

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

**Tendering Procedures and Tender Evaluation  
(Annual Update)**

**PURPOSE**

This paper briefs Members on the tendering procedures and practices for procurement of various services in the Hong Kong Housing Authority (HA).

**BACKGROUND**

2. From time to time, Members are presented with papers involving different procurement types and tender evaluation mechanisms covering works (construction and maintenance), property services, consultancy, professional or legal services, information technology (IT) and related purchases, goods and general services. Since 2005, we have been providing an annual update to Members on the tendering procedures and tender evaluation mechanisms commonly adopted for various types of HA's procurement including major procurement statistic, in the preceding year. We last updated Members in 2024 vide Paper No. **TC 44/2024**. There has been no major change since then, except for some latest enhancements and refinements approved vide Paper Nos. **TC 97/2024**, **TC 3/2025** and **TC 38/2025** to suit operational needs in light of changing circumstances. They are highlighted in the ensuing paragraphs.

## **PROCUREMENT PRINCIPLES AND OPERATIONS OF HA**

3. HA is committed to securing competent and reliable contractors or services providers (hereinafter referred to as “contractors”) through equitable procurement principles –

- (a) obtain value for money;
- (b) incorporate risk management in a holistic manner;
- (c) maintain a focus on continuous improvement at all levels;
- (d) provide effective governance which is accountable and transparent;
- (e) provide for open and fair competition in the market place; and
- (f) procure in a fair, reasonable and ethical manner with due regard to probity.

4. To this end, we have put in place controlling mechanisms throughout the entire procurement cycle, from upstream to downstream, by establishing and managing –

- (a) procurement strategy and list management;
- (b) selection of tenderers, tendering and tender evaluation;
- (c) performance monitoring; and
- (d) feedback and continuous enhancement.

## **Compliance with HA Regulations/Instructions and Agreement on Government Procurement of the World Trade Organization (WTO GPA)**

5. With the Housing Department (the Department) as its executive arm, HA has established a set of Stores Regulations comprising two parts making reference to the Government's Stores and Procurement Regulations (SPRs). Part I is Housing Authority Stores Regulations (HASR) which sets out HA's policies and principles of all supplies and procurement activities, and Part II is Housing Authority Procurement and Supplies Instructions (HAPSI) which sets out the procedures of all supplies and procurement activities. In doing so, HA has made reference to and generally follows the broad procurement principles and practices of SPRs, where applicable, although HA is **not** required to follow the requirements of SPRs. As HA is an entity which is subject to WTO GPA, for those procurements which are covered by WTO GPA, the requirements of WTO GPA shall be complied with. For the avoidance of doubt, where there are discrepancies between the prevailing procedures of HASR/HAPSI and provisions of WTO GPA, the latter shall prevail.

6. Furthermore, procurement strategies and tender evaluation methodologies are approved by the Tender Committee (TC) or relevant approving parties under delegated authority. As we uphold the procurement principles, we refine the various mechanisms to suit operational needs from time to time. These Regulations and Instructions are posted on the Department's intranet for staff's easy reference.

### **List Management**

7. We procure the expertise and services from works contractors and property management services providers to construct, maintain and manage our public housing. HA keeps various HA Lists of Works Contractors and Property Management Services Providers (HA Lists) for the best delivery of public housing. HA has been maintaining the HA Lists appropriate to the nature of its business and charging the concerned contractors for list management fees on full cost recovery basis since the 1990s.

8. As a prudent risk management measure and to address the frequent need of inviting tenders of similar nature for works (construction and maintenance) and property services, we have established and maintained 12 HA Lists to secure readily available qualified contractors for selective tendering. We have maintained a transparent system and always welcome all interested contractors meeting the prescribed criteria to apply for admission onto appropriate HA Lists. From 1 April 2024 to 31 March 2025, there has been nine works contractors and two property management services providers newly admitted to the relevant HA Lists (**Annex A** refers).

9. It is our prime objective at all times for having a sufficient number of potential bidders on each HA List, aiming for competitive bidding for each tender. We have therefore continuously reviewed the effectiveness of our requirements promulgated under the Guide to Registration of Works Contractors and Property Management Services Providers (the Guide) in pace with the changing procurement environment. As at 31 March 2025, the number of contractors on different categories or groups of the HA Lists ranges from 2 to 37. We consider that there is adequate number of contractors on the 12 HA Lists after dissolving Group 1 and maintaining only Group 2 of the HA List of Soft Landscape Contractors with effect from the date of completion of the last contract undertaken by a Group 1 soft landscape contractor in February 2027 tentatively.

