

**Memorandum for the Finance Committee of
the Hong Kong Housing Authority**

**Report on Exercise of Delegated Financial Authority
for the Quarter Ended 30 June 2021**

PURPOSE

This paper informs Members of the delegated financial authority exercised in the quarter ended 30 June 2021.

BACKGROUND

2. The delegated financial authority to officers of the Housing Authority/Housing Department was approved by the Finance Committee (FC). Quarterly reports are submitted to FC on the delegated financial authority exercised by Chairman of the Housing Department Tender Board (HDTB) on the advice of HDTB, and by officers at D3 level or above.

EXERCISE OF DELEGATED FINANCIAL AUTHORITY

3. The approvals given by Chairman of HDTB and by officers at D3 level or above for the quarter ended 30 June 2021 are set out in the annexes –

- (a) Summary of the exercise of delegated financial authority – **Annex 1**;
- (b) Items approved by Chairman of HDTB, on the advice of HDTB – **Annex 2**;
- (c) Items approved by officers at D3 level or above – **Annex 3**; and
- (d) Major contract variations of \$5M or more in value – **Annex 4**.

PUBLIC REACTION/PUBLICITY

4. No publicity will be arranged for the information in this paper.

INFORMATION

5. This paper is issued for Members' information.

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File Ref. : HD1-2/FPD/4-10/83/72(B)
(Corporate Services Division)

Date of Issue : 23 August 2021

**Summary of the Exercise of Delegated Financial Authority
(for the quarter ended 30 June 2021)**

- (i) Items approved by Chairman of the Housing Department Tender Board (HDTB) on the advice of HDTB (details set out in **Annex 2**)

Number of approvals	Total amount approved \$
14	488,469,826

- (ii) Items approved by officers at D3 level or above (details set out in **Annex 3**)

	Number of approvals	Total amount approved \$
Reduction in Project Budget	3	1,278,552,000
Other items	21	129,529,904

- (iii) Major contract variations (\$5M or more in value) approved (details set out in **Annex 4**)

Number of approvals	Total amount approved \$
4	206,100,000

**Items approved by Chairman of the Housing Department Tender Board (HDTB) on the advice of HDTB
under Delegated Financial Authority
(for the quarter ended 30 June 2021)**

Serial No.	Description of Items Approved	Name of Tenderer/Counterparty	Amount (\$)
(I) Works and Works Related Services			
1	Tender for provision of body-shopped works supervisors II (construction) and building services ambassadors (Batch 23)	John HY Yip Surveyors Limited	45,389,378
2	Tenders for term agreements of professional services for factory inspection of precast concrete components produced in Guangdong Province (2021-2023)		
	-Package 1	Jacobs China Limited	43,996,480
	-Package 2	AECOM Consulting Services Limited	41,157,800
3	Tender for the lift modernization for Fu Tak, Fu Yin and Fu Tai Houses in Tai Wo Hau Estate	Chevalier (HK) Limited	34,002,587
4	Tender for lift installation for construction of public housing development at Anderson Road Quarry Site RS-1	Schindler Lifts (Hong Kong) Limited	25,618,000
5	Tender for fire services and water pump installation for construction of public housing development at Anderson Road Quarry Site RS-1	REC Engineering Company Limited	24,900,000
6	Tender for lift installation for construction of public housing development at Kai Tak Site 2B2	Schindler Lifts (Hong Kong) Limited	22,694,950
7	Tender for machine-room-less lift installation for construction of non-public housing facilities at Diamond Hill CDA – transport infrastructure works, water feature park and landscaped walk	Schindler Lifts (Hong Kong) Limited	19,463,000
8	Tender for fire services and water pump installation for construction of non-public housing facilities at Diamond Hill CDA – transport infrastructure works, water feature park and landscaped walk	Lee Yu Kee Fire Protection Limited	15,800,000
9	Tender for air-conditioning and mechanical ventilation installation for construction of public housing development at Ching Hong Road North, Tsing Yi, Phase 1 and Phase 2	ATAL Engineering Limited	10,880,000
10	Tender for lift installation and maintenance for construction of public housing development at Hin Fat Lane, Tuen Mun		
	- Installation	}KONE Elevator (HK) Limited	10,462,743
	- Maintenance		9,893,960
		Sub-total	304,258,898
(II) Supplies and Other Services			
11	Extension of property services contract for Po Tat and Yau Tong Estates, Tak Yan House and Tak Hong House of Tak Tin Estate and residual services for Tak Tin and Hing Tin Estates	Creative Property Services Consultants Limited	128,818,603
12	Second extension of cleansing service contract for On Tai Estate	Chun Wui Kee Company Limited	25,189,849
13	Second extension of security service contract for Lai Kok Estate	Hong Kong Wah Kiu (Overseas) Services Limited	17,807,964
14	Second extension of security service contract for Lai On Estate	Hong Kong Wah Kiu (Overseas) Services Limited	12,394,512
		Sub-total	184,210,928
		Grand Total	488,469,826

