



# **GUIDELINE FOR APPRAISING CONSULTANTS' PERFORMANCE**

**CHINESE TEMPLES COMMITTEE**  
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## GUIDELINE FOR APPRAISING CONSULTANTS' PERFORMANCE

### **1 General**

- 1.1 In order to ensure that consultants perform their duties in accordance with their Agreements and Briefs, they must be effectively managed by the Project Management Section (PMS). It is essential that the consultant's performance is assessed and reported accurately so that the quality of services can be reflected, and in turn, good value for money can be ascertained. In cases of unsatisfactory performance, action shall be taken in accordance with Section 7 hereinafter.
- 1.2 The performance of consultants must be regularly assessed and reported on a quarterly basis by the Deputy Project Manager (DPM) until the completion of the assignment. All the consultant performance reports shall be reviewed and countersigned by the Project Manager (PM).
- 1.3 The PM shall be responsible to manage the consultants' performance reporting and to recommend the necessary actions against poor performers for the consideration of the Works Working Group (WWG).

### **2 Reporting Officer**

- 2.1 The Reporting Officer shall be the DPM. The Countersigning Officer shall be the PM.

### **3 Frequency of Reports**

- 3.1 Interim reporting shall be on a quarterly basis, starting from the commencement to completion of the assignment. The reporting day shall be the last day of March, June, September and December.
- 3.2 A quarterly report shall also be submitted even if no detailed assessment can be made due to various reasons, such as no appreciable activity being carried out by the consultant (e.g. the works contract is in the maintenance period and the consultant's significant input is no longer required, study is substantially completed, the remaining Stage/Phase does not proceed), or the assignment has been suspended during the reporting quarter. The Reporting Officer should include, in Section F of the report, a concise reason for submitting such a "no activity" or "no assessment" report. Notwithstanding the above, if a consultant does not perform satisfactorily even when the required input is not significant, the DPM should submit an interim report with proper assessment to reflect the poor performance.
- 3.3 A final report covering the overall performance of the consultant shall be prepared upon the final completion of the assignment.
- 3.4 In exceptional circumstances, e.g. upon identifying a major default of the

consultant or any serious incident regarding the performance of the consultant in an assignment, a special report on the performance of the consultant should also be submitted.

#### **4 Report Format and Assessment Criteria**

- 4.1 The report format and the criteria to be used for assessing performance of a consultant shall be in accordance with the standard report form and guidance notes. Whilst it is accepted that the overall assessment is subjective, the Reporting Officer's grading and the Countersigning Officer's acceptance of the assessment shall reflect the strengths and weaknesses of the different aspects of performance of the consultant.
- 4.2 For quarterly reports, all parts of the report, including the detailed assessment of performance, shall be completed.
- 4.3 For final reports, only Part I of the report i.e. summary of performance, shall be completed.
- 4.4 For special reports, all parts of the report, including the detailed assessment of performance, shall be completed.
- 4.5 For term consultancies, a single consolidated report shall be prepared and submitted to cover all the Services executed by the consultant under the same agreement.
- 4.6 Each consultant shall be made aware of his assessed performance. To increase transparency on performance reporting, the PM shall send the completed performance report to the consultant once the report has been countersigned by him. No advance copy of the performance report shall be sent to the consultant. The standard letters to consultant enclosing the Quarterly Report and the Final Report are at Appendix A & B respectively.

#### **5 Countersigning Officer**

- 5.1 All the consultants' performance reports shall be reviewed and countersigned by the PM within 20 working days after the end of the reporting period.

#### **6 Issue of an Adverse Report**

- 6.1 The consultant shall be forewarned on his unsatisfactory performance, as far as possible, before the issue of an adverse report. The standard warning letter issued by an officer of at least PM level to the consultant before issuing an adverse report is at Appendix C.
- 6.2 If the PM considers that clarification of certain issues relating to the poor performance of the consultant is necessary, prior to the issue of an adverse

report, the PM should interview the consultant at principle/director level notifying them of the issue of an adverse report and explaining those significant aspects that lead to the issue of the adverse report, discussing any problems encountered and agreeing an action plan for improvement. The PM should also take this opportunity to listen to the consultant's responses on poor performance, complaints or reasons for disputing the assessment, and amend the report if necessary.

