

Candidate Number:
Seat Number:

Section II

Essay Questions

The HKIA/ARB Professional Assessment 2023

Paper 2

Building Contracts, Professional Practice, Professional Conduct & Conditions of Agreement

14 November 2023

9:00 am – 12:00 pm (3 hours, whole paper)

Venue

Rotunda 2, 3/F

Kowloonbay International Trade & Exhibition Centre (KITEC)

Kowloon Bay

Section II (40 marks) :

Essay Questions (pages 1 – 5)

A total of **THREE** questions are to be answered.

Question 1 (1a & 1b) is compulsory (10 marks).

Answer **TWO** out of Questions 2, 3 and 4 (15 marks each).

Time recommended for this section : 1 hour 40 minutes

Notes:

1. The answer scripts will only be collected at the end of the entire paper. Please place them in the **top right-hand corner** of your desk for collection.
2. ONE answer book is provided for Section II – Essay Questions. You should use a **blue/black** ink pen, a felt pen or a ball pen to write your answers.
3. Please **answer all essay questions in the same answer book (i.e. there is no need to separate your answers to different questions into separate answer books)**. If necessary, you can request for additional answer books.
4. Please start the answer to each question on a new page with clear marking on the corresponding question number at the top of the page.
5. Remember to write your **candidate number and room/seat number** on the answer book(s), including all the appendices forming parts of your answers, and also on the question paper.
6. *In all cases, the terms “Building Contract” and “Standard Form of Building Contract” shall both refer to the “Agreement and Schedule of Conditions of Building Contract (With Quantities) (2005 edition) and (Without Quantities) (2006 edition)” unless stated otherwise.*

DO NOT write your name on the answer books.

PAPER 2 SECTION II – ESSAY QUESTIONS

PART A : Question 1 (Compulsory Question 1a & 1b – 10 marks)

Question 1a (COMPULSORY) (5 marks)

An architects' firm is suffering from manpower shortage due to unexpected resignations among its rank of professional staff. The managing director, an HKIA member, is finding it increasingly difficult to reallocate sufficient manpower resources to manage a recently engaged project to the client's satisfaction.

- (i) Under the HKIA's "Code of Professional Conduct", what would be a reasonable and proper course of action that the managing director should take, in order to uphold the firm's professional integrity? (3 marks)
- (ii) The managing director is actively considering to "sub-commission" part of the work required for the project to another firm, in order to cope with the situation. What should the managing director do, in order to avoid contravening the "Code of Professional Conduct"? (2 marks)

Question 1b (COMPULSORY) (5 marks)

Anson, a clerk-of-works of a consultancy firm, is overseeing a renovation project for a residential building (the Project). One day during inspection, Anson discovered that the progress of the Project is lagging far behind than scheduled. Upon Anson's enquiry, James, the contractor of the Project, confessed that he was unable to hire enough workers, affecting the work progress. James promised he would speed things up to get back on schedule and persuaded Anson not to record the matter on paper.

Three months had passed but the situation had not improved. Knowing that Anson was finding someone to renovate his sister's newly-bought apartment, James offered to help at an exceptionally low price for which Anson had accepted. After that, Anson signed the inspection reports for these three months suggesting satisfactory carrying out of works according to schedule and the release of interim payments to James.

- (i) Do you think Anson and James had committed the Prevention of Bribery Ordinance (POBO)? Explain with reasons. (3 marks)
- (ii) After the incident, Anson told his boss that it was his sister's but not his own apartment that was involved. If you were Anson's boss, what advice would you have given to Anson when handling the offer from James? (2 marks)

PART B : Answer TWO out of THREE questions from Questions 2, 3 & 4 – 30 marks

Question 2 (15 marks)

A client appointed you as the Architect for the design and construction of a few single-family houses in a small site. This was the first time your client was involved in a construction project.

