

Briefing on Concessionary Scheme of “Smart Tender” by Urban Renewal Authority

1) Introduction

- Since May 2016, Urban Renewal Authority (“URA”) has rolled out the “Smart Tender – Building Rehabilitation Facilitating Scheme” with an aim to reduce the building owners’ exposure to tender rigging during the process of procuring contractors for carrying out common area rehabilitation works by providing more information, independent cost estimation and E-Tendering Platform.
- In response to the positive feedback from the community, URA had refined the eligibility criteria of Smart Tender previously so that the building owners of all private residential/composite buildings, regardless of the building age and the average rateable value, are now eligible for applying the services of Smart Tender. In addition, no limit on the number of Smart Tender applications being handled per year would be set. In order to encourage the owners to join Smart Tender, the building owners who have joined IBMAS and MBISS are also allowed to join Smart Tender.
- The Government has announced that, in 2017/18 financial year, \$300 million are earmarked to subsidize the building owners to join Smart Tender at the concessionary rate and URA has subsequently launched a concession scheme for Smart Tender since 3 Oct 2017. Up to 25 Oct 2017, a total of 140 valid applications for Smart Tender have been received, of which 67 have been approved.
- Smart Tender is one of the URA’s new initiative for building rehabilitation and URA will keep on working with the Government, District Councils and the stakeholders in the community to promote the proper building rehabilitation works so as to create a safe and comfortable living environment to the public.

2) Concession Scheme and Concessionary fee

- The subsidy amounts cover up to 50% to 95% of the prevailing fees.
- The concessionary fees are tabulated in the Appendix.

3) Scope of Services

- A **DIY tool-kit**, which includes the guidelines, standard templates and helpful tips, is given to guide building owners in the procurement of consultants and contractors to undertake the building rehabilitation works.
- An **independent advisor** is arranged to offer professional and technical advice at different stages of the maintenance and repair works and to provide an independent cost estimate for the proposed repair works.
- The **independent advisor** also reviews and gives comments on the condition survey report, tender document, cost estimates and tender analysis report of works tenders, which are prepared and produced by the consultant who is directly appointed by building owners.
- URA, as an agent, provides an **electronic tendering platform** for building owners to procure works contractor.
- URA, as an agent, arranges Certified Public Accountants (or Independent advisor) to administer the tender opening process.