

樓宇維修實務指南

BUILDING MAINTENANCE TOOLKIT



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Abbreviations

AP	Authorized Person
BD	Buildings Department
BMGS	Building Maintenance Grant Scheme for Elderly Owners
BMO	Building Management Ordinance (Cap 344)
BMPASS	Building Management Professional Advisory Service Scheme
BO	Building Ordinance (Cap 123)
CPAS	Corruption Prevention Advisory Service
DBMLT	District Building Management Liaison Team
DMC	Deed of Mutual Covenant
EMSD	Electrical and Mechanical Services Department
FS(B)O	Fire Safety (Buildings) Ordinance (Cap 572)
FS(CP)O	Fire Safety (Commercial Premises) Ordinance (Cap 502)
FSD	Fire Services Department
FSI	Fire Service Installation
FSWS	Fire Safety Improvement Works Subsidy Scheme
HAD	Home Affairs Department
HKHS	Hong Kong Housing Society
IBMAS	Integrated Building Maintenance Assistance Scheme
ICAC	Independent Commission Against Corruption
MBIS	Mandatory Building Inspection Scheme
MBISS	Mandatory Building Inspection Subsidy Scheme
MC	Management Committee
OBB 2.0	Operation Building Bright 2.0
OC	Owners' Corporation
PCP	Prescribed Commercial Premises
PMC	Property Management Company
QP	Qualified Persons
RI	Registered Inspector
RGBC	Registered General Building Contractor
RGE	Registered Geotechnical Engineer
RMWC	Registered Minor Works Contractor
RSE	Registered Structural Engineer

SCB	Specified Commercial Building
UBW	Unauthorized Building Works
URA	Urban Renewal Authority
VBAS	Voluntary Building Assessment Scheme

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Government Departments and Public Bodies

Buildings Department
Fire Services Department
Home Affairs Department
Hong Kong Police Force
Hong Kong Housing Society
Urban Renewal Authority

Professional Bodies

The Hong Kong Institute of Architects
The Hong Kong Institution of Engineers
The Hong Kong Institute of Surveyors

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How to use this Toolkit

For quick and easy reference, users will find the following icons throughout this Toolkit. They serve to lead users to the information required:



Cross reference to the enclosed self-learning video “A Guide on Corruption Prevention in Building Maintenance”



Quick guide for assistance/useful information



Cross reference to other sections/sample forms/annexes of the Toolkit



Reference materials/guidebooks for building maintenance projects



Example/scenario in perspective



Useful checklist for building maintenance projects



Risks of corruption and malpractices



Tips for preventing corruption and malpractices



Useful information/knowledge for building maintenance projects



Useful template/sample

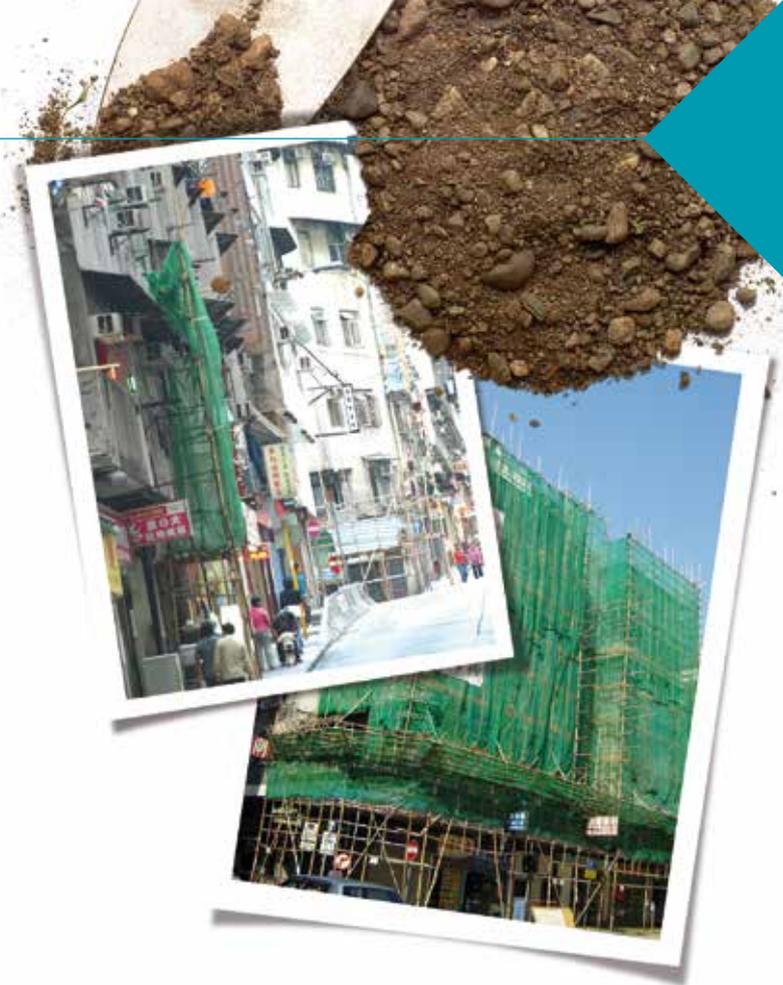
Disclaimer

This Toolkit provides general guidance only and does not purport to deal with all possible issues that may arise in any given situation. Explanations of the legal requirements under the relevant Ordinances are necessarily general and abbreviated from the layman’s angle, and are based on those as applicable at the time of publication of this Toolkit. Steps and practices in relation to the management of building maintenance projects are by no means prescriptive or exhaustive, and do not preclude the need to seek professional technical advice and assistance from relevant professionals. Users of this Toolkit should seek legal advice or consult the relevant authorities in respect of the detailed requirements in force and professional advice and assistance in the carrying out of building maintenance projects as and when necessary. The ICAC and its partners in the production of this Toolkit will not accept any liability, legal or otherwise, for loss occasioned to any person acting or refraining from action as a result of any material in this publication.

The cases and scenarios given in this Toolkit are for illustration only. No relation to any real person or entity is intended or should be inferred. Throughout this Toolkit, the male pronoun is used to cover references to both the male and female. No gender preference is intended.

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Foreword

A safe and hygienic living environment depends very much on the timely maintenance of your buildings' common areas and estate facilities. A building lacking in maintenance is like a time bomb which endangers life and limb and may bring about serious consequences to the owners. It is therefore vital for owners to carry out maintenance works without delay. Equally important is upholding integrity and implementing best practices in the tendering and monitoring of building maintenance works, which are essential to help keep at bay corruption and fraud that may inflate the maintenance costs or even jeopardise the safety of the occupants.

This Toolkit aims at providing a user-friendly guide to help Owners' Corporations (OCs) and owners in the planning and management of building maintenance projects. It covers, among others, the step-by-step procedures for selecting consultants and contractors, and for monitoring their work. It also draws readers' attention to some corrupt practices that may occur in building maintenance projects and recommends preventive measures. The procedures and measures in the Toolkit are suggested best practices only. Adoption and implementation of them would depend on the scale and scope of individual projects and are voluntary on individual OCs, except those which are legal requirements. OCs should seek professional advice and assistance from qualified persons in the actual implementation as necessary. When using this Toolkit,

OCs and owners are also encouraged to watch the respective sections of the enclosed training video “A Guide on Corruption Prevention in Building Maintenance” for cross-reference of the overview of the corruption risks involved in building maintenance projects and some of the key preventive measures.

The scenarios/examples used in this Toolkit are only for illustration of possible risks of corruption and malpractices that may be adopted by some unscrupulous practitioners, and that OCs and owners may encounter in their building maintenance projects. No relation to any person, entity or trade is intended or should be inferred. OCs and owners are advised to engage consultants and contractors who are not only technically competent, but also committed to ethical practices for carrying out repair and maintenance of their buildings.

Chapter 1

Getting Started

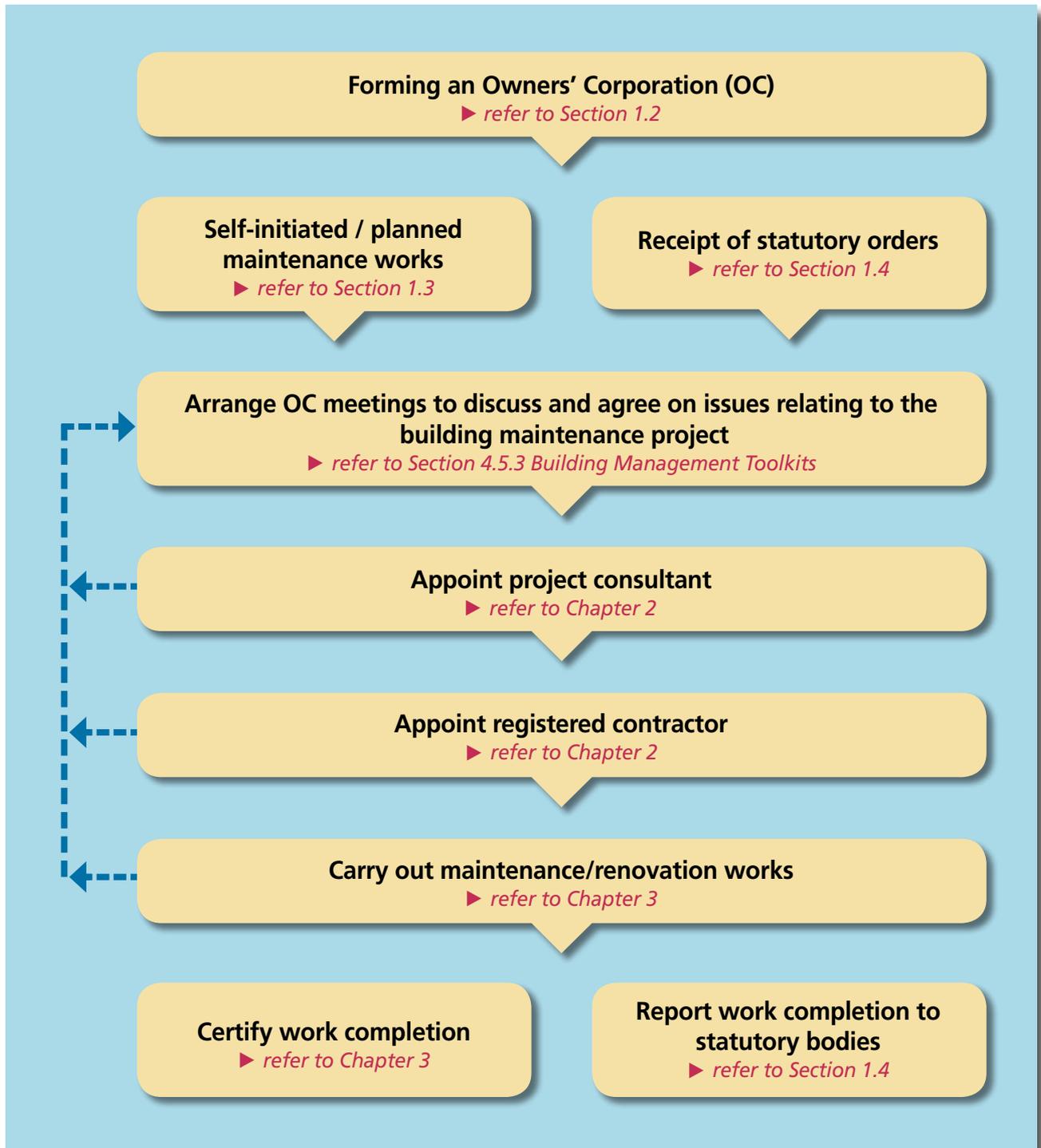
Chapter Objectives

- Know the key processes of building maintenance projects
- Know the building maintenance works
- Know the legal requirements relating to building maintenance
- Know the integrity requirements



Section 1.1 Key Processes of Building Maintenance Projects

- The key processes of building maintenance projects are shown below:



Section 1.2 Forming an Owners' Corporation

- Effective building management and timely maintenance help provide a pleasant and comfortable living environment for the owners, and ensure that the value of their property will not be adversely affected due to poor management and lack of maintenance of the building.
- The formation of an Owners' Corporation (OC) under the Building Management Ordinance (BMO) is the first step to effective building management and maintenance. It is also in the interests of all property owners to actively participate in the operations of their OCs, including the management and maintenance of their buildings.

Building Management Ordinance (Cap 344)

- *The BMO was enacted to provide a legal framework for the formation of OC and to incorporate mandatory terms in the Deed of Mutual Covenant (DMC). It sets out the powers and duties of an OC and its meeting procedures so as to facilitate the day-to-day operation of the OC and compliance by owners.*
- *Non-compliance of the BMO may render the acts done or resolutions passed by the OC or its Management Committee (MC) invalid. Any member of an MC who fails to carry out his statutory duty under the BMO may be personally liable for any act or default made.*
- *The Lands Tribunal has the jurisdiction to hear and determine any proceedings relating to the interpretation and enforcement of the BMO.*

Owners' Corporation and Management Committee

- *An OC is a body corporate set up in accordance with the BMO. It acts legally on behalf of all owners in managing the common parts of the building, and exercises and performs the rights, powers, privileges and duties of the owners under the BMO. An OC is also empowered to appoint a property management company (PMC) in managing the common parts of the building and to monitor its work.*
- *To deal with matters on building management promptly and effectively, an MC is appointed to handle the day-to-day operation of the OC. Under normal circumstances, the powers and duties conferred or imposed by the BMO shall be exercised and performed by the MC on behalf of the OC.*

Deed of Mutual Covenant

- *A DMC is a private contractual agreement among all the co-owners, the manager and also the developer of a building. It sets out the rights, interests and obligations of the parties concerned in respect of the control, management and maintenance of private / common parts and facilities of buildings. It is usually formed and entered into by the developer, the first purchaser of a unit in the building and the manager (if appointed).*
- *Terms in the DMC include, among others, the definition of the common areas of the building, the ownership of such common areas, the allocation of undivided shares among building owners, the specification of management fee, the formation of OC, the restriction to building owners, and the resolution on matters concerning building management and maintenance.*



Need help for formation and operation of OC?

i Home Affairs Department

The Home Affairs Department (HAD) provides assistance and advice to owners of private buildings on formation and operation of OCs in compliance with BMO, such as convening of OC meetings, use of proxy and conducting of procurement.

➔ *Section 4.2 Home Affairs Department*

i Urban Renewal Authority and Hong Kong Housing Society

The Urban Renewal Authority (URA) and the Hong Kong Housing Society (HKHS) provide financial assistance and technical advice to property owners for, among other things, formation of OCs and management and maintenance of their buildings under various building maintenance assistance schemes administered by URA and HKHS.

➔ *Sections 4.3 & 4.4 Urban Renewal Authority & Hong Kong Housing Society*

📄 Building Management Toolkits

The Independent Commission Against Corruption (ICAC), in collaboration with relevant Government Departments and public organisations, has compiled a **Building Management Toolkit** and a **Building Financial Management Toolkit**, which provide OC members with practical and user-friendly corruption prevention guides on the daily operation and financial management of OCs.

➔ *Section 4.5.3 Building Management Toolkit & Building Financial Management Toolkit*

Section 1.3 Building Maintenance Works

1.3.1 Needs for Building Maintenance

- Property owners and OCs carry out building maintenance works either on their owner initiative, or more often, in response to statutory orders, directions or notices issued by Government Departments, such as Buildings Department and Fire Services Department.

➔ *Section 1.4 Legal requirements relating to building maintenance*

- It is in the interest of the owners to carry out timely maintenance works for their buildings, as this could contain the problem of building deterioration and enhance the value of the property.

1.3.2 Common Building Defects

- Building maintenance works require professional input for the planning, design, supervision and testing of the works required. However, as building maintenance works are of such importance to the public and occupants' safety and well-being as well as the property owners' interest, they should have basic knowledge of the common defects of a building and the necessary types of repair works.
- In general, defects are usually found in one or more of the following building components and associated facilities:
 - **building structures and finishes**, e.g. defective concrete, spalling or loose plaster in ceiling, defective internal and external wall finishes/mosaic tiles;
 - **fire safety construction**, e.g. defective or removal of fire rated door, unauthorized openings in the enclosure of exit staircases;
 - **building services installations**, e.g. defective water/electricity supply installations, drainage system, fire services installations, lifts and escalators;
 - **slope and retaining walls**, e.g. cracked slope surface cover and drainage channels;
 - **windows and external appendages**, e.g. damaged hinges and fixing anchors of windows; and
 - **waterproofing works**, e.g. water seepage, defective waterproofing membrane at roof.

➔ *Annex 1 Building defects and maintenance tips*



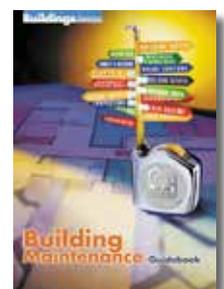
Wish to know more about common building defects and various rectification measures/methods?



Building Maintenance Guidebook

The Buildings Department has published a Building Maintenance Guidebook, which provides property owners with, among other things, basic knowledge of common building defects and guidelines on selecting suitable measures/methods for rectification.

➔ *Annex 8 Useful contacts – Buildings Department*



Handbook on Building Maintenance and Repair

The Hong Kong Institution of Engineers has published a Handbook on Building Maintenance and Repair, which provides a comprehensive picture of the common defects found in ageing buildings and steps that owners can take to inspect their buildings and to conduct relevant repair work.



 *Annex 8 Useful contacts – Professional bodies*

Section 1.4 Legal Requirements Relating to Building Maintenance

1.4.1 Building Management Ordinance (Cap 344)

- OCs should comply with the legal requirements on letting of contracts set out in the BMO and the Code of Practice on Procurement of Supplies, Goods & Services (Revised Version) issued under the BMO.

Section 20A of BMO: Supplies, Goods and Services

- *If the estimated project cost exceeds or is likely to exceed:*
 - \$200,000 or
 - a sum equivalent to 20% of the OC's annual budget;*whichever is the lesser, it shall be procured by invitation to tender by the OC.*
- *In addition, if the estimated project cost exceeds or is likely to exceed a sum equivalent to 20% of the OC's annual budget, the MC shall submit all the tenders received to a general meeting of the OC. Whether a tender is accepted or not shall be decided by a resolution passed by a majority of votes at the general meeting of the OC.*

Section 44 of BMO and Code of Practice on Procurement of Supplies, Goods & Services

- Pursuant to section 44(1)(a), the Secretary for Home Affairs may from time to time prepare, revise and issue Code of Practice giving guidance and direction as to the procurement of supplies, goods and services required by a corporation including such procurement by invitation to tender and the tender procedure in respect thereof.

➔ *Annex 2 Extracts from Building Management Ordinance (Cap 344)*

➔ *Annex 3 Code of Practice on Procurement of Supplies, Goods & Services (Revised Version)*

1.4.2 Buildings Ordinance (Cap 123)

- The building works in private buildings come within the purview of the Buildings Ordinance (Cap 123) (BO). It ensures that safety and health standards are maintained in the design, construction, use and maintenance of buildings, and that regular inspections of buildings and repairs to prevent the buildings from becoming unsafe are provided.
- There are mainly six types of statutory orders/notices issued by the Buildings Department (BD) in relation to building repair and maintenance. The major steps to be taken for complying with these orders are described below.
 - i* As legislative requirements may be revised over time to meet changing needs, users of this Toolkit should consult the relevant authorities or professionals or refer to the BD's website (www.bd.gov.hk) or relevant guides on the latest requirements and procedures.

Building or Drainage Works

(a) Investigation Order under Section 26A or 28 of BO

- BD may issue an Investigation Order requiring the appointment of an Authorized Person (AP) to carry out an investigation on the structural conditions and defects of a building or its drainage system.

- The AP employed is required to submit to BD an assessment report on the conditions of the building. The AP may include in the report the necessary repair works for the approval of the Building Authority.
- If the proposed repair works are approved, BD may instruct the execution of the works through an order served on the owner.

(b) Repair Order under Section 26 or 28 of BO

- BD may issue a Repair Order that requires the appointment of an AP to coordinate and supervise the repair of building and/or drainage system (usually required in large scale repair).
- Owners should appoint Prescribed Registered Contractors to carry out the remedial works.
- The owners or AP should report the completion of repair works to BD for arranging a compliance inspection and subsequent issuance of compliance letter.

Dangerous Hillside

(c) Investigation and Repair Order under Section 27A of BO

- BD may issue an order requiring an investigation on the safety of a slope that forms a part of a private development. Subject to the requirements specified on the order, an AP, a Registered Structural Engineer (RSE) or a Registered Geotechnical Engineer (RGE) or a combination of them should be appointed to carry out the investigation.
- After the investigation, the AP/RSE/RGE should submit remedial proposals for the approval of the Building Authority.
- Based on the advice from the AP/RSE/RGE, a registered specialist contractor in the site formation works category or other appropriate categories should be appointed to carry out the remedial works under the supervision of the AP/RSE/RGE.
- Upon completion of the remedial works, the AP/RSE/RGE should report the completion of remedial works to BD.

Unauthorized Building Works

(d) Removal Order under Section 24 of BO

- BD may issue an order requiring the demolition, removal or alteration of Unauthorised Building Works (UBW), which have been or are being carried out without the prior approval and consent of the Building Authority or in contravention of any of the provisions of BO.
- In order that the required removal works can be carried out safely, BD may require owners to employ a Prescribed Registered Contractor. Owners should also observe the requirements contained in:
 - “General guidelines on Minor Works Control System” issued by BD;
 - “Safety Hints for Demolition of Unauthorized Building Works” pamphlet issued by Labour Department; and
 - “Asbestos Removal of Unauthorized Building Works” issued by the Environmental Protection Department.
- If the removal and reinstatement works are substantial or involve structural works, BD may require owners to engage an AP to prepare remedial proposals and supervise the works. Prescribed Registered Contractors should also be engaged to execute the works under the supervision of the AP.
- After completion of the removal and reinstatement works, owners should ensure that the AP has reported to BD for arranging a compliance inspection. BD will issue a compliance letter to the owners concerned if the removal works are carried out satisfactorily.

Mandatory Building / Window Inspection Schemes

(e) Inspection and Repair Notice under Section 30B of BO (i.e. Mandatory Building Inspection Scheme)

- BD may issue statutory notices to owners of a building aged 30 years or above requiring a prescribed inspection and, if necessary, prescribed repair in respect of the common parts, external walls and projections or signboards of the building to be carried out within a specified time.
- Owners served with the notice shall appoint a Registered Inspector (RI) to carry out the prescribed inspection within a specified time.

- The appointed RI shall carry out the prescribed inspection personally to ascertain whether the building concerned has been rendered dangerous or are liable to become dangerous.
- Where the RI considers that prescribed repairs are required, the owners shall appoint a Registered Contractor to carry out the prescribed repairs under the supervision of the RI, who may be the same as or different from the RI responsible for the prescribed inspection, as the owners may decide.
- Upon completion of the prescribed inspection and prescribed repairs, the RI so appointed shall submit an inspection report and a completion report respectively, together with a certificate in the specified form, to BD for record and audit check.

(f) Inspection and Repair Notice under Section 30C of BO (i.e. Mandatory Window Inspection Scheme)

- BD may issue a notice to any owner of a building aged 10 years or above requiring a prescribed inspection and, if necessary, prescribed repair in respect of the windows in the building to be carried out within a specified time.
- Owners served with the notice shall appoint a Qualified Person (QP) to carry out the prescribed inspection required within a specified time.
- The appointed QP shall carry out the prescribed inspection personally to ascertain whether the windows have been rendered dangerous or are liable to become dangerous.
- Where the QP considers that prescribed repairs are required, the owners shall appoint a Prescribed Registered Contractor to carry out the prescribed repairs under the supervision of a QP, who may be the same as or different from the QP responsible for the prescribed inspection, as the owners may decide.
- If the QP appointed for carrying out the inspection is a Prescribed Registered Contractor, the QP may also act as the contractor to carry out the prescribed repairs.
- Upon completion of the prescribed inspection and prescribed repairs, the QP so appointed shall submit an inspection report and a completion report respectively, together with a certificate in the specified form, to BD for record and audit check.