- (a) After your client confirmed your design of the project, he was excited to tender out the whole project in one package including sub-structure, superstructure, building services and fitting-out works, and award to one single contractor to keep things simple. (5 marks)

Please advise on the pros and cons for awarding the whole works to one single contractor, and your recommendation on the contract arrangement.

- (b) Your client thought that since this is a small-scale project, formal Building Contract would not be necessary. He preferred asking the tenderers to submit only a lump-sum price for his consideration. (6 marks)

Please explain to your client about the advantages of using the Standard Form of Building Contract, and recommend with reasons whether a lump sum fixed price with quantities or without quantities should be used for this project.

- (c) Your client finally decided to adopt the Standard Form of Building Contract for the Main Contract, with Nominated Sub-Contract for lift installation. During the construction stage, you identified the following irregularities on site. How would you handle the following situations under the Building Contract? (4 marks)

- (i) The laying of tiles carried out by the domestic tiling sub-contractor did not comply with the specifications.
- (ii) The lift indicator panel installed by the nominated lift sub-contractor did not comply with the approved lift shop drawings.

Question 3 (15 marks)

You are the Architect for a school expansion project, comprising two new buildings - a school auditorium and a hostel block. The new buildings are adjacent to the existing classroom block which was required to be in operation during the construction of the two new buildings.

To minimize the extent of nuisance to the existing school, construction of the new buildings was planned in phases to be commenced one after the completion of the other under the Main Contract:

		Date for Possession of the Site (under Contract)	Completion Date (under Contract)	Actual Completion
Section 1	School auditorium	1 Dec 2020	1 Jul 2022	1 Oct 2022
Section 2	Hostel block	2 Jul 2022 (upon completion of Section 1)	2 Jul 2023	2 Oct 2023

The Contractor experienced a 3-month delay in Section 1 because of frequent changes in design by the School. As a knock-on effect, Section 2 was completed 3 months later than the originally planned Completion Date. The Contractor submitted notices of delay and claimed for Extension of Time (EOT) for both Sections 1 and 2.

- (a) Write an email to the School Principal, advising him on your EOT assessment and the reasons for granting EOT to the Contractor for the 3-month delay of Section 1. (5 marks)
- (b) Do you think the Contractor should be entitled to EOT for Section 2 as well? Please give reasons. (5 marks)
- (c) The School Principal complained that intake of student boarders for the hostel had to be deferred to the next semester of Jan 2024 because Section 2 could only be completed in Oct 2023. To provide flexibility in the Contract for timely completion of each Section, how would you set these critical dates for sectional completion if you were to plan for this contract all over again? (5 marks)

Question 4 (15 marks)

- (a) What should the Architect consider when deciding to instruct the Contractor under a building contract? Please list 3 considerations. (3 marks)
- (b) Please state with reasons and reference to relevant clauses of the Conditions of Building Contract whether the Architect should issue an instruction in each of the following scenarios and how he should handle the situation.
- (i) Scenario 1 (4 marks)
A particular natural stone for floor finish was specified in the Contract. Contractor X sourced stones from several quarries but none of the samples were satisfactory to the Architect. He therefore proposed an alternative granite of a higher cost than the originally specified stone. The Architect accepted the alternative.
- (ii) Scenario 2 (4 marks)
Contractor Y has performed 100 on-site pull-out tests on newly installed external wall tiles as specified in the Contract. An alarmingly significant portion of test samples failed the test. Apart from the rectification of defective tiles and follow-up tests as required in the specification, the Architect requests for 100 extra sets of pull-out tests. Contractor Y claims that such additional tests shall be a variation to the Contract.
- (iii) Scenario 3 (4 marks)
Contractor Z is behind progress in completing the works because of irregular supply of labour force due to his own default. The Employer informs the Architect that he intends to engage another contractor to carry out part of the outstanding works. He requests the Architect to instruct Contractor Z to expedite work progress, and to allow access for the other contractor.

END OF PAPER