer beforehand. The amended plans or the specified forms should be clearly annotated and individually authenticated.

3. In the case of (b) and (c) in paragraph 2 above, the return must always be before the due date for processing of the submission. If the plans and/or specified forms for amendment are not returned to the case officer on the agreed date, the submission will be disapproved under sections 16(1)(i) and/or 16(1)(c) of the BO on the grounds that not all the plans as are prescribed by regulations and/or the required specified forms have been submitted.

4. For amendments that may have implication under the lease conditions, an extra copy of the plans with amendments clearly annotated/coloured together with a Development Schedule to indicate the alterations/changes and the extent of compliance with the lease conditions should be submitted for onward transmission to the Lands Department for consideration. Examples of such amendments may include exclusion of floor space from gross floor area (GFA) calculation, conversion of floor space accountable for GFA calculation into back-of-the-house facilities for hotel etc.

5. The above procedures aim to facilitate and will be reviewed from time to time. BD expects co-operation from all APs, RSEs and RGEs using the facility. In the event of abuse or operational difficulties, the procedures will be modified or cancelled.

**Revised PNAP APP-29 Lift and Escalator Installations**

**Building Works Requirements**

The design and construction of buildings and building works accommodating lift and escalator installations are governed by Building (Construction) Regulation 9A, which specifies performance requirements in broad terms. Detailed technical standards are promulgated in the “Code of Practice on the Design and Construction of Buildings and Building Works for the Installation and Safe Use of Lifts and Escalators 1993” (the “Code of Practice on Building Works for Lifts and Escalators”) issued by the Building Authority (“BA”). Compliance with this Code will be considered as satisfying the requirements of Building (Construction) Regulation 9A.

2. Other standards may also be accepted if it is proved to the satisfaction of the BA that they are capable of achieving equivalent performance. If other standards are to be applied, it will speed up the processing of plans if the full background to such standards and their suitability for local conditions are clearly explained.

**Code of Practice on Building Works for Lifts and Escalators**

3. The Code of Practice on Building Works for Lifts and Escalators is kept under review and amendments from time to time to cater for changes in circumstances, advancement in technology and latest development in building standards.

**Adequacy of Fixing Details**

5. Buildings with lift and escalator installations shall be designed and constructed so as to provide adequate structural strength for the safe operation, maintenance and inspection of the lifts and escalators. In this regard, Authorized Persons and Registered Structural Engineers are reminded to pay particular attention to the following fixing details, including layout arrangement, specification of structural materials, anchor and load distribution, so as to ensure that the machine and pulley rooms as well as liftwells shall be so constructed to withstand the loads and forces to which they will normally be subjected:

(a) fixing details between the guide rail mounting bracket and the supporting building structure;

(b) fixing details between the lift machine and the supporting building structure; and  
 (c) fixing details between the deflector sheave (pulley) bracket and the supporting building structure.

**Electrical, Mechanical and Operational Requirements**

6. Requirements for the electrical, mechanical and operational aspects of lifts and escalators are laid down in the “Code of Practice on the Design and Construction of Lifts and Escalators” and the “Code of Practice for Lift Works and Escalator Works” issued by the Director of Electrical and Mechanical Services (“DEMS”) under the Lifts and Escalators (Safety) Ordinance, Cap. 327 (“LE(SO”).

**Works Required by the DEMS in Connection with an Application for Permission to Put Lifts or Escalators into Service**

7. Authorized Persons are reminded to ensure that all essential building and lift/escalators works as well as works associated with the lift and escalator installation (“the associated works”) should be completed before submitting application to the DEMS under the LE(SO) for permission to put the lifts and escalators into service. The DEMS has advised that in the past most of such applications were submitted while the associated works had not yet been completed.

**Minimum Dimensions of Machine Rooms**

8. Alternative approach to comply with the machine room minimum dimensions stipulated in the Code of Practice on Building Works for Lifts and Escalators is also accepted, i.e. adopting the machine room clearances approach.

**Media coverage in November**

Following the announcement of cooling off measures on the property market by the HKSAR Government, media has been active in seeking views from the Institute. There are 12 news reports about the HKIS in November, from both press and electronic media. Interested members can check the news clippings in the HKIS Library.

## Professional Volunteer Accreditation Program

The HKIS was among one of the first professional institutes to host an accreditation program for member volunteers under the Professional Volunteer Service Accreditation (PVSA) with Agency of Volunteer Services (AVS) and Hong Kong Council of Volunteering (HKCOV). The HKIS Professional Volunteer Accreditation Program (PVAP) was launched since 2007. A Certificate of Appreciation issued by the HKIS, AVS and HKCOV will be awarded to members meeting the required volunteer service hours during the accreditation period.

Application and Nomination for the HKIS PVAP 2010 is now open. You may now nominate HKIS members who are active in volunteer services too! Please do not hesitate to download the Application Pack at [http://www.hkis.org.hk/hkis/general/broadcast/PVAP2010\\_ApplicationPack.zip](http://www.hkis.org.hk/hkis/general/broadcast/PVAP2010_ApplicationPack.zip), and apply for the PVAP 2010:-

- 1) Return the completed Application and Nomination Form to the HKIS
- 2) Record the volunteer services on the Record Sheet during the accreditation period
- 3) Submit the Record Form before the submission deadline

## Council members reaching out

### 3 November

Green Building Award Presentation Ceremony jointly organized by the Hong Kong Green Building Council and the Professional Green Building Council

Prof Chau Kwong Wing

### 5 November

The Hong Kong Institute of Landscape Architects 22nd Annual Dinner

Mr Edwin Tang

### 6 November

The Presidents Cup of Caring Cooking Competition organised by the Law Society of Hong Kong

Prof Chau Kwong Wing

### 9-11 November

中國測繪學會2010年學術年會

郭志和先生

### 11 November

Monthly Thursday Luncheon organised by Executive Council Secretariat

Prof Chau Kwong Wing

### 12 November

The Hong Kong Institute of Facility Management Annual Dinner and Excellence in Facility Management Award 2010 Presentation Ceremony

Mr Wong Bay, Mr Gary Yeung

### 15 November

Annual Cocktail Reception of the Law Society of Hong Kong

Prof Chau Kwong Wing, Mr Lesly Lam

### 15 November

2010 CEPA 宣講會 (由工業貿易署舉辦)

賴旭輝先生、郭岳忠先生

### 19 November

Gammon Graduation Ceremony 2010 organised by Gammon Construction Limited

Mr Daniel Ho, Mr Steve Yu, Ms Alison Lo

### 20 November

Forum: "The Future of Victoria Harbour" organised by Society for Protection of the Harbour

Mr Ben Chong

### 20 November

Panel on Development - Review of the Urban Renewal Strategy organised by Legislative Council

Ms Serena Lau

### 26 November

2010 BOAO Youth Forum (Hong Kong) organised by BOAO Forum for Asia and the Y.Elites Association Limited

Mr Arthur Cheung

### 27 November

The Hong Kong Institute of Architects Annual Ball 2010

Mr Wong Bay 

# The Choice for Property & Construction Professionals

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Email: [enquiry@hkcyberu.com](mailto:enquiry@hkcyberu.com)  
Website: [www.hkcyberu.com](http://www.hkcyberu.com)

## MBA in Construction and Real Estate (Reg. No. 250149)

- Degree is awarded by The Open University (U.K.)
- Specialist MBA for the property and construction industry
- Accredited by The Royal Institution of Chartered Surveyors (RICS) and The Chartered Institute of Building (CIOB)

**Application Deadline:** 17 January 2011

**Course Commencement:** March 2011

## MSc in Surveying (Reg. No. 251147)

- Degree is awarded by The University of Reading
- Conversion course for graduates with degrees in surveying building, construction management or other related disciplines
- Accredited by RICS and Hong Kong Institute of Surveyors (HKIS)

**Application Deadlines:** 10 January 2011 (Foundation year); 1 March 2011 (Part 1)

**Course Commencements:** February 2011 (Foundation year); May 2011 (Part 1)

## Postgraduate Diploma in Arbitration

- Degree is awarded by The College of Estate Management
- Suitable for those who wish to practice as an arbitrator or undertake expert witness work
- Accredited by The Chartered Institute of Arbitrators (CI Arb)
- Approved by The Law Society of Hong Kong and accredited with 15 CPD points

**Application Deadline:** 2 January 2011

**Course Commencement:** March 2011

### Information Session

Date	Time	Venue
18 Jan 2011 (Tue)	6:30pm - 8:30pm	PolyU Campus

Interested parties please call **HKCyberU** at 3746 0880 or email [enquiry@hkcyberu.com](mailto:enquiry@hkcyberu.com) for seat reservation.

**For programme details, please visit**

[www.hkcyberu.com](http://www.hkcyberu.com)



\* These programmes have been either registered or exempted for registration under the Non-local Higher and Professional Education (Regulation) Ordinance in Hong Kong. It is a matter of discretion for individual employers to recognise any qualifications to which these programmes may lead.

## Building Surveying Division Chairman's Message



*Kenneth Yun BSD Council Chairman*

### Building Surveyor's Conference 2010

Owing to Typhoon Megi, our conference was deferred from 23 October to 30 October. More than 200 members attended. The Secretary for Development, Mrs Carrie Lam, delivered her keynote speech. We were pleased to note that the Buildings Department would launch a signboard control system soon in order to enhance public safety. In fact, we have boosted our suggestion on Control of Signboard in public safety perspective for years and recently in the Institute's proposal on suggested topics to be included in this year's Policy Address. Moreover, Mrs Lam mentioned that all Unauthorized Building Works would become actionable. The Buildings Department would be empowered to apply for a court warrant to enter private premises to investigate, inspection and repair works. Furthermore, the Building Ordinance would impose 20% punitive surcharge on owners who failed to comply with statutory orders or notices and require the Buildings Department to arrange the works and impose criminal charge on owners who refuse to share the OCs' costs of works for complying with statutory orders or notices regarding common areas. Last but not least, the Development Bureau has been studying full set of measures to tackle water seepage problems in multi-owned buildings. The BSD is actively considering participation in this aspect.



*Presentation of souvenirs to our guest speakers at the beginning of the Conference.*

Mr Jacky Ip from the Hong Kong Housing Society briefed us on the proposed Voluntary Building Assessment Scheme (VBAS). Fellow surveyors should notice that one-day coaching is required before acquiring the qualification as a VBAS Assessor.

Mr George Hongchoy of the Link Management Ltd. shared with us a lot of marketing strategies and life cycle analysis in their shopping arcade and market renovation projects such as successful cases in Lok Fu Shopping Arcade and Taiipo Market.

Before delivery of Mr Francis Leung's presentation, Building Information Modelling (BIM) is almost new to me. Now I understand that BIM is a useful tool in new projects which can take care of area measurement, assist in statutory compliance checking and make way for future facilities management although teething problem need to be sorted out before BIM can widely be utilized in existing buildings.

Mr Victor Lui shared with us his interesting experience in setting up new system of facilities management in mainland. Members should note that copy of successful models from Hong Kong may not always work in mainland. We should try to make use of the resources from others or create resources ourselves. Maintaining our competitive edge is very important but recognition should not be neglected.

Right after lunch, our Vice Chairman, Mr Vincent Ho, summarized our publications issued in recent years,



*The Secretary for Development, Mrs Carrie Lam, delivered her keynote speech in the Conference.*

► Despite the Conference was deferred due to Typhoon Megi, there were still more than 200 attendants.



announced publications being prepared and reminded members about our continuous efforts in striving for the leading role in our professional area through these publications.

Owing to Typhoon Megi, Mr Lau Wai Tat could not attend our deferred Conference and his presentation was therefore delivered by me. The current maintenance management system for hospitals and clinics under the Hospital Authority was illustrated with an analysis on the degree of participation by professional building surveyors. Shortcomings and crisis being faced by Building Surveyors were also shared. I was pleased to note that examples quoted in the presentation aroused the attention of fellow building surveyors from all sectors. Our last speaker in the Conference, Mr Hiersemenzel, told us the essential elements in surveying and maintenance of curtain wall system which was highly informative.

I believe members who attended the Conference would agree that the Conference provided a platform for members to acquire new knowledge and exchange views. I look forward to having our Silver Anniversary of Building Surveyor's Conference next year.



Organizing Committee of the BS Conference.



Members were feeling free to have gathering and sharing during the break of the Conference.

## Hong Kong BEAM Assessment Tools

The Government has recently announced measures to tackle inflated flats. One of the prerequisites for the Building Authority to grant concession for environmental elements in new buildings is to obtain Hong Kong BEAM accreditation. If you have no idea on what Hong Kong BEAM accreditation is, you can visit the website of Hong Kong BEAM Society through the following link: <http://www.hk-beam.org.hk>. It is the local version of environmental assessment system comparable to the internationally recognized environmental assessment system like the LEED Green Building Certification System developed by the US Green Building Council. Members are encouraged to obtain BEAM Professional status by attending the training course so that you can make yourself acquainting with the latest BEAM Assessment Tools before taking the required examination. Quite a number of BSD Council Members have already obtained BEAM Professional status and I look forward to seeing more members to become BEAM Assessors.