10. On 21 November 2024, Members approved vide Paper No. **TC 97/2024** the following revised list management requirements –

- (a) increase in Group Tender Limit for Group NW1 building new works contractors to \$700M and the associated revisions on the minimum contract values for project experience required for admission to the Group NW1 and Group NW2 of the HA List of Building Contractors (the “Building List”);
- (b) relaxed project experience for admission or promotion to the Building List in that projects with non-residential high-rise building would be considered;

- (c) relaxed project experience requirement with minimum contract value lowered to not less than 70% of Group Tender Limit of Group NW1 building new works contractors for promotion from Group NW1 contractors with confirmed status to Group NW2 with probationary status, provided that any contractor promoted to Group NW2 with such relaxation could only undertake building new works contracts with an estimated contract value of not more than \$1,500M as a prudent risk management measure;
- (d) revised frequency for the list retention exercise from every year to once every three years;
- (e) replacement of the Statutory Declaration on Company Status with a self-declaration; and
- (f) temporary waiving of application fees for admission to Group NW1 and Group M1 of the Building List until 31 March 2027.

11. On 10 June 2025, Members approved vide Paper No. **TC 38/2025** the following revised list management requirements –

- (a) applicants that have satisfactorily completed one (instead of two) maintenance/improvement contract with contract value not less than the specified value within the past three years would be considered for admission to the maintenance works category of the Building List and applicants with maintenance/improvement sub-contract experience would also be considered for admission to Group M1 of the maintenance category of the Building List;
- (b) reduction of the size of local nursery and storage yard to 1 000 m<sup>2</sup> for admission and retention to the HA List of Soft Landscape Contractors; and
- (c) introduction of new integrity management requirements and system for all works contractors and property management services providers on 12 HA Lists.

## **TYPES OF TENDERING**

12. HA has the sole discretion to decide the procurement mode of its own business. Hence, tenders may be invited by open tendering, selective tendering, prequalified tendering or single and restricted tendering, taking into consideration specific factors such as –

- (a) nature of business from risk management perspective;
- (b) frequency of procuring similar services (tenders); and
- (c) lead-time required for prequalifying suitable tenderers.

13. The types of tenders are as follows –

(a) **Open Tendering**

All interested contractors or suppliers in the market are free to submit their tenders under open tendering. Therefore, it is not common for HA to adopt open tender in procuring works contracts and property services contracts which require qualified and capable contractors to deliver the quality public housing and services. Nevertheless, open tender normally applies to procure IT service, goods and general services. Tender invitations are published in the Government Gazette and HA website. All interested contractors may submit a tender.

(b) **Selective Tendering**

Selective tendering is the common type of tendering arrangement adopted by HA. The characteristics and the latest situation of selective tendering in HA are as follows –

- (i) in our review for the period from 1 December 2023 to 30 November 2024, amongst all the tenders issued for main contracts and sub-contracts by adopting the HA Lists, not less than five tenderers were invited for each design-tender-build (“conventional”) tender except for three tenders<sup>Note 1</sup>, and not less than four tenderers (i.e. the maximum number of tenderers as approved in 2022) were invited for each Design-and-build (D&B) tender. It is considered that the number of contractors on each of the 12 HA Lists is adequate and appropriate to ensure effective competition. During the review period, the number of tenders adopting or referring to different categories or groups of the HA Lists ranged from zero<sup>Note 2</sup> to 20. It is considered that we have good utilisation of the HA Lists in general during the said period, and that there is a need to maintain the current categories or groups of the 12 HA Lists for operational efficiency and to cope with future projects in the pipelines. We will observe the number of contractors on each HA List, monitor the situation of inactive contractors<sup>Note 3</sup>, adjust the tendering opportunity available to them, and to review the HA Lists as and when necessary.

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Note 1 Although the number of tenderers were four for each of the three tenders with sub-contracts involving supply and installation of lift and escalator for new works projects, the number of eligible tenderers available and invited was eleven for each these three tenders.

Note 2 During the review period from 1 December 2023 to 30 November 2024, no tender had adopted the Group PS1 of the HA List of Property Services Agents and only two tenders had adopted the Group NW1 of the Building List. There is a need to maintain the said HA List/respective group of the HA Lists for operational efficiency to deal with any upcoming contracts in 2025 as it is anticipated that about two property services contracts will adopt the Group PS1 of the HA List of Property Services Agents, and about four conventional building new works contracts will adopt Group NW1 of Building List.