WHO are they?

Authorized Persons (AP), Registered Structural Engineers (RSE) and Registered Geotechnical Engineers (RGE) under the Buildings Ordinance (Cap 123)

- *APs are qualified building professionals registered with BD to undertake the responsibilities laid down under BO. An AP may be an architect, an engineer or a surveyor by profession.*
- *By Law, any person, who wants to initiate building works, unless exempted, should appoint an AP to submit plans for approval by BD, to co-ordinate the whole project, to work with other professionals such as an RSE, where structural works are involved, and an RGE, where geotechnical works are involved, to supervise the work and to certify completion.*
- *For works that require the employment of an AP, RSE or RGE, BD will indicate this requirement in the statutory order.*

Registered Inspectors (RI) and Qualified Persons (QP) under the Buildings Ordinance (Cap 123)

- *RIs appointed to carry out the prescribed inspection or supervision of the prescribed repairs under the Mandatory Building Inspection Scheme may be APs, RSEs or registered building professionals possessing relevant work experience in the field of building construction, repair and maintenance.*
- *QPs appointed to carry out the prescribed inspection, supervision or conducting of the prescribed repairs under the Mandatory Window Inspection Scheme may be APs, RSEs, RIs or Prescribed Registered Contractors with relevant qualifications and work experience.*
- *BD maintains lists of APs, RSEs, RGEs and RIs. APs, RSEs or RGEs who have expressed interest in carrying out works in relation to building safety are indicated in the "remark" column on the lists which are available at BD's offices and BD's website.*

Lists of APs, RSEs, RGEs & RIs:

http://www.bd.gov.hk/english/inform/index_ap.html

WHO are they?

Prescribed Registered Contractors under the Buildings Ordinance (Cap 123)

- *BD maintains lists of Registered General Building Contractors (RGBCs), Registered Specialist Contractors and Registered Minor Works Contractors (RMWCs).*
- *Contractors on the lists have met the stipulated standards and have passed the assessment by a registration committee.*
- *RGBCs who have expressed interest in carrying out works in relation to building safety are indicated in the “remark” column on the lists which are available at BD’s office and on BD’s website.*

Lists of Registered Contractors:

http://www.bd.gov.hk/english/inform/index_ap.html

1.4.3 Fire Safety Ordinances

- For better protection to the users, owners/occupiers of commercial buildings/premises as well as composite and domestic buildings are required, under the Fire Safety (Commercial Premises) Ordinance (FS(CP)O) and Fire Safety (Buildings) Ordinance (FS(B)O) respectively, to improve the fire services installation and equipment as well as fire safety constructions, such as fire resistant doors, in their buildings with reference to the stipulated standards.

(a) Fire Safety (Commercial Premises) Ordinance (Cap 502)

- The Fire Safety (Commercial Premises) Ordinance (Cap 502) (FS(CP)O) provides for the improvement of fire safety measures in commercial buildings built or with building plans first submitted for approval on or before 1st March 1987; and premises used as prescribed commercial premise such as banks, off-course betting centres, jewellery shops, supermarkets, department stores or shopping arcades.

Pamphlets for FS(CP)O are available at:

http://www.bd.gov.hk/english/documents/pamphlet/fso502_e.pdf

(b) Fire Safety (Buildings) Ordinance (Cap 572)

- The Fire Safety (Buildings) Ordinance (Cap 572) (FS(B)O) provides for the improvement of fire safety measures in composite and domestic buildings built or with building plans first submitted for approval on or before 1st March 1987.

Pamphlets for FS(B)O are available at:

http://www.bd.gov.hk/english/documents/pamphlet/fso572_e.pdf

(c) Enforcement Authorities

- The Director of Fire Services who has jurisdiction over fire service installations and equipment; and the Director of Buildings who has jurisdiction over fire safety construction; will serve statutory directions on the owners / occupiers concerned as necessary.

(d) Categorisation of Target Buildings / Premises under the FS(CP)O and FS(B)O

- **Prescribed Commercial Premises (PCP)** – A building or part of a building is a PCP under the scope of the FS(CP)O if it is used for carrying out commercial activities such as banking (other than merchant banking), off-course betting, jewellery or goldsmith's business on premises that have a security area, supermarkets, hypermarkets, department stores and shopping arcades, with the total floor area of the building or part of which exceeds 230m².
- **Specified Commercial Buildings (SCB)** – A building is a SCB under the scope of the FS(CP)O if the building was constructed to be used or is being used for the purposes of office, business, trade or any entertainment, and the building was constructed on or before 1st March 1987, or the plans of the building works of which were first submitted to the Building Authority for approval on or before 1st March 1987.
- **Composite Buildings and Domestic Buildings subject to FS(B)O** – The FS(B)O applies to a building constructed or intended to be used
 - partly for domestic purposes and partly for non-domestic purposes; or
 - for domestic purposes with more than 3 storeys; andthe building was constructed on or before 1st March 1987, or the building plans of the building works of which were first submitted to the Building Authority for approval on or before 1st March 1987.

(e) Issue of Statutory Directions

- Upon completion of an inspection of the premises, FSD and BD will serve Fire Safety Directions or Fire Safety Improvement Directions separately on the OCs/owners/occupiers as necessary, directing them to comply with the requirements by carrying out improvement works which may include the following:

Fire Service Installations & Equipment under the jurisdiction of the Director of Fire Services

- Automatic sprinkler system
- Fire hydrant and hose reel system
- Manual fire alarm
- Emergency lighting
- Automatic cut-off device for mechanical ventilation system
- Portable fire extinguisher

Fire Safety Construction Requirements under the jurisdiction of the Director of Buildings

- Provision of adequate fire escape routes
- Provision of adequate protection for fire escape routes and the integrity of structures against fire, and for inhibition of spreading of fire
- Provision of adequate means of access for fire fighting and rescue

(f) Key Procedures to Comply with Statutory Directions*Fire Service Installation and Equipment under the Jurisdiction of Director of Fire Services*

- OCs/owners/occupiers should follow the directives in the statutory directions and engage a project consultant or an AP (if considered necessary) for the follow up procedures. The explanatory notes attached to the directions provide useful advice on compliance.
- Registered Fire Service Installation (FSI) Contractors should be appointed to carry out the improvement works relating to fire service installations.
- If the work involves a change of the FSI layout or location of the fixed equipment, the FSI Contractor should submit FSI drawings to the Director of Fire Services for approval.

- Upon completion of the improvement works, the FSI Contractor should issue a Certificate of Fire Service Installations and Equipment (FS 251) to the OCs/owners/occupiers with a copy to the Director of Fire Services for arrangement of a compliance inspection.
- OCs/owners/occupiers should ensure compliance with the expiry date specified in the directions.

Fire Safety Construction Requirements under the Jurisdiction of Director of Buildings

- OCs/owners/occupiers should follow the directives in the statutory directions and appoint an AP as the project coordinator for the follow up procedures. The explanatory notes attached to the directions provide useful advice on compliance.
- If the building works for compliance affect the structure of the building (such as addition of sprinkler water tanks / pump houses or alteration of staircases), an AP/RSE must be engaged to submit building plans for approval and supervise the works to be carried out by a Prescribed Registered Contractor. Prior consent from the Building Authority must be obtained before the commencement of works.
- OCs/owners/occupiers should observe the deadline for compliance as specified in the directions.
- For improvement items that require provision of certified fire resistant materials such as doors, staircase windows, and enclosure of services in staircase, test reports/certificates issued by accredited laboratories (under the Hong Kong Laboratory Accreditation Scheme) and suppliers' certificates should be produced. The AP acting in the interest of the OCs/owners/occupiers should ensure that the material installed and installation method match the specification as stated in the reports/certificates.
- Should OCs/owners/occupiers of target buildings or premises under the FS(CP) O and FS(B)O plan to embark on building maintenance works and wish to carry out the improvement works in one go before receipt of the directions, it is advisable for them to approach FSD and BD.

WHO are they?

Registered FSI Contractors under the Fire Services Ordinance (Cap 95)

- Registered FSI Contractors are divided into 3 classes for different types of installation work. A list of Registered FSI Contractors is available for reference at the Fire Safety Command Headquarters, Licensing and Certification Command Headquarters, fire stations and fire protection regional offices. The list is also available at the FSD website.

Lists of Registered FSI Contractors:

<http://www.hkfsd.gov.hk/eng/cert.html>

WHO are they?

Registered Lift Contractors and Engineers

- Registered Lift Engineers, Registered Lift Workers employed by Registered Lift Contractors, or workers working under their direct supervision are the only persons allowed to carry out lift works.
- Details of the Registered Lift Contractors can be found on the Electrical and Mechanical Services Department's (EMSD) website.

Registers of Registered Lift Contractors,

Registered Lift Engineers and Registered Lift Workers

https://www.emsd.gov.hk/en/lifts_and_escalators_safety/registers/index.html

WHO are they?

Registered Electrical Contractors and Registered Electrical Workers

- *Electrical work including installation, inspection, maintenance, modification, repair and certification must be carried out by Registered Electrical Workers of the appropriate grade employed either by Registered Electrical Contractors or by electrical installation owners on a full-time basis. Registered Electrical Contractors are required to display their Registration Certificates in a prominent position at their business addresses, and Registered Electrical Workers hold Registration Certificates issued by EMSD for identification purpose.*
- *Lists of Registered Electrical Contractors and Registered Electrical Workers can be found on the website of EMSD.*

List of Registered Electrical Contractors and Registered Electrical Workers:

https://www.emsd.gov.hk/en/electricity_safety/registers/index.html

WHO are they?

Licensed Plumbers

- *Licensed plumbers are persons licensed under the Waterworks Regulation to carry out plumbing work. They must be employed to construct, install, maintain, alter, repair, or remove water supply plumbing. A Licensed Plumber Directory is available on the Water Supplies Department's website.*

Licensed Plumbers Directory:

<https://www.wsd.gov.hk/en/plumbing-engineering/licensed-plumbers/index.html>

1.4.4 **Statutory Orders, Directions or Notices Issued by Other Government Departments**

- Apart from BD and FSD, other government departments, such as Water Supplies Department, Environmental Protection Department, Electrical and Mechanical Services Department, etc. may also serve statutory orders, directions or notices on owners to demand various types of rectification works.

➔ *Annex 4 Notices and directions issued by various government departments*



Need help for complying with the statutory orders/ notices?

***i* Buildings Department**

For general enquiries on the procedures for complying with the statutory orders/notices issued by BD, property owners/OCs may call BD's enquiry hotline at ☎ 2626 1616 (handled by 1823).

➔ *Annex 8 Useful contacts – Buildings Department*

***i* Fire Services Department**

For general enquiries on the procedures for complying with the statutory directions issued by FSD, property owners/OCs may call FSD's enquiry hotline at ☎ 2723 8787.

➔ *Annex 8 Useful contacts – Fire Services Department*

***i* Other Government Departments**

If property owners/OCs are in doubt of the works required to be carried out under the statutory notice/orders, they can seek clarification from the case officers of relevant government departments, the names and contact information of whom are normally shown on the covering letters or explanatory notes attached to the notice/orders.

Section 1.5 Integrity Management

1.5.1 Prevention of Bribery Ordinance (Cap 201)



(Analysis 講解部分 : 07'05" – 09'48")

- The Prevention of Bribery Ordinance deals not only with bribery of government/public officials, but also with private sector corruption.
- Section 9 of the Prevention of Bribery Ordinance prohibits corrupt acts of agents when conducting the business of their principals. The following provides a gist of the relevant provisions in the Prevention of Bribery Ordinance. Property owners/OCs should refer to the original text of the Prevention of Bribery Ordinance for the full version if necessary.
- **Principal**

The OC, as the legal entity representing all owners, is generally the principal in relation to the management and maintenance of the common parts of the buildings. A PMC, consultant or contractor is also the principal in respect of its staff and agents.
- **Agent**

Members of the MC, employees of the OCs, property owners or any person including volunteers acting on behalf of the OCs to carry out their business, are agents of the OC. An employee of a PMC, consultant or contractor is also an agent of the PMC, consultant or contractor.
- **Advantage**
 - Any gift, loan, fee, reward or commission consisting of money or in kind;
 - any office, employment or contract;
 - any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
 - any other service, or favour (other than entertainment), including protection from any penalty or disability incurred or apprehended, or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted;

- the exercise or forbearance from the exercise of any right or any power or duty; and
- any offer, undertaking or promise, whether conditional or unconditional, of any advantage within the meaning of the above mentioned items.

- **Entertainment**

Entertainment means the provision of food or drink, for consumption on the occasion when it is provided, and of any other entertainment connected with or provided at the same time.

➔ *Annex 5 Extracts from Prevention of Bribery Ordinance (Cap 201)*



Examples of Breach of the Prevention of Bribery Ordinance in Building Maintenance

- ⊗ An MC member accepts commission from a building consultant for recommending the latter for the consultancy agreement.
- ⊗ A director of the project consultant solicits bribes from a contractor in return for favouring the latter in the tendering exercise for a renovation projects.
- ⊗ A director of a construction company offers bribes to the Chairman of an OC in return for the latter to assist in securing the renovation project.
- ⊗ A manager of a consultant offers bribes to the employee of a property management company for assisting the consultant to exaggerate the scope or scale of a renovation project, so as to inflate the consultancy fee.
- ⊗ An inspector of a consultant solicits advantage from a contractor in return for connivance at the latter's substandard works.

1.5.2 Managing Conflict of Interest



(Analysis 講解部分 : 03'42" – 07'05")

(a) What is Conflict of Interest?

- A conflict of interest situation arises when the financial or personal interests of an MC member or staff who acts on behalf of the OC in carrying out any business relating to the building competes with or is in conflict, whether actual or perceived, with the interest of the OC. The same applies to consultants and contractors.
- Conflict of interest, if not handled properly, may be perceived as corruption or abuse of power, even though the related parties have not received any actual advantages.



Examples of Conflict of Interest in Building Maintenance

- An MC member takes part in the selection of consultant/contractor, and one of the tenderers is owned by his family member, relative or close personal friend.
- The Chairman of an OC overseeing the maintenance project of his building accepts luxurious and frequent entertainment offered by the contractor.
- The Secretary of an OC recommends property owners to include in tender invitation a contractor in which he has financial interest.
- An architect of a consultant specifies in the contract document a brand name material for building repair, the sole supplier of which is owned by his family member, relative or close personal friend.
- A staff member of the PMC issues works orders to a contractor which is owned by his family member, relative or close personal friend.

(b) How to Manage Conflict of Interest?

- *A Mechanism for MC Members and Staff*

- ☑ MC members or staff should be required to avoid and, if unavoidable, declare to the Secretary of the OC any actual or perceived conflict of interest.
- ☑ The Secretary should report the case to the Chairman of the OC for a decision on the action to take, such as electing another member as a replacement.
- ☑ Any report of conflict of interest and actions taken should be properly recorded.

  *Form 3 Sample form for declaration of conflict of interest*

- ☑ In case the building maintenance project is carried out by way of tender, all parties involved in the tender exercises (e.g. members of the MC, the Manager and his staff) should each declare in writing whether he has any conflict of interest in the tender under consideration; and undertake to declare so as soon as he becomes aware of such a conflict.

  *Form 3A Sample form for declaration of conflict of interest (for use in tender)*

- *A Mechanism for Consultants and Contractors*

- ☑ As a first step, OCs should build in probity clauses in the consultancy agreement/works contract, covering the requirement on declaration of conflict of interest.

 *Section 1.5.4 Probity requirements for consultants and contractors*

- ☑ OCs should be vigilant about the possible conflict of interest between the consultant and contractor. In selecting a contractor, the consultant should be required to declare any actual or potential conflict of interest with the bidding contractors.

  *Form 3A Sample form for declaration of conflict of interest (for use in tender)*



Scenario in perspective

- A manager of a private company was responsible for the letting of service agreements.
- The manager induced the company to award the service agreements to a service provider by false representation and concealing from the company a conflict of interest arising from his relationship with the service provider that he and his wife had financial interests in it.
- The manager was charged with and convicted for fraud against the company.



Need help for drawing up probity requirements and code of conduct, as well as for arranging probity training?

Sample Code of Conduct

  [Form 1 Sample Code of Conduct for Owners' Corporations](#)

Corruption Prevention Advice

The Corruption Prevention Advisory Service of the ICAC provides tailor-made advice and assistance on integrity management in strict confidence, including drawing up integrity guidelines and the code of conduct.

 [Section 4.5.1 Advisory Services of ICAC](#)

Corruption Prevention Education

The Community Relations Department of the ICAC offers free education services to building management personnel, including arranging visits and training activities to OCs and PMCs.

 *Section 4.5.2 Education Services of ICAC*

1.5.3 Probity Requirements for MC Members and OC Staff

- In carrying out any business relating to the building on behalf of the OC, including building maintenance projects, the MC members and staff should:
 - act in the interest of the OC;
 - in no way solicit or accept any advantage on account of his handling the OC's business;
 - avoid as far as possible, and declare if unavoidable, any conflict of interest; and
 - abstain from the discussion of matters and decision-making process where a conflict of interest exists, as considered necessary and directed by the MC.
- The OC should lay down the probity requirements for its MC members and staff in a code of conduct.

  *Form 1 Sample Code of Conduct for Owners' Corporations*

1.5.4 Probity Requirements for Consultants and Contractors

- In engaging consultants and contractors for the building maintenance projects, OCs should
 - build in probity and anti-collusion clauses in the tender documents, prohibiting tenderers from communicating and fixing the amount of tender price with other tenderers; and ethical commitment clauses in consultancy agreement/ works contract, including prohibition of acceptance of advantage, and declaration of conflict of interest; and

  *Form 2(a) Sample probity and anti-collusion clauses in tender documents*

 *Form 2(b) Sample ethical commitment clauses in consultancy agreement*

 *Form 2(c) Sample ethical commitment clauses in works contract*

- ☑ require the consultants and contractors to issue probity guidelines to their employees, specifying restriction on acceptance of advantage and the requirement for declaration of conflict of interest when performing duties under the consultancy agreements or work contracts with the OC.



Chapter 2

Appointing Consultants and Contractors

Chapter Objectives

- Know the key processes for appointing consultants and contractors
- Know the risks of corruption and malpractices in the appointment processes
- Know the key preventive measures

Section 2.1 Key Processes for Appointing Consultants and Contractors

- The key processes for appointing consultants and contractors are shown below:



Section 2.2 Drawing up Scope of Consultancy Services

- Building maintenance works are fairly technical and complicated in nature. OCs are advised to employ consultants¹ to assist in the implementation of their building maintenance projects, including identification of defects, design of maintenance works, tendering of the works, supervision of the contractors' work and contract administration.
- OCs should know the essential services that are required from a consultant², and clearly specify them in the tender documents and consultancy agreements, so as to ensure the quality and adequacy of professional input from the consultants for their building maintenance projects, and to avoid unnecessary disputes over the scope of the consultancy services after commencement of the projects.



Role of project consultants

- Project consultants play an important role in selecting contractors, supervising the quality of works and certifying payments to the contractors. Hence, it is important for OCs to appoint the right consultants, who are not only technically competent but also committed to ethical practices.
- Project consultants are usually qualified building professionals, such as Architects, Engineers and Surveyors who are involved extensively in building construction, alteration and maintenance matters. They are required to comply with the professional ethics/code of conduct as set out by the respective professional bodies¹ and registration boards². For building professionals who are registered with the Buildings Department, e.g. APs, RSEs, they are also subject to the regulation of the Building Authority according to the Buildings Ordinance (Cap 123).

¹ Professional bodies include the Hong Kong Institute of Architects, the Hong Kong Institution of Engineers, and the Hong Kong Institute of Surveyors.

² Registration boards include the Architects Registration Board, the Engineers Registration Boards, and the Surveyors Registration Boards.



Checklist of essential services required of the consultants for building maintenance projects

A. Before commencement of building maintenance works

- ✓ Conduct building condition surveys/inspections to identify the extent and nature of building defects and maintenance works required, and prepare survey report for OC/owners' information

- ✓ Liaise with relevant Government Departments in relation to the compliance with statutory requirements, where necessary

➡ *Section 1.4 Legal requirements relating to building maintenance*

- ✓ Provide professional advice on the scope of the maintenance works required (e.g. any mandatory/first priority items, optional items, etc.), having regard to the result of the building condition surveys/inspections and the statutory requirements

➡ *Section 2.3 Drawing up scope of maintenance works*

- ✓ Prepare cost estimates for individual works items

- ✓ Attend OC/MC meetings, as and when necessary, to answer enquiries on matters in relation to the scope of maintenance works

- ✓ Prepare tender documents, including drawings and specifications, for selection of contractors

- ✓ Conduct prequalification exercise to shortlist contractors for invitation of tenders (optional)

➡ *Section 2.4 Conducting prequalification exercise (optional)*

- ✓ Invite contractors to submit tenders

➡ *Section 2.6 Inviting tenders for works contract*

- ✓ Receive and open tenders, and handle tender enquiries

➡ *Section 2.7 Receiving and opening tenders*

- ☑ Analyse tenders and prepare tender reports to the OC with recommendations
 - ➔ *Section 2.9 Evaluating tenders for works contract*
- ☑ Attend OC/MC meetings, as and when necessary, to answer enquiries on matters in relation to the tender exercise, including the recommendations for contract award
- ☑ Assist in the conduct of post-tender negotiation, if it is considered necessary and in the interest of the OC
 - ➔ *Section 2.10 Conducting tender negotiation (optional)*
- ☑ Notify contractor of contract award on behalf of the OC
 - ➔ *Section 2.11 Awarding consultancy agreement/works contract*
- ☑ Prepare contract documents and assist in drawing up schedule of owners' contribution to maintenance costs, where necessary
- ☑ Submit a site supervision plan covering the details of the site inspection arrangements including the personnel carrying out the site inspection, the works to be inspected, the frequency of inspections, and any tests required for approval by the OC

B. After commencement of building maintenance works

- ☑ Supervise and report on the quality of the maintenance works in accordance with the approved site supervision plan
- ☑ Report on the progress of maintenance works
 - ➔ *Section 3.2 & 3.3 Progress monitoring & quality checks*
- ☑ Receive and handle enquiries/complaints from property owners/OC on any matters in relation to the building maintenance works
- ☑ Provide professional advice on variation of works, including preparing cost estimate for the works concerned
 - ➔ *Section 3.5 Work variations*

- ☑ Process applications for interim payments and claims from the contractor
 - ➔ *Section 3.4 Contract payments*
- ☑ Certify substantial completion of work and issue schedule of defects for rectification by the contractor during defects liability period³
 - ➔ *Section 3.6 Work completion*
- ☑ Monitor progress and quality of defects rectification work and issue certificate of final completion before the end of defects liability period
- ☑ Where necessary, liaise with government departments on completion of works required by statutory orders/notices, including preparation and submission of reports/certificates of work completion

When drawing up the scope of consultancy services for building maintenance projects, OCs may make reference to the guidelines published by the Hong Kong Institute of Surveyors. The guidelines (in Chinese only) can be downloaded at

http://www.hkis.org.hk/hkis/general/bsd/bsd-agreement_200808.pdf



Risks of corruption and malpractices

- ⚠️ Lack of clarity or comprehensiveness in the scope of consultancy services, resulting in manipulation in the selection process
- ⚠️ Subsequent dispute, inadequate/poor services, and/or need to acquire 'additional' services at higher cost
- ⚠️ Inclusion of unnecessary and costly consultancy services

³ Defects liability period commences from the date of substantial completion to the date specified in the works contract. During this period, the contractor is responsible for making good any defects found in the works carried out.