## 2010 China Shanghai International Project Management Conference - Construction Management & The Future of Urban Development

The Hong Kong Institute of Surveyors co-organized the Conference with Shanghai counterparts, the Royal Institution of Chartered Surveyors. Our Senior Vice President, Mr Wong Bay, joined the Organizing Committee while Mr Billy Wong and Mr Edgar Li joined hands with Ms Iris Lee of the QSD to support Mr Wong. Mr Daniel Lam and Mr Albert Cheung represented the HKIS to deliver their speeches. I led five delegates including Mr Alex Wong, Mr Robin Leung, Mr Vincent Ho, Mr Nathan Lee and Mr Arthur Cheung to attend the two-day Conference on 4 and 5 November 2010. Mr Samson Wong of the Project Management Committee, Mr Stephen Lai and Mr Spencer Kwan of the QSD also attended the Conference. In the evening of 5 November, we all joined the gathering of members in Shanghai Forum. Although most members working in Shanghai were Qs and GPs, we met a lot of our old friends and we all received warm reception from members of Shanghai Forum. I must take this opportunity to thank the convenor of Shanghai Forum, Ms Iris Lee. In the morning of 6 November, BSD delegates from Hong Kong were received by our Shanghai CAEC counterparts to visit the site of Bai Yu Lan Plaza. During the site visit,

we noticed that the practice in Shanghai was different from that in Hong Kong as they built temporary concrete support in large-scale basement excavation instead of using temporary steel structure as in Hong Kong since the temperature difference in Shanghai made steel members unstable. Members may wish to note the following paragraphs in Chinese about our observations and our connection with Tongji University.



From Left: Nathan Lee, Vincent Ho, Kenneth Yun, Daniel Lam, Peter Wong, Samson Wong, Alex Wong, Stephen Lai, Robin Leung



Preparation for demolition by explosion of temporary concrete support for deep excavation was in progress.



Visit to the site of Bai Yu Lan Plaza.

## 內地項目管理的規範

「中國·上海 2010 工程項目管理國際論壇」的其中一項講題為「中國工程項目管理服務業發展研究」，主講嘉賓為中國建設監理協會副會長兼秘書長林之毅先生。林先生通過對國內外工程項目管理服務業發展狀況的歸納、總結和對比分析，提出內地工程項目管理服務業取得的基本成效、發展優勢和存在的問題，根據今後一段時期國內外經濟形勢的發展趨勢，展望內地工程項目管理服務業的未來發展方向和發展任務，並向有關主管部門提出推動行業發展的建設性意見，向從事工程項目管理服務業的企業提出發展建議，以促進內地工程項目管理服務業的健康發展。



中國建設監理協會副會長兼秘書長林之毅先生

林先生提及於 2004 年 12 月 1 日起執行的《建設工程項目管理試行辦法》〔建市 [2004] 200 號〕已推行了一段時間，現階段亦適合檢視有關試行辦法的實施情況，從而考慮完善有關法律制度。我們從林先生的演講中估計，內地的有關主管部門會對建設工程項目管理作出更規範化的監管，有關的監管制度亦可能在醞釀中，相關的法例法規亦可能於可見的未來出台。如會員

在工作上涉及內地的工程項目管理，則應該密切留意有關法規的推行。

## 探訪同濟大學

建築測量組派員出席了 2010 年 11 月 4 日至 5 日於上海舉行的「中國·上海 2010 工程項目管理國際論壇」。趁此機會，副主席何鉅業與梁志添探訪了同濟大學經濟與管理學院建設管理與房地產系的陳建國、曹吉鳴和唐可為。



從左至右：唐可為、曹吉鳴、梁志添、何鉅業、陳建國

我們的兩位副主席與同濟大學的教授探討了於內地發展和推廣建築測量專業的可行性研究，也談到同濟大學的工程管理學士課程於認證符合香港測量師學會建築測量專業組別的學術水平後所需的跟進工作，例如加入「樓宇維修管理」的科目安排和委任校外評卷員的事宜等。





## Summary of HKIS CPD / PQSL Events

16 Dec 2010 - 14 Apr 2011

DATE	CODE	EVENT	CPD HOUR(S)	SPEAKERS	RUN BY
16 Dec	2010117	Integrity and Quality Building Management	2	Lawrence Tse Kin-kuen and representative from the Law Society of Hong Kong	PFMD
05 Jan	2011004	(1) A Multi-Disciplinary Approach in Reviewing Professional Codes of Conducts (2) Costing of "Green" Home Initiatives in Urban Renewal Projects	1.5	(1) Dr Ellen Lau (2) Daniel Ho	QSD
08 Jan	2011009	Visit to Wooden Products Factory in Shenzhen	3	Chan Tak On and Paul K L Wong	QSD
08 Jan	2011006	中國估價概要及內地房地產估價師資格互認考核研討會	7	廖俊平教授，陳超國先生， 趙錦權先生	GPD
13 Jan	2011005	Hong Kong Property: Bubbles Up Under QE2	1.5	Chi Lo	GPD
20 Jan	2011008	Contractor's Pricing for Preliminaries	1.5	Paul K L Wong	QSD
29 Jan	2011010	Construction Contract – Nomination and Variation	2	Stephen Lam	PQSL/QSD
22 Feb	2011007	Hong Kong Trams	1.5	Alan Cheung	QSD
23 Feb	2011003	Latest Shopping Mall Developments in Hong Kong and China and Prospects for Growth	1.5	Maureen Fung	GPD
01 Mar	2011011	Construction Contract – Contractual claims/EOT/Loss & Expenses	2	Cheryl Je	PQSL/QSD
17 Mar	2011001	How Surveyors can use Simple Financial Models in Asset Valuation and Analyze the Property and Stock Markets like an Investment Bank Analyst?	1.5	Phemey Pon	GPD
14 Apr	2011002	Valuation Practice in the PRC	1.5	Gary Man	GPD

Details of individual CPD/PQSL events are provided in the Surveyors Times and/or HKIS Website [www.hkis.org.hk](http://www.hkis.org.hk). Please use the STANDARD REGISTRATION FORM overleaf for registration. For enquiries, please email [cpd@hkis.org.hk](mailto:cpd@hkis.org.hk) or call the Secretariat on 2526 3679.



## CPD/PFMD/2010117

### Integrity and Quality Building Management

**Speakers** Mr Lawrence Tse Kin-kuen and representative from the Law Society of Hong Kong

He was graduated from the Science Faculty of HKU in 1974 and obtained the Master of Public Administration of HKU in 1985. He also attended management training in Cambridge University in UK and Tsinghua University in Peking.

Mr Tse joined the ICAC Community Relations Department as a Commission Against Corruption Officer in 1974 and progressed throughout the years to head the Publicity Office in Headquarters and various regional offices. He is now Head of the ICAC Building Management Task Force.

**Date & Venue** 7:00 pm – 9:00 pm Thursday 16 December 2010 SLC, HKIS

**Details** The Seminar aims to:

- enhance the awareness of problems with illustrative cases relating to surveyors in building management;
- enhance their knowledge on laws and regulations relating to building management and HKIS' Rules of Conduct; and
- introduce corruption preventive measures and ICAC services.

In this two-hour seminar, representative from the ICAC will introduce the corruption problems in building management in Hong Kong, illustrate the common problems surveyors would encounter through a video/case study and explain ICAC-related strategies and services regarding building management, while the speaker from the Law Society of Hong Kong will explain the Building Management Ordinance and its application.

With the question-and-answer session at the end of the seminar, participants could well interact and share with the speakers and other participants on practical matters encountered in their daily work.

**Language** Cantonese  
**Priority** First-come-first-served  
**Fee** HK\$50 per person

## CPD/QSD/2011004

### (1) A Multi-Disciplinary Approach in Reviewing Professional Codes of Conducts

### (2) Costing of “Green” Home Initiatives in Urban Renewal Projects

**Speakers** (1) Dr Ellen Lau, BSc, MSc, PhD, FHKIS, FRICS, RPS

Dr. Ellen Lau was trained as a quantity surveyor with a first degree in Quantity Surveying. She practiced with consultant quantity surveying firms and an international contractor before she started her academic career. She presently teaches quantity surveying related subjects in City University of Hong Kong, and conducts research in management, procurement and surveying.

(2) Mr Daniel Ho, FHKIS, AAIQS, BBUS, LLB, MBA, LLM, MA, PCLL

Mr. Daniel Ho has over 28 years of experience in the construction industry. He is a fellow member of the Hong Kong Institute of Surveyors and is also the Chairman of the Quantity Surveying Division from year 2008 to 2010. He is working in Urban Renewal Authority (URA) as General Manager. One of his main duties in URA is responsible for setting the requirements on building quality and standards, environmentally-friendly and sustainable design of re-development projects.

**Date & Venue** 7:00 pm – 8:30 pm Wednesday 5 January 2011 SLC, HKIS

# CPD/PQSL EVENTS

<b>Details</b>	<p>(1) Codes of conducts are usually set by professional institutions to maintain quality of work to clients and to the general public. The codes of conduct for the design, construction and cost functions of USA, UK and HK are reviewed to answer two questions: one, whether intelligence and competence would be differentiated among the different job functions; two, whether the related ethical issues in the different codes of conduct of the different construction professionals permit an integrative view such that it is feasible to have one selected code for the different disciplines.</p> <p>(2) Mr. Daniel Ho participated in the 14th Pacific Association of Quantity Surveyors Congress in Singapore in July this year and presented a paper titled "Costing of 'green' home initiatives in urban renewal projects. He would like to share the content of the paper with HKIS members again in a CPD event. The abstract of the paper is as follows: "Environmental construction is becoming a trend in the Hong Kong Special Administrative Region (HKSAR). Quantity surveyors should definitely have to know how to make allowances in cost estimates for environmental construction. The Urban Renewal Authority (URA) in the HKSAR has promoted environmental construction in its projects in the past nine years since its establishment in 2001. Its projects have incorporated various 'green' provisions and also obtained, if appropriate, certification of the highest 'platinum' standard by the Building Environmental Assessment Method Society (HK-BEAM), which is a well-known independent environmental assessment certification body in the HKSAR. In May last year, the URA launched its corporate environmental policy and introduced advanced 'green' provisions in its projects. Looking to the future, HK-BEAM launched a set of new enhanced certification standards as from April this year. In addition, the HKSAR government is going to make it mandatory to adopt the energy efficiency design guidelines issued by the government in future projects. In order to prepare realistic cost estimates for urban renewal projects, quantity surveying consultants in the HKSAR should get themselves familiar with the 'green' provisions adopted by URA and other environmental construction requirements in the HKSAR."</p>		
<b>Language</b>	English	<b>Fee</b>	HK\$120 per member; HK\$150 for non-member (HK\$20 walk in surcharge for all pricings listed); Free of charge for full time university student (subject to availability)
<b>Deadline</b>	22 December 2010	<b>Priority</b>	QSD Member; First-come-first-served

## CPD/QSD/2011009

### Visit to Wooden Products Factory in Shenzhen

New

<b>Speakers</b>	<p>Mr Chan Tak On Director of Guang Xia Yong Gu Wooden (Shenzhen) Co., Ltd</p> <p>Mr Paul K L Wong, MHKIS, MRICS, RPS(QS), MCIQB, MHKICM, MAIB Director of Chinney Construction Co., Ltd</p>		
<b>Date &amp; Venue</b>	<p>8:30 am - 2:30 pm Saturday 8 January 2011 Guang Xia Yong Gu Wooden (Shenzhen) Co., Ltd. at Kui Chong Zhen, Xi Chong, Sha Tou Gong Ye Qu, Shenzhen (廣賢永固木業(深圳)有限公司 - 深圳市葵涌鎮溪涌鹽村工業區)</p>		
<b>Gathering Point</b>	8:30 am at Romantic Hotel (Junction of Kent Road and Somerset Road), Kowloon Tong		
<b>Details</b>	<p>Guang Xia Yong Gu Wooden (Shenzhen) Co., Ltd. ("GXYG") is a wooden products supplier. GXYG has its production line in Shenzhen, which covers about 20,000m<sup>2</sup>, and offers wide range of wooden products including wooden door-sets and furniture. After the visit, you can familiar with the production process of wooden products starting from keeping raw materials to delivery of fabricated products.</p>		
<b>Language</b>	Cantonese	<b>Fee</b>	HK\$250 per person; HK\$300 for non-member (including transportation, lunch and insurance)

<b>Deadline</b>	24 December 2010	<b>Priority</b>	QSD Member; First-come-first-served (with maximum quota of 45)
<b>Remark</b>	Dismiss at Fu Tian Check Point, Shenzhen(深圳福田口岸). Successful registration will receive details of the visit. Please bring valid travel documents.		