- 6.3 An adverse report shall be issued if the grading of the overall performance is less than 40 or if any critical aspect of performance in the report is rated with a "Very Poor" grading.
- 6.4 It is important that the consultant shall adhere to the staffing proposal made in the technical proposal after the assignment is awarded to him. If it is considered that the performance of a consultant is not satisfactory due to inadequate staffing and manpower input allocated to the assignment, the PM should request the consultant to submit time-log record of his staff and check this against the original technical proposal. Failure of the consultant to adhere to his staffing proposal thus causing an adverse impact on the performance shall be duly reflected as "Very Poor" in the aspect of "Competency and adequacy of staff" under Part II (B) of the report. This is one of the critical aspects of performance that would render the overall reports as adverse.
- 6.5 Adverse report shall be reasonably justified with facts and evidence e.g. a summary of the correspondence exchanged and of any discussion that have take place with the consultant regarding his poor performance, the response received from the consultant after issue of warning letter, etc. It is essential that the Reporting Officer shall state the reason(s) together with evidence for substantiating the issue of an adverse report in Section F of the report. A detailed account on aspects of poor or very poor performance and advice on specific areas where improvements are required should also be provided.
- 6.6 Once an adverse report has been countersigned by the PM, he/she shall send a copy of the adverse report under cover of a formal warning letter to the consultant at principal/director level.
- 6.7 In case it has been resolved by the WWG that regulating action should be taken against the consultant as a result of the issue of the adverse report, the consultant shall also be advised of the proposed regulating action in the warning letter. If no appeal is received within 14 days from the date when the performance report and the warning letter are sent to the consultant, the PM shall issue a formal Suspension to the consultant if the regulating action is suspension for bidding. Late appeal will not be considered.
- 6.8 After issuing a warning letter and an adverse report to the consultant, the PM would interview the Consultant at principal level to discuss the problem areas and to draw his attention that continued poor performance on the

assignment might result in suspension from tendering. Furthermore, if any regulating action will be taken against the Consultant, the PM should also inform the Consultant the details of the regulating actions. (Note: If the Consultant appeals against the adverse report, the interview should be conducted after the decision on the appeal has been finalized and confirmed by the WWG and the Consultant has been informed accordingly.)

- 6.9 After receiving an adverse report, the consultant should review the aspects of poor performance stated in the report and submit an action plan for agreement with the PM. At the end of the next reporting quarter, the Reporting Officer should review the consultant's performance according to the agreed action plan, and state whether he is satisfied with the consultant's performance in the report.

## **7 Action Where Performance is Unsatisfactory**

- 7.1 As soon as it becomes apparent to the Reporting Officer that the performance of a consultant is unsatisfactory, he shall ensure that the situation is brought to the attention of the consultant. The Reporting Officer is also required to indicate the action taken and the response of the consultant. If no action has been taken, the reason must be stated in the quarterly report.
- 7.2 Poor performance on the part of a consultant may indicate a need for closer liaison. If an increased level of liaison as well as pointing out problem areas to the consultant does not result in a satisfactory improvement in performance, then the Reporting Officer shall bring the matter to the attention of the PM who shall issue a warning letter to the consultant at principal/director level highlighting the areas of concern. In certain circumstances, it may be appropriate to discuss the report with the consultant at principal/director level to agree where performance might be improved.
- 7.3 A consultant shall be suspended from bidding for one similar consultancy service agreement or for a period of minimum 12 months whichever the earlier after receiving two consecutive adverse reports in an assignment. The period of suspension shall be extended for three similar consultancy services or to a minimum of 24 months whichever the earlier, counting from the first day of the suspension, after receiving the third consecutive adverse report in the same assignment.
- 7.4 Technical incompetence is a serious accusation on a consultant therefore such assessment must be carefully considered and substantially justified. If a consultant is assessed as technically incompetent in a Performance Report (irrespective of whether it is an Interim Report, a Special Report or a Final Report), the consultant shall be suspended from bidding for three similar Consultancy services or to a minimum of 24 months whichever the earlier, counting from the first day of the suspension,. The suspension shall only be lifted upon the PM satisfying that the consultant has become technically competent. This could be done by requiring the consultant to provide

necessary evidence of improvement, interviewing the consultant's top management and/or conducting quality audit on the consultant's work as appropriate.

- 7.5 For the purpose of imposing regulating actions as described in paragraph 7.3 above, only quarterly performance reports will be counted, but not the final or special report for the assignment. However, the final or special report may be taken as reference or basis in taking regulating action under special circumstances as described in paragraph 7.10 below.
- 7.6 The commencement date of suspension shall be determined by the WWG.
- 7.7 The DPM shall maintain a list of consultants suspended from tendering with date of suspension, duration of suspension and date of suspension uplifted.
- 7.8 A consultant who is under suspension from bidding shall not be invited for Expression of Interest or shortlisted for submission of technical and fee proposals for further consultancy assignments until the suspension is uplifted. Bids already submitted by the consultant in response to invitations before the suspension is imposed shall not be assessed further and shall be disqualified.
- 7.9 In making recommendation to the WWG whether to uplift the suspension of a consultant from bidding at the end of the suspension period, the PM shall consider the latest performance of the consultant in executing the assignment, performance reports for other projects, and any improvement measures carried out by the consultant in respect of his organization, staffing and company operating procedures, and other relevant information. The PM shall inform the consultant of the final decision.
- 7.10 In addition to the regulating action due to poor performance as mentioned in Sections 7.3 and 7.4 above, other circumstances leading to suspending shall include:
  - (a) serious misconduct or suspected serious misconduct;
  - (b) failure or refusal to implement an accepted offer;
  - (c) poor integrity of his employees unless the consultant has taken reasonable measures to prevent or the misconduct is not within the control of the consultant;
  - (d) bankruptcy or other financial problems; and
  - (e) public interest.