Note 3 We conduct regular review on contractors who fail to submit tender over a two-year period despite their eligibility to do so. Reminder letters will be issued to encourage these contractors to submit tenders. They will be motivated to submit tender, through our regular liaison meetings with contractors/contractors’ representatives, briefing to contractors, etc. For genuine case of inactive contractors, we will issue alert letters to remind them that if further inactivity is observed, appropriate action may be imposed against them such as removal from the HA Lists.

- (ii) for all procurement governed by WTO GPA, tender invitations are published in the Government Gazette and on HA website with the period for receipt of tenders not less than 40 days from the date of invitations to tender so as to ensure that all qualified contractors can participate in the intended procurement. In line with WTO GPA, any interested contractor may apply for inclusion in the relevant HA Lists at any time. Most of HA's works and property services are procured through selective tendering by using various HA Lists.
  
- (iii) in order to identify capable and competent contractors, HA has been operating a mechanism since the early 1990s (commonly known as Preferential Tender Opportunity (PTO) System) which allows contractors on the HA List of Building Contractors (New Works Category) and Building Services Contractors<sup>Note 4</sup> to participate in tender exercises commensurate with their performance in HA contracts, as well as using their past performance under the Performance Assessment Scoring System (PASS) in tender assessments. Under the PTO System, contractors are banded generally on a six-monthly basis into different bands with different tendering opportunities based on their positions in the PASS scores. The PTO system has been extended to building (maintenance works) contractors for District Term Contracts (DTCs) since 1 July 2012. On 10 June 2025, Members approved vide Paper No. **TC 38/2025** the revised PTO System for conventional building new works tenders to increase tendering opportunities to contractors and enhance the tender competitiveness. For consultancy/professional services where no HA Lists are established, we normally adopt a shortlisting tendering approach by making reference to appropriate lists maintained by the Development Bureau.

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Note 4      Banding of building services contractors on HA List of Electrical Contractors and HA List of Fire Services and Water Pump Contractors continues to apply for shortlisting of building services specialist sub-contractors under domestic sub-contract arrangement.

- (iv) in addition to allocating technical score for robotic construction in tender evaluation for complex building new works contracts issued on or after 1 March 2020, we have since 2022 included innovation and technology (I&T) and Modular Integrated Construction (MiC) as tender assessment aspects in building new works tenders and started in 2023 to include I&T as a tender assessment aspect in foundation tenders to encourage wider use of I&T and MiC to enhance site safety, quality, productivity, etc.
- (v) the strategies and arrangements for D&B was approved in 2022. Based on the first three D&B tenders issued in June 2022, December 2022 and April 2023 respectively, a holistic review was conducted and the proposed enhancements to the tendering arrangement and evaluation mechanism for D&B contracts <sup>Note 5</sup> was approved in February 2024. On 10 June 2025, Members approved vide Paper No. **TC 38/2025** further enhancements to simplify the shortlisting of tenderers for D&B tenders to a single stage, revise the shortlisting criteria to allow more eligible tenderers, and remove the limit of maximum four tenderers to enhance tender competitiveness. HA will continue to adopt the D&B procurement model more widely in suitable projects. The D&B procurement model will help keep up with the increasing housing production through supplementing HA's limited human resources in detailed design work so that HA can focus more on planning, coordination and supervision of its public housing developments. At the same time, the entire construction workflow can be further enhanced by leveraging on the expertise of the construction industry. By carrying out design and construction works in parallel, mobilisation time can be shortened and contractors will have greater flexibility in material procurement, construction methods and workflow.

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Note 5      The enhancements include the exclusion of the sub-attribute “shortened programme” from Threshold Technical Score calculation and the removal of the mandatory requirements to engage Quantity Surveying Services Providers for tender submissions.

- (vi) to enable earlier commencement of site works upon site handover, HA had implemented the arrangement of early award of suitable building contract in 2022 to allow more time for contractors' resources planning, coordination and mobilisation works before handover of the site. We will continue to select suitable contracts to adopt the arrangement of early award. We have also included shortened programme as a tender assessment aspect in building new works tenders and suitable foundation works tenders in 2022 and 2023 respectively to incentivise contractors to develop technical proposals which could reduce the contract period.
- (vii) on 16 January 2025, Members approved vide Paper No. **TC 3/2025** the domestic sub-contract (DSC) arrangement for building services installations under HA's conventional building new works contracts to foster a more comprehensive one-on-one relationship between employer and contractor, and to provide the contractor with enhanced control over the coordination of building services specialist works.
- (viii) on 10 June 2025, Members approved vide Paper No. **TC 38/2025** the new Joint Venture (JV) arrangement for conventional building new works, D&B and foundation tenders and the JV Incentive Scheme for conventional building new works tenders. Under the new JV arrangement, contractors can form JV on an individual tender basis. The JV Incentive Scheme incentivises more capable contractors to form JV with small-and-medium sized contractors to submit tender.