## CPD/GPD/2011006

### 中國估價概要及內地房地產估價師資格互認考核研討會



<b>導師</b>	廖俊平教授(暫定), 陳超國先生, 趙錦權先生		
<b>日期</b>	2011年1月8日(星期六)		
<b>時間</b>	早上9時至下午4時		
<b>地點</b>	測量師研習中心		
<b>課程大綱</b>	<p>內容提要(暫定):</p> <ul style="list-style-type: none"> <li>● 國內房地產法律制度政府架構</li> <li>● 權屬登記, 土地制度, 城市規劃</li> <li>● 房地產估價技術標準, 估價制度</li> <li>● 香港估價師在國內執業注意事項</li> <li>● 外資企業於國內資產評估</li> </ul>		
<b>語言</b>	普通話及廣東話	<b>費用</b>	港幣 \$400 (不提供茶點及午膳) (港幣 \$100 附加費如未經報名人仕)
<b>註備</b>	此課程適合過往三年內累積國內估價經驗少於一年者及報考內地房地產估價師資格互認會員修讀		

## CPD/GPD/2011005

### Hong Kong Property : Bubbles Up Under QE2

<b>Speaker</b>	Mr Chi Lo, CEO, HFT Investment Management (HK) Ltd		
<b>Date &amp; Venue</b>	7:00 pm – 8:30 pm Thursday 13 January 2011 SLC, HKIS		
<b>Details</b>	<p>Mr. Lo is currently a CEO of HFT Investment Management (HK) Limited. Before joining HFT, Chi Lo was Head of Overseas Investment and Chief Economist at Ping An of China Asset Management (Hong Kong) Company Limited.</p> <p>He is the author of six books and has published research work in international periodicals and newspapers, and appeared as commentator on international media and speaker at international seminars by the Asian Development Bank and International Monetary Fund.</p> <p>Before working in Asia, Mr. Lo was an economic advisor to the Canadian Treasury in Canada. His other experience includes international research firms in North America, regulatory bodies for securities trading in Toronto and London, and blue-chip international investment banks in America, England and Asia.</p>		
<b>Language</b>	Cantonese supplemented by English	<b>Fee</b>	HK\$120 for member; HK\$150 for non-member HK\$30 walk in surcharge for all pricings listed)
<b>Deadline</b>	30 December 2010	<b>Priority</b>	First-come-first-served

## PQSL/QSD/2011010

### Construction Contract – Nomination and Variation



Speaker	Mr Stephen Lam		
Date & Venue	2:30 pm - 4:30 pm Saturday 29 Jan 2011 SLC, HKIS		
Details	This seminar is part of the HKIS QSD PQSL Series 2010 - 2011 and aims to enable candidates to: <ul style="list-style-type: none"><li>• Interpret contractual procedure, rights and obligation in relation to the nomination /variation clauses stipulated in the construction contract.</li><li>• Analyse contractual issues arising from the nomination/variation clauses.</li></ul>		
Language	English	Fee	HK\$100 for member, HK\$150 for non member (HK\$20 walk-in surcharge for all pricings listed)
Deadline	15 January 2011	Priority	QSD Probationers and Students

## CPD/QSD/2011008

### Contractor's Pricing for Preliminaries



Speaker	Mr Paul K L Wong, MHKIS, MRICS, RPS(QS), MCIQB, MHKICM, MAIB Director of Chinney Construction Co., Ltd.  Mr Wong is a qualified quantity surveyor who has over 20 years of experience in the construction industry (working for consultants and contractors). He is currently a Director of Chinney Construction Co., Ltd.		
Date & Venue	7:00 pm – 8:30 pm Thursday 20 January 2011 SLC, HKIS		
Details	This seminar will cover the basic principle of building up pricing for preliminaries. The speaker will share his experience in pricing preliminaries for submitting tenders of building projects.		
Language	Cantonese with English PPT	Fee	HK\$120 per member; HK\$150 for non-member (HK\$20 walk in surcharge for all pricings listed); Free of charge for full time university student (subject to availability)
Deadline	6 January 2011	Priority	QSD Member; First-come-first-served

## CPD/QSD/2011007

### Hong Kong Trams



Speaker	Alan Cheung, Council member of QSD, HKIS; VC and Moderator ( CM ) of Chartered ICES; Vice-President of Hong Kong Collectors Society		
Date & Venue	7:00 pm – 8:30 pm Tuesday 22 February 2011 SLC, HKIS		
Details	Alan is well known of his tram Collection of Hong Kong as well as historic Collector of old HK stuffs. He has been invited by publishers to publish 3 books in relation of HK historical postcards and HK trams that these books all awarded with many prizes.		

# CPD/PQSL EVENTS

Alan always popular with media about his Collection - TVs, magazines, radios and newspaper. Parts of his Collection are used in Website of HKTL and Star Ferry. Materials from his Collections are always been requested from Museums, Universities, Colleges, Government Authority and Private sectors."

History of Hong Kong Trams which is the ICON of Hong Kong and is collective memory of HK people. We are proud to get the world's only fleet of tram system whilst there is no tram running as daily transport in the rest of the world. We, Hong Kong people should protect and upkeep such treasure.

<b>Language</b>	Cantonese	<b>Fee</b>	HK\$120 per member; HK\$150 for non-member (HK\$20 walk in surcharge for all pricings listed); Free of charge for full time university student (subject to availability)
<b>Deadline</b>	8 February 2011	<b>Priority</b>	QSD Member; First-come-first-served

## CPD/GPD/2011003

### Latest Shopping Mall Developments in Hong Kong and China and Prospects for Growth

**Speaker** Ms. Maureen Fung, BSc, MSc, MBA, MHKIS, MRICS, MHIREA, FISCMA, General Manager (Leasing), Sun Hung Kai Real Estate Agency Limited

**Date & Venue** 7:00 pm – 8:30 pm Wednesday 23 February 2011 SLC, HKIS

**Details** Ms Fung is the founding chairman of the Institute of Shopping Centre Management in Hong Kong and is also a member of several professional organizations, namely, the Hong Kong Institute of Surveyors, the Royal Institution of Chartered Surveyors, the International Institute of Management and the Hong Kong Institute of Real Estate Administration. She is an active contributor to the society by serving charitable organizations and has earned a Hong Kong outstanding women volunteer award.

With more than 20 years of shopping mall industry experience under her belt, Maureen Fung is an acknowledged expert in her profession. She is currently general manager (Leasing) of Sun Hung Kai Properties Group and is responsible for the strategic planning, development and implementation of leasing, marketing and renovation for more than 5 million square feet of shopping malls in Hong Kong and mainland China.

Benefit from the robust growth of China's economy and well-traveled, well-off Chinese Tourists, both China and Hong Kong's Shopping Centers rebounded from the weary global economy and outperformed other countries in Asia. To stay competitive and sustain the Mainland big spenders, shopping mall developers inevitably must meet their demands and needs.

In this seminar, Ms. Fung will share her views on the latest shopping mall developments in Hong Kong and China as well as its challenges ahead.

<b>Language</b>	Cantonese supplemented with English	<b>Fee</b>	HK\$120 for member; HK\$150 for non-member (HK\$30 walk in surcharge for all pricings listed)
<b>Deadline</b>	9 February 2011	<b>Priority</b>	First-come-first-served

## PQSL/QSD/2011011

### Construction Contract – Contractual claims/EOT/Loss & Expenses

**Speaker** Ms Cheryl Je, Associate Director, Charlton Martin Consultants Limited

**Date & Venue** 7:00 pm - 9:00 pm Tuesday 1 March 2011 SLC, HKIS

<b>Details</b>	This seminar is part of the HKIS QSD PQSL Series 2010 - 2011 and aims to enable candidates to:  Interpret contractual procedure, rights and obligation in relation to the EOT /Loss & Expenses clauses stipulated in the construction contract. Analyse contractual issues arising from the EOT/Loss & Expenses clauses. Identify, prepare and assess the contractual claims.		
<b>Language</b>	English	<b>Fee</b>	HK\$100 for member, HK\$150 for non member (HK\$20 walk-in surcharge for all pricings listed)
<b>Deadline</b>	15 February 2011	<b>Priority</b>	QSD Probationers and Students

## CPD/GPD/2011001

### How Surveyors can use Simple Financial Models in Asset Valuation and Analyze the Property and Stock Markets like an Investment Bank Analyst?

<b>Speaker</b>	Mr Phemey Pon  He is the founder and managing director of Centaway Property Asset Management Limited. He is a qualified general practice surveyor and has a master degree in finance from Chinese University of Hong Kong. He is an experienced stock investor well-versed in fundamental and technical analysis. He has been a speaker of CPD events for the past 4 years.		
<b>Date &amp; Venue</b>	7:00 pm – 8:30 pm Thursday 17 March 2011 SLC, HKIS		
<b>Details</b>	Based on the speaker's experiences and researches, he will speak on the following areas:  1. How to do fundamental and technical analysis on the property market and stock market? 2. How to select the right economic indicators to predict the property and stock market? 3. How to use a simple and yet powerful valuation methods to predict the stock price of listed major property developers?		
<b>Language</b>	Cantonese supplement with English	<b>Fee</b>	HK\$120 for member; HK\$150 for non-member (HK\$30 walk in surcharge for all pricings listed)
<b>Deadline</b>	3 March 2011	<b>Priority</b>	First-come-first-served

## CPD/GPD/2011002

### Valuation Practice in the PRC

<b>Speaker</b>	Mr Gary Man, FHKIoD, FRICS, MHKIS, RPS(GP), MCIREA  Gary is the Managing Director of Censere Group and has more than 20 years of experience in valuation and consultancy field. He has been engaged in numerous assignments covering the Asia-Pacific region, in particular countries such as China, Taiwan and Hong Kong, Korea, Malaysia, Singapore, Vietnam, Thailand and further west to India, Kazakhstan and Republic of Maldives.  Currently, he is the board member of the RICS Hong Kong Board and the Chairman of the Professional Valuation Committee of RICS (HK). In the academic field, he has been the visiting lecturer of the Hong Kong Polytechnic University (PolyU) on the subject of Business and Intangible Assets Valuation and others. Apart from lecturing, he was also invited to be the External Examiner for the MSc programme in International Real Estate (ZheJiang) for the PolyU.		
<b>Date &amp; Venue</b>	7:00 pm – 8:30 pm Thursday 14 April 2011 SLC, HKIS		



<b>Details</b>	The seminar will mainly cover the following areas :		
	1) History of the PRC valuation practice development 2) Property titles issues 3) Common valuation methods adopted in The PRC 4) The difficulties that valuers are facing in working in The PRC market 5) Challenges and Opportunities coming in the future		
<b>Language</b>	Cantonese	<b>Fee</b>	HK\$120 for member; HK\$150 for non-member (HK\$30 walk in surcharge for all pricings listed)
<b>Deadline</b>	31 March 2011	<b>Priority</b>	First-come-first-served

## Hong Kong Institute of Surveyors Mandatory Continuing Professional Development (CPD) Compliance

To All Corporate and Technical Members,

We are pleased to let you know that almost 60% of the members have submitted their CPD record for the relevant 3-year period, (i.e. from 1 June 2007 to 30 June 2010) to the HKIS Secretariat before 1 November 2010. The records are being analyzed and the findings will be announced in due course.

Members who have not submitted their CPD record by this date will be requested to do so by no later than 31 December 2010.

Meanwhile, all members should continue to fulfill the CPD requirements according to the Guidance Notes to Mandatory Continuing Professional Development (June 2007) and maintain their CPD record by logging in the CPD profile and provide update information on their CPD activities. Kindly note that the default login name of the "Members Corner" in the HKIS Website is your HKIS membership number and the default password is your Date of Birth in the "yyyymmdd" format. Should you encounter any problems regarding the online CPD profile, please feel free to contact our IT Manager, Ms Ronnie Wong at 2526 3679.

Thank you for your support to this exercise.