Scenario in perspective

- An OC invited tenders from consultants to oversee its building maintenance project. As the OC lacked knowledge on the essential services required of the consultant, it had not clearly specified the scope and extent of consultancy services in the tender document.
- An unscrupulous consultant, noting the deficiency, submitted an exceptionally low bid, which the other responsible consultants proposing the necessary services and quality could not beat, to secure the consultancy agreement. Throughout the project, the consultant asked for additional and high fees as and when some of the essential services, e.g. liaison with Government Departments, which had not been included in the consultancy agreement, were needed.



Tips for preventing corruption and malpractices

- When drawing up the scope of consultancy services for building maintenance projects, OCs/MCs⁴ are advised to:
 - determine and include the essential/important consultancy services required of the consultants that are necessary to ensure effective management and implementation of their building maintenance projects, making reference to the checklist above;
 - consider carefully the genuine need for any non-essential and not commonly required services, having regard to the scale and complexity of their building maintenance projects, and avoid including unnecessary requirements that may serve to ward off or reduce genuine competition;

⁴ The tips for preventing corruption and malpractices provided in this Toolkit are tailored for members of MCs (for building with OCs) or representatives of property owners (for buildings without OCs) responsible for overseeing the implementation of their building maintenance projects. Individual property owners are advised to actively participate in OCs/owners' meetings to discuss/agree on matters in relation to their building maintenance projects.

- clearly specify the required services in the tender documents/consultancy agreement in detail to avoid unnecessary disputes in the future.

➔ *Section 2.5 Inviting tenders for consultancy agreement*

Section 2.3 Drawing up Scope of Maintenance Works

- The scope and extent of building maintenance works of different buildings may vary significantly, depending on the age, location and level of regular maintenance of the buildings concerned. As building maintenance works are usually complicated and technical in nature, building consultants are generally responsible for drawing up the scope of maintenance works required, based on the findings of the building condition surveys/inspections and the requirements of the statutory notices/orders, where applicable, for approval by the property owners/OCs.
- Nevertheless, it is desirable for property owners/OCs to understand the conditions and needs of their buildings and have basic knowledge of common building maintenance works so as to safeguard their interests as far as possible and ensure that the proposed repair works items, in particular those that are expensive, are genuinely needed.

➔ *Section 1.3 Building maintenance works*



Checklist of common repair works items in building maintenance projects

- ☑ Scaffolding (棚架工程)
- ☑ Repair of reinforced concrete structures and external rendering/tiles (混凝土結構 / 批盪修葺工程), such as:
 - conducting hammer tapping tests (鎚 敲 測 試) to identify the extent of defective reinforced concrete structures (e.g. slabs, beams, columns, walls), and loose external rendering and tiles
 - repairing defective reinforced concrete structures, and loose rendering and tiles

- ☑ Refurbishment of external walls (外牆油漆 / 翻新工程)
- ☑ Repair or replacement of windows (窗戶維修 / 更換工程)
- ☑ Repair or replacement of water mains (水管維修 / 更換工程)
- ☑ Repair or replacement of communal building sanitary services (公用排水系統維修 / 更換工程), such as:
 - repairing/replacing defective drainage, including underground drains (去水渠, 包括地下渠管)
- ☑ Repair or improvement of fire safety construction and completion of annual maintenance of fire service installations and equipment (消防安全改善工程和為消防裝置及設備進行年檢)

When preparing the specifications for the building maintenance projects, OCs may make reference to the General Specification for Building Maintenance Works for Residential Building published by the Hong Kong Institute of Surveyors. It can be downloaded at

<http://www.hkis.org.hk/ufiles/BSMainFull.pdf>



Risks of corruption and malpractices

- ☛ Lack of clarity in specifications of maintenance works and materials, resulting in manipulation in the selection process and subsequent variations at higher costs
- ☛ Ordering of unnecessary and costly maintenance works
- ☛ Use of brand name/restrictive specifications for repair materials to favour the material supplier



Scenario in perspective

- An OC appointed a consultant to oversee the maintenance project of its building for, among other things, complying with statutory repair orders.
- The consultancy fee was based on a specified percentage of the total cost of the maintenance works carried out, i.e. the higher the maintenance works cost, the higher the consultancy fee.
- The unscrupulous consultant exaggerated the requirements of the repair order and severity of the defects found in the building surveys/inspections, and specified expensive materials that are not necessary.
- As a result, the OC carried out unnecessary works and paid an unnecessarily higher consultancy fee.



Tips for preventing corruption and malpractices

- When approving the scope of works for their building maintenance projects, OCs/MCs are advised to:
 - require the consultant to clearly distinguish the essential/mandatory works items (e.g. works items required under the statutory notices/orders) from the non-essential works items (e.g. improvement works);
 - require the consultant to provide estimated quantities and costs for individual works items to facilitate determination of the scope of maintenance works to be carried out, budgeting and tender comparison;

Section 2.9 Evaluating tenders for works contract

- where practicable, engage an independent consultant, e.g. a quantity surveyor, to provide cost estimate/advice on the proposed works items for reference;
- require the consultant to avoid using brand name repair material specifications or restrictive specifications that only a single brand of repair material can meet, unless there are justifiable grounds;
- require the consultant to specify the finalised scope of maintenance works in the tender document/works contract in detail to avoid disputes in the future.

 *Section 2.6 Inviting tenders for works contract*

Section 2.4 Conducting Prequalification Exercise (Optional)

- Prequalification is a screening exercise conducted to shortlist consultants or contractors who have met the laid down qualifying requirements[☑] for the purpose of invitation to bid, i.e. only the prequalified consultants or contractors will be invited to tender.
- For large scale or complicated building maintenance projects, where consultants or contractors with specific expertise/experience are required, prequalification of consultants or contractors may only be considered.
- For most building maintenance projects where the qualifying requirements are common (e.g. registration status, relevant past experience), a prequalification exercise is not recommended and the qualifying requirements could be included as tender requirements in the tender invitation.
- While a prequalification exercise may be useful/necessary for certain projects, property owners/OCs should be mindful that any unnecessary barriers would restrict tender competition.



Checklist of common qualifying requirements for prequalification

- ☑ Registration status (e.g. Authorized Persons, Registered Structural Engineers, Registered Inspectors, Registered General Building Contractors/ Registered Minor Works Contractors)

➔ *Section 1.4 Legal requirements relating to building maintenance*

- ☑ Company resource and financial strength (e.g. number of professional and technical staff)
- ☑ Past experience relating to building maintenance (e.g. number of completed/ ongoing building projects for the past three years)



Risks of corruption and malpractices

- ⚠ Use of unnecessary/irrelevant and overly restrictive prequalifying requirements to deter or bar potential tenderers
- ⚠ Change or addition of prequalifying requirements during the prequalification vetting to screen out otherwise qualified/suitable contractors



Scenario in perspective

- Assisted by its consultant, an OC conducted a prequalification exercise to shortlist contractors for invitation to tender for its building maintenance project.
- To ensure that only contractors from his syndicate would be invited to tender, the unscrupulous consultant recommended the OC to adopt a set of overly demanding qualifying requirements, some of which irrelevant to or totally unnecessary for the project, e.g. possessing experience in new building construction works.
- As a result, otherwise suitable contractors not belonging to the syndicate were screened out, and those in the syndicate rigged the tender and offered inflated bids.



Tips for preventing corruption and malpractices

- Before deciding to conduct a prequalification exercise for their building maintenance project, OCs/MCs are advised to:
 - consider carefully whether a prequalification is genuinely needed, having regard to the scale and complexity of their project;
- If it is decided to conduct a prequalification exercise, OCs/MCs are advised to:
 - conduct open invitation for expression of interest and application for prequalification for the consultancy agreement/maintenance works contract
 - ➔ **Form 4 Sample open invitation for prequalification of consultants**
 - Form 5 Sample open invitation for prequalification of contractors**

- require justifications and critically assess the need and relevance of all proposed qualifying requirements;
- include only the necessary and relevant qualifying requirements, which should be as objective as practicable and resolved in OC/MC meeting before issuing invitation to bid;
- ➔  **Form 6 Sample evaluation form for prequalification of consultants**
-  **Form 7 Sample evaluation form for prequalification of contractors**
- disclose the qualifying requirements to all potential /interested consultants or contractors in the invitation documents to enhance transparency;
- do not change the prequalifying requirements during the process of prequalification vetting;
- if a prequalification exercise results in too few contractors qualified, critically review the prequalifying requirements and if necessary conduct a fresh exercise.

Section 2.5 Inviting Tenders for Consultancy Agreement



(Analysis 講解部分 : 10'00" – 12'50")

- Before inviting consultants to submit tenders for building maintenance projects, property owners/OCs need to decide the method of tender invitation  and prepare the tender documents .



Methods of tender invitation for consultancy agreement

Method of invitation	Remark
Open tendering	<ul style="list-style-type: none"> Tenders are openly invited from consultants through open/public channels, such as putting advertisement in newspapers. If a prequalification exercise is adopted, expressions of interest are openly invited from consultants in a way similar to the above, and those who have expressed interest and fulfilled the prequalifying requirements are then invited to tender. <p>➔ <i>Section 2.4 Conducting prequalification exercise (optional)</i></p>
Selective/Restricted tendering	<ul style="list-style-type: none"> Tenders are invited from only a pre-determined list of consultants drawn up using certain method (e.g. references provided by other OCs) and/or based on certain criteria.



Checklist of essential items in the tender documents

- Scope of consultancy services
 - ➔ *Section 2.2 Drawing up scope of consultancy services*
- Tender conditions
 - Probity and anti-collusion clauses
 - ➔  *Form 2(a) Sample probity and anti-collusion clauses in tender documents*
 - Date, time and location for submission of tenders

- ☑ Pricing schedule for consultancy services
- ☑ General terms and conditions of consultancy agreement
 - Payment arrangements (e.g. stage payment)
 - Insurance
 - Termination of services
- ➔👤 *Form 8 Sample invitation of fee proposals for consultancy agreement*



Risks of corruption and malpractices

- ⚠️ Appointing a consultant recommended/nominated by a contractor who is a potential tenderer for the project or who has been engaged directly for some reasons
- ⚠️ Relying on a single person (e.g. one MC member or Management Office staff member) to source the list of potential consultants when conducting selective tendering



Scenario in perspective

- The proprietor of a contractor was a personal friend of the MC Chairman of a building. The Chairman recommended the OC to engage a consultant introduced to him by the contractor without going through a tender process, and without declaring the relationships to the MC.
- In helping the OC conduct a tender exercise to appoint a contractor for the building's renovation, the consultant favoured and assisted the contractor to secure the contract, and subsequently connived at the contractor's substandard works and use of inferior materials.



Tips for preventing corruption and malpractices

- When inviting consultants to submit tenders for building maintenance projects, OCs/MCs are advised to:
 - As far as practicable, adopt open tendering, such as putting advertisement on newspapers, to enhance tender competition and minimise the risks of tender collusion;

If it is decided to adopt selective/restricted tendering, OCs/MCs are advised to:

 - observe the statutory requirement on the minimum number of tenders to be invited as set out in the BMO and the Code of Practice on Procurement of Supplies, Goods & Services (Revised Version);
 - ➔ ***Annexes 2 & 3 Extracts from BMO and Code of Practice on Procurement of Supplies, Goods & Services (Revised Version)***
 - avoid inviting consultants referred or employed by contractor, who is the potential tenderer for the maintenance works contract, to ensure the impartiality of the consultant appointed, and do not rely on a single person to source and draw up the shortlist of consultants;

- appoint a panel comprising representatives of property owners, MC members and property management companies, if any, to draw up a list of consultants for invitation of tenders;

  **Form 10 Sample record of invitation of tenders**

- make reference to the lists of consultants maintained by various Government Departments, public organisations or professional bodies and consult other OCs who have completed renovation projects satisfactorily when sourcing potential consultants, and ensure a sufficient number of consultants on the invitation list;

 **Annex 8 Useful contacts – Professional bodies**

- assign an MC/staff member not responsible for sending out invitations to verify with the potential tenderers who have expressed interest or are on the invitation list that they have received the invitation;
- require all parties involved in the tender exercises (e.g. members of the MC, the Manager and his staff) should each declare in writing whether he has any conflict of interest in the tender under consideration; and undertake to declare so as soon as he becomes aware of such a conflict.

  **Form 3A Sample form for declaration of conflict of interest (for use in tender)**

- When preparing the tender documents for invitation of tenders, OCs/MCs are advised to:
 - specify clearly in the invitation documents the deadline for submission of tenders;
 - include probity and anti-collusion clauses in the tender invitation;

  **Form 2(a) Sample probity and anti-collusion clauses in tender documents**

- include in the tender invitation a requirement for the consultants to submit staffing proposals (i.e. responsibilities and degree of involvement of individual key personnel) and breakdown of consultancy fees (i.e. fees for the services at various stages)  to facilitate assessment of sufficiency of manpower and reasonableness of consultancy fees;

 **Section 2.8 Evaluating tenders for consultancy agreement**

- avoid charging potential tenderers administrative fees for participating in the tendering exercise.



Template for Submission of Staffing Proposal and Fee Breakdown

	Estimated Time for Each Stage (Month)	Allocation of Working Hours (Total Estimated Working Hours of Each Stage)			Consultancy Services Fee (HK\$)
		Authorized Person (1 No.)	Project Manager (1 No.)	Project Assistant (___ No)	
Preliminary Proposal and Cost Estimate (Include building condition survey, develop design brief, cost estimate and liaise with government authorities)					
Preparation of Tender Document (Compiling all tender documents include design drawings, advise tendering procedures and work arrangement)					
Tendering Stage (Conduct tender analysis and compile report)					
Pre –construction Stage (Advise on fund contribution, contract compiling, review and approval of documents)					
Construction Stage (Project monitoring and all contract administration works)					
Completion Work and Maintenance Stage (Completion work inspection, monitoring and follow up action during maintenance period)					
Total Working Period				Total Consultancy Fee(HK\$)	

- Remark
1. The above-mentioned work include attend management committee meeting/ ordinary general meeting to report and discuss issue related to the repair works.
 2. The estimated time for each stage shall strictly follow the progress requirement of operation building bright

Section 2.6 Inviting Tenders for Works Contract



(Analysis 講解部分 : 12'50" – 16'40")

- Depending on the nature of the maintenance works required, property owners/OCs should employ registered contractors of relevant disciplines to carry out the maintenance works.
 ⇒ *Section 1.4 Legal requirement relating to building maintenance*
- Similar to inviting tenders for consultancy agreement, property owners/OCs, with the assistance of their consultants, need to determine the method of tender invitationⁱ and prepare the tender documentsⁱⁱ.
- Although the consultants employed are responsible for drafting the tender documents which usually involve technical and contractual matters, it is advisable for property owners/OCs to check to ensure that essential terms and conditions have been included in the tender documents.



Methods of tender invitation for maintenance works contract

Method of invitation	Remark
Open tendering	<ul style="list-style-type: none"> • Tenders are openly invited from contractors through open/public channels, such as putting advertisement in newspapers. • If a prequalification exercise is adopted, expressions of interest are openly invited from contractors in a way similar to the above, and those who have expressed interest and fulfilled the prequalifying requirements are then invited to tender. ⇒ <i>Section 2.4 Conducting prequalification exercise (optional)</i>

Method of invitation	Remark
Selective/Restricted tendering	<ul style="list-style-type: none"> Tenders are invited from only a pre-determined list of limited number of contractors drawn up using a certain method (e.g. references provided by other OCs) and/or based on certain criteria.



Checklist of essential items in the tender documents

- Tender conditions
 - Probity and anti-collusion clauses
 -   *Form 2(a) Sample probity and anti-collusion clauses in tender documents*
 - Date, time and location for return of tenders
- Scope of maintenance works and specifications
 -  *Section 2.3 Drawing up scope of maintenance works*
- Pricing schedule for works items
- Terms and conditions of maintenance works contracts
 - Payment arrangements subject to certification by the consultant on the work done
 - Insurance
 - Defects liability period
 - Liquidated damages
 - Extension of time
 - Material guarantees
 - Surety bond/retention money

- Termination clause
- Dispute resolution clause
- ➔  *Form 9 Sample invitation of tenders for works contract*



Risks of corruption and malpractices

- ⚡ Unscrupulous consultants inviting tenders only from contractors within their syndicates, and deterring other potential contractors to tender
- ⚡ Charging high “administrative fee” for submitting tender to deter interested contractors outside the syndicates to tender
- ⚡ Relying on the consultant to source the list of potential contractors when conducting selective tendering



Scenario in perspective

- An unscrupulous consultant of a building maintenance project recommended the OC to go for selective tendering, so he may invite tenders only from contractors within his syndicate, but the OC decided to go for open tendering.
- The consultant then tried to deter other contractors from bidding by indicating his name in the tender invitation to scare off contractors who know his practice, and recommending the OC to charge a high “administration fee” to bar contractors who do not.
- As a result, the consultant and his syndicate easily rigged the tender exercise.



Tips for preventing corruption and malpractices

- When inviting contractors to submit tenders for building maintenance projects, OCs/MCs are advised to:
 - As far as practicable, adopt open tendering, such as putting advertisement on newspapers, to enhance tender competition and minimise the risks of tender collusion;
 - invite tenders/expressions of interest from contractors through various means, such as putting advertisement on newspapers and displaying a copy of the tender invitation in a prominent place in the building;
 - refrain from indicating the name of the consultant in the advertisement, tender invitation documents and tender box;

If it is decided to adopt selective/restricted tendering, OCs/MCs are advised to:

- observe the statutory requirement on the minimum number of tenders to be invited as set out in the BMO and the Code of Practice on Procurement of Supplies, Goods & Services (Revised Version);

➔ *Annexes 2 & 3 Extracts from BMO and Code of Practice on Procurement of Supplies, Goods & Services (Revised Version)*

- appoint a panel comprising representatives of property owners, MC members, consultants and property management companies, if any, to draw up a list of contractors for invitation of tenders;

➔  *Form 10 Sample record of invitation of tenders*

- make reference to the lists/registers of contractors maintained by various Government Departments and public organisations, and consult other OCs who have completed renovation projects satisfactorily for sourcing potential contractors, and ensure sufficient number of contractors are included on the invitation list;

➔ *Annex 8 Useful contacts*

- do not solely rely on the consultant to recommend the invitation list, and the panel should add a number of contractors (e.g. from the above sources) to the list proposed by the consultant;

- assign an MC/staff member not responsible for sending out invitations to verify with the potential tenderers who have expressed interest or are on the invitation list that they have received the invitation;
- require all members of the panel to declare whether or not they have any conflict of interest arising from their relationship with the contractors on the list;
 - ➔  *Form 3A Sample form for declaration of conflict of interest (for use in tender)*
- When preparing the tender documents, OCs/MCs are advised to require the consultant to:
 - specify clearly in the invitation documents the deadline for submission of tenders;
 - include probity and anti-collusion clauses in the tender invitation;
 - ➔  *Form 2(a) Sample probity and anti-collusion clauses in tender documents*
 - include in the tender invitation a requirement for the contractors to submit the estimated quantities and breakdown of tender prices for individual major works items to facilitate assessment of reasonableness of the prices;
 - ➔ *Section 2.9 Evaluating tenders for works contract*
 - refrain from charging potential tenderers an administrative fee for participating in the tendering exercise.

Section 2.7 Receiving and Opening Tenders



(Analysis 講解部分 : 16'52" – 19'56")

- Tenders submitted by consultants or contractors for building maintenance projects are normally received using tender box located at a prominent place in the buildings concerned. It is important for property owners/OCs to put in place measures to safeguard the security/confidentiality of the tender documents and the information contained therein.



Risks of corruption and malpractices

- No requirement for tenderers to submit tenders in sealed envelopes, and tenders received by hand by the consultant or MC/staff member may expose the tenders to risk of leakage or tampering
- Accepting a late tender, with the risk that the other tenderers' bids may have been leaked to the latecomer



Scenario in perspective

- An OC invited tenders from consultants for building maintenance works. One MC member was entrusted to keep the key to the tender box. He opened and collected the tenders submitted from the tender box everyday and kept them in his own home.
- Bribed by one of the consultants invited to tender, the MC member opened the tenders and leaked the bids to the consultant, and then resealed the tenders.
- The consultant submitted the lowest bid after the deadline.



Tips for preventing corruption and malpractices

- When receiving and opening tenders, OCs/MCs are advised to:
 - use a double-locked tender box with keys separately held by different persons, such as the MC Chairman and the treasurer;
 - keep the tender box in a prominent and secure place in the building until the opening time;
 - in the tender invitation, advise tenderers to deposit the tenders directly into the tender box, and require any staff/MC member to deposit any tenders received by post or other means into the tender box immediately;
 - assign an opening team comprising representatives of property owners or MC (preferably at least 3 MC Members), consultant and property management company to open the tenders immediately after the submission deadline;
 - require members of the tender opening team to countersign and date each of the tenders received and keep the duplicate copies of the tenders for checking in the future, if available, or keep a record of the tenders (including the tenderer and his bid) received if duplicate copies are not available;
-   **Form 11 Sample tender opening record**
- reject late tenders received after the tender submission deadline and return them unopened to the tenderers concerned;
 - keep tenders under lock before tender evaluation.

Section 2.8 Evaluating Tenders for Consultancy Agreement

- For evaluation of tenders for consultancy agreement, price may not be the only consideration. Non-price factors  may also be considered to ensure competency and adequacy of the professional input from the consultants to the building maintenance projects.



Checklist of common non-price factors

- Consultant's relevant experience** in overseeing building maintenance projects of similar scope and complexity (e.g. with individual project value over \$ _____ million in the past _____ years)
- Consultant's company resources and current workload**, i.e. the number of full-time/part-time professional and technical staff, e.g. APs, RSEs, resident inspectors of works and works supervisor, and the number and details of on-going projects
- Consultant's staffing proposal for the building maintenance project:**
 - Qualifications and relevant experience of key personnel (e.g. Authorized Person, project manager, inspector of works)
 - Responsibilities and degree of involvement of key personnel (e.g. proposed man/hours of individual key personnel)
- Consultant's past performance**
 - Letters of recommendations from previous employers/OCs



Risks of corruption and malpractices

- Unscrupulous MC member favouring a consultant in tender evaluation, such as by:
 - making untrue/unfair comments on the performance of other tenderers;
 - changing the evaluation criteria, adding new and irrelevant criteria/requirements to screen out the lowest bidder, etc. during evaluation.
- Accepting a tender (for consultancy) with an unreasonably low bid without regard to the implication on the quality of service or risk of malpractice.



Scenario in perspective

- An OC invited open tenders for the selection of consultants for its building maintenance project. A consultant submitted a bid of a fixed amount that was unreasonably low. When queried, the consultant made up excuses such as only aiming at gaining a reference in the district, having a number of projects in the district that shared out the overhead costs, etc. The OC was attracted by the low price and voted for the consultant.
- When implementing the project, the consultant accepted rebates from the contractor, who colluded with other tenderers to inflate the prices of the maintenance works required, and used inferior materials with the consultant's connivance. In the end, the OC paid much more than what they would have for their maintenance works that were inferior in quality.