Items approved by officers at D3 level or above
under Delegated Financial Authority
(for the quarter ended 30 June 2021)

Serial No.	Description of Items Approved	Name of Tenderer/Counterparty	Amount (\$)
(I) Works and Works Related Services			
1	Tender for 2019-20 Batch 2 building services engineering services agreement - Redevelopment at Mei Tung Estate (older part) - Public housing developments at Tung Chung Areas 103 and 109	Wong & Ouyang (Building Services) Limited P&T (M&E) Limited	9,811,750 9,280,000
2	Term professional services for final inspection of building works and intake ambassadors (Batch 14) for construction of subsidised sales flats development at Tung Chung Area 54 (Block A-F) and public rental housing development at Queen's Hill Site 1 Phase 2, 4, 5 and portion of Phase 6 (Block 3 & 4)	A&D Surveyors Limited	8,468,915
3	Term professional services for final inspection of building works and intake ambassadors (Batch 14) for construction of subsidised sales flats development at Queen's Hill Site 1 Phase 3 and portion of Phase 6 (Block A-F), public rental housing development near Lai King Hill Road, Kwai Chung (Block 1) and Phase 1 & 2 at Diamond Hill (Block 1-2)	Multiple Surveyors Limited	8,213,996
4	Tender for provision of body-shopped contract technical assistants (geotechnical) and site supervisors (geotechnical) (2021 Package F)	C M Wong & Associates Limited	7,798,212
5	Tender for provision of body-shopped contract technical assistants (geotechnical) and site supervisors (geotechnical) (2021 Package G)	SMEC Asia Limited	7,501,212
6	Term professional services for final inspection of building works and intake ambassadors (Batch 14) for construction of public rental housing development at Queen's Hill Site 1 Phase 1 and portion of Phase 6 (Block 1, 2, 5, 6 & 7) and North West Kowloon Reclamation Site 6 and Fat Tseung Street West (Block 4)	A&D Surveyors Limited	7,339,883
7	Tender for provision of body-shopped contract technical assistants (geotechnical) and site supervisors (geotechnical) (2021 Package E)	Asia Engineering (HK) Limited	7,332,012
8	Tender for provision of body-shopped contract technical assistants (geotechnical) and site supervisors (geotechnical) (2021 Package H)	Asia Engineering (HK) Limited	7,276,212
9	Tender for provision of body-shopped site supervisors (geotechnical) (2021 Package I)	C M Wong & Associates Limited	6,108,390
10	Quantity surveying services agreement for Anderson Road Quarry Sites R2-6 and R2-7 (foundation and building works)	WT Partnership (HK) Limited	5,769,580
11	Tender for lift installation for the construction of public housing development at Java Road, North Point	Schindler Lifts (Hong Kong) Limited	5,214,000
12	Tender for machine-room-less lift installation and maintenance for construction of public housing development at Kai Tak Site 2B2 - Installation - Maintenance	Chevalier (HK) Limited	4,670,475 1,880,600
13	Quantity surveying services agreement for Anderson Road Quarry Site R2-8 (building works)	Currie & Brown (China) Limited	4,338,360
14	Quantity surveying services agreement for re-measurement of provisional quantities for steel reinforcement for Hiu Ming Street and On Muk Street Phase 1	AECOM Cost Consulting (Hong Kong) Limited	1,908,600
Sub-total			102,912,197