# 2010 / 2011 "Personal Tax Loan"

Special for  
HKIS  
members

Low interest rate Instant extra cash  
help you maximize your financial flexibility

Save **30%** interest payment with maximum loan amount up to **200%** of tax bill

Loan Amount (\$)	Original Rate (Monthly Flat rate)	HKIS member 30% off	Monthly Instalment Amount per HK\$1,000 Loan Amount (Annualized Percentage Rate*)		
			6 months	12 months	18 months
\$30,000 / \$99,999	0.17%	<b>0.119%</b>	\$168.2763 (3.35%)	\$84.9460 (3.61%)	\$57.1711 (3.70%)
\$100,000 / \$199,999	0.13%	<b>0.091%</b>	\$167.9956 (2.76%)	\$84.6646 (2.98%)	\$56.8890 (3.05%)
\$200,000 / \$399,999	0.09%	<b>0.063%</b>	\$167.7149 (2.17%)	\$84.3832 (2.34%)	\$56.6069 (2.40%)
\$400,000 or above	0.08%	<b>0.056%</b>	\$167.6447 (2.03%)	\$84.3128 (2.18%)	\$56.5364 (2.24%)

\*Processing fee for 0.5% flat p.a. is included

## Extra bonus

- Supermarket coupon HK\$200<sup>1</sup>
- 3,000 mileage + HK\$300 Spending Credit<sup>2</sup>
- Maximum 100,000 bonus points<sup>3</sup>

Remarks:

1. For new payroll account only.
2. 3,000 mileage + HK\$300 Spending Credit as welcome gift for HKIS Titanium MasterCard / Visa Platinum Card new cardholder, one time transaction with amount HK\$200 or above within 2 months after card issuance is required. For details of the spending requirement, please refer to relevant card application form.
3. Applicable to online tax payment through HKIS Titanium MasterCard / Visa Platinum Card on or before 20 January 2011, each HK\$5,000 tax payment is entitled to 1,000 bonus points. 100,000 bonus points is equivalent to HK\$400 Spending Credit upon expiry of unused bonus points as Automatic Cash Rebate.

For details, please visit our website:  
[www.shacombank.com.hk](http://www.shacombank.com.hk)

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For Personalized Service

## General Practice Division Chairman's Message



Francis Ng GPD Council Chairman

### AGM 2010

The GPD AGM was successfully held on 18 November. The Chairman and Treasurer Reports were presented in the AGM.



AGM 2010



Chairman reported in AGM

### The Chairman's Report

I wish to take this opportunity to thank those who support and assist the Council in performing various functions and activities during the last year.

### Election of Council Members

In the first meeting of the GPD Council 2009-2011, the following Office Bearers and Council Members were elected :-

Name	Post
Chairman:	NG Hang Kwong, Francis
Vice Chairman:	CHAN Chiu Kwok, Charles
	CHIU Kam Kuen
	FOK Eugina
	PANG Ho Chuen, Lawrence
Honorary Secretary:	WAN Wai Ming, Tony
Honorary Treasurer:	AU Sing Hei, Edward
Council Members:	CHAN Chak Sum, Jason
	CHAN Hon Kwong, Louie
	CHAN Kam Ping, Karen
	CHAN Kwok Kin, Slayman
	CHOY Man Wai, Leo
	HO Chin Choi, Joseph
	LAM Yam On, Jim
	LAU Chun Kong
	NG Ho Kei, Roy
	POON Kai Man, Simon
	TANG Chiu Man, Thomas
	TSE Wai Hung, Cliff
	WONG Chit Kwong, Brian
Immediate Past Chairman:	POON Wing Cheung, Lawrence

To cope with heavy divisional works, we adopted the working panel structure of the last Council. The following panels as well as the respective Convenors are endorsed: -

Panels	Convenor(s)
Business & Property Valuation Standards Panel	HO Chin Choi, Joseph
CPD Panel	POON Kai Man, Simon
Disciplinary & Professional Ethics Panel	LAM Yam On, Jim
Education Committee	CHAN Hon Kwong, Louie & TANG Chiu Man, Thomas
External Affairs Panel	CHIU Kam Kuen
Professional Practice Practices Panel	WAN Wai Ming, Tony
Public Relations Panel	CHAN Kam Ping, Karen

In addition to the above, we have nominated the following members to act as GPD Representatives in various HKIS Boards: -

Boards & Committees	GPD Representatives
Editorial Board	AU Sing Hei Edward
Board of Education	POON Wing Cheung, Lawrence & TANG Chiu Man, Thomas
Board of Membership	FOK Eugina & WONG Ho Ming, Augustine
Board of Professional Development	CHAN Kwok Kin, Slayman & MOK Kam Kwan
Surveyors Registration Board	HO Chin Choi, Joseph & POON Wing Cheung, Lawrence & TANG Chiu Man, Thomas
Financial Committee	AU Sing Hei Edward

Reported hereunder are some of the works accomplished by the Council during the past year.

### Signing of Memorandum of Understanding with Various Professional Institutes

At the 4th World Association of Valuation Organizations (WAVO) held on 25 November 2009, a Memorandum of Understanding for Recognition of Designations was signed between various professional institutes including the Australian Property Institute (API), Appraisal Institute of Canada (AIC), The Hong Kong Institute of Surveyors (HKIS), Property Institute of New Zealand (PINZ) and Singapore Institute of Surveyors and Valuers (SISV). We were very pleased to witness this important ceremony in Guilin, PRC.

### Membership Reciprocity with the China Institute of Real Estate Appraisers and Estate Agents (CIREA)

Following the forum held on 19 March 2009, the last GPD Council formed a Working Group to follow up with the second reciprocity arrangement with CIREA. To expedite the process, we have strengthened the Working Group with the following members, namely Francis Ng (Working Group Chairman), Charles Chan, Edward Au, Lawrence Poon, Leo Choy, Tony Wan (Working Group Member) and Jeffery Wong (Working Group Secretary). The HKIS on 14 September 2010 signed a Supplementary Agreement with the CIREA. It enhances the procedures and requirements for future reciprocal recognition. In essence, the second examination and related CPD will be held in the first quarter of 2011.

### Appointment Process of Independent Valuers

To streamline process and have a more effective and fair appointment procedure, a working group was formed. Recommendations on the "Appointment Process of Independent Valuers" convened by C K Lau were endorsed by the HKIS ExCom on 26 August 2010. In brief, a new set of practical guide is to be issued to facilitate the application and the appointment process; the non-refundable fee to the HKIS is to be revised to \$10,000 per application; a conditional appointment takes effect when the President signs the appointment letter; declaration on conflict of interest has to be made by parties at the outset; the application form to be updated; an indication that the fee for each assignment would unlikely be less than \$75,000 and guidance on expectation of a reasoned award.

Meanwhile, the Working Group is formulating a media plan to promulgate the proposal and the practical guide which come into effect on 1 October 2010. Chinese translation of the practical guide will be prepared afterwards.

### Joint GPD & PDD Fellowship Dinner

General Practice Division and Planning and Development Division held a joint fellowship dinner on 18 March 2010 at the World Trade Centre Club with great success. We were honoured to have our President, General Council Office Bearers and other Divisional Chairs joining the dinner. In a relaxed atmosphere, members exchanged views on future of the divisions, institute and the industry with the senior and council members. All attendees had an enjoyable evening.

### Continuous Professional Development Panel

Our newly appointed CPD Event Convenor, Mr Simon Poon has been actively organizing important events for our GPD members. The following CPD topics have covered:

Date	Topics	Speaker(s)
25/02/2010	Light Pollution - What It Is, Why We Care, How We Know and What to Do	Dr Pun Chun Shing Jason
18/03/2010	How surveyors can apply finance and stock market knowledge in daily works to become a better professional?	Mr Phemey Pon

25/03/2010	Building Operation and Maintenance in the 21st Century	Ir Professor Daniel W.T. Chan & Ir Philip K.S. Pih
15/04/2010	Wine Knowledge for Business Occasions and Wine Investment	Mr Karl Lung
06/05/2010	Land (Compulsory Sale For Redevelopment) Ordinance (CAP 545) - Review of Latest Practice	Mr Charles C K Chan
03/06/2010	Housing Bubbles in Hong Kong and China: A Macro Perspective	Mr Chi Lo
24/06/2010	Purchase Price Allocation for Account Reporting Purpose	Mr Joseph C. Ho
07/07/2010	Comparative Practices: Compulsory Purchase in Europe	Mr Lawrence Pang
17/07/2010	GPD APC Revision Course on Valuation (Part One)	Mr Thomas Tang
24/07/2010	GPD APC Revision Course on Valuation (Part Two)	Mr Thomas Tang
31/07/2010	GPD APC Revision Course on Resumption & Property Management	Mr Lawrence Pang & Mr Louie Chan
14/08/2010	GPD APC Revision Course on Business Valuation, and Agency Practice	Mr Lawrence Pang, Mr Joseph Ho & Mr Louie Chan
26/08/2010	Wo Shang Wai Residential cum Wetland Restoration Project - a Win-Win Case	Mr Augustine Wong Ho Ming
01/09/2010	The Implementation and Impact of New Measures for Sale of Uncompleted Residential Units in Hong Kong	Mr Andrew Yu
18/09/2010	GPD APC Revision Course on Valuation (Part 3) and Rating Valuation	Mr Thomas Tang
27/10/2010	The Role of a Professional Land Surveyor in Development Projects	Mr Joseph Y.C. Wong
11/11/2010	Workshop of Property Valuation Report Writing for Public Circular Purpose in Hong Kong	Mr CK Lau & Mr Joseph C HO

### Hon Treasurer's Report

As reported by the Honorary Treasurer the unaudited balance of the account of the Division as at 31 October 2010 was HK\$698,526.37, as compared with HK\$617,693.21 in 2009.

### CIREA - Training Session and Test

Letters promulgating the event were sent to qualified GPD members early November. Since then, numerous enquiries had been made with the HKIS Admin Office. We noted applications kept coming in.

Meanwhile, the Working Group (comprising Tony Wan, Jeffery Wong, Edward Au and Nicholas Li) had conducted search on possible venues in Shenzhen. Proposals are sent to our counter-part for agreement.

Regarding CPD on Mainland issues, we have consulted Prof Liu Junping of Zhong Shan University who kindly agreed to give a talk on a Saturday morning in early January.

To enhance understanding, two local experts on the mainland property market will be invited to speak in the afternoon. Announcement on this special CPD will be made shortly.

Invitation for speakers for the training session, members for panels on vetting applicants, test results and appeals are identified. Details on the date of training and test, venue, accommodation, fee chargeable, traffic arrangement (if any) etc will be released in the near future.


### GPD Capability Statement

The English version of this document was endorsed by the GPD council recently. This statement intends to introduce the HKIS set up, promote the expertise of GP surveyors, explain the main rules of conducts, inform the set of various working panels, accredited courses, reciprocity agreements, recent hot issues handled by the GPD etc.

The Chinese version is being finalized thanks for the hard work of Edward Au, Thomas Tang and his colleague Wayne Leung. The whole document can be ready for printing by the end of this year.

### Coming CPD

Forthcoming CPD events will include:

- The Role of Surveyor as Expert;
- New Railway Development in Hong Kong;
- Hong Kong Property : Bubbles up under QE2 



### Planning & Development Division Chairman's Message



Raymond Chan PDD Council Chairman

I am delighted to take over the chairmanship of the Planning and Development Divisional Council from Mr Francis Lam due to his recent relocation to Beijing. The PDD Council held a meeting on 2 November and, pursuant to Regulation 1.5 of the PDD Council Regulations, I was elected as the Chairman for the unexpired term of office left by Francis. I must thank Francis for leading the Council in the past year and I wish him every success in his endeavour.

Looking ahead, I will work closely with all the PDD Council members to further develop the division and to enhance our professional standing, both within and outside the institute. We will also plan for organizing some CPD events, talks or technical visit relevant to the planning and development surveyors.



On 26 October, we conducted a very successful CPD event in which our Vice Chairman, Mr Albert SO, delivered a talk on ‘Columbarium – Land Use and Planning’ to some 160 participants. I think you will agree that columbarium is a very hot topic nowadays due to the high cremation rate and, more importantly, the short supply of both private and public niches in the HKSAR. Since Albert is also a co-opted member of the Development Committee of the Chinese Permanent Cemeteries Board of Management, he has no hesitation to share his extensive experience on the issue and took us through the problem. He talked about the causes for the shortfall of niches and discussed the land and planning procedures that public and private columbarium. The CPD event was well received by the participants. Well done Albert.



## EDUCATION 增值空間

### Workshop of Property Valuation Report Writing for Public Circular Purpose in Hong Kong

Olivia Tsang, GPD

A CPD seminar of ‘Workshop of Property Valuation Report Writing for Public Circular Purpose in Hong Kong’ conducted by Mr CK Lau and Mr Joseph Ho was successfully held on 11 November. They gave us some insights into the current applicable rules and regulations in Hong Kong in preparing valuation reports for public inspection and also demonstrated the usual mistakes made in the reports by various prominent stories. The attendees benefited a lot from this interactive seminar and learned how to produce an up-to-standard valuation report in professional manners and standards.



### The Role of a Professional Land Surveyor in Development Projects

Henry Wong, GPD



The CPD event on ‘The Role of a Professional Land Surveyor in Development Projects’ conducted by Mr Joseph Wong was successfully held on 27 October. During the seminar, Mr Wong shared his practical experiences in handling development projects and explained the major inputs of land surveyor in different stages of development project. He also explained how the correctness in lot boundary would affect land value and secure the land title by citing few notable cases under judicial review. All in all, the seminar was delivered in a lively way and received very good responses from the audience. More than 80 members attended the seminar.