In such circumstances, the approval of the WWG is required prior to taking regulating actions.

- 7.11 Upon identifying a major default of a consultant or any serious incident regarding the performance of a consultant in an assignment, the DPM should submit a special report on the performance of the consultant for the PM's information and decision. Such special report could be submitted between

the submission of quarterly Interim Reports or after the submission of Final Report if warranted. The special report will be used as reference in taking regulating action against the consultant or in considering whether to award a consultancy to the consultant in a consultant selection exercise.

- 7.12 In such circumstances as detailed in Sections 7.10 and 7.11, the PM shall make recommendation for the approval of WWG for taking regulating actions.
- 7.13 Regulating actions will not be applied to sub-consultants who do not have direct contractual relationship with the CTC. However, in case of circumstances mentioned in paragraph 7.10 above found on any sub-consultants, regulating action of suspending the sub-consultants from bidding should also be considered.
- 7.14 The DPM shall provide reasons in the quarterly performance report for any substantial drop in ratings when compared with the last performance report, and the PM shall issue adequate warning(s) to the consultant prior to the issuance of the report in order to alert the consultant of their deteriorating performance within a short period of time.

## **8. Final Report on Completion of Agreement**

- 8.1 The final report of the consultant's performance shall be completed as soon as the assignment is completed. A copy of the final report form and comprehensive guidance notes on how to complete it are contained at Annex 1.

## **9. Appeal Mechanism**

- 9.1 A consultant who does not agree with the performance assessment made on him and / or the proposed regulating actions may appeal in writing with substantiations and supporting evidence to the Executive Secretary (ES) within 14 days from the date when the copy of the performance report and the warning letter is sent to the consultant.
- 9.2 The PM should submit the Consultant's appeal to WWG for their consideration, upon the receipt of the appeal and after hearing the Consultant's representation, whether the original assessment or decision shall stand or be amended. The PM should assist WWG in analyzing the appeal and collection of further information if necessary.
- 9.3 Upon the decision on the appeal has been finalized and confirmed, the ES would inform the Consultant in writing about the final result of the appeal.

[Date]

[Consultant Name and Address]

Dear Sirs,

Project Title:

Quarterly Report on Consultant's Performance  
(1<sup>st</sup> /2<sup>nd</sup> /3<sup>rd</sup> /4<sup>th</sup> Quarter of [year])

I enclose a copy of the Quarterly Report on Consultant's Performance for the captioned agreement for the period [date] to [date] for your information and necessary action.

If you wish to dispute the rating in the performance report, you should submit written representations to the Executive Secretary for review by fax at 3718 6800 or by hand at Room 34/F, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong before [date]\*.

Yours faithfully,

(Name of Project Manager)  
Project Manager  
Chinese Temples Committee

Encl.

Notes:

\*The 14<sup>th</sup> day after the letter date, including Saturdays, Sundays and Public Holidays.

[Date]

[Consultant Name and Address]

Dear Sirs,

Project Title:

Final Report on Consultant's Performance

I enclose a copy of the Final Report on Consultant's Performance for the captioned agreement for your information and necessary action.

If you wish to dispute the rating in the performance report, you should submit written representations to the Executive Secretary for review by fax at 3718 6800 or by hand at Room 34/F, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong before [date]\*.

Yours faithfully,

(Name of Project Manager)  
Project Manager  
Chinese Temples Committee

Encl.

Notes:

\*The 14<sup>th</sup> day after the letter date, including Saturdays, Sundays and Public Holidays.

[Date]

[Consultant Name and Address]

(Attn.: Staff at principal level)

Dear Sirs,

Project Title:

**Warning Letter-Consultant's Performance**

I write to register our concern about your unsatisfactory performance under the captioned Agreement.

2. (Describe the aspects of unsatisfactory performance or inadequacies in detail). In order to allow us to review the matter in full perspective, you are invited to explain the reasons for the apparently unsatisfactory performance/inadequacies noted above or any factors that may have affected the discharge of the consultancy services to the Chinese Temples Committee (CTC).

3. You will appreciate that we are keen to ensure the quality and timely performance of the consultancy services. You are therefore advised to make every effort to rectify the shortcomings/inadequacies noted in the above paragraph and make suitable improvements (specify any particular aspects or the standard required, if appropriate). Without prejudice to the CTC's contractual rights and remedies, the matter would be reflected in your performance report. Your performance under the agreement may also be taken into account in our future consultant selection exercises.

4. In case there is anything you wish to draw to our attention or in respect of which our assistance is required, please do not hesitate to contact our (Name of PM's Delegate) at (Telephone Number).

Yours faithfully,

(Name of Project Manager)  
Project Manager  
Chinese Temples Committee