(c) Prequalified Tendering

Apart from the above, HA may conduct pre-qualification exercises prior to tendering to identify suitable tenderers in circumstances such as –

- (i) contractors must possess special financial, corporate and/or technical capabilities when undertaking projects of special nature;

- (ii) tenders are issued infrequently, e.g. once every two to three years or just occasionally, thus rendering HA Lists <sup>Note 6</sup> ineffective. These include contracts for air-conditioning and mechanical ventilation installations, civil engineering works, geotechnical engineering works, car park or shopping centre management, term maintenance contracts for building services installations, term contracts for material testing, etc.; and
- (iii) before carrying out a pre-qualification exercise, we shall obtain prior approval from relevant authority to the use of pre-qualified tendering, the associated evaluation criteria and the membership of the evaluation panel. Before inviting tenders, we shall seek the relevant authority's endorsement to the recommended list of pre-qualified tenders.

(d) Restricted or Single Tendering

For restricted or single tendering, tender invitations are restricted to only one or a number of tenderers nominated by user offices. This is only used sparingly under very special circumstances, for instance, when there is a pressing urgency or where very few contractors exist in the market.

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Note 6      The HA List of Air-conditioning and Mechanical Ventilation Contractors was dissolved in May 2006, and the HA List of Carpark Operators and the HA List of Property Management Agents for Shopping Centres were dissolved in January 2012.

## **CONTRACT ARRANGEMENTS**

14. Depending on the scope of works and nature of services to be procured, HA usually adopts the following three common types of contract arrangements –

(a) Lump Sum Contract

Lump sum contract with Bills of Quantities or Schedules of Rates is generally applied to building works, foundation works, demolition works, building services installation works, minor works such as soft landscape works, maintenance and improvement works such as redecoration and addition of lift towers to existing estates. The scopes of works are well defined by drawings and specification, and the associated risk due to site conditions is low.

(b) Re-measurement Contract

Re-measurement contract is normally adopted in civil engineering works where monetary risk resulting from uncertainty in the scale of works can be equitably covered by the re-measurement process. Provisional quantities will be specified in the tender and the final contract sum will be assessed based on re-measurement of the actual quantities according to the individually priced rates.

(c) Term Contract

Term contract is a type of contract that continues for a specified fixed period during which individual Works Orders are issued to the contractor for carrying out the works. Completed works are then measured and paid according to a priced Schedule of Rates. Common types of HA contracts adopting this arrangement include DTCs for building maintenance works, term maintenance contracts for building services installations, term contracts for material testing, ground investigation and underground utilities investigation, and property services and property management contracts, etc.

15. Under special circumstances, bundling of contracts into a single contract/tender package for tendering will also be adopted due to individual merit and risk management consideration. Projects with special needs, such as urgent and strong public demand for timely completion, political or planning constraints requiring early provision of certain facilities to the district and certain technical and safety considerations of the project scope, different development sites and/or different scopes of works in different geographical locations, will be grouped together to form a single contract for tendering. This bundling approach will only be applied on a case-by-case basis for the purpose of reducing the inherent risk of individual works with high technical and management demand from contractors. This approach may be applied to the three above-mentioned common contract types across the board as appropriate.

16. With a view to expediting project delivery, HA also follows the Government's practice to allow parallel tendering in HA for all contracts, including both works and non-works contracts, by allowing tender procedures to proceed in parallel with seeking funding approval. The use of parallel tendering is determined on a project basis upon a project-specific risk assessment. While relaxing its general requirement that funding shall be secured before tender invitation, HA will adhere to the general principle of not awarding a contract or entering into contractual commitment with any tenderer before funding is secured.

## **TENDER EVALUATION AND CONTRACT AWARD**

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17. Upon receipt of tenders, the tender evaluation team examines the tenders in order to determine whether they meet the specifications laid down in the tender documents. Where marking scheme is used, the tenders shall be assessed according to the pre-determined criteria which are made known to all tenderers. The tender evaluation methodologies for typical HA tenders are summarised in **Annex B**. While some of the methodologies are based on price only, majority of them are based on price and quality (normally including past performance) ratio in accordance with a pre-determined marking scheme.