## Property & Facility Management Division Chairman's Message



Gary Yeung PFMD Council Chairman

### AGM of November 26 Research and Publication

The Council has just finished the research with the Hong Kong Polytechnic University in August 2010 namely "Benchmarking Management Fees for Office Buildings in Hong Kong". The published report has been sent to all members of the Hong Kong Association of Property Management Companies, related government departments and universities. The key researcher, Dr K.K. Lo has agreed to conduct a CPD seminar in order to brief members on the details of the study. It is anticipated that the CPD will be held in January 2011. Similar to last year's report on residential buildings, a free copy of the report will be provided to all participants of the event.

The research of a "Green Property Management Practice" which was commenced in late 2009 is at its final stage of drafting. Our Honorary Secretary, Charles Hung, would like to make it more interesting by adding photos and other materials. It will most probably be published around early 2011.

The Council has just decided to commence another research on "Facility Management for Elders in Public/Subsidized Housing" with the City University of Hong Kong. The CityU is now arranging focus group discussion with all related stakeholders which will be held in December 2010.

The English version of HKIS Guide to Good Property Management Practices has attracted much public attention since its publication. Inherited with this overwhelming success, we are going to translate it into Chinese in order to facilitate much wider recognition and possibly encourage adoption by the owners' corporation. The Chinese version may also help accelerate our promotion in the Mainland China. The translation draft has just been finished by the consultant and Daniel Hui is now arranging proofreading and cross checking of its accuracy. We expect the Chinese Guide can be published by early 2011.

The Council has formed a working group for the formulation of a series of standard agreement on the provision of various property and facility management services. The first simplified version of agreement is close to its final drafting stage and we expect it can be published early next year. This simplified version of agreement is intended to be used by owners'

corporation on the appointment of property management agent, hence, Chinese translation will also be produced alongside with the English one.

### Assessment of Professional Competence

One important and memorial milestone of our Division this year was we have the birth of the first candidate, Mr Pierre Leung, who has gone through the whole APC process and qualified as a PFM Surveyor. There will be another four candidates attending the practical task later this month. It was glad to learn that there are increasing number of university graduates joined as probationers and embarked our Division's APC, and we expect there will be more members qualifying through our assessment and become a PFM Surveyor. To facilitate probationers to familiarize with our assessment, we organized the first APC Workshop on 29 October 2010. Experienced assessor and Pierre were invited to share with the APC candidates how they could become a qualified surveyor.

### CPD Event

In the Annual general Meeting of last year, I promised to arrange not less than 20-hours CPD events a year for members. My recent summation indicated that the total hours of CPD events organized by the Division between December 2009 and November 2010 achieved this pledge although marginally. I will not repeat the details in this report but the CPD include seminars, luncheon, site visit and workshop. I must thank for Daniel Hui and his team's hard work, and I am quite sure that Daniel will keep up with this good record in the coming year.

### Visit and Networking

As reported in earlier Surveyors Times, the Council intends to open dialogue with the China Property Management Institute (CPMI) for possible reciprocal recognition. A letter was sent to the President of CPMI on 7 January 2010. Formal requests were raised to 中聯辦 and the Development Bureau for the arrangement of a face-to-face discussion. A visit is indeed planned in November 2010 to CPMI Beijing Headquarter. However, we were just informed by the Development Bureau that the visit will be withheld until further notice.



Our Division maintains good connection with the Guangdong Property Management Industry Institute (GDPMII) after the signing of a Memorandum of Cooperation last November when we visited Guangzhou. Four of our Council members, namely Gary Yeung, Eddie Hui, Nelson Ho and Daniel Hui, were also nominated by the GDPMII as Property Management Expert of Guangzhou and Certificate Presentation Ceremony was held last December. Through the introduction by GDPMII, the 山東省住房和城鄉建設廳 and the 佛山市房地產業協會 visited our Institute on 12 May 2010 and 9 July 2010 respectively. The Council warmly received the two teams of delegates and the Division Brochure published last year was a useful tool for introducing our Institute/Division.

I was invited by the City University of Hong Kong to attend its Information Day held on 9 October 2010. I took the opportunity to conduct a short briefing session to more than a 100 F7 students introducing our Institute/Division. With the kind arrangement of our Council Member, Prof Eddie Hui, the Council visited the Hong Kong Polytechnic University on 23 February 2010 and met the year-three students of the BSc (Hons) in Property Management Degree. They are all potential candidates of our probationers.

To enable a good relationship within and outside the Institute, I have attended the Annual Dinner of GPD/PDD, LSD and QSD; and various organizations externally including the ISCM, HKIFM and HKAPMC; and Spring Reception of HAD and 中聯辦.

### **Quality Property and Facility Management Award**

Our Division jointly organized the Award with the HKAPMC. Through the QPFMA, we aspire to honour outstanding property and facility management service in Hong Kong. The deadline for nomination will be 30 November 2010 and the Secretariat received tremendous enquiries in the past few weeks. The Judging Criteria will focus on management, maintenance, cleaning, security and finance services, and other outstanding performance on environmental protection and value-added services. There will be a CPD Conference held in around January 2011 to allow entrant teams to share their valuable management experience with our members. The award presentation ceremony has been planned in March 2011. I must take this opportunity to thank for our Council Members who have actively participated as Organizing Committee Members.

### **FIG International Congress 2010**

I attended the Congress held between 11 and 16 April

this year in Sydney of Australia. Taking the opportunity to network with other overseas surveyors, I was also impressed by the huge Plenary Session and close to 700 subject presentations. Obviously, PFM Surveyors could take a more active involvement in FIG activities especially those of Commission 8 on Spatial Planning and Development, and Commission 9 on Valuation and Management of Real Estate.

### **Listing of Organization Providing Property and Facility Management Services**

The Council anticipated needs in the market where property owners are looking for professional property and facility management services and therefore formulated a list of organization corresponding to such expectation. The organization must be registered in Hong Kong and employed at least one PFM Surveyor. Information of those acceptable organizations has been uploaded to our website for public reference.

### **Proposed Licensing of Property Management Industry**

The HAD appointed Deloitte Consulting to carry out a preliminary study on this proposed regulatory framework and the Council was invited to attend their Discussion Workshop held in March 2010. The Council welcomes the licensing of property management companies whilst having reservation on the licensing of practitioners. I have reported the Council's comment earlier in the Surveyors Times. As the proposed statutory regime has a far reaching effect on our members, the Council has been actively looking after its development. The HAD had already submitted a paper to the Legislative Council Panel for Home Affairs for discussion. A face-to-face discussion was held with the Deputy Director of Home Affairs on 13 October 2010 and the Council's concern was raised. It was noted that HAD is in the course of formulating a consultation document. The Deputy Director agreed to attend a briefing session for our members to explain the detail of the document when it is materialized. In the Policy Address of the Chief Executive published last month, such statutory intention was also publicized.

### **Conclusion**

Finally, I must thank for the dedicated hardwork of the Council Members without which the achievements of the Council would not be that fruitful, and of such a success. I look forward to continuous success of the Council in the coming year. ■

## Quantity Surveying Division Chairman's Message



*Daniel Ho QSD Council Chairman*

### 2<sup>nd</sup> Reciprocal Training for CECA Members for Membership of HKIS (QSD)

The 2nd reciprocal training for the members of the China Engineering Cost Association (CECA) [中國建設工程造價管理協會] was held in Century Kingdom Hotel, Buji, Shenzhen on 9 and 10 November. The opening ceremony in the morning of 9 November started with the announcement by Madam Ma Guizhi, the Vice-President and Secretary-General of the CECA, and followed by the opening speeches by Madam Zhang Yunkuan, the President of the CECA, and Professor Chau Kwong Wing, the President of the HKIS.

In the two-day event, there were five training sessions and nine tutorials handled by our eight senior members. On behalf of the Division, I would like to express my heartfelt gratitude for the generous support and participation of the following speakers (topics delivered in brackets) and tutors:

1. Mr Stephen Lai (Professional Practice in Quantity Surveying)
2. Mr Anthony Lau (Project Management)
3. Mr Kenneth Poon (Financial and Cost Control and Estimating)
4. Mr K C Tang (Contract Management)
5. Mr T T Cheung (Alternative Dispute Resolution)
6. Mr Spencer Kwan, Mr Arthur Shia and Mr Anthony Chung (Tutors).

More than 170 members from the CECA attended the two-day training and tutorial session. Each attendee received the training materials prepared by the Mainland Sub-Committee of the Quantity Surveying Division including the rules of conduct, Ordinance of the Registered Professional Surveyors and a student copy of the Standard Form of Building Contract 2005 edition.

The speakers were quite impressed by the response of the attendees. They were particularly very enthusiastic in raising questions and very eager to have experience sharing with the speakers after each training session. For instance, one of the questions was whether there would be any conflict between professionalism of being

independent and delivery of contractual duty in protecting the client's interest under the appointment contract with the client.

The attendees came from different provinces of the Mainland. The President of the CECA showed appreciation of the training by saying that the training widened the perspective of the attendees to have a better understanding of the quantity surveying professional practice implemented in Hong Kong and in the Mainland. As a result, the members of the CECA could enhance their skills and knowledge in cost engineering, which would be beneficial to the development of both professions in the Mainland and in Hong Kong.

After completing the two-day training, those CECA members will be elected as members of HKIS Quantity Surveying Division later if they can fulfill all the requirements under the Reciprocity Agreement between the CECA and the HKIS.

The two-day event ended with a dinner hosted by the CECA for the speakers and tutors.



◀ *CECA President Madam Zhang Yunkuan presented souvenir to HKIS QSD Chairman Mr Daniel Ho*



▶ *Training in progress*



◀ CECA and HKIS Representatives at the Opening Ceremony



▶ HKIS President Professor Chau Kwong Wing presented souvenir to CECA President Madam Zhang Yunkuan.

## Visit to the Shanghai Construction Department (SCD) (上海市建築建材業市場管理總站)



On 5 November, two of our former divisional chairmen, Mr Spencer Kwan and Mr Stephen Lai, together with the Chairlady of the Shanghai Forum, paid a visit to the SCD whereby they were received by the division head, Mr Sun Xiao Dong (孫曉東科長).

The visit was one of regular activities for reinforcing the link between our Institute with the administrative heads of the Construction Bureau and updating the local administrative changes in each province. During the visit, we learnt that the organization structure of the local Construction Bureau in Shanghai has recently gone through a substantial organizational change. Under the change, all construction related arms are under one umbrella. The formerly Standard Rates [Norms] (定額), which concerns the QSD, is now under the jurisdiction of the SCD.

For information of members, the salient new scope of the SCD and other departments is abstracted below. Further details can be found under in the web site ([www.ciac.sh.cn](http://www.ciac.sh.cn)). By making reference to the systems adopted in Hong Kong for easy understanding, the responsibilities of the SCD include the functions of the Buildings Department in administration and control of building construction and of the Development Bureau in strategy planning.

We shall keep on maintaining regular contact with the officials in the Mainland for the benefits and interests of members working in various provinces in the Mainland. I, on behalf of the division, would like to take this opportunity to express our gratitude to Mr Sun for his hospitality in the reception and for future collaboration with the Institute on information flow and assistance.