Tips for preventing corruption and malpractices

- When conducting evaluation of tenders for consultancy agreement, OCs/MCs are advised to:
 - assign a tender assessment panel which may comprise representatives from property owners, MC and the property management company (if any) to assess the tenders;
 - require all members of the panel to declare whether or not they have any conflict of interest arising from their relationship with the tenderers;
-   **Form 3A Sample form for declaration of conflict of interest (for use in tender)**

- determine the evaluation criteria, e.g. any essential/mandatory non-price factors, before tender opening;
- ➔  **Form 12 Sample tender evaluation form for consultancy agreement**
- disclose the broad evaluation criteria to all tenderers in the tender invitation;
- do not change the evaluation criteria after tender opening;
- assess the reasonableness of the consultancy fees, based on the consultants' proposed manpower input and the fees breakdown for consultancy services at various stage⁵, or making reference to the fee scale published by the Hong Kong Institute of Surveyors or practices of reputable firms;
- ➔ **Annex 8 Useful contacts – Professional bodies**
- justify and document the reasons if the best offer determined according to the evaluation criteria is not recommended.

Section 2.9 Evaluating Tenders for Works Contract



(Analysis 講解部分 : 19'56" – 22'58")

- In evaluating tenders for building maintenance contracts, building consultants are responsible for, among other things, drawing up the evaluation criteria, conducting evaluation of tenders received, and preparing detailed evaluation reports with recommendations to assist property owners/OCs to select the contractor.
- In general, tenders for building maintenance contracts are assessed using a lowest-price conforming tender approach, under which tenders from contractors who have fulfilled the mandatory/qualifying requirements and submitted conforming tenders are ranked in accordance with the tender prices, i.e. the conforming tender with the lowest price will be ranked first, and so on.

➔ **Section 2.4 Conducting prequalification exercise (optional)**

⁵ Property owners/OCs may determine whether the professional fees are realistic by dividing it by the consultant's proposed manpower input to work out the average salary of the staff and comparing that with the market rate.



Checklist of essential items in tender evaluation report

- ☑ Brief description of the contract
- ☑ Details of invitation, including
 - Method of tender invitation, e.g. open tendering/selective tendering
 - ➔ *Section 2.6 Inviting tenders for works contract*
 - Tender invitation date, closing date and validity period
 - Information (e.g. number & name) on contractors who have expressed interests/collected tender documents (for open tendering) or who have been invited to tender (for selective tendering)
- ☑ Details of tender submissions, including
 - Tenders received, e.g. names of the tenderers and their tender sums
 - Contractors who have expressed interests/collected tender documents (for open tendering) or who have been invited to tender (for selective tendering) but have not submitted tenders, and the reasons, if known
- ☑ Assessment and recommendation, including
 - Compliance status of tenderers with the tender specifications, including details of any non-compliant and disqualified tenderers with justifications and supporting documents
 - Comparison of tender prices and quantities, including the prices/quantities of individual major works items, with the project cost/quantity estimated by the consultant and that of maintenance projects for similar buildings in the districts, and the reasons for any substantial deviation
 - Recommendation with justifications and supporting documents for consideration of OC/property owners in OC/owners' meeting (including the reasons for not recommending particular tenderer(s))
- ☑ Declaration of conflict of interest of OC members/property owners/staff of consultant and PMC involved in the tender assessment
 - ➔  *Form 3A Sample form for declaration of conflict of interest (for use in tender)*



Risks of corruption and malpractices

- * Unscrupulous consultant or MC member may favour a contractor in tender evaluation by:
 - ◆ making untrue/unfair comments on the performance of other tenderers especially those with lower bids;
 - ◆ changing the evaluation criteria, adding new and irrelevant criteria/requirements to screen out the lowest bidder, etc. during evaluation;
 - ◆ suggesting to negotiate with a particular tenderer who is not the lowest bidder, giving only this tenderer the chance to revise his bid after tender evaluation; etc.



Scenario in perspective

- An OC, assisted by its consultant, invited tenders for a building maintenance project through open tendering. The tenders were evaluated by the consultant using a lowest-price conforming tender approach.
- Noting that the contractor who belonged to its syndicate ranked third, the consultant recommended the OC to reject the first and the second ranking tenderers, claiming that one of them had poor performance track records (without providing any objective evidence or reference information), and the other had not submitted the company's financial information for assessment of its financial well-being (this was not a requirement in the tender invitation nor a evaluation criteria).
- The OC accepted the consultant's recommendation without requiring supporting information or justification.



Tips for preventing corruption and malpractices

- When conducting evaluation of tenders for maintenance works contract, OCs/MCs are advised to:
 - assign a tender assessment panel, which may comprise representatives from property owners, MC, the consultant, and the property management company (if any);
 - require all members of the panel to declare whether or not they have any conflict of interest arising from their relationship with the tenderers;
 - ➔  **Form 3A Sample form for declaration of conflict of interest (for use in tender)**
 - determine the evaluation criteria, e.g. any mandatory/qualifying requirements, before tender opening;
 - ➔  **Form 13 Sample tender evaluation form for works contract**
 - disclose the broad evaluation criteria to all tenderers in the tender invitation;
 - do not change the evaluation criteria after tender opening;
 - assess the reasonableness of the tender prices, based on the estimated quantities and breakdown of prices for individual major works items⁶, or making reference to the building maintenance cost range published by the Hong Kong Institute of Surveyors, or costs of similar projects of other similar buildings, if available;
 - ➔ **Annex 8 Useful contacts – Professional bodies**
 - for a high value, complicated project, consider engaging an independent consultant / quantity surveyor for third party advice on the estimated maintenance costs and tender prices for the major works items involved;
 - justify and document the reasons if the lowest conforming tender/best offer determined according to the evaluation criteria is not recommended.

⁶ Property owners/OCs may determine whether the tender prices for individual major works items are reasonable by dividing it by the estimated quantities to work out the unit rate for individual major works items and comparing that with the market rate.

Section 2.10 Conducting Tender Negotiation (Optional)



(Analysis 講解部分 : 23'00" – 25'25")

- After tender evaluation, some property owners/OCs may wish to get a better bargain and hence conduct negotiation with the tenderers for reduction of their tender prices. However, they should be wary of the opportunity for corruption and manipulation that this may open up.



Risks of corruption and malpractices

- * Only negotiating with a particular consultant/ contractor who is not the lowest bidder or best tenderer
- * Negotiating with all or a number of tenderers at the same time, rendering the previous tender exercise meaningless, and running the risk of unfair leakage of tender information to a particular tenderer for corrupt purpose



Scenario in perspective

- An OC invited tenders from contractors for a building maintenance project through open tendering. After evaluation of the tenders received, instead of awarding the contract to the contractor with the lowest price, the consultant strongly recommended the third-ranking contractor for reasons of better quality and track record (without supporting evidence/information), and suggested conducting tender negotiation with this contractor to allow the latter a chance to lower its price.
- It turned out the consultant was connected with that particular contractor, and favoured it because it was willing to give rebates to the consultant. The consultant guided the latter to make an offer that just beat the lowest bid.



Tips for preventing corruption and malpractices

- To minimise the risks of corruption and malpractices, OCs/MCs are advised to:
 - avoid conducting tender negotiation;
- If it is decided to conduct tender negotiation to gain a price reduction, OCs/MCs are advised to:
 - seek the OC's endorsement of the tender evaluation result, with the tenderers ranked, and approval for the plan to conduct tender negotiation;
 - conduct tender negotiation only with the tenderer with the highest ranking (where there are practical difficulties or genuine needs, OC/MC may conduct tender negotiation with no more than three tenderers that are within very close range in terms of their bids);
 - assign a negotiation team which may comprise representatives from property owners, MC and the property management company (if any) to conduct the tender negotiation;

- require all members of the negotiation team to declare whether or not they have any conflict of interest arising from their relationship with the tenderer concerned;
 - ➔  *Form 3A Sample form for declaration of conflict of interest (for use in tender)*
- lay down the negotiation guidelines, including:
 - prohibiting disclosure of other tenderers' bids
 - prohibiting any change of tender requirements and evaluation criteria to favour a particular tenderer
 - documenting the negotiation and the results
 - requiring the tenderer(s) to submit the “best and final” offer in writing after negotiation, following the standard requirements on receipt and opening of tenders
 - ➔ *Section 2.7 Receiving and opening tenders*

Section 2.11 Awarding Consultancy Agreement/Works Contract

- After approval by the OC meeting on the appointment of a consultant/contractor, the MC (with the assistance of the consultants in the case of a works contract), needs to prepare the formal consultancy agreement  or works contract  for signing and issue to the winning consultant or contractor .



Checklist of essential terms and conditions of the consultancy agreement

- Scope of consultancy services
 - ➔ *Section 2.2 Drawing up scope of consultancy services*
- Payment arrangements (e.g. stage payment)
- Payment for additional services

- ☑ Insurance
- ☑ Suspension, resumption or termination
- ☑ Ethical commitment clauses on
 - ▣ prohibition against offering / acceptance of advantages
 - ▣ declaration of conflict of interest
 - ▣ confidentiality of contract information
 - ➔  *Form 2(b) Sample ethical commitment clauses in consultancy agreement*



Checklist of essential terms and conditions of the works contract

- ☑ Scope of maintenance works and specifications
 - ➔ *Section 2.3 Drawing up scope of maintenance works*
- ☑ Pricing schedule for works items as tendered
- ☑ Terms and conditions of maintenance works contracts
 - ▣ Payment arrangements subject to certification by the consultant on the work done
 - ▣ Insurance
 - ▣ Defects liability period
 - ▣ Liquidated damages
 - ▣ Extension of time
 - ▣ Material guarantees
 - ▣ Surety bond/retention money

- Termination clause
 - Dispute resolution clause
 - Ethical commitment clauses on
 - ◆ prohibition against offering / acceptance of advantages
 - ◆ declaration of conflict of interest
 - ◆ confidentiality of contract information
- ➔  *Form 2(c) Sample ethical commitment clauses in works contract*



Reference for drawing consultancy agreement/works contract

- When preparing the consultancy agreement/works contract, property owners/OCs may make reference to the sample agreements/contract documents published by the professional bodies, e.g. the Hong Kong Institute of Surveyors, the Hong Kong Institute of Architects. For more details, please contact the professional bodies.

➔ *Annex 8 Useful contacts – Professional bodies*



Tips for preventing corruption and malpractices

- When approving the award of consultancy agreement/works contract, OCs/MCs are advised to:
 - comply with the requirements on acceptance of tender set out in the BMO;

➔ *Section 1.4 Legal requirements relating to building maintenance*

- After approving the award of consultancy agreement/works contract, OCs/MCs are advised to:
 - notify all tenderers, property owners and occupants in writing of the tender result;
 - ➔ 👤 *Form 14 Sample notices to tenderers, property owners and occupants*
 - properly keep all tender documents, contracts and receipts, etc. for at least six years and make available for inspection by property owners/tenants and relevant Government departments, as and when necessary.

Chapter 3

Supervising Maintenance Works and Managing Contracts

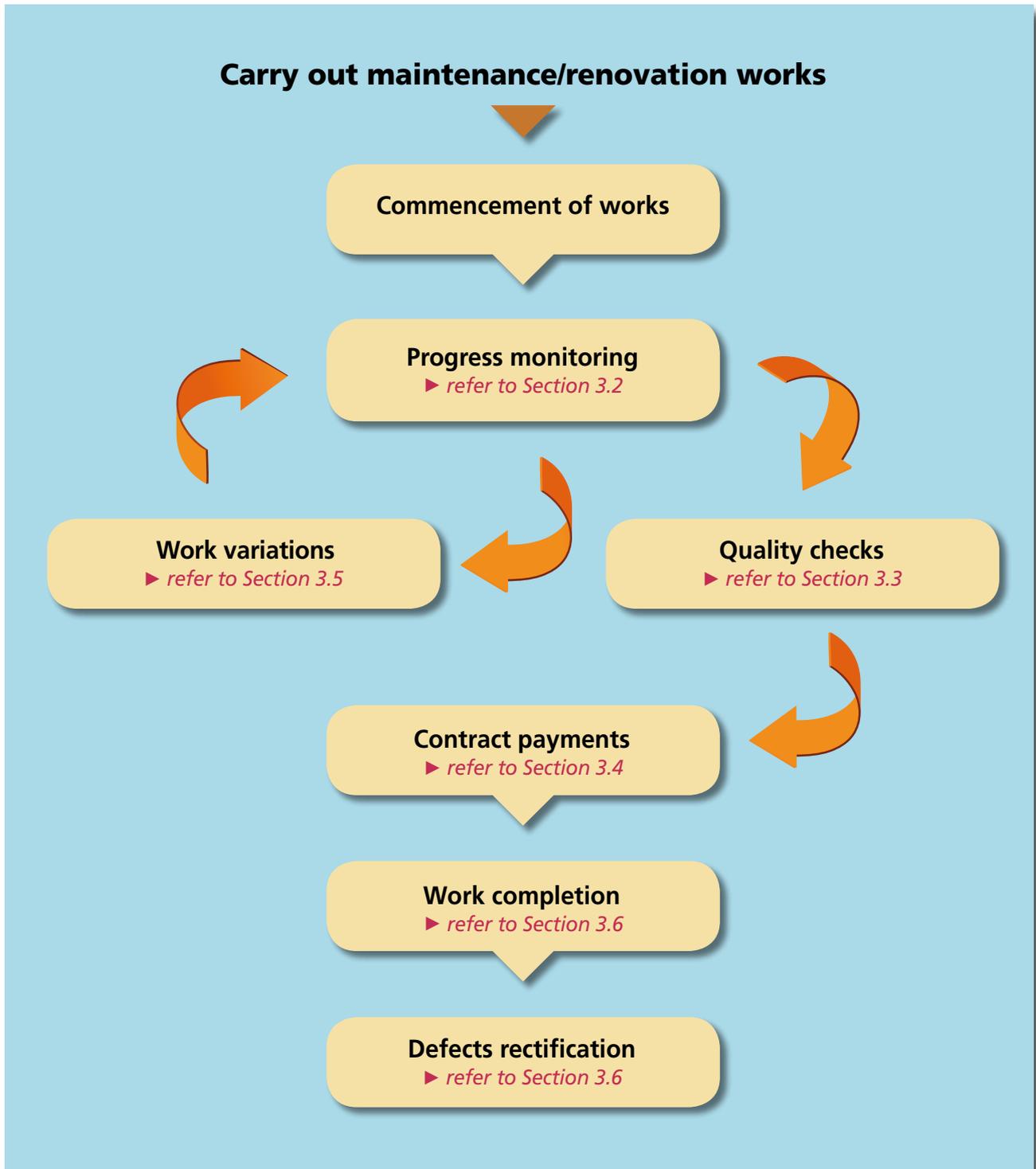
Chapter Objectives

- Know the key processes for supervising building maintenance works and managing contracts
- Know the risks of corruption and malpractices in the processes
- Know the key preventive measures



Section 3.1 Key Processes for Supervision of Maintenance Works and Management of Contracts

- The key processes for supervising maintenance works and managing contracts are shown below:



Section 3.2 Progress Monitoring



(Analysis 講解部分 : 25'30" – 28'34")

- In general, the duration of a building maintenance project may vary from a few months to more than a year to complete, depending on their scale and complexity. As project delays would cause inconvenience to the property owners/occupants and might incur additional costs or result in failure to meet the requirements of statutory orders, it is necessary for property owners/OCs, with the assistance of their consultants, to closely monitor the progress of the building maintenance works.



Risks of corruption and malpractices

- * Lax supervision of the work progress and connivance at the contractor's work delays
- * Total reliance on the consultant in monitoring work progress



Scenario in perspective

- Supervision of works by the project consultant's site supervisory team for a building maintenance project was lax (e.g. infrequent site visits by professional staff). The contractor therefore gave priority to some other projects, and the consultant took no action on the delay.
- The MC solely relied on the progress reports submitted by the consultant, and accepted the latter's various excuses for the delay. Moreover, property owners were not provided with a work programme or any progress information throughout the project.



Tips

Tips for preventing corruption and malpractices

- To ensure effective supervision and satisfactory progress of the building maintenance works, OCs/MCs are advised to:
 - with the assistance of the consultant, require the contractor to submit a master work programme upon the commencement of the contract, showing the stages and deliverables of the maintenance works required, with timely updates thereafter should there be any changes (e.g. weekly or biweekly rolling programmes);
 - post the master work programme/weekly or biweekly rolling programmes in a prominent place of the building for information and monitoring by property owners/occupants;
 - require the consultant to closely monitor the progress of work against the work programme, and report any deviations and follow-up actions taken/to be taken;
 - conduct regular meetings and joint inspections of work progress with the consultant and contractor to closely monitor work progress.

Section 3.3 Quality Checks



(Analysis 講解部分 : 25'30" – 28'34")

- Among other duties, the consultant is responsible for monitoring the quality of the maintenance works on site, including conducting inspections/tests to ensure the contractors carry out the works in accordance with the contract specification and, where applicable, the relevant requirements under statutory orders/notices. To minimize the risk of any lax supervision or any substandard works, property owners/MC members should closely monitor the performance of their consultant in supervising the works.



Risks of corruption and malpractices

- * Lax supervision, and acceptance of or connivance at substandard/incomplete works, poor workmanship and/or substandard materials
- * No supervision or quality check on hidden works, which cannot be seen/checked after the works are completed



Scenario in perspective

- Supervision of works by the project consultant's site supervisory team for a building maintenance project was lax – the consultant only deployed inexperienced site staff to conduct infrequent site visits, and the site staff, who was sweetened by the contractor with frequent entertainment, turned a blind eye to the contractor's substandard works and use of inferior repair materials.
- The MC relied entirely on the consultant's flimsy reports with no details or proof/assurance of works done. Moreover, property owners were not provided with adequate information about the project, such as the works to be done and materials to be used.



Tips for preventing corruption and malpractices

- To ensure the quality of the building repair works, OCs/MCs are advised to:
 - require the consultant to submit a site supervision plan , providing detailed arrangement on supervision of the repair works, upon commencement of the project for the OC/MC's approval;
 - where practicable, conduct random checks on the consultant's compliance with the approved site supervision plan, and require immediate rectification if any deviation is noted;
 - require the consultant to report on a regular basis (say, biweekly) on the progress and quality of the repair carried out;
 - require the contractor to submit measurement records and site photos (before and after work completion) certified by the consultant for hidden works which cannot be seen/checked after the works are completed;

- require the contractor to provide samples of construction /repair materials approved by the consultant for reference, and displace the samples at an appropriate location for the information of and reference by property owners to enhance transparency;
- where practicable and under safe conditions, conduct joint inspections or site observations on the works, materials and work progress with the consultant;
- inform the consultant of any irregularities observed on the work of the contractor (e.g. the materials used are different from those approved) for follow-up action, and request the project consultant to report back on the corrective actions taken.



Checklist of essential items in site supervision plan

- ☑ List of major works items/activities that require inspections, such as:
 - Scaffolding
 - Repair of reinforced concrete structures, including identification of the extent of repair required and all hidden works (e.g. sawing off loose concrete to expose reinforcement bars, removing rust on the bars, applying approved primer and bonding agent on the bars, and carrying out patch repairs with suitable mortar, etc.)
 - Refurbishment of external walls, rendering/tiles, including identification of the extent of repair required and all hidden works (e.g. removal of loose rendering/tiles, preparation of exposed surfaces of the existing walls for a proper physical “key” between the existing walls and the newly finished layers of mortar, applying of internal layers of approved bonding agent/adhesive for the mortar, etc.)
 - Repair or replacement of windows
 - Repair or replacement of sanitary services, including all hidden works (e.g. repair or replacement of drainage pipes embedded into the concrete structures or concealed in the false ceiling, etc.)
 - Repair or enhancement of fire safety construction and fire service installations and equipment

- ☑ Frequency of inspection for individual major works items/activities, including the hidden works involved
- ☑ Qualifications, experience and responsibilities of the key project/site staff for carrying out the inspections, such as:
 - Authorized person/architect for the project
 - Project manager
 - Inspectors of works
- ☑ Records to be made, in particular for hidden works, and to be submitted to OC after conducting the inspections/tests, such as inspection reports/checklist, site photos (before, during and after completion for hidden works) and test certificates, etc.

Template for Site Supervision Plan

Post	Name	Frequency of inspection	Works items/ activities to be inspected	Inspection records
Authorized Person				
Project Manager				
Inspector of Works				

Section 3.4 Contract Payments



(Analysis 講解部分 : 30'25" – 32'15")

- When the maintenance works are in progress, the contractor regularly (e.g. monthly or bimonthly) submits payment applications for the work done to the consultant for assessment and certification. The OC should then make payment to the contractor as certified by the consultant in accordance with the terms and conditions of the contract.



Risks of corruption and malpractices

- Exaggerating work progress to expedite contract payment; release payment before work/stage completion
- Certifying defective works to facilitate payment before the defective works are rectified
- Lack of segregation of duties in payment process, e.g. same person certifies work completion and signs cheques



Scenario in perspective

- An MC member released final payment to the contractor before some final rectification works were completed, convinced by the latter that he needed the payment in advance to solve a cash flow problem before he could resume the works.
- To thank the MC member, the contractor inflated the invoice a little and “refunded” the inflated amount to the MC member.
- After obtaining the final payment, the contractor did not come back to finish the final rectification works.



Tips for preventing corruption and malpractices

- To prevent corruption and malpractices in processing contract payments, OCs/ MCs are advised to:
 - require the contractor to submit invoices with details on the actual quantities of work done, against the estimated quantities and prices for individual major works items in tender submission/contract, with reasons for significant variations, and evidence such as photos where applicable, in its payment claims;
 - ➔ *Section 2.6 Inviting tenders for works contract*
 - require the consultant to assess the cost of the works completed, excluding those that are defective, when certifying contractors’ payment claims;
 - where practicable and under safe conditions, conduct joint inspections with the consultant to check the works claimed to have been completed before making payment;
 - require the consultant to submit reports on work progress and financial statements of the project account to the MCs/OCs regularly for monitoring;

- display the reports on work progress and financial statements in a prominent place of the buildings for property owners/occupants' monitoring and information;
- make payment to the contractor in accordance with the contract terms, including the time limit for processing and effecting payments;
- where practicable, appoint the treasurer and at least two MC members to sign the cheques for payments;

 **Section 4.5.3 Building Management Toolkit & Building Financial Management Toolkit**

- require the contractor to provide certificates, test reports and any other relevant documents before releasing the final payment;
- for a high value, complicated project, consider engaging an independent consultant, e.g. a quantity surveyor, to provide independent¹ assessment of contract payment claims and assist the OC in cost control.

Section 3.5 Work Variations



(Analysis 講解部分 : 28'34" – 30'25")

- Work variations refer to changes to the specified works after the award of contract. For example, in carrying out a project originally intended for repair and maintenance of water supply pipes and drains, it may be discovered that the water tank and pump sets also need to be repaired. Such additional works required are work variations if carried out as part of the original contract. Work variations are not uncommon, and are sometimes needed for satisfactory repair and maintenance of the building. However, if not properly controlled, variations could be abused to substantially raise the project cost.

¹ An independent quantity surveyor who is not responsible for issuing works orders to and monitoring the contractor's works provides strong independence in assessing payment claims and exercising cost control. This provides an extra safeguard for the OC from possible exploitation and cost inflation, and the project cost savings that could be achieved could well exceed the independent surveyor's professional fee.



Risks of corruption and malpractices

- Omitting certain repair works from the tender invitation and subsequently causing variation orders to be issued for such works to the contractor at inflated prices after the award of contract
- Causing the issue of orders for unnecessary works during project implementation
- Unnecessary switching to higher-priced materials during project implementation to increase the contractor's profit



Scenario in perspective

- A project manager included only items specified in a repair order in the tender invitation for a building maintenance project. A contractor won the contract with a below-market price.
- The project manager had in fact colluded with the contractor, and subsequently identified other repair/maintenance items and recommended the OC to carry out these items using variation orders at inflated prices.



