

Application Notes  
(AN-ST)



“Smart Tender”  
Building Rehabilitation  
Facilitating Services

Enquiry  
**3188 1188**



# Notes for Smart Tender

## 1. "Smart Tender" Building Rehabilitation Facilitating Services

- 1.1 "Smart Tender" Building Rehabilitation Facilitating Services ("the Scheme") is a fee-based service scheme that aims to provide support services to owners' organizations (hereinafter referred to as "applicant" or "applicants" as the context may require) in relation to building rehabilitation works and through the e-tendering platform to recruit authorized persons / registered inspectors (or consultant company that can provide relevant services) and qualified registered contractors to carry out rehabilitation works in common areas of the building.
- 1.2 The Urban Renewal Authority (hereinafter referred to as "URA") acts as a facilitator in the Smart Tender, aiming to enhance the applicants' understanding of preparing building rehabilitation works through the process of the Smart Tender. This equips the applicants with more information for reference when procuring consultants and contractors. Therefore, the URA does not participate in or influence any decisions made by the applicants. If applicants are aware of any suspicious activities during the preparation of building rehabilitation works, such as potential tender-rigging or bribery, they are advised to promptly seek assistance from the relevant law enforcement agencies for investigation.

## 2. Eligibility Criteria for Participation

- 2.1 For participating in the scheme, all buildings to which applicants belong must meet the following criteria:
  - a. The use of the building is a private building (including buildings held by Civil Servants' Co-operative Building Society ("**CBS**") or composite buildings (commercial and residential). The use of building as specified in the building occupation permit (also known as the "Occupation Permit") shall be treated as conclusive.
  - b. Authorized persons/ registered inspectors must be employed to conduct surveys and coordinate repair works.
  - c. If a joint application of more than one applicant includes the following situations:
    - i. Multiple owners' organizations have been formed in the same building and joint repair works are planned; or
    - ii. Multiple owners' organizations have been formed in the same housing estate (including multiple buildings) and joint repair works are planned.
  - d. When multiple applicants submit a joint application, they must use the same tender document to jointly employ the same authorized person / registered inspector to coordinate the repair works and employ the same qualified registered contractor to carry out the repair works of the common parts of the building.

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2.2 The following buildings cannot participate in this scheme:

- a. The building has single ownership (except if the building ownership belongs to a CBS);
- b. The number of floors of the building is 3 stories or below, which shall be based on the number of floors specified in the "Occupation Permit";
- c. An authorized person/registered inspector has been employed before submitting the application;
- d. This scheme does not accept **staged service arrangements**. For example, the 'applicant' has employed an authorized person / registered inspector before submitting the application form; or the rehabilitation progress has entered the stage of recruiting qualified registered contractors and the applicant only wants to use the URA's e-tendering Platform to recruit qualified registered contractors.

2.3

This scheme is designed to assist owners in carrying out rehabilitation works on common parts of buildings. However, it is not applicable to rehabilitation works carried out solely for the following items:

- a. Repairing retaining walls or slopes;
- b. Replacing or repairing recreational facilities;
- c. Replacing, upgrading or repairing electrical installations and system works;  
or
- d. Replacing, upgrading or repairing lift facilities.

## 3. Submission of Application Form and Required Documents

- 3.1 If an owners' corporation ("Owners' Corporation") has been established for the building, the application must be submitted by the Owners' Corporation as the applicant to the URA.
- 3.2 For buildings without an Owners' Corporation (including CBS buildings), all owners or CBS must submit an application as the applicant to the URA. Applicants should first refer to "Application Notes for building without Owners' Corporation" in Appendix I of the Application Form of this scheme to understand the relevant application regulations and requirements.
- 3.3 Application Form for this scheme can be returned to the URA via the following methods
  - a. Online submission: Website: <https://applicant.ura.org.hk/>
  - b. By post or in person to the URA's office listed on page 13 of the application form for the scheme.
- 3.4 Each applicant making a joint application must be authorized by all owners' general meetings. Please refer to the requirements listed in paragraph 3.6 of this Application Notes for details, and submit copies of the notices and minutes of meeting of the owners' general meeting.
- 3.5 The buildings or housing estates under each application must be covered by the same Deed of Mutual Covenant ("DMC"). If there are more than one DMC for the same building or housing estate, each part of the building or estate covered by a separate DMC must complete and submit a separate application form respectively.