### Abstracted scope of the SCD

#### 一、上海市建築業管理辦公室、上海市建材業管理辦公室

1. 負責制本市建築、建材業發展戰略、中長期規劃和行業改革方案；
2. 負責工程建設規範規程、工程造價、技術標準的管理工作；
3. 負責建設工程勘察、設計、施工、監理以及工程建設重要設備材料招投標等的承發包市場監督管理；
4. 負責建設工程質量、安全生產、文明施工的行政管理；指揮、處理建設工程質量和安全有關突發事件；
5. 負責建築行業從業單位資質、執業註冊資格的監督管理；負責在滬勘察、設計、施工單位以及建築、建材業各類中介機構等的監督管理；
6. 負責建設工程材料和建築機械設備使用的質量監督管理，負責推進建築節能、新型建材應用、散裝水泥發展和粉煤灰綜合利用等管理工作；
7. 負責指導建築、建材業從業人員的專業培訓工作；
8. 負責建築、建材行業有關信息收集、統計、分析和對外發布工作；
9. 負責建築、建材市場的行政執法工作；
10. 負責建築、建材業行政事業單位的業務管理工作；負責

區縣建築、建材業管理的業務指導；

11. 承辦領導交辦的其他工作。

### 二、上海市建築建材業受理服務中心

上海市建築建材業受理服務中心是受上海市城鄉建設和交通委員會、上海市建築業管理辦公室、上海市建材業管理辦公室委托，具體負責本市建築建材業有關行政審批和非行政審批事項的統一受理、辦理，並提供相應服務的機構。其主要職責是：

1. 貫徹執行國家和本市建築建材市場管理的法律、法規、規章和政策；
2. 負責建築建材業市管行政審批事項的統一受理、發證；
3. 負責建築建材業市管非行政審批事項的受理、辦理；
4. 負責建築建材業市管項目公開招標和邀請招標的受理登記；
5. 負責建築業各類企業資質審核，及各類人員執業資格的註冊管理；
6. 負責受理場所的管理，及開評標場所的服務工作；
7. 負責建築建材業管理相關費用的統一收取，按有關規定進行管理；
8. 負責建築建材業信息平台的技術維護；
9. 負責承擔對外接待、各類會議安排，及辦公場所的運行保障；
10. 負責對區縣建築建材業相關的指導；
11. 完成上級交辦的其他事項。

注：1.市管行政審批事項的統一受理、發證主要包括建築工程報建、施工許可、安全生產許可、檢測機構資質、各類企業資質、各類人員執業資格、市管工程竣工驗收備案登記、市管建設工程初步設計審查、工程抗震、國防交通等；

2.市管非行政審批事項的受理、辦理主要包括勘察、設計、施工和監理項目的直接發包登記、質量安全監申報、建築節能備案、企業和人員信息變更、企業誠信手冊申領、外省市進滬企業備案、建材備案等。

### 三、上海市建築建材業市場管理總站

上海市建築建材業市場管理總站是受上海市城鄉建設和交通委員會、上海市建築業管理辦公室委托，具體負責本市建設工程招投標、建設工程標準定額、建築節能推進、新型材料應用和建築建材業市場管理等的機構。其主要職責是：

1. 貫徹執行國家和本市建築建材市場管理的法律、法規、規章和政策；
2. 負責本市建設工程評標專家庫的日常管理；
3. 負責本市建設工程勘察、設計、施工、監理項目管理，及招標備案工作，監管開、評標過程；
4. 負責對本市建設工程招標文件(評標辦法)、評標委員會組成、中標通知的備案管理；
5. 承擔組織編制、實施本市建設工程標準、規範，組織宣

傳貫徹國家和本市建設標準、規範；

6. 負責審核工程建設"三新"(新材料、新工藝、新技術)應用標準的備案，負責申請採用國外、境外工程建設標準的審查；
7. 負責建設工程定額、工程量清單、費用計算規則的研究、制定、收集、匯總、處理、發布建設工程價格信息；
8. 負責建築節能和牆體材料革新、散裝水泥發展、粉煤灰等資源綜合利用的日常管理，組織新型建築材料的審核，編制新型建築材料的推廣應用目錄，及禁止或限制生產、使用建築材料的目錄；
9. 負責組織和管理建築建材業科技項目研究、推廣，及國內外科技合作交流的管理；
10. 負責建築建材業資料、檔案的歸集管理、統計分析，及有關專業課題的研究；
11. 負責推廣建築建材業從業人員的專業培訓；
12. 負責對區縣建築建材業相關業務的指導；
13. 完成上級交辦的其他事項。

注：1.評標專家庫的日常管理包括抽籤選取專家的服務等；  
2.招標備案工作主要包括重要設備和材料採購，及市立項工程、重大工程、中央各部委立項工程、本市優秀歷史建築保護工程的施工招標備案等。

### 四、上海市建設工程安全質量監督總站

上海市建設工程安全質量監督總站是受上海市城鄉建設和交通委員、上海市建築業管理辦公室、上海市建材業管理辦公室委托，具體負責本市建設工程安全和質量監督管理等的機構。其主要職責是：

1. 貫徹執行國家和本市建築建材市場管理的法律、法規、規章和政策；
2. 負責本市建設工程安全質量和文明施工的指揮導、協調、監督、管理，負責市管建設工程項目的過程監管；
3. 承擔本市建築建材業各類違法行為的具體行政執法；
4. 負責建設工程中的參與單位實施動態管理，參與建設工程重大安全質量事故的調查和處理；
5. 負責建設工程勘察、設計質量管理和施工圖設計文件的審查備案；
6. 承擔建設工程搶險和建築建材領域突發事件的應急處置；
7. 負責建築建材業施工企業節能降耗的監督管理，負責施工現場建築節能的推進工作；
8. 負責建築建材業的綜合治理工作和信訪投訴處理；
9. 負責對區縣建築建材業相關業務的指導；
10. 完成上級交辦的其他事項。

注：1.實施動態管理的內容，包括按照內部管理流程的要求，在市管工程竣工驗收備案登記前，及安全生產許可證發放、檢測機構資質上報前，提出內部書面審查意見等；2.建築建材業的綜合治理工作主要包括建築農民工維權管理、防範並協調解決建設工程款拖欠、施工現場的綜合治理等。 ■

# Young Surveyors Group Chairman's Message



Jeffrey Wong YSG Committee Chairman

## Thank you YSG!

Time flies, this is my last Chairman Message. I have to express my sincere gratitude to all YSG members, especially Office Bearers and Committee Members, who have devoted a lot of their time for the future development of YSG. I miss you all.



Time to move on, our new Council 2010-2011 was nominated and formed in our AGM 2009-2010 which was held on 19 November 2010. The new Council of YSG 2010-2011 is as follow:

<b>Chairman</b>	Arthur Cheung	
<b>Vice Chairman</b>	Kenny Chan	
<b>Vice Chairman</b>	Bette Sinn	
<b>Honorary Treasurer</b>	Mandy Lam	
<b>Honorary Secretary</b>	Michelle Chung	
<b>Honorary Secretary</b>	Kason Cheung	
<b>Committee Members</b>	William Lai Mandy Ko Tang Chi Wang Iris Chau Bessie Liu Allison Lo Cyrus Siu Carmen Wong Sylvia Leung Janet Kwong	Angela So David So Hazel Tee Joanmi Li Rex Ying Steve Yu Jerry Li Simon Wong Alex Wong Jeff Chan
<b>Immediate Past Chairman</b>	Jeffrey Wong	



## HKIS Annual Dinner 2010

It has been successfully held on 2 November 2010 and the night was spectacular. We especially thank our Kason Cheung and Angela So who contributed a lot to the organizing committee of this event. Highlight of the night – our Michelle Chung was being invited to the stage for a singing performance.



## HKU Information Day

The whole day event was held on 30 October. Many college students attended the event. Our Angela So and Kenny Chan shared with them about life as a surveyor.



## LSGI Career Talk

Kenny Chan and Mandy Ko were invited deliver a speech for LSGI students on 8 November. Both of our YSG members shared their working experience and career path in land surveying.



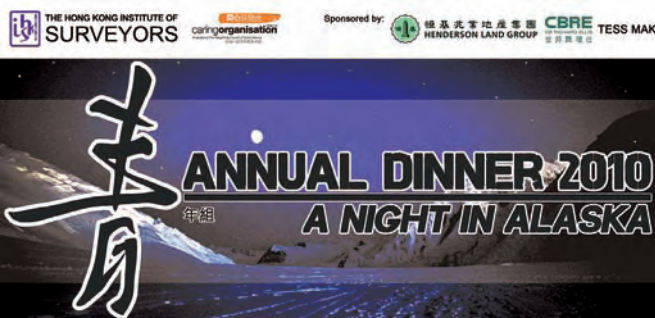
## CPD – Shenzhen Residential Site Visit

It was held on 20 November. A total of 52 members inspected four residential sites namely 萬科棠樾 located at Dongguan Tonghe, 觀瀾觀湖園 and 平湖禦峰園 which were developed by Hutchison Whampoa Properties and

中大華 IFC by Great China. Three projects were developed as luxurious resort type villa with a low plot ratio. The design and material were extraordinary. We especially thank Mr Benny Hung, marketing manager of Hutchison Whampoa Properties, for organizing the event and sharing on investment in Mainland China property market as well as experience as a Hong Kong profession working in Mainland China.



## YSG Annual Dinner



YSG annual dinner 2010 (with the theme “A night in Alaska – 阿拉斯加之夜”) was successfully held on 27 November at the Pool Side Restaurant at Victoria Park. We had altogether 160 guests, students and members with us that night. I would like to express my sincere thanks to our sponsors Henderson Land Group, CB Richard Ellis Ltd and Miss Tess Mak for their support to this event. I would also like to thank the organizing committees for their great effort in organizing the dinner – the venue was nicely decorated and we had loads of fun with all the games and lucky draw! All of us had a wonderful night with our guests and fellows. 🍷



# Development of 8 Tenement Houses? An Example in Interpreting the Government Lease

**Lawrence H.C. Pang** FRICS FHKIS AACI MBA MSc(Finance) CFA

In Hong Kong, it is widely known that all land (save and except perhaps the Anglican Cathedral in Central) is owned by the Government who ultimately grant the right to use and development of land to individual “landowners” under respective leases. Owing however to the different periods of the land grant, the terms and conditions of the leases are not only different in nature, the wordings used might also be quite different although they sometimes mean similarly. Nevertheless, the construction of a Government Lease or more properly the basics of its interpretation are of the utmost importance for the purpose of carrying out valuation of land as it will affect its potential use and development. More important, law has well established<sup>1</sup> that the Government, as its ultimate landlord, is entitled to charge a premium for any modification or concession of the land leases. This is an important scope of works many of our fellow general practice surveyors have been dealing with.

In a case nearly oblivious from attention, the land being occupied by No. 1 Ho Man Tin Hill Road was held on a Government Lease dated 1934. A covenant of the Government Lease restricted the buildings which may be erected on the land to one of a European type, the design of the exterior elevations and disposition of which was subject to the approval of the Director of Public Works (as the predecessor of the Director of Lands) and the height of the building was restricted to 35 feet unless extended with the consent of the Governor in Council. In May 1960, the Government granted a Deed of Variation in which certain covenants replaced conditions in the original Government Lease to the extent that the premises were not to be used for other than private residential purposes and any development or re-development of the lot was restricted to a roofed-over area of 100/25 in the case of a three-

storey building, plus 100/22.5 in the case of four-storey buildings. There were other covenants in the Deed of Variation including the usual stipulation that the approval of the Director of Public Works was required for the design disposition and height of any building which was to be erected on the lot.

Premium was paid for the permission and by 1963, there existed on the site a four-storey building with a site coverage of 10.6% of the total area. Further development of a building was completed in 1984, as a result of which however the site area coverage had increased to a little over 23.5% with no premium paid. Perhaps for the purpose of rectifying this minor increase in the site coverage, there was a further Deed of Variation of the Government Lease in March 1985 whereby the covenant which had been varied in 1960 was further modified to provide for a very small increase in the roofed-over area of four-storey buildings. The covenant reads as follows:

“And shall not develop or redevelop the lot (including the said extension area) or any section thereof in any manner which would result in the roofed-over area of the lot or section being such that-

*100/25 x roofed-over area of 3-storey buildings plus 100/23.539 x roofed-over area of 4-storey buildings would be greater than the area of the lot or section ...”*

However, in 1986, there was an application by the owner for a further building in the form of an extension on top of the four-storey building which had been recently built

<sup>1</sup> See *Hang Wah Chong Investment Co. Ltd. v. Attorney General* [1981] HKLR 336; [1981] 1 WLR 1141



in 1985, making that building a nine-storey building and this application was approved. The Crown Lease was not modified or varied to permit that development, nor was the payment of a premium required.

Then in 1993/94, various plans for development of a 23-storey residential building were submitted but were rejected because they appeared to be in breach of the roofed-over covenant. Contention culminated by 1995 and there was dispute on whether or not the Director of Lands would or could, in the circumstances that existed and in the light of the history of the development, charge a premium either for approval of the design disposition and height which was the subject of one of the covenants or for a modification of the Crown Lease to permit a development in excess of four storeys on the existing development on the lot. More particularly, the Director of Lands took the view that the wording of the covenant in the 1985 Deed of Variation prevented the lessee from developing the lot with anything more than a four-storey building with a coverage of a little in excess of 23.5% without a lease modification. On the other hand, the developer acting as agents and/or co-venturers of the owner sought a declaration that the covenants did "not restrict the height of any building to be erected on [the lot] to four or less storeys".

In this case, *Polorace Investments Limited v. Director of Lands*, HCMP 703 of 1996, the High Court judge held that the covenant stated, in plain terms, that the lessee was prohibited from developing the lot so that the roofed-over area of three or four storey buildings exceeds the specified area. It did not suggest, however, that the lessee was prohibited from developing the lot with buildings other than those with three or four storeys. The covenant was silent on this situation. This may be contrasted with the view of Huggins, J.A. in the Court of Appeal, being Civil Appeal No. 84 of 1978, as affirmed by the Judicial Committee of the Privy Council in *Hang Wah Chong Investment Co. Ltd. v. Attorney General* [1981] HKLR 336; [1981] 1 WLR 1141 that the limitation in height of development in that case

could be implied in a letter seeking no objection from the Director of Public Works by the developer.