Tips

Tips for preventing corruption and malpractices

- To minimise the risk of malpractice or abuse in work variations, OCs/MCs are advised to:
 - when engaging a consultant to carry out a building maintenance project in response to a repair order/ notification, require the consultant to assess the need of and advise on all necessary maintenance works, and include, as far as practicable, all necessary works items in the tender specification and the works contract to minimise the need for using variation orders after commencement of the contract;
 - ➔ *Section 2.3 Drawing up scope of maintenance works*
 - require the consultant to justify the needs and seek approval of the MC/OC before ordering/endorsing any work variations;
 - lay down clear financial limits on the maximum amount of variations that the MC is authorised to approve, above which approval from OC meeting should be sought;
 - require the consultant to provide cost estimate for any variations requested;
 - assess the reasonableness of the costs of the work variations required, making reference to the tender prices of similar works items in the contract, if available;
 - for major/costly work variations, where practicable, consider engaging an independent consultant (e.g. a quantity surveyor) to provide independent cost advice;
 - properly document any work variations and the costs involved, and disclose them to all property owners /occupants through notices posted in a prominent place of the buildings.

Section 3.6 Work Completion

- When all the works have been carried out in accordance with the specifications and schedule of works, the consultant will issue a certificate of practical completion to the contractor, upon which the defects liability period (保固期) commences. For repair works required by statutory orders/notices, the consultant is also responsible for preparing and submitting report/certificate of completion to the relevant government departments.

➔ *Section 1.4 Legal requirements relating to building maintenance*

- During the defects liability period, which may last for a few weeks to a few months as specified in the contract, the contractor is responsible for making good any defects found to the satisfaction of the consultant and property owners/OC. At the end of the defects liability period, the consultant will also issue a final certificate for effecting the remaining payments and releasing retention money (保證金)² to the contractor.



Risks of corruption and malpractices

- * Acceptance of substandard/incomplete works, lax supervision on defects rectification, etc.
- * Certifying final completion, or releasing final payment or retention money, before completion of all works or defects rectification

² Retention money refers to the amount of money, which normally ranges from 5% to 10% of the contract sum, held by the OC as a safeguard against defects which may subsequently develop and which the contractor may fail to rectify.



Scenario in perspective

- A works supervisor of the consultant received frequent entertainment from the contractor and exercised lax site supervision, and certified completion for works that were not yet finished or had significant defects.
- The MC Chairman was also compromised (he received gifts from the contractor), and he authorized the release of retention money before the defects were rectified satisfactorily.



Tips for preventing corruption and malpractices

- To prevent corruption and malpractice in certifying work completion, OCs/MCs are advised to:
 - require the consultant to prepare and submit a defects list for agreement by the MC/OC before certifying practical completion of the works;
 - invite all property owners/occupants to report on any defects or outstanding works to the MC/OC, consultant and/or contractor for follow-up actions during defects liability period;
 - where practicable and under safe conditions, conduct joint inspections with the consultant to check the satisfactory completion of the defect rectification works before expiry of the defects liability period and issue of final certificate of completion to the contractor.



Chapter 4 Knocking on the Right Door

Chapter Objectives

- Know where and how to seek advice and assistance regarding building maintenance

Section 4.1 Overview

- Property owners/OCs who receive prompt advice or assistance for their building maintenance projects from independent professionals or relevant government departments or public organisations can better manage their projects and defend themselves against corrupt practices and exploitation. Therefore, it is important that property owners/OCs knock on the right door for assistance and advice. Below is a quick guide on the relevant government departments and public organisations from which property owners/OCs may seek advice/assistance in managing their building maintenance projects, and their respective scopes of service/assistance.

Department/ Organisation	Scopes of Services/Assistance	Reference
Home Affairs Department (HAD)	<ul style="list-style-type: none"> Advisory services for OC formation and operation, such as <ul style="list-style-type: none"> ■ appointment, composition and procedures of MC ■ procurement of supplies, goods and services ■ convening of OC/MC meetings, including use of proxy, etc. ■ management of building funds All other matters in relation to compliance with BMO Building Management Professional Advisory Service Scheme (BMPASS) 	Section 4.2
Urban Renewal Authority (URA)	<ul style="list-style-type: none"> Operation of the Integrated Building Maintenance Assistance Scheme (IBMAS) Operation of the Mandatory Building Inspection Subsidy Scheme (MBISS) Operation of Operation Building Bright 2.0 (OBB 2.0) and Fire Safety Improvement Works Subsidy Scheme (FSWS) Operation of "Smart Tender" Building Rehabilitation Facilitating Services 	Section 4.3

Department/ Organisation	Scopes of Services/Assistance	Reference
Hong Kong Housing Society (HKHS)	<ul style="list-style-type: none"> • Operation of IBMAS • Operation of Building Maintenance Grant Scheme for Elderly Owners (BMGS) • Operation of Voluntary Building Assessment Scheme (VBAS) 	Section 4.4
Independent Commission Against Corruption (ICAC)	<ul style="list-style-type: none"> • Corruption prevention advisory and education services • Reporting corruption 	Section 4.5
Hong Kong Police Force	<ul style="list-style-type: none"> • Crime prevention advisory services • Reporting non-corruption related crimes, e.g. assault, theft 	Section 4.6

Note: The above is a quick reference to the services/support provided by the relevant government departments or organisations in respect of building management at the time of the publication of this Toolkit. As the services/schemes may be subject to review or changes over time, readers should consult the departments/organisations concerned regarding the latest information on their full range of services provided.

Section 4.2 Home Affairs Department

4.2.1 Advice and Support

- The Home Affairs Department (HAD) has set up a Building Management Division to coordinate building management matters. At the district level, District Building Management Liaison Teams (DBMLTs), comprising properly trained Liaison Officers, have been set up in the 18 District Offices to provide outreach support service to owners and OCs, assist owners to form OCs, attend OCs' meetings and give advice to owners on building management problems. DBMLTs will also assist law enforcement departments in enforcing building maintenance and fire safety improvement works, help resolve disputes between owners or between owners and OCs, and arrange the provision of voluntary professional mediation service.



Tips

Do you know?

- A large number of the corruption complaints concerning building maintenance received by the ICAC were based on ungrounded suspicion arising from misunderstandings, communication problems among MC members and property owners, or mis-management, without criminal misconduct. The report of such cases to the ICAC does not help to solve the management problem at all but may lead to unnecessary delay of their building maintenance projects, and even disputes and mistrust among property owners.
- To minimize such misunderstanding and communication problems, it is advisable for property owners/OCs to implement good governance practices and procedures in building management and maintenance, such as adopting proper and transparent processes, and enhancing communication and participation of property owners in building management matters.
- Property owners/OCs may seek advice and support from HAD for the proper management of their buildings, when necessary.

4.2.2 Educational and Publicity Activities

- HAD and its 18 District Offices organize various educational activities, such as seminars, training courses, talks and workshops on building management to provide training for members of MCs, and produce a series of publications and videos etc., for owners and OCs in order to help them in discharging their responsibility for managing and maintaining their properties.

4.2.3 Building Management Professional Advisory Service Scheme (BMPASS)

- To enhance the support to owners of old buildings with low rateable value, HAD has launched a Building Management Professional Advisory Service Scheme (BMPASS) since April 2011. Under BMPASS, property management companies (PMCs) have been engaged to provide tailor-made professional advisory service on building management to property owners of selected buildings in 18 districts throughout Hong Kong.
- The service scope of BMPASS includes:
 - conducting home visits to contact owners direct, and assist them in forming OCs or other forms of owners/residents organizations;
 - preparing management audit reports for the common areas of the buildings;
 - attending OC meetings to provide professional advice and secretarial service;
 - assisting OCs/owners in applying for various loan schemes, as well as following up the repair works and tender procedures;
 - assisting OCs in procuring third party risks insurance; and
 - providing building management training to MC members and owners.

Get more details from:

<http://www.buildingmgt.gov.hk>

 **Annex 8 Useful contacts**

Section 4.3 Urban Renewal Authority

4.3.1 Integrated Building Maintenance Assistance Scheme (IBMAS)

- Integrated Building Maintenance Assistance Scheme (IBMAS), consists of 5 schemes from the Urban Renewal Authority (URA), the Buildings Department (BD) and the Hong Kong Housing Society (HKHS), co-ordinated by URA, providing financial assistance and technical support to property owners.
- Under IBMAS, eligible owners can simply complete one set of application forms for making multiple applications for:
 - Common Area Repair Works Subsidy (公用地方維修津貼)
 - Home Renovation Interest-free Loan (家居維修免息貸款)
 - Owners' Corporation Formation Subsidy (籌組業主立案法團資助)
 - Building Maintenance Grant Scheme for Elderly Owners (長者維修自住物業津貼計劃) (administered by HKHS)
 - Building Safety Loan Scheme (樓宇安全貸款計劃) (administered by the Buildings Department)

4.3.2 Mandatory Building Inspection Subsidy Scheme (MBISS)

- To assist owners in complying with the statutory requirements of the Mandatory Building Inspection Scheme (MBIS), URA and HKHS have launched the Mandatory Building Inspection Subsidy Scheme (MBISS) to provide financial assistance to eligible owners.
- Under the MBISS, each eligible building may receive a subsidy of up to \$100,000, depending on the number of units of the building covered by each statutory notice, for employment of Registered Inspector to carry out the first Prescribed Inspection for common parts of the building and, if any subsidy remained, for inspection of windows in common parts.

4.3.3 Operation Building Bright 2.0 (OBB 2.0) and Fire Safety Improvement Works Subsidy Scheme (FSWS)

- To assist building owners to conduct prescribed inspection and repair works under MBIS and undertake fire safety enhancement measures as required by the Fire Safety Building (Buildings) Ordinance, URA implements Operation Building Bright 2.0 and Fire Safety Improvement Works Subsidy Scheme.
- Based on a risk-based approach, OBB 2.0 focuses on residential and composite buildings aged 50 years or above with relatively low average rateable values, having regard to the relatively higher building safety risks of these buildings. For inspection and repair works specified for the common parts of a building, all eligible applications (except elderly applicants) will be subsidised 80 per cent of the cost subject to a cap of \$40,000 per unit. Elderly eligible applicants aged 60 or above will be subsidised 100 per cent of the cost subject to a cap of \$50,000 per unit. In addition, for private projecting structures under MBIS, all eligible property owners will be subsidised 50 per cent of the cost subject to a cap of \$6,000 per unit. It is estimated that OBB 2.0 would be able to support the commissioning of the inspection and repair works of 2,500 buildings.
- To further assist owners of old buildings in carrying out improvement works to enhance the fire safety standards, FSWS aims at subsidising owners of old composite buildings in complying with requirements of the Fire Safety Building (Buildings) Ordinance. It is estimated that around 2 000 target buildings will benefit from FSWS. The amount of subsidy for eligible building owners, which will be higher than that of existing financial assistance schemes, can be up to a maximum of 60 per cent of the costs of the fire safety improvement works and consultancy fees, or the subsidy ceiling for the corresponding category of buildings, whichever is the less.

4.3.4 "Smart Tender" Building Rehabilitation Facilitating Services

- "Smart Tender" Building Rehabilitation Facilitating Services is a fee-charging service provided by URA, aiming to provide technical assistance and professional advice to the eligible OCs. OCs can procure consultants and contractors by using the electronic tendering platform for the building maintenance works of common areas.

Enquiry: 3188 1188

Get more details from:

<http://www.buildingrehab.org.hk>

 *Annex 8 Useful contacts*

Section 4.4 Hong Kong Housing Society

4.4.1 Integrated Building Maintenance Assistance Scheme (IBMAS)

 *Refer to Section 4.3.1*

4.4.2 Building Maintenance Grant Scheme for Elderly Owners (BMGS)

- Administered by HKHS, BMGS provides financial assistance to elderly owner-occupiers to repair and maintain their buildings as well as to improve building safety. A maximum grant of HK\$40,000 is available for each eligible elderly owner-occupier. The grant can also be used to repay the outstanding loan(s) with the Buildings Department, HKHS or URA in relation to building maintenance.

Enquiry: 3188 1188

Get more details from:

<http://www.hkhs.com/en/our-business/building-rehabilitation>

4.4.3 Voluntary Building Assessment Scheme (VBAS)

- To support the MBIS and the "Mandatory Window Inspection Scheme", HKHS develops and operates VBAS with the objective to encourage buildings on their own initiatives. Buildings certified by VBAS are recognized for the fulfillment of requirements under the MBIS and Mandatory Window Inspection Scheme (in respect of windows of common parts only).

Enquiry: 8108 0108

Get more details from:

<http://vbas.hkhs.com/en/>

 *Annex 8 Useful contacts*

Section 4.5 Independent Commission Against Corruption

4.5.1 Advisory Services

- To help OCs and other building management bodies prevent corruption and adopt ethical practices in building management, the Corruption Prevention Advisory Service of the Independent Commission Against Corruption (ICAC) provides the following free services:
 - confidential advisory service on corruption prevention measures for OCs, PMCs, suppliers and service providers, e.g. application of measures recommended in this Toolkit;
 - advising OCs, PMCs, suppliers and service providers in estate management in drawing up probity guidelines and code of conduct for their members and staff; and
 - organising seminars/briefings jointly with HAD, URA or HKHS on corruption prevention measures in building maintenance for MC members and building management personnel.

 *Annex 7 Corruption Prevention Advisory Service – Consultancy services to private sector*

4.5.2 Education Services

- The Community Relations Department of the ICAC offers the following free education services to building management personnel:
 - arranging visits to OCs and PMCs and training activities to enhance their understanding of the anti-corruption law and corruption-prone areas, as well as encouraging them to adopt preventive measures;
 - offering OCs publicity materials including posters, pamphlets, exhibition panels, stall games etc., to promote clean building management messages; and
 - handling related enquiries and requests for ICAC services.

 **Annex 6 Contacts of ICAC – Enquiries/services**

4.5.3 Building Management Toolkit & Building Financial Management Toolkit

- In addition to this Building Maintenance Toolkit, the ICAC has also compiled a Building Management Toolkit and a Building Financial Management Toolkit which respectively provide OCs and property owners with practical and user-friendly guide on general building management and building financial management.

Get more details from:

Integrity Building Management Enquiry Hotline: 2929 4555

or

<http://www.bm.icac.hk>

4.5.4 Reporting Corruption

- Any party may lodge a corruption report with the ICAC and the information provided will be kept strictly confidential.

Report Corruption Hotline: 25 266 366

 **Annex 6 Contacts of ICAC – Reporting corruption**

Section 4.6 Hong Kong Police Force

4.6.1 Crime Prevention Work of the Police Force

- The Crime Prevention Bureau and Regional Crime Prevention Offices are responsible for the crime prevention work of the Police. They offer, among others, the following types of advice/services: -
 - conducting security surveys for individual premises to identify any security loopholes and give advice to property owners to reduce risks; and
 - organising security seminars for companies, organisations and various groups, and offering assistance and advice whenever possible.

Police Hotline: 2527 7177

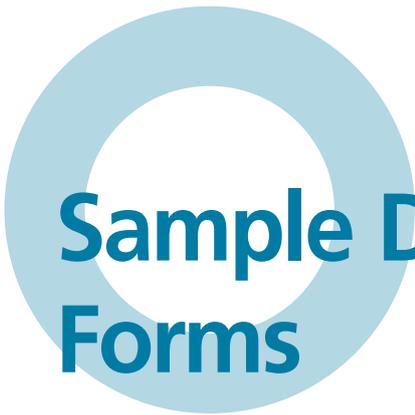
4.6.2 Reporting Non-corruption Related Crimes

- Any party may report non-corruption related crimes to the Police Force.

Emergency: 999

Organised Crime and Triad Hotline: 2527 7887

 **Annex 8 Useful contacts**



Sample Documents/ Forms

The suggested terms and formats of letters, forms and documents for the implementation of building maintenance works in this Toolkit are **for reference only**. Advice should be sought from Project Consultants, if employed by the building owners for the proposed works, on whether such terms and formats should be modified to suit the special circumstances in each maintenance project. If no Project Consultant has been employed, the building owners should at least consult an experienced member from the OC or appropriate person with experience in contract administration. Users of this Toolkit should seek legal advice as and when necessary. The ICAC and its partners in the production of this Toolkit will not accept any liability, legal or otherwise, for loss occasioned to any person acting or refraining from action as a result of any material in this publication.

Form 1

Sample Code of Conduct for Owners' Corporations

Introduction

The Management Committee (MC), as appointed by the Owners' Corporation (OC), is committed to managing the building with integrity, honesty and fairness. The OC has thus passed a resolution that all its agents including members of the MC and the sub-committees, employees and contractors should observe this Code when conducting business for the OC.

Prevention of Bribery Ordinance

2. Any agent of the OC soliciting or accepting an advantage in connection with his work for the OC without the permission of the OC will commit an offence under Section 9(1) and the offeror of the advantage will commit an offence under Section 9(2) of the Prevention of Bribery Ordinance (Cap 201). The term "advantage", as defined in the Ordinance includes money, gift, loan, fee, reward, employment, contract, service and favour but does not include entertainment which is the provision of food or drink for consumption on the occasion.

3. Any agent of the OC using any false documents, records, accounts or receipts with the intent to deceive the OC will commit an offence under Section 9(3) of the Ordinance.

Acceptance of Advantage

4. The OC has passed a resolution that agents of the OC are not allowed to solicit or accept any advantage when conducting business for the OC, unless with the prior permission of the OC in writing. Examples include MC members not to accept gifts from contractors and caretakers not to solicit tips from owners and tenants.

Entertainment

5. Although entertainment is not an advantage and is an acceptable form of social and business activity, agents of the OC (e.g. MC members, works consultants) should avoid accepting lavish or frequent entertainment from business associates of the OC (e.g. contractors or sub-contractors) so as not to put themselves in a position of obligation or affect their judgement. Excessive gambling with and loans from business associates of the OC should also be avoided.

Conflict of Interest

6. A conflict of interest arises when the private interest of an agent of the OC competes or conflicts with the interest of the OC. Private interest includes both the financial and personal interest of the agent and those of his connections. Connections include his family members, relatives and close personal friends.

7. Agents of the OC should avoid any situation which may lead to an actual or perceived conflict of interest and make a declaration to the MC or the OC when such a situation arises. Examples include an MC member holding the shares of a contractor bidding for the OC's contract, and a caretaker being a relative of his supervisor. Failing to declare or avoid conflict of interest may give rise to criticism of favouritism, abuse of authority or even allegation of corruption.

Handling Confidential Information and Accounts

8. Agents of the OC should not disclose any confidential information (e.g. tender price, personal data etc.) of the OC without authorization and should take the necessary measures to protect such information from being abused or misused. Agents should ensure the documents, accounts and receipts submitted to the OC are true and accurate.

Compliance with Code of Conduct

9. It is the responsibility of the agents of the OC to understand and comply with this Code. The OC will ensure agents fully understand and observe the requirements and standards laid down in the Code.

10. Agents of the OC who is in breach of the code of conduct may be dismissed or removed from office by resolution of the OC. In case of suspected corruption or other criminal offences, a report will be made to the ICAC or the appropriate authorities.

11. Any enquiries or complaints on possible breaches of this Code should be directed to the chairman or the MC of the OC.

Form 2(a)

Sample Probity and Anti-collusion Clauses in Tender Documents

Offering Gratuities

- (1) The tenderer shall not, and shall procure that his [employees and agents/employees, agents and sub-contractors]¹ shall not, offer, solicit or accept an advantage as defined in the Prevention of Bribery Ordinance (Cap 201) in connection with the tendering and execution of this [Consultancy Agreement/Contract]¹.
- (2) Failure to so procure or any act of offering, soliciting or accepting advantage referred to in (1) above committed by the tenderer or by an employee, agent or [sub-consultant/sub-contractor]¹ of the tenderer shall, without affecting the tenderer's liability for such failure and act, result in his tender being invalidated.

Anti-collusion

- (1)
 - (a) Subject to sub-clause (2) of this Clause, the tenderer shall not communicate to any person other than the [name of the Owners' Corporation] (hereafter referred to as the Employer) the amount of the tender price or any part thereof until the tenderer is notified by the Employer of the outcome of the tender exercise.
 - (b) Further to paragraph (a) of this sub-clause, the tenderer shall not fix the amount of the tender price or any part thereof by arrangement with any other person, make any arrangement with any person about whether or not he or that other person will or will not submit a tender or otherwise collude with any person in any manner whatsoever in the tendering process.
 - (c) Any breach of or non-compliance with this sub-clause by the tenderer shall, without affecting the tenderer's liability for such breach or non-compliance, invalidate his tender.
- (2) Sub-clause (1)(a) of this Clause shall have no application to the tenderer's communications in strict confidence with:
 - (a) his own insurers or brokers to obtain an insurance quotation for computation of tender price;

- (b) his [sub-consultants/consultants or sub-contractors]¹ to solicit their assistance in preparation of tender submission; and
 - (c) his bankers in relation to financial resources for the [Consultancy Agreement/Contract]¹.
- (3) The tenderer shall submit with his tender a duly signed and witnessed letter in the form set out in the Appendix [see Annex 2(a) – Appendix]. The signatory to the letter shall be a person authorized to sign the [Consultancy Agreement/Contract]¹ on the tenderer's behalf.
- (4) The tenderer shall indemnify and keep indemnified the Employer against all losses, damages, costs or expenses arising out of or in relation to any breach of or non-compliance with sub-clause (1) of this Clause by the tenderer, including but not limited to additional costs due to price escalation, costs and expenses of re-tendering and other costs incurred.

Annex 2(a) - Appendix – Confirmation Letter

To: **[Name of the Owners' Corporation]**

Dear Sir/Madam,

Confirmation Letter for [Consultancy Agreement/Contract]¹ No. []

[I/We]¹, **[(Name of the tenderer) of (Address of the tenderer)]²** refer to [my/our]¹ tender for the above [Consultancy Agreement/Contract]¹.

[I/We]¹ confirm that, before [I/we]¹ sign this letter, [I/we]¹ have read and fully understand this letter and the anti-collusion clause.

[I/We]¹, represent and warrant that in relation to the tender for the above [Consultancy Agreement/Contract]¹:

- (i) [I/We]¹, other than the Excepted Communications referred to in the last paragraph of this letter, have not communicated and will not communicate to any person other than the Employer the amount of the tender price or any part thereof until [I/we]¹ have been notified by the Employer of the outcome of the tender exercise;
- (ii) [I/We]¹ have not fixed and will not fix the amount of the tender price or any part thereof by arrangement with any person;
- (iii) [I/We]¹ have not made and will not make any arrangement with any person as to whether [I/we]¹ or that other person will or will not submit a tender; and
- (iv) [I/We]¹ have not otherwise colluded and will not otherwise collude with any person in any manner whatsoever in the tendering process.

[I/We]¹ shall indemnify and keep indemnified the Employer against all losses, damages, costs or expenses arising out of or in relation to any breach of any of the representations and/or warranties above, including but not limited to damages for delay, costs and expenses of re-tendering and other costs incurred.

In this letter, the expression "Excepted Communications" means [my/our]¹ communications in strict confidence with:

- (i) [my/our]¹ own insurers or brokers to obtain an insurance quotation for computation of tender price;
- (ii) [my/our]¹ [sub-consultants/consultants or sub-contractors]² to solicit their assistance in preparation of tender submission; and
- (iii) [my/our]¹ bankers in relation to financial resources for the [Consultancy Agreement/Contract]¹.