18. As a long standing practice, the lowest three tenders meeting the specified tender requirements (price only) or the tenders with the top three Combined Score (price and quality) will be selected for further assessments including financial <sup>Note 7</sup>, workload and risk <sup>Note 8</sup> assessments. The results of these assessments, and the assessment on design proposals for D&B contracts, technical proposals and performance would be elaborated in the tender evaluation report and the TC/Housing Department Tender Board (HDTB) papers.

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Note 7 In accordance with HAPSI, for service contracts (other than consultancy services, works-related consultancy and professional services agreements) of a value exceeding HK\$15 million, financial vetting shall be conducted of a tenderer who is being considered for the award of the contract in order to ensure that the tenderer is financially capable to fulfill the contract requirements. For contracts of high risk and long duration, periodic financial vetting is required.

Note 8 A holistic approach is applied under the procurement process to identify, assess and manage risks, and to allocate risks to the party most capable to manage them taking into account the need to meet other procurement objectives including value for money and ensuring open and fair competition. The tender paper highlights the findings of the risk assessment and the recommended risk response.

19. As a matter of policy, unrealistically low bids shall not be accepted. We will put under “Quarantine” tenderers with serious incidents <sup>Note 9</sup> occurring in any of their sites in Hong Kong with construction works of similar nature and scope to the tender under consideration within the six-month period preceding the tender closing date or within the tender assessment period preceding the tender award date, if they are one of the top three scorers not suspended from tendering regardless of whether or not they have marks deducted, and critically examine contractor’s deficiency before making recommendation on the award of contracts.

20. Given the ultimate purpose of the “Quarantine” is to ensure that the contractor is fully capable of undertaking the contract, the pertinent factors to be considered for making recommendation to TC on award of contract or otherwise are as follows –

- (a) circumstances and probable causes of the serious incidents;
- (b) contractor’s written representations of the incidents;
- (c) effectiveness of contractor’s prevailing safety system;
- (d) enhancement measures proposed by the contractor;
- (e) contractor’s past safety record such as convictions record, PASS scores;
- (f) performance of the contractor in ongoing contracts, where applicable;

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Note 9 For the purpose of putting tenderers under the “Quarantine” system, the meaning of serious incident(s) should be determined by HA on a case-by-case basis and should include but not limited to the following –

- (a) serious misconduct or criminal offences;
- (b) serious incidents of wages in arrears, quality or safety problems which had brought disrepute to HA;
- (c) contractors’ bankruptcy or inability to complete the contracts which had brought financial losses to HA;
- (d) serious site safety incidents occurring in any site in Hong Kong with construction works (of works nature similar to the scope of works of the tender under consideration); and
- (e) other serious incident that has aroused grave concern of the Government and members of the public.

- (g) other Government departments' investigation/findings or actions such as Suspension Notice by the Labour Department;
- (h) possibility of recurrence of similar incidents on HA site; and
- (i) other factors (based on latest available information) which are considered by HA as crucial in determining whether the contractor is fully capable of undertaking the contract.

21. Contract awards shall be made in accordance with the criteria and essential requirements specified in the tender documents. The award is made to the tenderer who has been assessed as fully capable of undertaking the contract and whose tender is either –

- (a) the lowest complying tender; or
- (b) the tender which in terms of the specific evaluation criteria set forth in the notices to tenderer or tender documentation is assessed to be the most advantageous to HA.

22. The criteria for contract award under various tender evaluation methodologies are as follows –

- (a) Price Only

under normal circumstances, the tender with the lowest submitted tender price (for lump sum contracts) or rate (for term contracts or contracts using a Schedule of Rates) shall be awarded if such tenderer is fully capable of undertaking the contract.

- (b) Price and Performance with Marking Scheme (Single-Envelope)

we adopt Preferential Tender Award System (PTAS) with a pre-determined non-price to price scoring ratio for the tender evaluation of different new works contracts such as building, foundation, civil engineering, geotechnical engineering and soft landscape contracts, and DTCs. In line with WTO GPA, the criterion for awarding the contract has been stipulated in the tender documentation and made known to all tenderers.