Items approved by officers at D3 level or above
under Delegated Financial Authority
(for the quarter ended 30 June 2021)

Serial No.	Description of Items Approved	Name of Tenderer/Counterparty	Amount (\$)
(II) IT and Related Purchases / Services			
15	Provision of named user subscription licences and other related services of building design software for the Hong Kong Housing Authority	ACAD Solutions Limited	5,180,920
16	Award of contract for the provision of wireless metro ethernet network services for the Hong Kong Housing Authority	Hong Kong Telecommunications (HKT) Limited	3,666,240
17	Award of contract for the migration of the Business Intelligence Sub-system of Corporate Information System to the Housing Authority Cloud Computing Infrastructure for the Hong Kong Housing Authority	SAGE Technologies Limited	2,802,000
		Sub-total	11,649,160
(III) Consultancy, Professional Advisory or Legal Services			
18	Provision of legal services for construction of public housing development project	Cocking & Co. LLP (The amount is not disclosed as the disclosure is not in HA's interest)	-
		Sub-total	-
(IV) Supplies and Other Services			
19	Supply of 660-litre plastic rectangular containers for refuse collection	May Wise Company Limited	7,810,000
20	Provision of cleansing, security and customer services for the office of GSH Sales Unit	Sunbase International Properties Management	5,489,767
21	Quotation for Summer 2021 cum promotion of Domain Club mobile app decoration and event at Domain	Creative Trend	1,668,780
		Sub-total	14,968,547
		Total of items (1) to (21) [excluding item (18)]	129,529,904
(V) Reduction in Project Budget			
22	Reduction in project budget for the public housing development at Anderson Road Quarry Site RS-1	-	699,681,000
23	Reduction in project budget for the public housing development at Tuen Mun Area 29 West	-	465,628,000
24	Reduction in project budget for the public housing development at Hin Fat Lane, Tuen Mun	-	113,243,000
		Total of items (22) to (24)	1,278,552,000

**Major contract variations (\$5M or more in value) approved by
Chairman of the Housing Department Tender Board (HDTB) on the advice of HDTB or officers at D3 level or above
(for the quarter ended 30 June 2021)**

Serial No.	Description of Items Approved	Original Contract Sum \$M (A)	Deemed ^(Note) Original Contract Sum \$M (B)	Cumulative Amount of Previous Variations Approved		Variation Approved in this quarter		Revised Contract Sum \$M [(A) or (B)] + (C) + (D)
				\$M (C)	% (C) / (A) or (B)	\$M (D)	% (D) / (A) or (B)	
(I) Works and Works Related Services								
1	Increase of contract value for the construction of Home Ownership Scheme at Kiu Cheong Road and Ngan Kwong Wan Road East and West	3,494.5	-	-	-	79.6	2.3%	3,574.1
2	Increase of contract value for advance civil engineering works for public housing development projects Batch 4 (2014 - 2016)	40.1	46.40	-	-	15.2	32.7%	61.6
3	Increase of contract value for foundation for public housing development at Tung Chung Area 99	799.0	-	-	-	104.0	13.0%	903.0
					Sub-total	198.8		
(II) IT and Related Purchases / Services								
4	Contract variation for additional contractor supplied hardware, contractor supplied software and implementation services of the Housing Authority Cloud Computing Infrastructure for the Hong Kong Housing Authority	32.9	-	-	-	7.3	22.2%	40.2
					Sub-total	7.3		
					Grand Total	206.1		

Note: It was approved by the Finance Committee on 20 September 2005 that any revised contract value approved by the highest approving authority (the Tender Committee or the HDTB Chairman on the advice of HDTB as applicable to each DFA item) is deemed to be the original contract value.