Signed for and on behalf of [***name of the tenderer***] by [***name and position of the signatory***]³:

Name of Witness: _____

Signature of Witness: _____

Occupation: _____

1. *Delete as appropriate*
2. *Where the tenderer comprises two or more persons or companies acting in partnership, joint venture or otherwise, this part in square brackets should be expanded to include the respective names and addresses of such persons or as the case may be companies.*
3. *Where the tenderer comprises two or more persons or companies acting in partnership, joint venture or otherwise, all such persons or as the case may be companies must sign. The signatory for each of such persons or companies shall be a person authorized to sign the Consultancy Agreement/Contract on behalf of that person or as the case may be company.*

Form 2(b)

Sample Ethical Commitment Clauses in Consultancy Agreement

Confidentiality

- (A) Except as necessary for the performance of the Services the Consultant shall not (except with the prior written consent or as instructed by the Employer) disclose the terms and conditions of this Agreement or any report, document, specification, drawing, plan, software, data or other particulars furnished by or on behalf of the Employer in connection therewith, or any such or similar information generated or produced by the Consultant pursuant to this Agreement, to any person other than a person employed or engaged by the Consultant in carrying out this Assignment, an agent of the Consultant, any approved sub-consultant or the Consultant' accountants, insurers and legal advisers.
- (B) Any disclosure to any person, agent, sub-consultant, accountant, insurer, legal adviser permitted under sub-clause (A) of this clause shall be in strict confidence and shall be on a "need to know" basis and extend only so far as may be necessary for the purposes of this Agreement.
- (C) The Consultant shall take all necessary measures (including by way of a code of conduct or contractual provisions where appropriate) to ensure that their directors, employees, agents, sub-consultants, accountants, insurers and legal advisers as mentioned in sub-clause (A) are aware of and shall comply with the confidentiality and non-disclosure provisions contained in this Agreement. If required by the Employer, the Consultant undertake to procure for and on behalf of the Employer a confidentiality agreement in a form to be prescribed by the Employer from any director, employee, agent, sub-consultant, accountant, insurer and legal adviser to whom any confidential information is to be disclosed.
- (D) The Consultant shall not without the prior written consent of the Employer publish, either alone or in conjunction with any other person, in any newspaper, magazine, periodical or through any electronic medium, any article, photograph or illustration relating to this Agreement.
- (E) The Consultant shall indemnify and keep indemnified the Employer against all loss, liabilities, damages, costs, legal costs, professional and other expenses of any nature whatsoever the Employer may suffer, sustain or incur, whether direct or consequential arising out of or in connection with any breach by the Consultant or their directors, employees, agents, sub-consultants, accountants, insurers or legal advisers of this clause.

- (F) The provision of this clause shall survive the termination of this Agreement (however occasioned) and shall continue in full force and effect notwithstanding such termination.

Prevention of Bribery

- (G) The Consultant shall prohibit their directors, employees, agents and sub-consultants who are involved in this Agreement from offering, soliciting or accepting any advantage as defined in the Prevention of Bribery Ordinance (Cap 201). The Consultant shall also caution their directors, employees, agents and sub-consultants against soliciting or accepting any hospitality, entertainment or inducements which would impair their impartiality in relation to the Assignment. The Consultant shall take all necessary measures (including by way of a code of conduct or contractual provisions where appropriate) to ensure that their directors, employees, agents and sub-consultants are aware of the aforesaid prohibition and will not solicit or accept any advantages, hospitality which would impair their impartiality, etc. when conducting business in connection with this Agreement.

Declaration of Conflict of Interest

- (H) The Consultant shall require their employees, agents and sub-consultants who are involved in this Agreement to declare in writing to the Consultant any conflict or potential conflict between their personal/financial interests and their duties in connection with this Agreement. In the event that such conflict or potential conflict is disclosed in a declaration, the Consultant shall forthwith take such reasonable measures as are necessary to mitigate as far as possible or remove the conflict or potential conflict so disclosed.
- (I) The Consultant shall prohibit their employees who are involved in this Agreement from engaging in any work or employment other than in the performance of this Agreement, with or without remuneration, which could create or potentially give rise to a conflict between their personal/financial interests and their duties in connection with this Agreement. The Consultant shall require their agents and sub-consultants to impose similar restriction on their employees by way of a contractual provision.
- (J) The Consultant shall take all necessary measures (including by way of a code of conduct or contractual provisions where appropriate) to ensure that their employees, agents and sub-consultants who are involved in this Agreement are aware of the provisions under the aforesaid sub-clauses (H) and (I).

Declaration of Ethical Commitment

(K) The Consultant shall submit a signed declaration in a form (see Annex 2(b) - Appendix) prescribed or approved by the Employer to confirm compliance with the provisions in aforesaid sub-clauses (A), (B), (C), (D), (E), (F), (G), (H), (I) and (J) on confidentiality, prevention of bribery and declaration of conflict of interest. If the Consultant fail to submit the declaration as required, the Employer shall be entitled to withhold payment until such declaration is submitted and the Consultant shall not be entitled to interest in that period. To demonstrate compliance with the aforesaid sub-clauses (A), (B), (C), (D), (E), (F), (G), (H), (I) and (J) on confidentiality, prevention of bribery and declaration of conflict of interest, the consultant and their sub-consultants employed for the performance of duties under this Agreement are required to deposit with the Employer a code of conduct issued to their staff.

Annex 2(b) - Appendix – Declaration Form

To: **[Name of the Owners' Corporation]**

Agreement Title: _____

In accordance with the Ethical Commitment clauses in the Consultancy Agreement:

- (1) We confirm that we have complied with the following provisions and have ensured that our directors, employees, agents and sub-consultants are aware of the following provisions:
 - (a) Prohibiting our directors, employees, agents and sub-consultants who are involved in this Agreement from offering, soliciting or accepting any advantage as defined in section 2 of the Prevention of Bribery Ordinance (Cap 201) when conducting business in connection with this Agreement;
 - (b) Requiring our employees, agents and sub-consultants who are involved in this Agreement to declare in writing to us any conflict or potential conflict between their personal/financial interests and their duties in connection with this Agreement. In the event that a conflict or potential conflict is disclosed, we will take such reasonable measures as are necessary to mitigate as far as possible or remove the conflict or potential conflict so disclosed;
 - (c) Prohibiting our employees who are involved in this Agreement from engaging in any work or employment other than in the performance of this Agreement, with or without remuneration, which could create or potentially give rise to a conflict between their personal/financial interests and their duties in connection with this Agreement and requiring our sub-consultants to do the same;
 - (d) Taking all measures as necessary to protect any confidential/privileged information or data entrusted to us by or on behalf of the Employer from being divulged to a third party other than those allowed in this Agreement.
- (2) We further confirm that we have ensured that our accountants, insurers and legal advisers are aware of the provisions requiring us taking all measures as necessary to protect any confidential/privileged information or data entrusted to us by or on behalf of the Employer from being divulged to a third party other than those allowed in this Agreement.

(Name of the Consultant) _____

(Name of the Signatory) _____

(Position of the Signatory) _____

(Date) _____

Form 2(c)

Sample Ethical Commitment Clauses in Works Contract

Information not to be Divulged

- (A) The Contractor shall not use or divulge, except for the purpose of the Contract, any information provided by [name of the Owners' Corporation] (hereafter referred to as the Employer) in the Contract or in any subsequent correspondence or documentation. Any disclosure to any person or agent or sub-contractor for the purpose of the Contract shall be in strict confidence and shall be on a "need to know" basis and extend only so far as may be necessary for the purpose of this Contract. The Contractor shall take all necessary measures (including by way of a code of conduct or contractual provisions where appropriate) to ensure that information is not divulged for purposes other than that of this Contract by such person, agent or sub-contractor. The Contractor shall indemnify and keep indemnified the Employer against all loss, liabilities, damages, costs, legal costs, professional and other expenses of any nature whatsoever the Employer may suffer, sustain or incur, whether direct or consequential, arising out of or in connection with any breach of the aforesaid non-disclosure provision by the Contractor or his employees, agents or sub-contractors.

Prevention of Bribery

- (B) The Contractor shall prohibit his employees, agents, and sub-contractors who are involved in this Contract from offering, soliciting or accepting any advantage as defined in the Prevention of Bribery Ordinance (Cap 201) when conducting business in connection with this Contract.

Declaration of Conflict of Interest

- (C) The Contractor shall require his employees, agents and sub-contractors who are involved in this Contract to declare in writing to the Contractor any conflict or potential conflict between their personal/financial interests and their duties in connection with this Contract. In the event that such conflict or potential conflict is disclosed in a declaration, the Contractor shall forthwith take such reasonable measures as are necessary to mitigate as far as possible or remove the conflict or potential conflict so disclosed.

- (D) The Contractor shall prohibit his employees who are involved in this Contract from engaging in any work or employment other than in the performance of this Contract, with or without remuneration, which could create or potentially give rise to a conflict between their personal/financial interests and their duties in connection with this Contract. The Contractor shall also require their subcontractors and agents to impose similar restriction on their employees by way of a contractual provision.
- (E) The Contractor shall take all necessary measures (including by way of a code of conduct or contractual provisions where appropriate) to ensure that his employees, agents and subcontractors are aware of the prohibitions in this clause.

Contractor's Declaration

- (F) The Contractor shall also submit a signed declaration in a form (see Annex 2(c) - Appendix) prescribed or approved by the Employer to confirm compliance with the provisions on ethical commitment as stated in the aforesaid sub-clauses (A), (B), (C), (D) and (E). If the Contractor fails to submit the declaration as required, the Employer shall be entitled to withhold payment until such declaration is submitted and the Contractor shall not be entitled to interest. To demonstrate compliance with the aforesaid sub-clauses (A), (B), (C), (D) and (E) on confidentiality, prevention of bribery, and declaration of conflict of interest, the contractor and their sub-contractors employed for the performance of duties under this Contract are required to deposit with the Employer a code of conduct issued to their staff.

Annex 2(c) - Appendix – Declaration Form

To: **[Name of the Owners' Corporation]**

Contract Title: _____

In accordance with the Ethical Commitment clauses of the Contract, we confirm that we have complied with the following provisions and have ensured that our directors, employees, subcontractors, agents are aware of the following provisions:

- (a) Prohibiting our directors, employees, agents and sub-contractors who are involved in this Contract from offering, soliciting or accepting any advantage as defined in section 2 of the Prevention of Bribery Ordinance (Cap 201) when conducting business in connection with this Contract;
- (b) Requiring our directors, employees, agents and sub-contractors who are involved in this Contract to declare in writing to us any conflict or potential conflict between their personal/financial interests and their duties in connection with this Contract. In the event that a conflict or potential conflict is disclosed, we will take such reasonable measures as are necessary to mitigate as far as possible or remove the conflict or potential conflict so disclosed;
- (c) Prohibiting our directors and employees who are involved in this Contract from engaging in any work or employment other than in the performance of this Contract, with or without remuneration, which could create or potentially give rise to a conflict between their personal/financial interests and their duties in connection with this Contract and requiring our sub-contractors to do the same;
- (d) Taking all measures as necessary to protect any confidential/privileged information or data entrusted to us by or on behalf of the Employer from being divulged to a third party other than those allowed in this Contract.

(Name of the Consultant) _____

(Name of the Signatory) _____

(Position of the Signatory) _____

(Date) _____

Form 3

Sample Form for Declaration of Conflict of Interest

Part A – Declaration of Conflict of Interest

To : * Chairman / Secretary of the Management Committee

Declaration of Conflict of Interest

I understand that if I, my family members and close relatives and personal friends have any direct or indirect interest in any company which has business dealings with the Owners' Corporation (OC), I shall make a declaration to the Management Committee.

I would like to declare the following existing / potential conflict of interest situation arising from the discharge of my duties concerning the operation of the OC or as members of the Management Committee:

- a) Persons / companies with whom / which I have official dealings

- b) My relationship with the persons / companies (e.g. relative)

- c) Relationship of the persons / companies with the OC (e.g. supplier)

- d) Brief description of my duties which involved the persons / companies (e.g. handling of tender exercise)

Position and Name : _____

Signature : _____

Date : _____

(* For a declaration made by the Chairman of the MC, it should be addressed to the Secretary of the MC.)

Part B – Record of Resolution of the Management Committee

Record of Resolution of the Management Committee

With respect to the above declaration, the Management Committee passed the following resolution:

- (name of the person making the declaration)* should refrain from performing or getting involved in performing the work/duty, as described in Part A, which may give rise to a conflict.

- (name of the person making the declaration)* may continue to handle the work/duty as described in Part A, provided that there is no change in the information declared above.

- Others (please specify)

Secretary: _____

Chairman: _____

Signature: _____

Signature: _____

Date of Meeting: _____

Form 3A

Sample Form for Declaration of Conflict of Interest (for use in tender)

Part A – Declaration of Conflict of Interest

To: Chairman / Secretary of the Management Committee* (MC) #

I / we, *(name of the person / body corporate making the declaration)*^{Note 1}, with the following responsibilities / duties in the tender:

(brief description of my / our work)

- confirm that I / we do not have conflict of interest, whether actual, potential or perceived one, in the tender under consideration; and undertake to declare so as soon as I / we become aware of such a conflict.

- would like to declare the following conflict of interest situation (e.g. a MC member engages a bidder of the tender to renovate his flat, a bidder of the tender is a subsidiary of the Property Manager Company^{Note 2}):
 - a) Persons / companies with whom / which I have official dealings

 - b) My relationship with the persons / companies (e.g. relative)

 - c) Relationship of the persons / companies with the OC (e.g. supplier)

Signature : _____

Position and Name : _____

Company Name (if applicable) : _____

Date : _____

(* For a declaration made by the Chairman of the MC, it should be addressed to the Secretary of the MC.)

Part B – Record of Resolution of the MC

With respect to the above declaration, the MC passed the following resolution: #

- (name of the person / body corporate making the declaration)* may continue to handle the work as described in Part A, provided that there is no change in the information declared above.

- (name of the person / body corporate making the declaration)* should be restricted in the work as described in Part A, details as follows *(more than one option could be selected)*:
 - withdraw from the MC meeting during the discussion concerned
 - abstain from voting on the selection of such tender
 - refrain from participating in any tender assessment or negotiation
 - others (please specify) _____

The justification(s) for the resolution above is / are:

Secretary: _____

Chairman: _____

Signature: _____

Signature: _____

Date of Meeting: _____

(# Tick as appropriate)

Note 1 : This form should be completed by the members of the MC and the agents / employees of the Owners' Corporation (e.g. the Deed of Mutual Covenant Manager / the Property Management Company and its employees)

Note 2 : More examples of conflict of interest situation could be found in section 1.5.5 of the Building Management Toolkit; section 1.4 of the Building Financial Management Toolkit; and section 1.5.2 of the Building Maintenance Toolkit

Form 4

Sample Form for Prequalification of Consultants through Open Invitation

Open Invitation for Prequalification of Consultants for Repair and Maintenance Works at *[Name and Address of Building / Estate]*

This is to invite project consultants to express interest in undertaking the above consultancy for the project. Interested consultants please submit the following documents and information to the Owners' Corporation on or before _____ **[Time & Date]** at _____ **[Address]** for pre-qualification.

- (1) Background and organisation of the company (including the year of formation in Hong Kong, number of staff with professional qualification, list of associate consulting firms/subsidiaries, etc.); and CV of the key staff;
- (2) Audited accounts and documents on bank credit line (for the past two years);
- (3) Job reference for consultancy service of maintenance work with similar nature for the past three years, detailing the locations and total value of the maintenance works (preferably attached with the appointment letter issued by the employers, i.e. the Owners' Corporation).
- (4) Copies of relevant government registration licences, including Authorized Persons' Register, Business Registration Certificate;
- (5) Quality assurance certification (e.g. ISO 9001)*;
- (6) Proof of Professional Indemnity Insurance; and
- (7) Company Code of Conduct for Staff (if any).

Contact for enquiry: _____ **[Name & Telephone number of the person authorised by the OC]**

Owner's Corporation of **[Name and Address of Building / Estate]**

(* Delete as appropriate)

Drafting Note:

To provide an indication of the possible scale of the project, OCs may include some basic information in the invitation, such as the number of blocks and flats involved.

Form 5

Sample Form for Prequalification of Contractors through Open Invitation

Open Invitation for Prequalification of Contractors for Repair and Maintenance Works at *[Name and Address of Building/Estate]*

Tenders are invited for a repair and maintenance project at *[Name and Address of Building /Estate]*. Interested companies should submit the following information to the Owners' Corporation on or before _____ *[Date & time]* at _____
_____ *[Address]* for prequalification.

- (1) Copies of Business Registration Certificate and certificates of Registered General Building Contractor / Registered Fire Service Installation Contractor / Licensed Plumbers*;
- (2) Background and organisation of company, including the year of formation, number of staff with professional / technical qualification and CV of key staff;
- (3) Job reference for maintenance projects of a similar nature and with a contract sum above HK\$ _____ in the past three years, including on-going and completed projects (provide details of the locations and value of the project);
- (4) Audited accounts for the past three years and statement issued by lawyer of no involvement in arbitration or litigation (issued within the last 6 months);
- (5) Reference letters issued by past employers, particularly other OCs, and
- (6) Company Code of Conduct (if any).

Contact for enquiry: _____ *[Name & Telephone number of the person authorised by the OC]*

Owner's Corporation of *[Name and Address of Building / Estate]*

(* Delete as appropriate)

Form 6

Sample Evaluation Form for Prequalification of Consultants

[Name of Building/Estate] Repair and Renovation Work Prequalification Assessment of Consultants

Assessment Criteria		A	B	C	D	E	F	G	H
Name of Consultant									
(a)	Limited company	Yes/No							
(b)	Year of formation in Hong Kong								
(c)	Staffing: No. of staff with professional qualification								
(d)	Financial information (e.g. Documentary proof from banks)	Yes/No							
(e)	Relevant job experience: - Being a consultant for repair works (Scope of works)	No. of projects: —							
(f)	Quality Assurance Certification (e.g.: ISO 9001) ¹	Yes/No							
(g)	Reference documents: - Professional Indemnity Insurance	Yes/No							
	- Registration with BD (including Authorized Person (AP) / Registered Structural Engineer (RSE)/ Registered Geotechnical Engineer (RGE))	Yes/No							
(h)	No. of associate consultant firms/subsidiaries	Yes (No. of firms:_) / No							
(i)	Company code of conduct	Yes/No							

Date :			
Signature:			
Name of Assessors :			

¹ The possession of internationally recognized quality assurance certifications (e.g. ISO 9001) by a consultant/ organisation indicates that the consultant/organisation has implemented a quality management system which is in compliance with the requirements/frameworks set out by the international certification bodies (e.g. International Organization for Standardization).

Form 7

Sample Evaluation Form for Prequalification of Contractors

[Name of Building / Estate] Repair and Renovation Work Prequalification Assessment of Contractors

Assessment Criteria		A	B	C	D	E	F	G	H
Name of Contractor									
(a)	Limited company	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No
(b)	Year of formation in Hong Kong								
(c)	CV of key staff including site agent and Board of Directors	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No
(d)	Staffing: - No. of staff with professional / technical qualification; no. of Safety Officer								
(e)	Organisation chart of contractor's site staff	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No
(f)	Financial information (e.g. Documentary proof from banks)	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No
(g)	Experience in building maintenance works projects	No. of Projects:							
	- No. of completed projects for past three years (with name and location of the buildings)								
	- No. of on-going projects (with name and location of the buildings)								
	- Appointment letters issued by the employers (i.e. the OC)	Yes () / No	Yes () / No	Yes () / No	Yes () / No	Yes () / No	Yes () / No	Yes () / No	Yes () / No

Assessment Criteria		A	B	C	D	E	F	G	H
Name of Contractor									
(h)	Reference documents: - Licensed Plumber*	Yes ()/ No							
	- Registered Electrical Contractors*	Yes ()/ No							
	- Registered Fire Service Installation Contractors (Classes I & II)*	Yes ()/ No							
	- Certification by a Legal Advisor – any on-going / previous lawsuits*	Yes ()/ No							
	- Business Registration Certificate (Date of registration)*	Yes ()/ No							
	- Relevant government registration (including RGBC)*	Yes ()/ No							
(i)	Company code of conduct	Yes/No							

(* Delete as appropriate)

Date :			
Signature:			
Name of Assessors :			

Form 8

Sample Form for Invitation of Fee Proposals for Consultancy Agreement

By Fax & By Post (Fax _____)

[Name and Address of Project Consultant]

[Date]

Our ref.:

Dear Sir/Madam,

**Re: Invitation of Fee Proposal for Consultancy Agreement for
Repair and Renovation Work at [Name and Address of Building/Estate]**

We write on behalf of _____ **[Name of the Owners' Corporation]**
(hereafter referred to as the Employer) to invite you to submit a fee proposal in relation to the
maintenance and improvement works at the subject premises.

1. Description of Repair and Renovation Works Required

*[Include a general description of the repair and renovation works required and any orders /
advisory letters issued by the government.]*

2. Scope of Services

The scope of services covered by the fee proposal shall include the following:

Stage I: Preliminary Proposal and Cost Estimate

- 1.1 Assist the Employer to develop the design brief.
- 1.2 Conduct building condition survey and identification of defects[#].
- 1.3 Submit preliminary renovation and repair proposal with sketches and program.
- 1.4 Conduct evening meetings with owners on the preliminary design proposal.

- 1.5 Submit a scheme design and a preliminary cost estimate for the Employer's consideration.
- 1.6 Provide recommendations and guidance for the Employer to select repair options, use of materials, equipment/installation options, etc.
- 1.7 Study all relevant orders/advisory letters issued by the government and incorporate their required works and cost into the design proposal and cost estimate[#].
- 1.8 To liaise with government authorities in connection with the maintenance and improvement works as necessary[#].

(# Delete as appropriate)

Stage II: Preparation of Detailed Design, Cost Estimate and Tendering Arrangement

- 2.1 Review and study relevant drawings and regulations.
- 2.2 Prepare a detailed design (repair details, layout plans, colour schemes, elevations, material samples) for the Employer's consideration.
- 2.3 Prepare a master programme for Employer's consideration.
- 2.4 Prepare a budget estimate for the Employer's consideration.
- 2.5 Prepare tender documents including the schedule of works, form of tender, tender drawings, specifications and particulars for tender for the Employer's consideration.
- 2.6 Conduct pre-qualification of contractors, invite tenders & conduct tender analysis, and make a recommendation for the Employer's consideration.
- 2.7 Inform the successful tenderer on behalf of the Employer.

Stage III: Contract Administration, Site Supervision and Construction Management

- 3.1 Prepare contract documents.
- 3.2 Submit quality site supervision plan.
- 3.3 Conduct site inspections to monitor the progress and quality of works in accordance with the agreed quality site supervision plan.
- 3.4 Liaison with the Management Office for arrangement of site works.
- 3.5 Provide advice to the Employer on variation works.
- 3.6 Provide advice on payments to contractor(s).
- 3.7 Control the project cost.

- 3.8 Issue Certificate of Practical Completion of the work.
- 3.9 Monitor the contractor(s) on defects rectification.
- 3.10 Conduct final inspection upon expiry of Defects Liability Period and prepare Final Accounts.
- 3.11 Handle contractual disputes.
- 3.12 Liaise with government departments on completion of works required by statutory orders/ notices, including preparation and submission of report/certificate of work completion[#].

(# Delete as appropriate)

**(Where there is a condition survey report, add this statement :)*

Enclosed herewith a copy of condition survey report prepared by _____
[Name of Consultant] for your reference.