(c) Price and Quality with Marking Schemes (Two-Envelope)

The selection of contractors and consultants will be based on a combined assessment of merits taking into consideration the past performance, technical and/or management proposals of the tenderers and the tendered price. The respective weights for quality and price, as reflected in the non-price to price scoring ratio, would be determined by the level of quality of services required, risk consideration, technical expertise, time constraint, complexity or special features of the contract. The criteria for awarding the contract, including details of the marking scheme and all factors to be considered in the evaluation of tenders, are stipulated in the tender documentation and made known to all tenderers in line with WTO GPA. A summary of the major types of contracts adopting two-envelope system is as follows –

- (i) in the procurement of capital works building or foundation contracts of high complexity, property services, consultancy/professional services and other special services such as IT, finance and legal, a two-envelope system with a pre-defined marking scheme is normally adopted for tender evaluation. The two-envelope system for capital works conventional building and foundation contracts of high complexity adopted a non-price to price scoring ratio of 35:65 <sup>Note 10</sup>. D&B contracts adopt a non-price to price scoring ratio of 40:60;

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Note 10      A Non-price to Price scoring ratio of 35:65, instead of 20:80, has been adopted for tenders issued since March 2022 for foundation contracts of high complexity.

- (ii) in order to mitigate the residual risk of awarding the complex contracts to less capable contractors submitting low tender prices and safeguard the interest of HA, we have established a threshold score of 60% to the overall score of the technical proposal since September 2011<sup>Note 11</sup>. There is also a threshold score of 60% to the overall score of the design proposal for D&B tenders. Since February 2024, the sub-attribute of shortened programme was excluded from the calculation of threshold technical score in conventional building new works, foundation and D&B tenders;
- (iii) two-envelope system has been adopted for term contracts for civil engineering underground utilities investigation since July 2014 with a non-price (quality) to price scoring ratio of 30:70; and
- (iv) to keep in line with the Government's policy in the protection of non-skilled workers, a non-price (quality) to price scoring ratio of 50:50 has been adopted for all property services contracts for Public Rental Housing, Subsidised Sale Flats including Home Ownership Scheme and Green Form Subsidised Home Ownership Scheme, car park, etc. with tenders invited since April 2019. In accord with the Government's new measures, the provision of Heat Stroke Prevention Work Plan was also included as an essential tender submission requirement for HA's contracts mainly involving non-skilled worker since August 2023.

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Note 11      Since 2011, threshold score of 60% to the overall score of the technical proposal (before normalisation) has been established to all complex building and complex foundation contracts. Tenders with overall score for technical proposal less than 60% will not be considered further in the tender evaluation and the tender price envelopes will not be opened.

23. We adopt different non-price to price scoring ratios in different types of tender in view of various considerations including the nature and scopes of work, level of technical demand, availability of sufficient tenderers for competitive tender exercise, complexity of the contract, etc. For tenders using single-envelope without marking scheme, the non-price portion ranges from 2% to 30%. For tenders using two-envelope with marking scheme, the non-price portion ranges from 20% to 50% in general. For goods and general services tenders, including IT projects and related services, the range of non-price portion is from 50% to 70%, following the new pro-innovation government procurement policy which took effect on 1 April 2019. For those tenders involving significant requirement of technical expertise, such as consultancy services or professional services providers, the non-price portion ranges from 50% to 80%. In general, the ratio adopted in respective tender type is appropriate in accordance with its own requirements.

#### **WORKLOAD CAPPING LIMITS, TENDER AWARD RESTRICTIONS AND TENDER LIMITS ON WORKS CONTRACTORS WITH PROBATIONARY STATUS**

24. To safeguard the interest of HA by containing the potential concentration risk of a contractor running into financial difficulties when undertaking a large number of HA contracts, any contractor together with its related companies <sup>Note 12</sup> on HA Lists have been allowed to undertake contracts for HA, at any one time, with workload in hand not exceeding the specified Workload Capping Limits (WCLs) since 1995. WCLs are further classified into –

- (a) List Capping Limit (LCL) of the workload for a contractor <sup>Note 13</sup> and its related companies on the same HA List; and
- (b) Global Capping Limit (GCL) of the total workload for a contractor and its related companies on different HA Lists of works contractors (**Annex B** refers).

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Note 12 All companies within each group of related companies on the HA List will share the LCL set for one company on the respective HA List whilst only one company will submit a tender for a particular contract.

Note 13 For building new works contractors with Premier League Status (PLS), the prevailing LCL is extended by 25%. Members approved the streamlined assessment criteria of PLS scheme on 14 December 2023.

25. To reduce the risk to both HA and our contractor counterparts, we have adopted Tender Award Restrictions (TARs) to limit the maximum number of contracts awarded to a contractor within a short period of time since 2007 (Paper No. **TC 52/2007** refers). Upon the introduction of D&B contracts in 2022, the TAR is no longer applicable to piling contractors engaged as Specialist Sub-contractors under D&B contracts. Upon the implementation of DSC arrangement for building services installations in January 2025, the TARs are also no longer applicable to building services contractors. On 10 June 2025, Members approved vide Paper No. **TC 38/2025** to remove the TARs for building new works and piling contractors, and request building contractors to declare the maximum number of contracts they can undertake in a batch of conventional building new works tenders which is similar to the arrangement for piling contractors.