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- 3.6 "Applicants" who meet the application requirements must submit all the following documents to the URA:
- a. Completed and signed "Smart Tender" Building Rehabilitation Facilitating Services Application Form ("Application Form") under the "Integrated Building Rehabilitation Assistance Scheme" and;
  - b. For buildings with an established Owners' Corporation, the following matters must be resolved by the owners' general meeting as required by the Building Management Ordinance (Cap. 344) and the building's DMC on or before the date of application, and copies of the notices and minutes of the meeting which the following matters have been resolved must be submitted together with the Application Form;
  - c. The agenda to participate in the "Smart Tender" Building Rehabilitation Facilitating Services is as follows:
    - i. To resolve on joining the "Smart Tender" Building Rehabilitation Facilitating Services of the URA with a fee payable in Hong Kong dollars [ ***for service charges, please refer to Appendix I of this Application Notes***, which includes the appointment of a designated company arranged by the URA to be the independent professional of **[name of building or housing estate]** in the "Smart Tender" Building Rehabilitation Facilitating Services;
    - ii. The Owners' Corporation is authorized as the applicant and at least two representatives of the management committee members are authorized to sign relevant documents with the independent professional and the URA on behalf of the **[name of building or housing estate]**;
    - iii. To appoint the URA to act as an agent to represent **[name of building or housing estate]** in the arrangement and hiring of the following persons or companies to provide related services:
      - (1) The designated service provider provides e-tendering platform services to conduct the tendering process for recruiting authorized persons / registered inspectors (or consultant firms that can provide relevant services) and qualified registered contractors;
      - (2) An independent professional or professional accountant shall supervise the tender opening process in item iii(1) above and assist in handling the relevant procedures of tender opening.
  - d. Others
    - i. In addition to the above resolutions, **if the applicant belongs to a joint application case**, the resolution to jointly carry out building rehabilitation and participate in this scheme must be passed at the individual owners' general meeting, and the same tender will be used to jointly employ the same authorized persons/registered inspectors and the same qualified registered contractors to carry out building rehabilitation works ( the actual project items may vary depending on the conditions of individual buildings );

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- ii. For buildings without Owners' Corporations or buildings held by CBS, the relevant resolution should be passed in accordance with "Application Notes for building without Owners' Corporation" in Appendix I of the application form for "Smart Tender" Building Rehabilitation Facilitating Services, and a copy of the minutes of meeting should be submitted.
  - e. A copy of the Mandatory Building Inspection Notices or statutory orders or advisory letters issued by government departments on improving the safety of common areas of the building (if applicable).
- 3.7 When there are more than one Owners' Corporation or more than one Deed of Mutual Covenant in the same building or housing estate, the URA has the sole discretion to decide whether to accept any joint application.

## 4 Approval procedures and requirements

- 4.1 The URA will notify the applicant in writing to confirm the receipt of the application form.
- 4.2 Applicants who are approved to participate in this scheme will receive a "Service Agreement Notice" issued by the URA.

The applicant and the URA, and the independent professional arranged by the URA for the applicant to employ will sign a "Service Agreement" and a "Tripartite Agreement" respectively to confirm the responsibilities of each party and the scope of services provided. For the templates of the above two agreements, you can scan the QR code below and download the relevant documents:



(Building Rehabilitation Platform > Download Center > Others> " Service Agreement " and " Tripartite Agreement ")

- 4.3 Unless otherwise specified, after the successful applicant signs a service agreement, he/she must pay the relevant service fees in accordance with the provisions of the agreement. The URA will provide services after receiving the service fees.
- 4.4 Successful applicants must follow the relevant guidelines and legal requirements to engage in the process of hiring consultant firms and qualified registered contractors, and require relevant parties to cooperate with the requirements and guidelines of the "DIY Tool-kits" manual of this scheme (for details, please refer to paragraph 5.1a below) and of the URA respectively. If the URA discovers any non-compliance with the guidelines or the tender progress does not meet the progress requirements in the "Service Agreement Notice", and the successful applicant fails to provide a reasonable explanation or take remedial measures after being notified, the URA will consider terminating the provision of relevant services and will not refund the service fees for the part of this scheme that has been carried out.

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- 4.5 The successful applicant must meet the progress requirements for convening an owners' meeting to select a contractor within the date specified in the "Service Agreement" (usually **21 months**).
- 4.6 The URA reserves the right to reject an application at any stage without disclosing the reasons and without assuming any responsibility to the applicant or any other person. In addition, the URA reserves the right of final decision on the interpretation of all application provisions.

