Dear Sir/Madam

REVISED QUALITY-FEE METHOD FRAMEWORK (QFMv2)

In line with government efforts to raise construction productivity, the Quality-Fee Method (QFM) has been revised to further accord tendering advantage to consultancy firms with good track records in adopting productive construction designs and their investment in technology adoption and workforce development. The revised QFM (QFMv2) framework shall be effective for tenders called on and after 1 September 2014 (i.e. including projects under Expression of Interest published on GeBIZ Enterprise on and after 1 Sept 2014). The details of the revisions are outlined in the following paragraphs.

2 To achieve greater impact on productivity upstream, the weightage for the productivity component in the QFMv2 framework will be raised to 20% of the overall score as shown in Table 1 below.

Table 1: Enhanced productivity components’ weightages for QFMv2

<table>
<thead>
<tr>
<th>QFM Framework</th>
<th>Current</th>
<th>Revised: QFMv2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality (comprising 15% productivity) : Fee</td>
<td>60 (51:9) : 40</td>
<td>50 : 20 : 30</td>
</tr>
<tr>
<td></td>
<td>70 (59.5:10.5) : 30</td>
<td>60 : 20 : 20</td>
</tr>
<tr>
<td></td>
<td>80 (68:12) : 20</td>
<td>70 : 20 : 10</td>
</tr>
</tbody>
</table>

3 The enhanced productivity component in QFMv2 will include the existing Buildable Design Score (BS) Index attribute and two new attributes to measure the firm’s investment in Technology Adoption (TA) and Workforce Development (WD) as illustrated in Table 2 below. Similar to the tender evaluation methodology adopted for the BS Index, the tenderer with the highest TA(D) Index/ WD(D) Index will obtain the full quality points for that particular Productivity attribute, while the rest of the tenderers’ scores will be pro-rated against the highest index accordingly.

Table 2: Breakdown of attributes under the productivity component

<table>
<thead>
<tr>
<th>Buildable Design Scores (Existing)</th>
<th>Investment in Technology Adoption (New)</th>
<th>Investment in Workforce Development (New)</th>
<th>Total Productivity Component</th>
</tr>
</thead>
<tbody>
<tr>
<td>BS Index[^1] (16%)</td>
<td>TA(D)[^2] Index (2%)</td>
<td>WD(D)[^3] Index (2%)</td>
<td>20%</td>
</tr>
</tbody>
</table>

[^1] BS Index is applicable only for AR and CS disciplines. For disciplines where BS Index is not applicable (i.e. ME, QS & PM), the Productivity component will be based on TA(D) Index and WD(D) Index with a total weightage of 4%. The total Quality-Fee score will be up to a maximum of 84 points.

[^2] TA(D) Index - Technology Adoption (Design) Index for the consultants

[^3] WD(D) Index - Workforce Development (Design) Index for the consultants
4 The TA(D) and WD(D) indices will be computed based on the amount of funding disbursed to firms under the Building Information Modelling (BIM) fund and the Workforce Development fund (administered under BCA’s Construction Productivity & Capability Fund (CPCF)) respectively. Please refer to Table 3 below for the composition of the indices. Firms that have not tapped on the BIM fund and the Workforce Development fund under the CPCF would obtain an Index of 0.

Table 3: Composition of TA(D) Index and WD(D) Index

<table>
<thead>
<tr>
<th>Tender Evaluation Framework</th>
<th>Indices</th>
<th>Composition (CPCF Schemes)[4]</th>
</tr>
</thead>
<tbody>
<tr>
<td>QFMv2</td>
<td>TA(D) Index</td>
<td>BIM ————100%</td>
</tr>
<tr>
<td></td>
<td>WD(D) Index</td>
<td>WTU ————25% 7-ships ————75%</td>
</tr>
</tbody>
</table>

[4] BIM – Building Information Model, WTU – Workforce Training & Upgrading, 7-ships – Manpower Development Programmes such as scholarships, sponsorships & apprenticeship

5 The indices will be published and updated on a quarterly basis on the BCA website. The revised QFMv2 framework will also be found on our BCA website.

6 Should you have any queries, you may contact me or email us at bca_ppd@bc.gov.sg

Thank you.
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