26. WCLs are reviewed periodically or on need basis according to the established principle to balance the risk between the availability of sufficient tenderers to promote competition and any resultant impact on tender prices. On 21 November 2024, Members approved vide Paper No. **TC 97/2024** the revised methodology for deriving WCLs. On 10 June 2025, Members approved vide Paper No. **TC 38/2025** the increase in LCLs for building new works and lift and escalator contractors, the revised LCLs for all piling contractors<sup>Note 14</sup>, and the increase in Contract Limits for Group 2 soft landscape contractors with probationary status<sup>Note 15</sup>. We will further review the WCLs of building new works, piling, and building services contractors in 2026 and report to Members as appropriate.

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Note 14 LCLs were increased from 24 000 to 25 000 flats for building new works contractors; from 30 000 to 31 000 for building new works contractors with PLS and from 22 000 to 26 000 flats for lift and escalator contractors. LCLs were unified to 22 000 flats for all piling contractors.

Note 15 The bonus soft landscape contract(s) as detailed in table below is/are applicable only for an eligible contractor who has satisfactory past performance before the tender invitation date of the respective tender as stipulated in the Guide –

	Maximum No. of Contracts to be held Concurrently	
	Before Revision	After Revision
Contracts at Qualifying Period	One	One plus one Bonus
Contracts at any Stage	Two	Two plus two Bonus

27. Subsequent to the incident of excessive lead content found in fresh water in 11 public housing estates in 2015, series of enhancement measures in list management for plumbing installation (PI) works <sup>Note 16</sup> in HA's building new works contracts have been implemented, including the introduction of WCLs for plumbing domestic sub-contractor (PDSC) and LP. On 21 November 2024, Members approved vide Paper No. TC 97/2024 the alignment of the WCL of PDSCs with the LCL of building new works contractors and the alignment of workload calculation for PDSC and LP with that for building new works contractors.

28. As a risk mitigation measure on all batches of foundation tenders adopting large diameter bored piling (LDBP) invited on or after 1 December 2012, each tenderer is required to submit a consolidated declaration on the maximum number of contracts among each batch of the foundation tenders (LDBP) that they can undertake on the basis of the availability of LDBP plant resources. HA imposes a restriction on the number of contracts awarded to each of the tenderers based on the declarations made. This measure effectively helps tenderers submit limited numbers of tenders among the batch foundation tenders (LDBP) and enables HA to identify the more capable and resourceful contractors to undertake the contracts. The requirement for consolidated declaration has been incorporated into the Guide in 2018.

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Note 16 The enhancement measures include –

- (a) adopting the Development Bureau's List of Approved Suppliers of Materials and Specialist Contractors for Public Works, PI Category, as contract requirement for the main contractor to appoint its PDSC, and all the above-ground drainage works be taken up by PDSC;
- (b) adopting two-tier restriction on sub-contracting of plumbing installation works;
- (c) introducing WCLs for PDSC and Licensed Plumbers (LP) at 17 000 and 8 500 units respectively; and
- (d) provision of a competent personnel with relevant qualification in English to support the plumbing and associated works handled by LP, if necessary.

29. Similar to the WCLs for works contractors, any Professional Services Provider (PSP) is allowed to undertake agreements with Workload Points (WP) in hand not exceeding the specified Capping Limits <sup>Note 17</sup>, and is required to declare the maximum number of agreements that PSP is capable of undertaking in a batch, to avoid overloading any individual PSP, reduce the risk of over reliance on a particular PSP, limit HA's risks, and help more PSPs gain experience of HA projects. The Capping Limits/WP, TARs and assessment criteria for PSP are summarised at **Annex C**.

## PROCUREMENT EXERCISES

30. In 2024/2025, we awarded 464 contracts <sup>Note 18</sup> to 255 different counterparties, briefly summarised below –

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Note 17 The maximum WP of all concurrent active agreements (excluding Scheme Design Consultancy Agreements) of a PSP is 15.

Note 18 The procurement exercises summarised in this paper include the contracts or agreements approved by TC and the HDTB Chairman, on the advice of HDTB, and other contracts or agreements approved under the Delegated Financial Authority by the Finance Committee, but excluded supply contracts for goods, general services, IT projects and related services procured through quotations, and Dispute Avoidance and Resolution Advisor. The delegated financial limit refers to Financial Instruction No. 3 of 2023/24.

