

**WORKS BRANCH
GOVERNMENT SECRETARIAT
MURRAY BUILDING
GARDEN ROAD
HONG KONG**

13 October 1995

Works Branch Technical Circular No. 17/95A

**The Use of Lump Sum Bills of Quantities Contracts
for Civil Engineering Works**

Please remove from WBTC No. 17/95 pages 1 and 4 of Annex 3 and pages 1 and 2
..... of Annex 4 and replace them with those attached to this Circular.

(J Collier)
Deputy Secretary (Works Policy)

Subsumed

Special Conditions of Contract

Definitions

General Conditions of Contract Clause 1 is amended by replacing the meaning of "Contract" and that of "Contract Sum" by the following:-

"Contract Sum" means the sum offered by the Contractor and accepted by the Employer for the execution of the Works at the date of acceptance of the Tender for the Works.

"Contract" means the Articles of Agreement, the Tender and the acceptance thereof by the Employer, Drawings, General Conditions of Contract, Special Conditions of Contract if any, Specification and priced Bills of Quantities or Schedule of Rates.

Documents mutually explanatory

General Conditions of Contract Clause 5 is amended by replacing paragraph (a) in the proviso to sub-clause (2) with the following:-

- (a) errors in firm quantities or work shown on the Drawings or described in the Specification but not measured in the Bills of Quantities shall be dealt with in accordance with Clause 59;

Sufficiency of Tender

General Conditions of Contract Clause 14 is deleted and replaced by the following:-

The Contractor shall be deemed to have satisfied himself before submitting his Tender as to the correctness and sufficiency of his Tender for the Works and of the rates stated in the priced Bills of Quantities or the Schedule of Rates, if any, which rates shall, except in so far as it is otherwise provided in the Contract, cover all his risks, liabilities and obligations set out or implied in the Contract and all matters and things necessary for the proper execution of the Works.

Extension of Time

General Conditions of Contract Clause 50 is amended by replacing sub-clause (1)(b)(v) with the following:-

- (v) a substantial increase in the quantity of any item of work as compared with that set out in the Bills of Quantities or where any such item is not measured or is erroneously measured in the Bills of Quantities by reference to the Drawings or the Specification, as compared with that ascertainable from the Drawings or the Specification not resulting from a variation ordered under Clause 60, or

Bills of Quantities and Measurement

General Conditions of Contract Clause 59 is deleted and replaced by the following:-

- (1) When Bills of Quantities are included in the Contract, the quality and quantity of the work included in the Contract Sum is deemed to be that which is set out in the Bills of Quantities, which Bills, except where any statement in the Bills of Quantities expressly shows to the contrary, shall be deemed to have been prepared and measurements shall be made according to the procedures set forth in the Method of Measurement stated in the Preamble to the Bills of Quantities.
- (2) Any error in description in the Bills of Quantities or omission therefrom shall not vitiate the Contract nor release the Contractor from the execution of the whole or any part of the Works according to the Drawings and Specification or from any of his obligations or liabilities under the Contract.
- (3) The quantities in the Bills of Quantities are firm except where described as provisional. Only provisional quantities, variations ordered in accordance with Clause 60, work which is shown on the Drawings or described in the Specification but not measured in the Bills of Quantities and errors discovered in firm quantities shall be measured.

Provided that there shall be no rectification of any error, omission or wrong estimate in any description, quantity or rate inserted by the Contractor in the Bills of Quantities.

- (4) (a) Variations ordered in accordance with Clause 60, work shown on the Drawings or described in the Specification but not measured in the Bills of Quantities or the rectification of any error in firm quantities shall be valued in accordance with Clause 61. Provisional quantities shall, subject to (b) of this sub-clause, be valued at the rates stated in the Bills of Quantities. The total of the priced provisional quantities shall be deducted from the Contract Sum and in lieu thereof shall be added the value of works measured in respect of the provisional quantities.
- (b) If the execution of work in respect of any item for which a provisional quantity is stated in the Bills of Quantities (other than the daywork schedule if any) results in the actual quantity of work executed being substantially greater or less than that stated in the Bills of Quantities and if in the opinion of the Engineer such increase or decrease of itself shall render the rate for the item unreasonable or inapplicable, the Engineer shall determine an appropriate increase or decrease of the rate for the item using the Bills of Quantities rate as the basis for such determination and shall notify the Contractor accordingly.