3. Professional Fee

Separate fee should be quoted for each stage of works as follows:

Stage I: Preliminary Design

Stage II: Detailed Design & Tendering

Stage III: Contract Administration & Construction Management

You may propose the terms of payment in each stage of works.

[Include a requirement for the consultants to submit staffing proposals and breakdown of consultancy fees at individual key stages, as shown below, to facilitate assessment of sufficiency of manpower and reasonableness of consultancy fees.]

	Estimated Time for Each Stage (Month)	Allocation of Working Hours (Total Estimated Working Hours of Each Stage)			Consultancy Services Fee (HK\$)
		Authorized Person (1 No.)	Project Manager (1 No.)	Project Assistant (___No)	
Preliminary Proposal and Cost Estimate (Include building condition survey, develop design brief, cost estimate and liaise with government authorities)					

	Estimated Time for Each Stage (Month)	Allocation of Working Hours (Total Estimated Working Hours of Each Stage)			Consultancy Services Fee (HK\$)
		Authorized Person (1 No.)	Project Manager (1 No.)	Project Assistant (___No)	
Preparation of Tender Document (Compiling all tender documents include design drawings, advise tendering procedures and work arrangement)					
Tendering Stage (Conduct tender analysis and compile report)					
Pre –construction Stage (Advise on fund contribution, contract compiling, review and approval of documents)					
Construction Stage (Project monitoring and all contract administration works)					
Completion Work and Maintenance Stage (Completion work inspection, monitoring and follow up action during maintenance period)					
Total Working Period		Total Consultancy Fee(HK\$)			

Remark: The above-mentioned work include attend management committee meeting/ ordinary general meeting to report and discuss issue related to the repair works.

4. Right of the Employer

The Employer has the liberty to engage partial services for any one of the above stages.

5. Validity of the Proposal

The tender shall be valid for at least 6 months from the date of the fee proposal.

6. Termination of Services

The professional service may be terminated by either party upon a 14-day prior written notice to the last known address of the other party. The consultant shall be remunerated based upon the services rendered up to the date of termination of the appointment.

7. Probity and Anti-Collusion Clauses

[refer to Form 2(a) Sample probity and anti-collusion clauses for tender documents]

8. Insurance

The consultant shall, on written request by the Employer, produce evidence by way of certificate of insurance, receipt of premium or otherwise as appropriate that the professional indemnity and public liability insurance have been effected and remain in effect.

9. Delivery of Proposal

Please submit your fee proposal together with your job reference in a sealed envelope marked conspicuously "Confidential – Tender Document for Fee Proposal for Repair and Renovation Work at _____ **[Name of Building/Estate]**" and send to the tender box at _____ **[Address for Return of Tender]** on or before _____ **[Time and Date for Return of Tender]**.

LATE SUBMISSION WILL NOT BE CONSIDERED.

* Please return the Condition Survey Report as mentioned above with your fee proposal submission.

(* delete as appropriate)

Should you require a site visit, please contact _____ **[Name]** at _____ **[Telephone Number]**. For any queries, please contact _____ **[Name]** at _____ **[Telephone Number]**.

Yours faithfully,

For and on behalf of _____ **[Name of the Owners' Corporation]**

Form 9

Sample Form for Invitation of Tenders for Works Contract

Date:

To: [**Contractor's name and address**]

Tender Invitation – Maintenance Project

You are invited to submit a tender for the maintenance works for our building at _____ [**Name and address of building**]. The details of the works requirements are as shown in the attached Form of Tender [, *Drawings, Specifications*]¹ and Schedule of Works.

If your company is interested in undertaking the above maintenance works, please submit the completed Form of Tender [, *your proposed drawings, specifications*]² and Schedule of Rates in a sealed envelope to the Tender Box at _____ [**Address**] on or before _____ [**Time & Date**]. Late submission will not be accepted.

Your tender should also include a photocopy of your company code of conduct, Business Registration Certificate, certificate(s) of Registered General Building Contractor/ Registered Fire Service Installation Contractor/ Licensed Plumber³. The details of similar projects undertaken including position, contact details of referees and information of your company's financial condition should also be submitted.

Should you require a site visit, please contact _____ [**Name**] at _____ [**Telephone Number**]. For any queries, please contact _____ [**Name**] at _____ [**Telephone Number**].

Stamp and Signature: _____

Name: _____

Chairman

Management Committee of the Owners' Corporation

Encl. Form of Tender ⁴ [, Drawing, Specifications] ¹ and Schedule of Works

Notes on using the sample invitation of tenders

1. To be deleted if no specifications and drawings are provided to the tenderer.
2. To be deleted by the OC before invitation of tender if the tenderer is not invited to submit drawings and specifications.
3. Delete as appropriate.
4. OCs may make reference to the standard form of tender and other tender/contract documents published by the professional bodies.

Form 10

Sample Record of Invitation of Tenders

Invitation letters calling for tenders for _____
have been sent to the following companies :

Name of Company

Address

1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____

Date: _____

Stamp and Signature: _____

Name: _____

Chairman / Member
Management Committee of the Owners' Corporation

Form 11

Sample Tender Opening Record

Tenders for _____ have been invited and those received before the submission deadline were opened on _____ [**date and time**]. A total of _____ tenders in respect of the above-mentioned project were received, names of which and their respective tender prices are listed below:

Name of Tenderer

Tender Price

1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____

Signature of Witness

Name

Post

Signature

1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____

Date: _____

Form 12

Sample Tender Evaluation Form for Consultancy Agreement

_____ **[Name of Building / Estate]**
Tender Evaluation for Consultancy Agreement
for Repair and Renovation Works

Evaluation Criteria		Lowest bid	2 nd lowest bid	3 rd lowest bid
Name of Consultant				
(1)	Limited company			
(2)	No. of staff with professional qualification			
(3)	Financial status			
(4)	Job reference of past three years: Being a consultant for repair works projects	No. of projects		
(5)	Quality assurance certification (e.g.: ISO 9001)			
(6)	Proof of professional indemnity insurance			
(7)	Registered with BD as an AP/RSE/RGE			
(8)	Tender price for:			
	(a) Phase 1	\$	\$	\$
	(b) Phase 2	\$	\$	\$
	(c) Phase 3	\$	\$	\$
	(d) Tender Sum	\$	\$	\$
(9)	Validity period of tender upon return of tender documents	No. of months: _____	No. of months: _____	No. of months: _____
(10)	Scope of services:			
	(a) Standard services	Yes/No	Yes/No	Yes/No
	(b) Additional services	Yes/No	Yes/No	Yes/No
(11)	Company code of conduct	Yes/No	Yes/No	Yes/No
(12)	Others			

Notes: Where necessary, requests for outstanding information from tenderers can be made.

Date :			
Signature:			
Name of Assessors :			

Form 13

Sample Tender Evaluation Form for Works Contract

_____ **[Name of Building / Estate]**
Tender Evaluation for Works Contract
for Repair and Renovation Works

Evaluation Criteria		Lowest bid	2 nd lowest bid	3 rd lowest bid
Name of Contractor				
(1)	Limited company			
(2)	Curriculum Vitae of key staff including site agent and Board of Directors			
(3)	No. of staff with professional / technical qualification			
(4)	No. of Safety Officer			
(5)	Organisation chart of contractor's site staff			
(6)	Experience in building maintenance works projects for past three years:	No. of projects		
	Completed projects			
	On-going projects			
(7)	Financial information (e.g. Documentary proof from banks)			
(8)	Certification by a Legal Advisor – any on-going / previous lawsuits			
(9)	Licensed Plumber			
(10)	Registered Electrical Contractor			
(11)	Registered Fire Service Installation Contractor (Classes I & II)			
(12)	Business Registration Certificate			
(13)	Relevant government registration (including RGBC)			
(14)	Tender Sum	\$	\$	\$
(15)	Validity period of tender upon return of tender documents	No. of months: _____	No. of months: _____	No. of months: _____
(16)	Others			

Notes: Requests for outstanding information from tenderers can be made as necessary.

Date :			
Signature:			
Name of Assessors :			

Form 14

Sample Notices to Tenderers, Property Owners and Occupants

(i) Notice to Property Owners and Occupants

Date:

To: Owners / Occupants

Resolution on the Selection of Consultant/Contractor*

I refer to the tendering exercise held recently for _____
at our building and make reference to the approval by OC at the general meeting held
on _____. After careful consideration, it was resolved that the
consultancy agreement / contract* would be awarded to **[Name of the Company]**, reason(s)
being:

Stamp and Signature: _____

Name: _____

Chairman

Management Committee of the Owners' Corporation

*(*Delete as appropriate)*

(ii) Notice to Successful Tenderer

Date :

To : Tenderer

Tendering Result (For successful tenderer)

I refer to the tender submitted by your company for _____
at our building. I am pleased to inform you that the Owners' Corporation has, after
prudent consideration of your tender, decided to award the consultancy agreement/
contract* to your company. Please contact [Name / post] of the Owners' Corporation at
_____ to discuss the subsequent arrangements.

Stamp and Signature: _____

Name: _____

Chairman

Management Committee of the Owners' Corporation

*(*Delete as appropriate)*

(iii) Notice to Unsuccessful Tenderers

Date:

To: Tenderer

Tendering Result (For unsuccessful tenderer)

With reference to the tender submitted by your company for _____ at our building, I regret to inform you that your company has not been selected for the project. The selected company is _____.

If you have any queries, please contact [**Name / post**] of the Owners' Corporation at _____.

Thank you for taking part in the tendering exercise.

Stamp and Signature: _____

Name: _____

Chairman

Management Committee of the Owners' Corporation



Annexes



Annex 1

Building Defects & Maintenance Tips

Disclaimer:

The following building maintenance hints only offer general information and guidance on maintenance for reference purpose. The building defects list is only for common defects and should not be considered as exhaustive. The maintenance methods provided cannot be regarded as specific solutions suitable for any individual case. It is advised that owners or OCs should seek independent professional advice on details of approach for dealing with individual cases.

Spalling/Defective Concrete



How it looks

- Cracking and bulging concrete
- Falling off concrete with rusty steel bar exposed
- Patterned cracking concrete
- Concrete surface with rust and /or water stain



Possible causes

- Prolonged water seepage/leakage at concrete
- Insufficient concrete cover protection
- Overloading of concrete structure
- Carbonation of concrete



Tips on maintenance

- Saw-cut around loose concrete
- Hack off all loose concrete to expose sound concrete surface
- Chisel concrete to expose steel bar including its behind
- Remove all steel rust and apply primer and bonding agent
- Carry out patch repair with suitable repair mortar

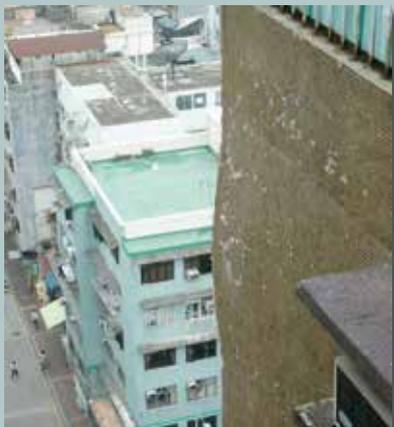
Spalling/Defective Concrete

Other guidance

When area of spalling/defective concrete is very extensive, complete removal of existing concrete and re-casting of new concrete should be more appropriate and cost effective. Professional advice should be sought (e.g. from RSE) including relevant legal requirements as it involves building structure.

Spalling concrete, especially at a high level, can pose a threat to pedestrian. It is advised that those loosen parts, once discovered, should be hacked off immediately where possible and the area underneath should be fenced off before remedial works are carried out.

Debonded Plaster



How it looks

- Bulging on plaster/tiles with/without surface crack
- Hollow sound is noted when tapping on plaster/tile surface
- Falling off/cracked plaster/tiles

Possible causes

- Failure of bonding agent between concrete surface and plaster/tile
- Poor workmanship
- Inappropriate bonding agent used

Tips on maintenance

- Saw-cut around loose plaster/tiles
- Hack off loose plaster/tiles down to concrete surface
- Prepare surface to ensure it is clean
- For tile, apply bonding agent in accordance with manufacturer's specification
- Apply plaster and fix tile in accordance with recognised standard and manufacturer's instruction

Other guidance

Debonded plaster/tile, especially at a high level on external wall, can pose a threat to pedestrian. It is advised that those debonded plaster/tile, once discovered, should be hacked off where possible and the area underneath should be fenced off before remedial work are carried out.

Painting Defects

(i) Peeling Off



How it looks

- Painting detached from wall/other material surface usually like being randomly stripped off

Possible causes

- Inappropriate/lack of primer before applying paint
- Moisture at wall push the paint-film off the wall
- Grease and dirt remain on the base when applying primer

Tips on maintenance

- Apply suitable primer according to manufacturer's instruction
- Rectify water leakage before applying paint work

(ii) Algae & Fungi on Painting Surface



How it looks

- Green, reddish and black colour on external surface signify the different stages of growth at ceiling/wall surface

Possible causes

- Growth of algae and fungi in suitable environment of nutrients, moisture, sunlight, etc.

Tips on maintenance

- Wash all affected areas
- Treat surface with anti-algae solution
- Wash to remove any residue and allow to dry
- Remove water source & moisture
- Apply algistatic high performance water-resistant coating system

Water Leakage/Seepage – Seepage at Wall/Floor/Roof



How it looks

- Damp patches on wall/ceiling surface

Possible causes

- Defective concrete (e.g. honeycomb, crack at external wall) allowing water ingress (rain water) into premises
- Leakage through holes for wall-ties left behind on concrete wall
- Leakage through defective expansion joints of building
- Defective water proofing membrane at roof/floor/ water tank



Tips on maintenance

- Identify the reason and source of leakage
- Hack off all plaster to expose defective concrete
- Seal all cracks & holes by appropriate repairing chemical grout or hack off all defective concrete and recasting concrete
- Repair defective expansion joint
- Replace defective waterproof membrane or all membrane at roof/floor/water tank

Electrical Installations



How it looks

- Wiring, meters and switches installed disorderly
- Outdated/dilapidated electrical installations

Possible causes

- Vandalism
- Unauthorized connection
- Lack of proper maintenance and management



Tips on maintenance

- Appoint a registered electrical contractor to carry out repair works / upgrading works
- Appoint a registered electrical contractor to conduct Periodic Inspection, Testing and Certification for fixed electrical installations, and issue Periodic Test Certificate (WR2) with EMSD's endorsement at least once every 5 years



Plumbing and Drainage System Defects



How it looks

- Damp patches at wall/ceiling
- Foul smell and blockage
- Rusty pipe
- Ruptured/burst pipe
- Yellowish fresh water or sediments in potable water supply system



Possible causes

- Drainage/water pipe concealed inside wall/floor is leaking
- Blockage of drainage pipe due to disposal of solid wastes into drains or inappropriate pipe sizing
- Corroded pipe material causing rusting and ruptured surface
- Corrosion inside galvanized iron pipe in potable water system
- Missing water trap for floor drain and bath tub
- Water-seal dried up in water trap



Tips on maintenance

- Carry out appropriate water testing to identify the leakage source
- Replace defective pipework
- Replace galvanized iron pipe by corrosion resistant pipe in potable water system
- Clean the fresh water tank at least once every 3 months
- Clean the flush water tank at least once every 6 months
- Install water trap for floor drain and bath tub
- Fill up water trap at floor drain with water periodically



Plumbing and Drainage System Defects

Other guidance

It is the legal requirement that a licensed plumber should be engaged to carry out all works related to water supply pipe.

Window Defects



How it looks

- Water leakage through window frames
- Deformed window frame/hinge
- Loosen hinge/screws
- Rusty hinge/screws
- Broken glazing

Possible causes

- Aged/defective water-proof sealant & gaskets
- Defective water-proof grouting between frame and concrete
- Deformed window frame
- Lack of routine inspections
- Lack of rain dripping design at external wall
- Vandalism/ misuse

Tips on maintenance

- Carry out periodic checking and greasing to ensure windows function properly and carry out appropriate repair where necessary
- Replace defective sealant/water proofing grouting/ gaskets/screws/hinges/putty
- Paint the steel window regularly to avoid rusting
- Replace broken glass panel

Other guidance

- It is advised that experienced and competent tradesman should be employed to carry out window checking and repair works.
- Window defects can pose a threat to pedestrian or other third parties. Those defects, once discovered, should be rectified by a competent tradesman as soon as possible.

Building Fire Safety



How it looks

- Fire door damaged/could not self-close
- Missing fire door
- Broken glazing of vision panel
- Malfunction of/expiry of Certificate of Fire Service Installations and Equipment (extinguisher, fire hydrant and hose reel, fire alarm system, exit sign, sprinkler system, emergency lighting, emergency generator, fireman's lift, etc.)



Possible causes

- Vandalism/misuse
- Failure of hinges/door closers of fire doors
- Lack of proper routine maintenance

Tips on maintenance

- Replace/repair damaged parts of fire door such as glazing of vision panels, handles, door hinges and door closers
- Replace whole set of fire door (including door frame) with a valid fire certificate
- Appoint registered FSI contractor to carry out annual inspection and respective repair works to fire service installations and equipment, and issue Form FS251 and report to FSD.



Corrugated Asbestos Cement Sheets



How it looks

- Corrugated asbestos cement sheets in cages, window canopies or roofing structures.
- Other more hazardous forms of asbestos in rope lagging on hot water pipe, fire retardant seal inside cable riser, etc.

Tips on maintenance

- Corrugated asbestos cement sheets do not pose a health risk when intact and left undisturbed. But when the sheets are broken into pieces or dismantled inappropriately, asbestos fibres may be released with great potential of affecting adversely the health of workers and building occupiers.
- Asbestos waste is a chemical waste prescribed under the Waste Disposal (Chemical Waste) (General) Regulation. It shall be placed into metal drums or strong plastic containers before being taken away by licensed chemical waste collector for proper disposal.



Annex 2

Extracts from Building Management Ordinance (Cap 344)

Section 20A

- (1) The procurement of all supplies, goods or services required by a corporation in the exercise of its powers and the performance of its duties under the deed of mutual covenant (if any) or this Ordinance shall comply with such standards and guidelines as may be specified in a Code of Practice relating to such procurement.
- (2) Subject to subsection (2A), any supplies, goods or services referred to in subsection (1) the value of which exceeds or is likely to exceed —
 - (a) the sum of \$200,000 or such other sum in substitution therefor as the Authority may specify by notice in the Gazette; or
 - (b) a sum which is equivalent to 20% of the annual budget of the corporation or such other percentage in substitution therefor as the Authority may specify by notice in the Gazette,

whichever is the lesser, shall be procured by invitation to tender.

(2A) Subsection (2) does not apply to any supplies, goods or services which but for this subsection would be required to be procured by a corporation by invitation to tender (referred to in this subsection as “relevant supplies, goods or services”) if—

- (a) the relevant supplies, goods or services are of the same type as any supplies, goods or services which are for the time being supplied to the corporation by a supplier; and
- (b) the corporation decides by a resolution of the owners passed at a general meeting of the corporation that the relevant supplies, goods or services shall be procured from that supplier on such terms and conditions as specified in the resolution, instead of by invitation to tender.

(2B) Where any supplies, goods or services are required under subsection (2)(b) to be procured by invitation to tender, whether a tender submitted for the purpose is accepted or not shall be decided by a resolution of the owners passed at a general meeting of the corporation.

- (3) (Repealed 5 of 2007 s. 16)

- (4) All tender documents, copies of contracts, accounts and invoices and any other documents in the possession of a corporation and relating to the procurement of supplies, goods and services shall be kept by the corporation for such period, being not less than 6 years, as the corporation may determine.
- (5) A contract for the procurement of any supplies, goods or services shall not be void by reason only that it does not comply with subsection (1).
- (6) Where any supplies, goods or services are required under subsection (2) to be procured by invitation to tender, a contract for the procurement of the supplies, goods or services which does not comply with subsection (2) or (2B) —
 - (a) subject to any resolution passed by the corporation under paragraph (b) or any order made by the court under subsection (7), shall not be void by reason only that it does not comply with subsection (2) or (2B);
 - (b) subject to any order made by the court under subsection (7), may be avoided by the corporation by a resolution of the owners passed at a general meeting of the corporation but only for the reason that it does not comply with subsection (2) or (2B).
- (7) In any legal proceedings in relation to a contract for the procurement of any supplies, goods or services to which subsection (2) or (2B) applies, the court may make such orders (including whether the contract is void or voidable) and give such directions in respect of the rights and obligations of the contractual parties as the court thinks fit having regard to all the circumstances of the case, including (but not limited to) the following factors —
 - (a) whether the supplies, goods or services have been procured by invitation to tender;
 - (b) whether a general meeting of the corporation has been convened to consider the procurement of the supplies, goods or services;
 - (c) whether the Code of Practice referred to in subsection (1) has been complied with;
 - (d) whether the contract has been split, for the sole purpose of avoiding the compliance of the requirements in subsection (2) or (2B), from a contract which should have been made for the procurement of supplies, goods or services of greater value;
 - (e) whether the supplies, goods or services were urgently required;
 - (f) the progress of any activities or works in relation to the supplies, goods or services;
 - (g) whether the owners have benefited from the contract;
 - (h) whether the owners have incurred any financial loss due to the contract and the extent thereof;

- (i) whether the supplier of the supplies, goods or services under the contract has acted in good faith;
 - (j) whether the supplier of the supplies, goods or services under the contract has benefited from the contract; and
 - (k) whether the supplier of the supplies, goods or services under the contract has incurred any financial loss due to the contract and the extent thereof.
- (8) For the purposes of subsection (7), where the court makes an order that the contract is voidable at the instance of the corporation, it shall also make an order that a general meeting of the corporation be convened and held in such manner as the court thinks fit, so as to decide whether the contract is to be avoided.
- (9) For the avoidance of doubt, subject to section 29A, any person who enters into a contract for the procurement of any supplies, goods or services otherwise than in compliance with subsection (2) or, if applicable, subsection (2B) may be personally liable for any claims arising from the contract.

Annex 3

Code of Practice on Procurement of Supplies, Goods & Services (Revised Version)

1.0 INTRODUCTION

- 1.1 This Code of Practice on Procurement of Supplies, Goods & Services (Code of Practice) is issued by the Secretary for Home Affairs, as the Authority under the Building Management Ordinance (Cap. 344) (BMO), under section 44(1)(a) of the Ordinance. This Code of Practice shall be read in conjunction with the relevant provisions in the BMO.
- 1.2 All owners' corporations (OCs) shall comply with this Code of Practice.
- 1.3 For buildings without an OC, pursuant to section 34E of the BMO, the provisions in Schedule 7 shall be impliedly incorporated into every Deed of Mutual Covenant (DMC) made before, on or after the material date as provided under section 34D of the BMO. The DMC manager or any other person who for the time being is, for the purposes of the DMC, managing the building, shall comply with Schedule 7 to the BMO and this Code of Practice in relation to the procurement of supplies, goods and services.
- 1.4 All OCs shall comply with section 20A of the BMO in relation to the procurement of supplies, goods and services. For the avoidance of doubt, all OCs shall comply with the requirements related to tendering in this Code of Practice if invitation to tender is required for the procurement of the supplies, goods or services under section 20A of and paragraph 5 of Schedule 7 to the BMO.

2.0 CODE OF CONDUCT

- 2.1 A Management Committee (MC) shall conduct a tender exercise in an open and fair manner.
- 2.2 In the exercise of his powers and the performance of his duties under the BMO, a member of the MC shall not solicit or accept any advantage from any supplier or contractor in relation to the tender.