There are a quite a number of Government grant in that era where the interpretation of the lease conditions<sup>2</sup> is not so clear cut. In a lease granted in July 1934, for instance, the covenant states that:

*"And will not except with the consent of the Governor in Council first obtained in that behalf erect any buildings on the said piece or parcel of Ground hereby demised or any part thereof other than Twenty dwelling houses the design thereof to be subject to the special approval of the said Director (of Public Works) ..."*

While the lot was then subdivided into various portions, by a Letter of Modification dated 9<sup>th</sup> of May 1952, consent was given by the Director of Public Works to erect 15 dwelling houses upon the lot in addition to the 20 dwelling houses permitted. Then the other portions of the original lot have been redeveloped into high-rise composite buildings for non-industrial purposes in compliance with various Deeds of Variation and payment of premium. On the other hand, there still stand a few blocks of eight storey tenement buildings on the original lot, now being Section A, in respect of which a grant was made for an extension and modification of Government Lease in April 1957. More particularly, while the Conditions of Extension & Modification provided that, inter alia:

*"(2) The lessee shall be granted a new Crown Lease .....to be subject to all the clauses and covenants contained in the existing Crown Lease..."*

<sup>2</sup> In the last 15 years or so, the disposal of land by Government has been by Conditions of Sale etc. instead of through a direct lease. The Conditions constituted a contract and when the conditions had been complied with a Government lease would be issued. Nowadays however no Government lease is actually issued since section 14 of the Conveyancing and Property Ordinance deems that a Government lease has been issued upon compliance with the conditions in the Conditions of sale.





there contains the following:

*“In conjunction with your re-development scheme, Government has also approved the modification of the Crown Lease terms so as to allow the erection of 8 tenement houses .... subject to the following Conditions:-*

- (a) Payment of an additional premium ....*
- (b) The layout of the buildings to be generally in accordance with the plans dated 3.10.56 submitted by your architect.*
- (c) The buildings to comply with the Buildings Ordinance and plans to be submitted to the Building Authority for approval in the usual way.” (hereinafter referred to as “the covenant in 1957”)*

Of course like all things, buildings change in character, the type of facilities available change over the years and the buildings which were erected in the end of the 1950s no doubt had out-lived its useful purpose by today’s standard when redevelopment should be envisaged. Currently, the area has been zoned “Residential (Group A)” on the relevant Outline Zoning Plan. There being no restriction on building height, therefore, a high-rise building is being contemplated but the question is whether a lease modification and particularly payment of a substantial sum of money as premium is required (even if no commercial use is proposed, for instance, to the lowest three floors).

In the lease granted in July 1934, it appears that only “dwelling houses” were permitted on the original lot. In *Wong Bei Nei v Attorney General* [1973] HKLR 582, the court observed that “dwelling house” and “residential premises” are interchangeable terms and that “dwelling house” may include a block of flats with a common entrance.<sup>3</sup> In his book *Land Administration and Practice in Hong Kong*, 2<sup>nd</sup> ed, Hong Kong University Press, 2008, Roger Nissim also suggested at p. 80 that “dwelling house” may only be used for residential purposes, with flatted development permitted. More recently in *Pandix*

*Limited v. Hui Kam Kwei and Another*, LDCS 4000 of 2009 (dated 14 October 2010), the Lands Tribunal also found the plain, ordinary and popular meanings of the words “dwelling”, “residential” and “domestic” are the same. But the covenant in 1957 added further thinking.

It may be argued that the covenant in 1957 related solely to the development of that particular 8 tenement houses by reference to “your re-development scheme” and the covenant in 1957 became spent when the redevelopment occurred. In addition, the word “tenement” should not alter the meaning of “houses” if like “European” which was often used in the older form of Government lease was intended originally to distinguish houses between the traditional Chinese style and the contemporary.<sup>4</sup> More important, the Conditions of Extension & Modification already provided that “the lessee shall be granted a new Crown Lease .....to be subject to all the clauses and covenants contained in the existing Crown Lease...” In a recent case concerning the sale agreement for a property by option, *Lau Suk Ching Peggy v. Ma Hing Lam a.k.a Wingo Ma and Others*, FACV 25 of 2008, the Court of Final Appeal held that the critical words “so as to enable [the Plaintiff] to purchase” are merely descriptive of the nature of the option. By analogy reading in its context of the covenant in 1957, “so as to allow the erection of 8 tenement houses” was also descriptive in nature and did not impose any further restriction on original Government lease.

Certainly, the above analysis only serve to illustrate the complications of Government leases granted in the good old days; it should not be construed as offer of professional opinion or advice. In case members come across such difficulty in interpreting the meaning of the Government leases, legal advice may have to be sought. ■

<sup>3</sup> See also for example *Kimber v. Admans* [1900] Ch.412  
<sup>4</sup> Also Roger Nissim suggested in *Land Administration and Practice in Hong Kong*, supra at p. 81 that “message(s) and tenements” impose no building or user restriction.



# Introduction to the Standard Form of DRMW Contract

**Paul H K Ho**, *City University of Hong Kong*

## 1. Introduction

Hong Kong currently has about 17,000 buildings aged 30 years or above; 10 years from now, the number will reach 28,000. Many of these buildings are in a state of disrepair and contain illegal structures and unauthorized building works, potentially endangering their occupiers and the public. From 2001 to 2009, 379,510 unauthorized building works were removed by the government; 5,339 illegal rooftop structures were cleared; 20,345 abandoned signboards attached to external walls were removed; 273,946 removal orders, 10,330 repair orders, and 35,213 warning notices were issued. To a certain extent, these indicate the scale of the need for repair and maintenance works. In addition to existing buildings, about 150 – 250 new buildings are completed each year and also require certain fitting-out works before being occupation or use. The combination of these old and new buildings has generated a great volume of decoration, repair and maintenance works.

Some of the decoration, repair and maintenance projects are large in scale, while others are small. For large-scale projects, a professional consultant is normally employed to implement the works. Their basic responsibilities should include the preparation of the design and contract documents. For small-scale projects, owners may not be able to afford employing a professional consultant because of the small amount of the contract sum involved. Under such circumstances, they may appoint a contractor directly to carry out the work without signing a proper contract. Even if there is a formal contract, the contractual provisions may be one-sided and unable to provide the owner with a reasonable degree of protection. As a layman, the owner is always in an unfavourable position, particularly when the contractor claims an extension of time and/or additional cost. To overcome this problem, the

Hong Kong Institute of Surveyors published a 'Standard Form of Contract for Decoration, Repair and Maintenance Works' (hereinafter called the 'DRMW Contract') in 2008 for use by lay owners.

The drafting of a contract used by laymen are entirely different from those contracts administrated by building professionals. Basically, it should be written in readily understandable language using plain English and avoid using too many technical or legal terms. In addition, consideration should also be given to the protection of lay owners. For instance, how the parties incorporate the relevant documents to create a valid contract, how traditional lump sum contracts includes work not expressly described in the work details, how the owner relies on the contractor's skill and judgment in design matters, how the cost of a change to the original works can be agreed to without valuation rules, how an extension of time is assessed and granted, how payment is evaluated and certified, the grounds on which the parties can terminate the contract, and how the parties resolve disputes in a cost-effective manner, etc.

## 2. Main provisions of the DRMW Contract

The DRMW Contract is designed to be used by owners dealing directly with contractors in making improvements to their premises where the work involved is simple in character with a contract value up to HK\$400,000 (at 2008 prices). Where the work is of a complex nature or involves building works as defined in the Buildings Ordinance, the owner should appoint a professional consultant to act for him, including the appropriate choice of contract. The DRMW Contract consists of 20 clauses that take up only four pages plus two pages of guidance notes that do not form part of the contract. The following paragraphs describe each of these clauses in detail.



### 2.1 Documents forming part of the contract

As no professional consultant is employed to produce the design, the owner usually makes known his requirements to contractors in writing or orally. Each contractor then produces a design in form of drawings and specifications together with a quotation for the owner's consideration. To facilitate the formation of a legally binding contract, an easily administrated arrangement is adopted by asking the contracting parties to tick the appropriate boxes to confirm whether there are any quotations, drawings, specifications or other documents (such as the owner's requirements) that the parties have agreed form part of the contract. These are collectively known the 'work details' in this contract.

### 2.2 Lump sum contract

To provide greater certainty on the agreed contract sum, the DRMW Contract is based on a lump sum contract in which the contractor undertakes to carry out and complete the works in accordance with the quotation, drawings, and specifications submitted and other agreed documents for an agreed price. To facilitate administration, both parties are simply required to fill in the agreed price in the contract. However, the lump sum can be increased or reduced if the owner subsequently requests any changes (i.e. variations) to the works originally agreed upon.

Traditional lump sum building contracts work well in situations where the works itself can be precisely defined. As noted above, the various contract documents (i.e. the quotation, drawings and specifications) may be produced by the contractor. Incomplete or ambiguous quotations, drawings and specifications may create a loophole for the contractor to make claims for both an additional cost and an extension of the working period. To avoid misunderstandings, the DRMW Contract specifies that 'the price is deemed to include the cost of all works necessary for the timely and satisfactory completion of the works in its entirety, whether it is expressly stated in the work details or not'. A contractor who prepares the various contract documents but omits some obviously necessary works will be liable to do so at his peril.

### 2.3 Contractor's obligations

In common with traditional standard forms of building contract, the DRMW Contract imposes on the contractor an obligation to organize, carry out and complete the works diligently and in a good and workmanlike manner in accordance with the work details and contractual provisions. The contractor must complete the works specified in the contract in its entirety. If he fails to complete the works, he will be in breach of the contract.

In the classic standard form of building contract, the owner and his professional consultants assume responsibility for the design of the whole works, whereas the contractor only carries out and completes the works according to the design and does not undertake liability for the design. As noted above, the owner may rely on the contractor's skill and judgment in design. Thus, the DRMW Contract imposes on the contractor an obligation 'to complete the design for the works using reasonable skill and care, including the selection or specification of the materials, goods and workmanship to be used in the works so far as not stated in the work details'. This obligation is similar to that imposed under a design-and-build contract.

The DRMW Contract also expressly places an obligation on the contractor to comply with all statutory requirements applicable to the works. This includes obtaining all approvals and consents from the Buildings Department and other authorities and paying all fees and charges. This obligation covers not only the design aspect, but also the construction work as a whole.

To ensure buildings with multi-owners are properly managed, a Deed of Mutual Covenant and Management Agreement and House Rules of the Premises are often put in place to govern the working hours, air, noise, wastewater, and waste control, the delivery of materials and goods, connections to public services, etc. The DRMW Contract also expressly places an obligation on the contractor to comply with any such Deed of Mutual Covenant and Management Agreement and House Rules of the Premises. These restrictions should be made known to the contractor during the tendering stage.



### 2.4 Materials, goods, and workmanship

To set a minimum requirement in respect of the quality of materials and goods and the standard of workmanship, the DRMW Contract requires the contractor to 'supply materials and goods which are of satisfactory types, standards and quality and as set out in the work details'. In addition, the DRMW Contract also requires the contractor to 'warrant that all materials and goods are reasonably fit for the intended purposes'. Moreover, it further requires the contractor to 'carry out the works in a good and workmanlike manner, as set out in the work details and to the owner's satisfaction'.

### 2.5 Working period and hours, and sufficient working areas

The contracting parties must clearly state the commencement and completion dates (i.e. the working period) in the DRMW Contract. As the works will be carried out in existing premises, they must also clearly state the working hours in the contract. Basically, the owner has an obligation to give the contractor access to the premises during the agreed 'working hours' throughout the 'working period'.

While exclusive possession of the site may not be applicable to decoration, repair and maintenance projects, provision of a sufficient working area is clearly a necessary pre-condition of the contractor's performance of his obligation. Thus, the DRMW Contract contains an express provision requiring the owner to 'keep the working areas sufficiently clear of obstructions to allow the contractor to carry out the works so as to enable him to complete the works on time'. If he prevents or obstructs the contractor from carrying out the works for a continuous period of more than 14 days, the contractor is entitled to terminate the contract.

### 2.6 Changes of the works

Most standard forms of building contract empower the owner's architect to issue instructions to change the original works. The DRMW Contract also provides a variation clause; otherwise, the owner would have no

authority to do so. The scope of changes includes the 'alteration of the design, quality or quantity' of the work details, which should be wider enough to cover the changes potentially needed in ordinary decoration, repair and maintenance works.

The variation clause included in most building contracts incorporates valuation rules for variations. As there is no quantity surveyor to carry out the evaluation of variations, the DRMW Contract does not have such valuation rules. To realize the cost and time implications of changes, the DRMW Contract requires the contractor to quote a price for the change and the time required for the owner's agreement. The contractor can only proceed with the change after receiving the owner's written agreement. If the owner does not agree with the price and/or time, his only option is to find another contractor to execute the varied work after the original contract has been completed.

### 2.7 Sub-contracting

Sub-contracting is a common practice in the building industry. To protect the owner, the DRMW Contract expressly states that if the contractor wishes to sub-contract any part of the works, he should first obtain the owner's consent. Such consent should not be unreasonably delayed or withheld.