- (5) When Bills of Quantities are not included in the Contract the quality and quantity of the work included in the Contract Sum is deemed to be that which is shown on the Drawings or described in the Specification. The Contractor shall provide a fully priced and detailed Schedule of Rates with approximate quantities showing the build-up of the Tender. When any provisional quantity is included in the Contract by the Employer the item shall be valued at the rate in the Schedule. Variations shall be valued at the rates included in the Schedule in accordance with Clause 61.
- (6) (a) When any part of the Works is required to be measured under sub clause (3) of this Clause the Engineer shall inform the Contractor who shall forthwith attend or send a representative to assist the Engineer in making such measurement and shall furnish all particulars required. Should the Contractor not attend or neglect or omit to send such representative then the measurement made or approved by the Engineer shall be taken to be the correct measurement of the work.
- (b) For the purpose of measuring such permanent work as is to be measured by records and drawings the Engineer's Representative shall prepare records and drawings month by month of such work and the Contractor, as and when called upon to do so in writing, shall within 14 days attend to examine and agree such records and drawings with the Engineer's Representative and shall sign the same when so agreed and if the Contractor does not so attend to examine and agree any such records and drawings they shall be taken to be correct.
- (c) If after examination of such records and drawings the Contractor does not agree the same or does not sign the same as agreed they shall nevertheless be taken to be correct unless the Contractor shall, within 14 days of such examination, lodge with the Engineer for a decision by the Engineer a statement in writing of the respects in which such records and drawings are claimed by the Contractor to be incorrect.
- (7) The measurement and valuation of the work required to be measured under sub-clause (3) of this Clause shall be completed by the Engineer within a 30-day period which period, unless otherwise stated in the Contract, shall commence on the date of issue of the maintenance certificate and the

Contractor shall be informed of the result of such measurement and valuation and effect shall be given to such measurement and valuation in the calculation of the Final Contract Sum.

Interim and
final payments,
Retention
Money and
interest

Sub-clause (1)(b) of the General Conditions of Contract Clause 79 shall be replaced by the following:-

- (b) the estimated value of any Temporary Works or preliminary item for which a separate sum is provided in the Bills of Quantities or the Schedule of Rates, and

Subsumed

**AMENDMENTS TO THE STANDARD METHOD
OF MEASUREMENT FOR CIVIL ENGINEERING WORKS (1992 EDITION)**

Para. 1(a) of Part I of the SMM shall be replaced by :

"Bills of Quantities" means a list of items giving brief identifying descriptions and the quantities measured in accordance with this document in respect of the work to be performed.

Para. 1(c) of Part I of the SMM shall be deleted.

Para. 1 of Part II of the SMM shall be replaced by the following :

"The Bills of Quantities are intended in the first instance to give information upon which tenders can be obtained. The quantities in the Bills of Quantities are firm except where described as provisional. When a contract has been entered into, measurement and valuation of the work required to be measured under the Contract performed shall be carried out by reference to the priced Bills of Quantities in the manner stated in the Contract."

Para. 3 of Part III (Rules of Preparing Bills of Quantities) of the SMM shall be replaced by :

- Quantities 3(a) Unless required otherwise by the nature of the work or directed otherwise by a measurement rule in the Method of Measurement, the quantities shall accurately represent the work to be executed and shall be regarded as firm. Where quantities cannot be accurately measured, the respective item in the Bills of Quantities shall be marked as "provisional".
- (b) The quantities shall be computed net from the Drawings or Specification, unless otherwise stated in the Contract, and no allowance shall be made for bulking, shrinkage or waste. Quantities may be rounded up or down where appropriate. Fractional quantities are not generally necessary but, where required, should not be given to more than one place of decimals.

Para. 10 of Part IV of the SMM is amended by replacing :

"General Conditions of Contract for Civil Engineering Works (1990 Edition)" wherever it shall appear by "General Conditions of Contract for Civil Engineering Works (1993 Edition)"

Subsumed