## 5 Contents of Services and Charges

### 5.1 Content of Service

The URA will, as an agent of the applicant, arrange independent professional to provide "Smart Tender" services. Major services include:

- a. Providing "DIY Tool-kits" to successful applicants – It includes standard templates and recommended / mandatory terms and provisions for the recruitment of authorized persons / registered inspectors and qualified registered contractors, as well as other relevant guidelines and tips for organizing building rehabilitation work. Standard templates and suggestions for the recruitment of authorized persons / registered inspectors and qualified registered contractors, as well as other relevant guidelines and tips for organizing building rehabilitation work are contained in the "Building Rehabilitation Guidebook". Please scan the QR codes on the right to view relevant information;
- b. Arrange to employ independent professional for successful applicants to provide professional and technical advice on general building rehabilitation matters at different stages and provide project cost estimates for relevant rehabilitation items;
- c. Arrange for the successful applicant to employ independent professional, and review the survey report, tender documents, project cost estimates and tender analysis reports prepared by the authorized person/registered inspector and provide opinions;
- d. Provide an e-tendering platform as an agent for successful applicants to recruit authorized persons / registered inspectors and qualified registered contractors;
- e. Employ professional accountant (or independent professional) as an agent for the successful applicant to handle the tender opening process.



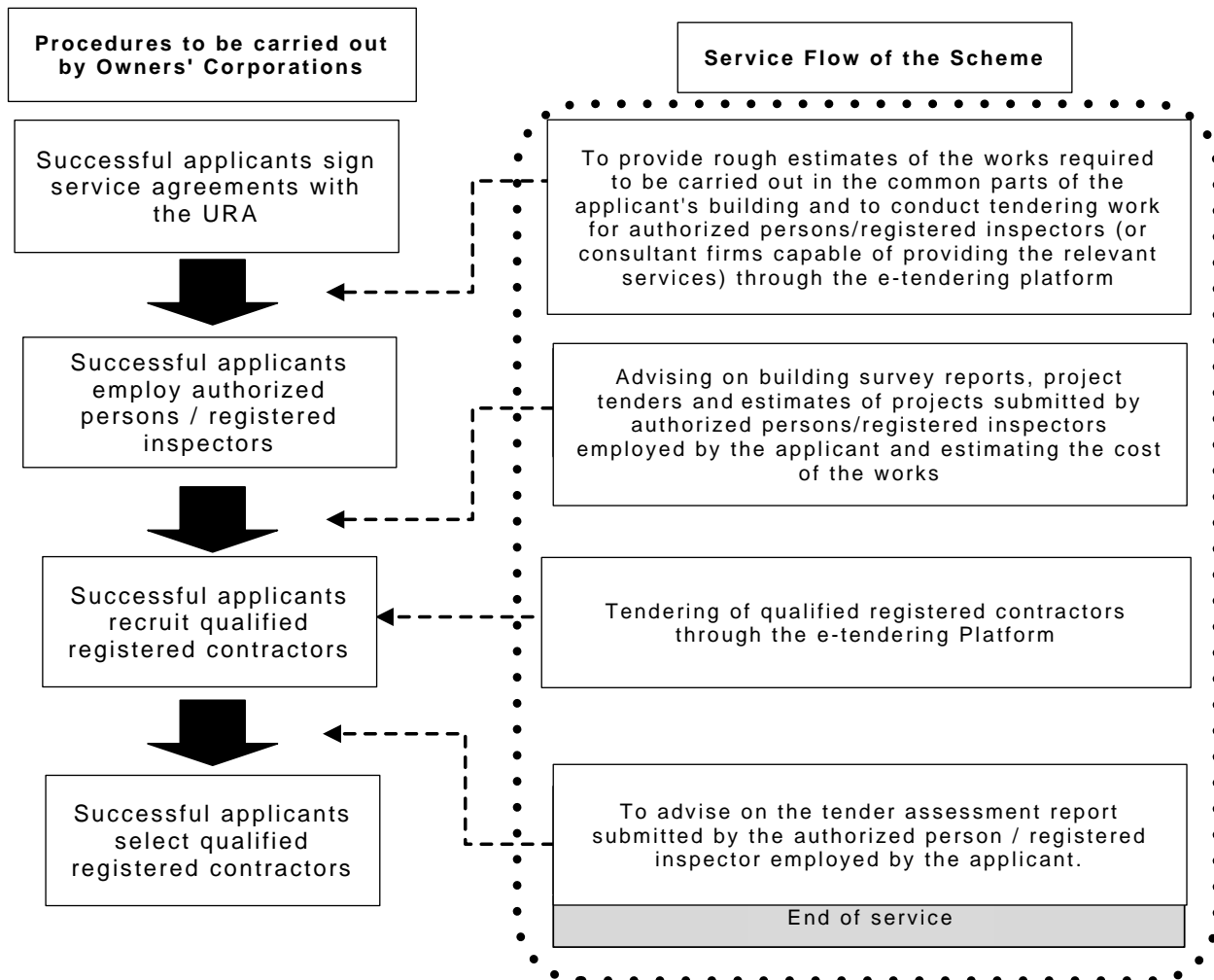
### 5.2 Charges of Service

This scheme is **a fee-based service** designed to recover operating costs. Applicants may refer to **Appendix I** of this Notes of Application for fee details.