### 2.8 Injury, damage, and insurance

All building works involve a certain degree of risks. In common with classic standard forms of building contract, the DRMW Contract includes an indemnity clause whereby the contractor indemnifies the owner 'against any expense, liability, loss, claim and damage which may be caused to his employees and his sub-contractor's employees of all tiers, or to the premises and its contents, the works or neighbouring properties'. This indemnity clause is wide enough to cover most (if not all) possible injuries or damage to people and property arising from the carrying out of the works. However, there is one important qualification. The indemnity does not cover the consequences of a negligent act committed by those for whom the owner is responsible under the express



terms of the contract, or by others for whom the owner is vicariously responsible in law.

The DRMW Contract expressly requires the contractor to take out and maintain, in the joint names of the owner, himself and his sub-contractors of all tiers, three types of insurance: contractor's all risks insurance, third party liability insurance and employees' compensation insurance. The contractor's all risks insurance covers the full reinstatement value of the works; the third party liability insurance covers liability to third parties in respect of bodily injury or death and damage to property with a specified minimum amount for any one occurrence or series of occurrences arising out of any one event, and the employees' compensation insurance should comply with the Employees Compensation Ordinance by covering claims for any bodily injury to or the death of any workers employed in connection with the works. The insurance clause is subject to the opening phrase: 'without prejudice to his obligation to indemnify the owner'. If the contractor fails to take out or maintain insurance cover or procures inadequate cover, he will still be liable for additional loss and damage under the indemnity clause. To provide the owner with additional security, the contractor must insure in the joint names of the owner, himself, and his sub-contractors of all tiers.

### 2.9 Extension of working period

The extension of time clause in most building contracts is administered by a professional consultant in view of the complicated nature of construction processes. To cover situations without a professional consultant, a simple mechanism should be adopted to enable the owner to administer the extension of time clause. Under the DRMW Contract, a fair and reasonable extension of time will be granted if the delay is due to one of two relevant events. The first relevant event is where the owner requests any change of the works. As noted above, if the owner requests a change, the contractor is required to provide a quotation for the change and the time required. If the proposed price and extra time are found to be acceptable, the owner can grant an extension of time accordingly. If they are not accepted, he must find another contractor to carry out the varied work at a later date.

The second relevant event is where there arises 'any delay caused by the owner'. This simple provision covers a wide range of special but justifiable circumstances, and any preventive act, breach of contract or other default by the owner or any person for whom the owner is responsible.

### 2.10 Payment

Most standard forms of building contract provide for interim payments to be made to the contractor on the basis of the payment valuation evaluated by a quantity surveyor and the payment certificate issued by an architect. Since there is neither a quantity surveyor nor an architect, the DRMW Contract provides two simple payment methods: single payment method and stage payment method. Where the project is of short duration, the owner can choose to make a 'single payment' when the contractor completes all the works. The contractor is not entitled to any payment until he has completed the works in its entirety. Thus, this payment method gives greater protection to the owner. On the other hand, where the project duration is of relatively long duration, the owner can choose to make a 'stage payment' when the contractor completes each specified stage of the work. Under this method, the owner must specify the details of each stage of the work, together with the corresponding payment amount, in the contract.

When all of the works or each stage of the work is properly completed, the contractor is required to give the owner an itemised invoice for the amount due, taking account of any price increase or decrease due to required changes. The itemised invoice allows the owner to check on the work actually done. Because there is no architect to certify whether the works have been 'properly' completed in accordance with the work details, the contract expressly states that 'the works shall be considered to be properly completed only when it is free from obvious defects'. If there is any obvious defect, the owner has the right to withhold payment to the contractor. On the other hand, if no obvious defect is found, the owner must pay within 7 days of receiving the contractor's invoice. Failure to pay is a ground entitling the contractor to terminate the contract.



The payment clause in most building contracts includes provisions governing the retention and defect liability period for the protection of the owner. The DRMW Contract simply provides that the owner is only required to pay 90% (or other specified percentage) of the amount of the invoice. In effect, 10% of each payment is withheld from the contractor as retention money. While there is no defect liability period clause, the DRMW Contract contains a simply provision whereby the owner is required to pay the remaining portion of the invoice only after the contractor has made good all defects in the works that may be or become apparent at any time within three months (or other specified period) of its completion. In effect, there is three-month defect liability period. The owner has the right to refuse to release the retention money unless and until the contractor has make good all defects within this defect liability period.

### **2.11 Occupation and security of the premises**

The owner must specify in the contract whether or not the premises will be occupied during the working period. If it is indicated that the premises will remain vacant, the implication is that possession of the whole premises will be given to the contractor throughout the working period including any extension of time granted. During this period, the contractor has an obligation to take practical precautions to deter intruders from entering the premises.

If it is indicated that the premises are to be occupied, the owner still has an obligation to provide sufficient working areas for the contractor to carry out the works, thereby enabling him to complete the works on time as described above.

### **2.12 Use of facilities on the premises**

While the duration of most of these projects is relatively short, the contractor also needs time to set up various site facilities such as temporary electricity, toilet, telephone and water facilities before starting the construction work. This period can be significantly shortened if the owner allows the contractor to use his existing facilities. Thus, the owner is required to state in the DRMW Contract whether he will allow the contractor to use the existing electricity, toilet, telephone and water facilities free of charge.

### **2.13 Health and safety**

Health and safety is an important issue, particularly when the works are to be carried out within existing premises. The DRMW Contract imposes on the contractor an obligation to take all practical steps to prevent health and safety risks to the owner and other people occupying or visiting the premises, and to minimize environmental pollution, nuisances, disturbances or inconvenience to the existing and neighbouring occupants. The contractor is required to take suitable safety and precautionary measures in carrying out the works, particularly where such work is to be carried out on the external walls of the premises. In view of the importance of this issue, the owner is entitled to terminate the contract if the contractor does not comply with his health and safety and environmental responsibilities.

On the other hand, the DRMW Contract also imposes on the owner an obligation to take notice of all warnings the contractor gives about any health and safety or environmental risks which he is taking measures to prevent or minimize.

### **2.14 Protection and cleaning of the works**

Because the works are carried out within existing premises, the contractor is required to stow away his tools, equipment and ladders at the end of each working day in an agreed storage space, and to regularly dispose of any rubbish. The contractor is also required to protect the finished works and the premises during the progress of the works, and to bear all costs incurred in making good any damage caused. Upon completion of the works, the contractor is required to remove all plant, tools and surplus materials, to make good and reinstate all damages, to clean the works and leave the premises in a clean and tidy condition to the owner's satisfaction. These requirements are typically set out in preliminary clauses in bills of quantities or specifications for most building contracts.

### **2.15 Owner's right to terminate the contract**

Most building contracts contain a clause entitling one party



to bring the contract to an end in certain circumstances. The DRMW Contract sets out the following three grounds entitling the owner to determine the contract:

- The contractor does not regularly and diligently carry out the works; or
- The contractor does not comply with his health and safety and environmental responsibilities; or
- The contractor is incompetent so that the works are of an unacceptable standard and not in accordance with the work details.

If the owner intends to terminate the contract based on one of the events of default described above, he must first give the contractor a written warning notice specifying the nature of default. It is imperative that the contractor has no doubt about the alleged default, and the owner must give sufficient detail identifying the incident if there is any danger of confusion. If the contractor continues the default for 7 days after receiving such a notice, the owner may terminate the contract by serving on the contractor another written notice of termination that takes immediate effect.

Upon termination of the contract, the owner is not bound to make any further payment to the contractor until the works has been completed by another contractor. The owner is entitled to recover from the contractor any direct loss and/or damage caused to him by termination of the contract. There will rarely be any sum due to be the contractor.

### 2.16 Contractor's right to terminate the contract

The DRMW Contract sets out the following two grounds on which the contractor may determine the contract:

- The owner does not pay an amount properly due to the contractor without good reason; or
- The owner prevents or obstructs the contractor from carrying out the works for a continuous period of at least 14 days.

Adopting the same procedure as that prescribed for the owner, the contractor must serve on the owner a written notice specifying nature of the default. If the owner does not remedy the specified default within 7 days, the

contractor may terminate the contract by giving the owner another written notice of termination that takes immediate effect.

Upon termination of the contract, the owner must pay the contractor within 14 days for the value of work properly executed and for unfixed materials and goods ordered for the works.

### 2.17 Settlement of disputes

In view of the low value of decoration, repair and maintenance contracts, the dispute resolution methods must be simple, fast, and cost-effective. The DRMW Contract provides two alternative dispute resolution methods: mediation and legal proceedings. If the contracting parties intend to resolve a dispute through mediation, they must agree on a person to act as the mediator. If, for whatever reason, the parties cannot agree a mediator within 14 days of one party requesting that the other agrees to a mediator, then either party can request that the president of the Hong Kong Institute of Surveyors appoints a mediator for them.

In addition to mediation, the DRMW Contract also allows the contracting parties to take legal proceedings to settle disputes that may arise between them. If the sum in dispute between the parties is less than HK\$50,000, the dispute can be resolved through the Small Claims Tribunal in which the parties can present their views and arguments themselves.

## 3. Acknowledgement

The author was the QSD Chairman in 2006 when he initiated the publication, and also acted as the principle drafter, of the DRMW Contract. A working group comprising members from the QSD and BSD was set up to review and give comments on this contract.

The original version of this paper was published in the COBRA Conference 2010. The author presented the DRMW Contract for a HKIS CPD event on 16th November 2010. ■



## The Hong Kong Institute of Surveyors Sports Team / Interest Group



**Chairman:** Lesly LAM, [leslylam@hkis.org.hk](mailto:leslylam@hkis.org.hk)

For those members who have interest to participate in various sports and HKIS Sports Night 2010, please contact Chairman or Donna YU at [cpd@hkis.org.hk](mailto:cpd@hkis.org.hk) / 2526 3679 for registration.

### Singing



#### HKIS Surveyors Band and HKIS Singing Team

**Team Captain:** Ms Michelle CHUNG;  
**Band Leader:** Mr George CHAN

"Surveyors Band" is now established and had the first band show in the Sports Night 2010 on 4 December. Bandmates include George (guitarist and bass), John (guitarist), Jeffrey (drummer), Alison and Philip (keyboardists). We have lots of vocals included William, Chris, Michelle, Kenny and Lesly. For those who love music jamming or good at playing instruments, please join our regular band practice on Monday bi-weekly. Please contact us for details.







## Swimming

**HKIS Swimming Team – Open Water Swimming Competition (Repulse Bay to Deep Water Bay)**  
**Team Captain: Mr William LAI / Mr CY WAN**

Mr CY Wan, Mr Ronnie Fung and Mr Eric Ho of the HKIS Swimming Team joined the Open Water Swimming Competition at Repulse Way on 31 October. The distance was about 2km. Congratulation was given to CY Wan who got the Champion in his age group.

More swimming teammates are wanted for various short and long distance competitions in the coming few months.



## Cooking

**HKIS Cooking Team – Interested Members are invited !**  
**Group Leaders: Ms Jo LAU / Mr Lesly LAM**

The group leaders of the cooking team would like to appeal more interested members to join and participate in the Joint Professional Cooking Competition to be held in January 2011. Practices and sharing sessions will be arranged prior to the competitions.

Two group leaders assisted our HKIS President in Caring Cooking Competition - Presidents Cup organised by the Law Society of Hong Kong held on 6 November. The dish was Fried Alaska Crab Leg in Typhoon Shelter cooking style (大中小辣避風塘炒亞拉斯加蟹腳)





## Table Tennis

### HKIS Table-Tennis Team – Friendly Match with the Buildings Department

**Team Captain: Mr CY JIM**

After friendly matches with the Housing Department, the Rating & Valuation Department and Lands Department, the HKIS Table Tennis team had another fun game with the Buildings Department Table Tennis Team on 22 October. The teammates are keen to maintain and upgrade the skills through different competitions. Good players are recruited after the match.

The next friendly match will be held in January 2011 with the HK Cricket Club Table Tennis Team.

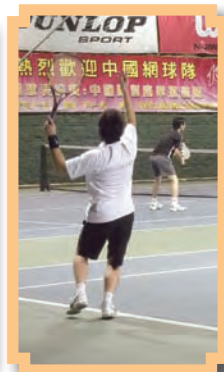


## Tennis

### Joint Professional Tennis Tournament 2010

**Team Captain: Mr Harry JAN**

The Joint Professional Tennis Tournament was successfully held on 7 November from 6pm to 10pm at South China Athletics Association - King's Park Tennis Courts. All teammates worked hard for a promising result in the tournament this year. They finally got the third runner up which was just a few points difference with the other teams.





HKIS Wish you

*Merry Christmas*

*and*

*Happy 2011*



# YSG Annual Dinner 27 November 2010



See you next year!