- 2.3 An agent¹ (including its employees) or employee of an OC is prohibited from soliciting or accepting any advantage arising from the performance of his duties. An agent or employee of an OC shall declare in writing any actual or potential conflict of interest arising from the performance of his duties in accordance with the guidelines issued by the Independent Commission Against Corruption (ICAC)².
- 2.4 An agent (including its employees) or employee of an OC should declare in writing whether he has any actual, potential or perceived conflict of interest at the start of preparation or deliberation of tender documents or as soon as he becomes aware of a potential conflict.
- 2.5 An agent (including its employees) or employee of an OC should take steps to avoid any conflict of interest with any prospective tenderer or tenderer by not putting himself in a position of obligation towards any of them, for example, by not accepting any favour or lavish or excessive entertainment, and not over-socialising with any of them.
- 2.6 A member of the MC shall disclose in writing to the MC any personal, business or pecuniary interest or any other relationship that he may have with the DMC Manager, Property Management Company, consultants or professional service providers for the OC, or in any of the tenders to be considered by the MC or the OC. An MC member who has indicated a personal, business or pecuniary interest in the tender shall withdraw from the meeting during the discussion concerned and abstain from voting on the selection of such tender at an MC meeting.
- 2.7 The DMC Manager or the Property Management Company (if any) and its employees shall be required to disclose in writing to the MC any personal, business or pecuniary interest that he may have with any MC member, consultants or professional service providers for the OC, or in any of the tenders to be considered by the MC or the OC. The DMC Manager or the Property Management Company (if any) and its employees who have indicated a personal, business or pecuniary interest in the tender shall refrain from participating in any tender assessment or negotiation.
- 2.8 Any declaration by a member of an MC/an agent (including its employees) or employee of an OC should be recorded in the minutes of relevant MC meetings or as part of the tender documents and should be kept for at least six years.

¹ For the purposes of this section, a manager or other professional trade or business firm or person retained and remunerated by the corporation and to carry out any of the duties or powers of the corporation under the BMO or the DMC (if any) pursuant to section 18(2)(c) of the BMO would be regarded as an agent.

² The guidelines in the Building Management Toolkit issued by the ICAC are accessible via the following link: http://www.bm.icac.hk/en/education_and_publicity_materials/education_and_publicity_materials.aspx

3.0 PREPARATION OF INVITATION TO TENDER

- 3.1 The MC shall prepare an invitation to tender setting out the types of supplies, goods or services required, the respective estimated costs, the period open for tender and other terms and conditions of the relevant contract. A copy of the invitation to tender shall be displayed in a prominent place in the building.
- 3.2 MCs are advised to as far as practicable, having regard to the nature of the procurement, adopt open tendering, such as putting advertisements on newspapers, to enhance tender competition and minimise the risks of tender collusion.
- 3.3 An MC shall not split a contract of procurement from a contract which should have been made for the procurement of greater value for the sole purpose of avoiding the compliance of requirements in section 20A of the BMO.
- 3.4 The closing date and time for acceptance of tenders shall be clearly stated in the invitation to tender. Late submissions shall not be accepted.
- 3.5 MCs are advised to build in probity and anti-collusion clauses in the related tender documents. MCs may refer to the Building Management Toolkit³ issued by the ICAC for the sample probity and anti-collusion clauses.
- 3.6 If the tendering exercises involve mandatory works as stipulated in relevant statutory notice(s), order(s) or direction(s) issued by relevant government department(s) or authority(ies) (collectively referred to as government repair orders), such information should be made available to the owners –
 - (a) before the invitation to tender is prepared (e.g. posting the government repair orders in a conspicuous place of the building when received; making available a copy of the government repair orders at the management office for inspection by the owners); and
 - (b) before the resolution concerned is put to vote (e.g. attaching a copy of the government repair orders to the notice of meeting at which the tender is to be approved),so as to facilitate the MC members/owners in understanding and making a well informed decision on the scope of the procurement.

³ The Building Management Toolkit can be accessed via the following link:
http://www.bm.icac.hk/en/education_and_publicity_materials/education_and_publicity_materials.aspx

4.0 NUMBER OF TENDERS TO BE INVITED

- 4.1 Where tender is required pursuant to section 20A of or paragraph 5 of Schedule 7 to the BMO, the minimum number of tenders to be invited shall be as follows –
- (a) three in the case of a contract for the procurement of supplies, goods or services the value of which exceeds \$10,000 but does not exceed \$200,000; or
 - (b) five in the case of a contract for the procurement of supplies, goods or services the value of which exceeds \$200,000.
- 4.2 Where the number of valid tenders obtained is fewer than the number of tenders stipulated above, the MC shall pass a resolution to accept or reject the tender exercise.

5.0 COLLECTION AND OPENING OF TENDERS

- 5.1 A tender shall be in writing and be sealed and deposited in a strong double locked box marked “Tender-Box (投 標 箱)” provided for that purpose only and such box shall be securely located in a prominent place in the building. The two keys of the tender-box are to be separately kept by the chairman, secretary or treasurer.
- 5.2 Where it is impracticable or difficult to comply with the requirement under paragraph 5.1 above, the OC may, by a resolution passed at a general meeting of the OC, accept tenders handed in or sent by post to the registered office of the OC or to a specific venue as resolved at a general meeting. The tenders shall be properly acknowledged and kept safely.
- 5.3 All tenders shall be opened at the same time in the presence of at least three members of the MC who shall countersign and date each of the tenders.
- 5.4 Notwithstanding the requirements set out in this section, where any procurement of supplies, goods and services by an OC is conducted under any Rehabilitation Schemes operated by the Urban Renewal Authority (URA)⁴ the OC should comply with all relevant rules, guidelines and/or requirements relating to the conduct of the tender exercise adopted in such service/scheme instead.

⁴ *The Rehabilitation Schemes operated by the URA may be referred to via the following link:*
<https://www.ura.org.hk/>

6.0 CONSIDERATION AND DECISION ON ACCEPTANCE OF TENDERS⁵

- 6.1 For procurement of supplies, goods and services whose value does not exceed the sum stipulated in section 20A(2)(b) of the BMO, all tenders received shall be submitted to the MC for decision on acceptance at a meeting of the MC.
- 6.2 A tender which requires approval from a general meeting of the OC must be passed by majority votes. Where there are more than two alternatives and no option receives majority votes in the first round of voting, the general meeting of the OC will have to conduct a second round of voting in order to comply with the majority requirement. Some plausible methods of voting are –
- (a) Progressive elimination – After the first round of voting, the general meeting of the OC may eliminate the option with the least number of votes and then carry out the second round of voting. If there is no option which receives majority votes, another round of voting will be carried out, with one more option being eliminated. If this goes on, only two options will be left in the final round of voting. Either one of the options will receive majority votes;
 - (b) Short-listing – After the first round of voting, the general meeting of the OC may short-list the two options which gain the greatest number of votes for a second round of voting. This also means that the ultimate choice fulfils the majority requirement;
 - (c) Confirmation – A second round of voting could be carried out to confirm the option which has attained the greatest number of votes in the first round. This also ensures that majority votes are achieved.
- 6.3 After approving the award of consultancy agreement/works contract, MCs are advised to notify all tenderers, property owners and occupants in writing of the tender result.

⁵ Please also refer to section 20A of and paragraph 5 of Schedule 7 to the BMO.

7.0 KEEPING AND INSPECTION OF DOCUMENTS RELATING TO THE TENDER PROCESS⁶

- 7.1 The MC shall permit the Authority, the tenants' representative, an owner, a registered mortgagee or any other person authorised in writing by an owner or a registered mortgagee to inspect all tender documents, copies of contracts, accounts and invoices and any other documents in the possession of the OC and relating to the procurement of supplies, goods and services at any reasonable time. The MC shall on the payment of a reasonable charge, supply copies of the relevant documents.

8.0 TIMING OF SIGNING CONTRACTS

- 8.1 To reduce possible disputes arising from the signing of contracts between OCs and suppliers/contractors within a very short period of time after the passing of resolutions on certain major projects, for tenders whose value exceeds 20% of the annual budget of the OC, the OC concerned should consider, having regard to the circumstances of the case, signing the contract with suppliers/contractors at least one month after the passing of the relevant resolution at a general meeting of the OC.

⁶ Please also refer to section 20A of the BMO.

Annex 4

Notices or Directions Issued by Various Government Departments

Apart from Buildings Department and Fire Services Department, notices or directions may be issued by other government departments. Some examples are listed below for reference.

(a) Water Supplies Department

Notices may be served to registered consumers of inside services or fire services or to agents of communal services under Section 16 of Waterworks Ordinance (Cap 102) in the following situations:

- ◆ unauthorized alteration of waterworks;
- ◆ waste or pollution of a supply or there being such a risk; or
- ◆ non-compliance of inside services or fire services under the provisions of the Waterworks Ordinance.

(b) Environmental Protection Department (EPD)

The following notices may be served by EPD:

- ◆ under Section 3 of Water Pollution Control (Sewerage) Regulation (Cap 358AL) to enable connection to public sewage system;
- ◆ under Section 10 of Air Pollution Control Ordinance (Cap 311) in respect of emission of air pollutants which may cause deposit of dust/grit or objectionable odour or have adverse health effect, etc.; or
- ◆ under Section 13 of the Noise Control Ordinance (Cap 400) requiring the owner, tenant, occupier or person in charge of the common facilities or commercial/industrial flats of a building to bring his noise emissions into a state of compliance by certain date.

(c) Electrical and Mechanical Services Department (EMSD)

(i) *Electrical installation*

Notice may be served under the Electricity Ordinance (Cap 406) for lack of repair, maintenance and test and to request an owner to rectify any problem associated with an electrical installation in a building so as to ensure electrical safety.

(ii) Gas installation

EMSD may serve an improvement notice under the Gas Safety Ordinance (Cap 51) to remedy any contravention of the Ordinance so as to ensure gas safety. The contravention may be due to lack of repair, maintenance or testing of piped or cylinder gas installations.

(iii) Lift and escalators installations

Notice may be served under the Lifts and Escalators Ordinance (Cap 618) for the lift and escalator installations of building not complying with the legal requirements. The objective is to ensure the lifts and escalators meet safety standards.

(d) Food & Environmental Hygiene Department

Notice may be served under the Public Health and Municipal Services Ordinance (Cap 132) for the abatement of sanitary nuisance arising from water seepage in private premises.

The above list is not exhaustive. The relevant legislations can be downloaded from the Hong Kong e-Legislation (<https://www.elegislation.gov.hk/>).

Annex 5

Extracts from Prevention of Bribery Ordinance (Cap 201)

Section 9 : Corrupt transactions with agents

- (1) Any agent who, without lawful authority or reasonable excuse, solicits or accepts any advantage as an inducement to or reward for or otherwise on account of his-
 - (a) doing or forbearing to do, or having done or forborne to do, any act in relation to his principal's affairs or business; or
 - (b) showing or forbearing to show, or having shown or forborne to show, favour or disfavour to any person in relation to his principal's affairs or business,shall be guilty of an offence.

- (2) Any person who, without lawful authority or reasonable excuse, offers any advantage to any agent as an inducement to or reward for or otherwise on account of the agent's-
 - (a) doing or forbearing to do, or having done or forborne to do, any act in relation to his principal's affairs or business; or
 - (b) showing or forbearing to show, or having shown or forborne to show, favour or disfavour to any person in relation to his principal's affairs or business,shall be guilty of an offence.

- (3) Any agent who, with intent to deceive his principal, uses any receipt, account or other document-
 - (a) in respect of which the principal is interested; and
 - (b) which contains any statement which is false or erroneous or defective in any material particular; and
 - (c) which to his knowledge is intended to mislead the principal,shall be guilty of an offence.

- (4) If an agent solicits or accepts an advantage with the permission of his principal, being permission which complies with subsection (5), neither he nor the person who offered the advantage shall be guilty of an offence under subsection (1) or (2).

(5) For the purposes of subsection (4) permission shall-

- (a) be given before the advantage is offered, solicited or accepted; or
- (b) in any case where an advantage has been offered or accepted without prior permission, be applied for and given as soon as reasonably possible after such offer or acceptance,

and for such permission to be effective for the purposes of subsection (4), the principal shall, before giving such permission, have regard to the circumstances in which it is sought.

Section 2 : Interpretation

"Advantage" means -

- (a) any gift, loan, fee, reward or commission consisting of money or of any valuable security or of other property or interest in property of any description;
- (b) any office, employment or contract;
- (c) any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
- (d) any other service, or favour (other than entertainment), including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted;
- (e) the exercise or forbearance from the exercise of any right or any power or duty; and
- (f) any offer, undertaking or promise, whether conditional or unconditional, of any advantage within the meaning of any of the preceding paragraphs (a), (b), (c), (d) and (e),

but does not include an election donation within the meaning of the Elections (Corrupt and Illegal Conduct) Ordinance (Cap 554), particulars of which are included in an election return in accordance with that Ordinance;

"Entertainment" means -

the provision of food or drink, for consumption on the occasion when it is provided, and of any other entertainment connected with, or provided at the same time as, such provisions.

Annex 6

Contacts of ICAC

Reporting Corruption

- Any party may lodge a corruption complaint with the ICAC through the following channels:

By phone:	25 266 366 (24-hour hotline)
By mail:	G.P.O. Box 1000, Hong Kong
In person:	ICAC Report Centre (24-hour service) G/F, 303 Java Road, North Point, Hong Kong or Any ICAC Regional Offices (opening hours: 9:00 a.m. – 7:00 p.m. Monday to Friday; closed on Saturdays, Sundays and public holidays)

Enquiries / Services

- Any party may also contact the ICAC Regional Offices listed below or call the Integrity Building Management Enquiry Hotline at 2929 4555 for enquiries and corruption prevention services.

ICAC Regional Offices:

Hong Kong East

Address: Unit 3, G/F, East Town Building, 16 Fenwick Street, Wan Chai, Hong Kong
Tel: 2519 6555
Fax: 2824 9766

Hong Kong West/Islands

Address: Ground Floor, Harbour Commercial Building, 124 Connaught Road, Central, H.K.
Tel: 2543 0000
Fax: 2545 5036

Kowloon East/Sai Kung

Address: Shop No. 9, G/F, Chevalier Commercial Centre, 8 Wang Hoi Road, Kowloon Bay,
Kowloon

Tel: 2756 3300

Fax: 2174 4129

Kowloon West

Address: Ground Floor, Nathan Commercial Building, 434-436 Nathan Road, Kowloon

Tel: 2780 8080

Fax: 2770 5158

New Territories East

Address: G06-G13, G/F, Shatin Government Offices, 1 Sheung Wo Che Road, Shatin,
New Territories

Tel: 2606 1144

Fax: 2601 6447

New Territories North West

Address: G/F, Fu Hing Building, 230 Castle Peak Road, Yuen Long, New Territories

Tel: 2459 0459

Fax: 2146 4352

New Territories South West

Address: Shop B1, G/F, Tsuen Kam Centre, 300-350 Castle Peak Road, Tsuen Wan,
New Territories

Tel: 2493 7733

Fax: 2405 6360

Annex 7

Corruption Prevention Advisory Service – Consultancy Services to Private Sector

- The Corruption Advisory Service Prevention (CPAS) of the Corruption Prevention Department, ICAC provides consultancy service to private organisations, e.g. PMCs, consultants and contractors, assisting them in improving management systems, adopting best practices and control measures, and drawing up a code of conduct to prevent abuse and corruption.
- Every year, CPAS provides tailor-made advice to over 300 private organisations on a wide spectrum of systems, such as procurement, store management, sales and accounting, staff administration, works-related contract letting and management, etc.
 - CPAS's service is :
 - Free of charge
 - Tailor-made to suit the organisation's needs
 - All information is handled with strict confidence
 - CPAS pledges to respond to your request within two working days.

To seek advice from CPAS, please contact:

Hotline : 2526 6363

Fax : 2522 0505

Email : cpas@cpd.icac.org.hk

Website : <http://cpas.icac.hk>

Annex 8

Useful Contacts

Government Departments and Public Organisations

- OCs/Owners may contact the following government departments and public organisations for assistance and enquiry related to building maintenance works. Readers can also refer to the relevant websites of the government departments, public organisations and professional institutes for the most updated details of the contacts.

		Home Affairs Department	
Enquires about : <ul style="list-style-type: none">Building management mattersFormation of OCLegal requirements under BMO	31/F, Southorn Centre, 130 Hennessy Road, Wanchai, Hong Kong		
	Website: www.buildingmgt.gov.hk		
	E-mail Address: bm_enq@had.gov.hk		
	Facsimile: 2147 0984		
		District Building Management Liaison Teams of 18 District Offices :	Telephone Number :
		Central and Western	2119 5010
		Eastern	2886 6569
		Southern	2814 5763
		Wan Chai	2835 1999
		Kowloon City	2621 3406
		Kwun Tong	2171 7465
		Sham Shui Po	2150 8175
		Wong Tai Sin	2324 1871
		Yau Tsim Mong	2399 2155
		Islands	2852 4318
		Kwai Tsing	2494 4543
		North	2675 1719
		Sai Kung	3740 5351
		Sha Tin	2158 5388
		Tai Po	2654 1262
		Tsuen Wan	3515 5654
		Tuen Mun	2451 3466
		Yuen Long	2470 1125

Urban Renewal Authority

Enquires about :

- Operation of IBMAS Hotline of 3188 1188 for the following schemes:
 - IBMAS
 - MBISS
 - OBB 2.0
 - FSWS
 - "Smart Tender" Building Rehabilitation Facilitating Services

Head Office : 26/F COSCO Tower, 183 Queen's Road Central, Hong Kong

Website: www.ura.org.hk

E-mail Address: inquiry@mail1.ura.org.hk

Hotline: 2588 2222

Facsimile: 2827 0176

Urban Renewal Resource Centre

Address: No 6., Fuk Tsun Street, Tai Kok Tsui, Kowloon

Telephone: 2588 2488

Hong Kong Housing Society

Enquires about :

- Operation of IBMAS Hotline of 3188 1188 for the following schemes:
 - IBMAS
 - MBISS
- Operation of VBAS Hotline of 8108 0108

Head Office : 29/F World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong

Website: www.hkhs.com

E-mail Address: pmacmo.contact@hkhs.com
(for IBMAS & OBB 2.0)

vbasenquiry@hkhs.com
(for VBAS)

General Enquiry: 3188 1188 / 2839 7128

Facsimile: 2972 2385

Property Management Advisory Centre

Telephone: Main Office 2839 7128

Buildings Department

Enquires about :

- Repair orders and other statutory orders
- Unauthorized building works and dangerous private buildings
- Building Safety Loan Scheme
- Register of APs, RGBC, RI, RSE, RGE, RMWC and other Registered Specialist Contractors
- Building safety

12/F, Pioneer Centre, 750 Nathan Road, Kowloon

Website: www.bd.gov.hk

E-mail Address: enquiry@bd.gov.hk

Enquiry and
Complaint Hotline (24 hours): 2626 1616

(handled by 1823)

Facsimile: 2537 4992

Community Advisory Unit

Opening hours: Monday to Friday

9:00 a.m to 5:00 p.m.

Fire Services Department

Enquires about :

- Fire safety and prevention
- Fire Safety Directions
- FSI Contractors
- FSI Installations
- Fire hazards and dangerous goods

Fire Services Headquarters, 1 Hong Chong Road,
Tsim Sha Tsui East, Kowloon

Website: www.hkfsd.gov.hk

E-mail Address: hkfsdenq@hkfsd.gov.hk

Enquiry and
Complaint Hotline (24 hours): 2723 8787

Fire Safety Command /
Building Improvement Division: 2272 9112

Facsimile: 2716 2970

The local fire stations can be contacted for any inquiry
related to fire services

Civil Engineering and Development Department

Enquires about :

- Information on slope safety and maintenance

Civil Engineering and Development Building,
101 Princess Margaret Road, Homantin, Kowloon

Community Advisory Unit

Telephone: 2760 5800

E-mail Address: cau@cedd.gov.hk

Departmental Website: www.cedd.gov.hk

Hong Kong Slope Safety

Web Site: hkss.cedd.gov.hk

Facsimile: 2762 2389

Drainage Services Department

Enquires about :

- Drainage matters relating to the connection of private drains to the public drainage system

43/F, Revenue Tower, 5 Gloucester Road, Wanchai,
Hong Kong

Website: www.dsd.gov.hk

E-mail Address: enquiry@dsd.gov.hk

Drainage Complaint Hotline
(24 hours): 2300 1110

General Enquiry: 2877 0660

Customer Services Enquiry
(Sewage Services): 2834 9432

Facsimile: 2827 8605

Electrical and Mechanical Services Department

Enquires about :

- Electrical installation notices
- Gas installation notices
- Lift and escalators installations notices
- Registered Electrical Contractors and Workers
- Registered Gas Installers, Registered Gas Contractors and Competent Persons
- Registered Lift and Escalators Contractors, Engineers and Workers

3 Kai Shing Street, Kowloon, Hong Kong.

Website: www.emsd.gov.hk

E-mail Address: info@emsd.gov.hk

Hotline (24 hours): 1823

Facsimile: 2890 7493

Customer Services Office

Office Hours : Monday – Friday

(Closed on Saturdays, Sundays and
Public Holidays)

9:00am - 5:15pm

Water Supplies Department

Enquires about :

- Notices about unauthorized alteration of water works, pollution of a water supply and other non-compliance of Waterworks Ordinance
- Application for water supply
- Take-up and give-up of water accounts
- Billing information
- Licensed Plumbers

48/F Immigration Tower, 7 Gloucester Road, Wan Chai, Hong Kong

Website: www.wsd.gov.hk

E-mail Address: wsdinfo@wsd.gov.hk

Customer Service Hotline: 2824 5000

Facsimile: 2824 0578

Environmental Protection Department

Enquires about :

- Statutory notices served by EPD
- Registered Asbestos Contractors and Registered Asbestos Consultants
- Practices in green property management

15/F & 16/F, East Wing, Central Government Offices,
2 Tim Mei Avenue, Tamar, Hong Kong

Website: www.epd.gov.hk/epd/eindex.html

E-mail Address: enquiry@epd.gov.hk

Hotline: 2838 3111

Facsimile: 2838 3111

Green Property Management Website:
www.epd.gov.hk/epd/english/greenproperty/index.html

Hong Kong Police Force

Enquires about :

- Reporting non-corruption related crime
- Crime prevention

1 Arsenal Street, Wanchai, Hong Kong

Website: www.police.gov.hk

Police Hotline: 2527 7177

Reporting Crime

Emergency: 999

Organised Crime
and Triad: 2527 7887

E-mail Address: crimeinformation@police.gov.hk

Crime Prevention

Telephone: 2721 2486

E-mail Address: crimepre@police.gov.hk

Professional Bodies

- Building professionals are mainly architects, engineers and surveyors who are involved extensively in building construction, alteration and maintenance matters. Many of them are members of the Hong Kong Institute of Architects, the Hong Kong Institution of Engineers and the Hong Kong Institute of Surveyors.

The Hong Kong Institute of Surveyors

Room 1205, 12/F, Wing On Centre, 111 Connaught Road Central, Sheung Wan, Hong Kong

Website: www.hkis.org.hk

E-mail Address: info@hkis.org.hk

Tel No.: 2526 3679

Facsimile: 2868 4612

The Hong Kong Institution of Engineers

9/F Island Beverley, 1 Great George Street, Causeway Bay, Hong Kong

Website: www.hkie.org.hk

E-mail Address: hkie-sec@hkie.org.hk

Tel No.: 2895 4446

Facsimile: 2577 7791

The Hong Kong Institute of Architects

19/F One Hysan Avenue, Causeway Bay, Hong Kong

Website: www.hkia.net

E-mail Address: info@hkia.net

Tel No.: 2511 6323

Facsimile: 2519 6011