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## 5.3 Process of Service


The service process of this scheme is as follows:



## 6 Points to Be Noted

- 6.1 The services of the URA are to (i) arrange for the appointment of an independent professional for the successful applicant, (ii) engage as an agent to recruit an e-tendering platform service provider and a certified public accountant (or independent professional) for the successful applicant, (iii) provide technical assistance and professional advice to the successful applicant without replacing the original roles and responsibilities of the authorized person / registered inspector employed by the successful applicant.
- 6.2 The URA will not intervene or interfere with the owners' decision to select authorized persons / registered inspectors and qualified registered building contractors. Owners can choose the most suitable one according to their wishes. If the owner discovers any criminal or unfair situation during the process, he/she should report it to the relevant government departments or specialized institutes.

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- 6.3 The applicants are required to comply with the requirements of Building Management Ordinance (Cap.344) and the Deed of Mutual Covenant when preparing the building rehabilitation works. They should make appropriate arrangements based on the specific circumstances of the building / estate, including how to analyze the received tenders and how to consult other owners regarding the issues of the building rehabilitation works.
- 6.4 The URA reserves the right to amend the application eligibility requirements and other details of this scheme without prior notice. The latest information will be uploaded to the website of the "Building Rehabilitation Platform".
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- 6.5 This application note does not constitute any commitment or guarantee from the URA to the applicant. The above points are not comprehensive information about this scheme. All the terms and conditions are subject to the approval document of the URA and the two agreements mentioned in paragraph 4.2 of this Application Notes.
- 6.6 The URA reserves the right not to accept an application under the following situations:
- a. the applicant has engaged or is engaging in (or URA has reason to believe that the applicant has engaged or is engaging in) any act or activity that is likely to constitute or cause the occurrence of any offence endangering national security or which would otherwise be contrary to the interest of national security; or
  - b. such non-acceptance is in URA's opinion necessary for safeguarding national security, or protecting public interest, public morals, public order or public safety.

Scheme Enquiry Hotline: 3188 1188

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# Notes for Smart Tender

## Appendix I

### Fees Schedule

In October 2017, the URA launched the "Smart Tender" concession scheme to coordinate with the government's allocation of \$300 million to allow property owners to participate in the 'Smart Tender' scheme at a concessionary rate. The relevant service charges are detailed as follows:

Divisions of tiers based on Average Annual Rateable Value <sup>(1)</sup> of the Domestic Units in Subject Building	Total number <sup>(2)</sup> of residential and commercial units (Except parking spaces)	Service fee (HKD)	Concession fee under the concession scheme (HKD)
<b>Tier 1</b>			
<b>Less than \$187,001 (Urban) or \$143,001 (New Territories)</b>	≤ 400 units	\$25,000	<b>\$1,250</b>
	401 – 800 units	\$45,000	<b>\$2,250</b>
	801 – 1200 units	\$60,000	<b>\$3,000</b>
	> 1200 units	\$75,000	<b>\$3,750</b>
<b>Tier 2</b>			
<b>\$187,001 to \$306,000 (Urban) or \$143,001 to \$163,000 (New Territories)</b>	≤ 400 units	\$50,000	<b>\$10,000</b>
	401 – 800 units	\$100,000	<b>\$20,000</b>
	801 – 1200 units	\$130,000	<b>\$26,000</b>
	> 1200 units	\$160,000	<b>\$32,000</b>
<b>Tier 3</b>			
<b>More than \$306,000 (Urban) or \$163,000 (New Territories)</b>	≤ 400 pieces	\$50,000	<b>\$25,000</b>
	401 – 800	\$100,000	<b>\$50,000</b>
	801 – 1200	\$130,000	<b>\$65,000</b>
	> 1200	\$160,000	<b>\$80,000</b>
<b>Note:</b> <ol style="list-style-type: none"> <li>1. Urban – Hong Kong Island, Kowloon, Shatin, Kwai Tsing, and Tsuen Wan; New Territories. – New Territories excluding Shatin, Kwai Tsing, and Tsuen Wan;</li> <li>2. The number of units include the domestic and commercial units (excluding car park spaces), and the number of units is calculated based on the number shown in the "Occupation Permits" of this applicant's building or the Deed of Mutual Covenant of the building, whichever is higher; and</li> <li>3. If the number of units in the "Occupation Permits" and the Deed of Mutual Covenant of the building are unclear, the record in the Land Registry when the applicant submits the application will be used as the basis; and the actual service fee will be stated in the "Service Agreement Notice".</li> </ol>			