<b>Types</b>	<b>Number of Contracts</b>	<b>Number of Counterparties</b>	<b>Total Contract Value</b>
Works <sup>Note 19</sup>	160	86	\$66,285.86M
Non-Works <sup>Note 20</sup>	151	91	\$7,526.13M
Works-related Consultancy or PSP	153	78	\$896.35M
<b>Total (I)</b>	<b>464</b>	<b>255</b>	<b>\$74,708.33M</b> <sup>Note 21</sup>

31. Of the contracts stated in paragraph 30 above, TC and HDTB approved the award of 139 and 83 contracts respectively, and these 222 contracts amounted to a total contract value of \$73,927.71M.

<b>Approved by</b>	<b>Number of Contracts</b>	<b>Total Contract Value</b>
TC	139	\$71,671.32M
HDTB	83	\$2,256.39M
<b>Total (II)</b>	<b>222</b>	<b>\$73,927.71M</b>
<b>(II)/(I) (%)</b>	<b>47.84%</b>	<b>98.96%</b>

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Note 19 “Works” types generally include building new works, maintenance works, soft landscape works, demolition works, piling works, civil engineering works, geotechnical engineering works, ground investigation works, and building services installations, etc.

Note 20 “Non-Works” types generally include property services, cleansing service, security service, goods, general services, IT projects and related services, legal consultancy, etc.

Note 21 The last digit may not tally with the summation of the contract values due to the rounding of figures.

32. Types and number of contracts awarded by TC and HDTB are summarised below –

(a) HA Lists

<b>Types of Contracts (under HA Lists)</b>		<b>Number of contracts awarded by TC</b>	<b>Number of contracts awarded by HDTB</b>
(1)	Building (New Works) – NW1	3	0
	Building (New Works) – NW2	15	0
	Building (Maintenance Works) – M1	1	3
	Building (Maintenance Works) – M2	8	1
(2)	Piling	18	0
(3)	Material Testing Laboratories for Pile Testing	0	0
(4)	Demolition	0	0
(5)	Ground Investigation	0	0
(6)	Electrical	16	1
(7)	Lift and Escalator	11	12
(8)	Fire Services and Water Pump	7	7
(9)	Soft Landscape – SL1	0	0
	Soft Landscape – SL2	0	0
(10)	Property Services – PS1	0	2
	Property Services – PS2	22	8
(11)	Cleansing Service	4	7
(12)	Security Service	15	5
<b>Sub-Total</b>		<b>120</b>	<b>46</b>

(b) Non-HA Lists

<b>Types of Contract (not under HA Lists)</b>		<b>Number of contract awarded by TC</b>	<b>Number of contract awarded by HDTB</b>
(1)	Building (New Works)	0	0
(2)	Building Services (including Air-conditioning and Ventilation Systems contracts)	2	3
(3)	Civil Engineering	1	4
(4)	Geotechnical Engineering	4	0
(5)	Material Testing	6	0
(6)	Shopping Centre Management	1	0
(7)	Car Park Management	3	0
(8)	Non-works Services	2	6
(9)	Works-related Consultancy, Body-shop or Professional Services Agreement	0	24
<b>Sub-Total</b>		<b>19</b>	<b>37</b>
<b>Total</b>		<b>139</b>	<b>83</b>

## INFORMATION

33. This paper is issued for Members' information.

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Tel. No.: 2761 5033  
Fax No.: 2761 0019

File Ref. : HD2-4/PTSS/C46/05  
(Development and Construction Division)  
Date of Issue : 19 June 2025

## **LIST OF ANNEXES**

- Annex A      Hong Kong Housing Authority Lists
- Annex B      Tendering Arrangement and Evaluation for Various Types of HA  
Contracts
- Annex C      Summary of Capping Limits/Workload Points (WPs) for  
Professional Services Providers (PSP)

**Hong Kong Housing Authority (HA) Lists**

	<b><u>No. of Contractors as at 31/3/2025</u></b>	<b><u>No. of Contractors admitted(+)/ removed(-) within 1/4/2024 - 31/3/2025</u></b>
<b><u>I. HA Lists of Works Contractors</u></b>		
(a) Building Contractors		
New Works Category		
• Group NW1	15	+1/ -1
• Group NW2	26	+1/ -2
Maintenance Works Category		
• Group M1	8	-1
• Group M2	37	-2
(b) Piling Contractors		
• Large Diameter Bored Piling Category	17	+2
• Percussive Piling Category	11	-
(c) Demolition Contractors	15	+3/ -2
(d) Ground Investigation Contractors	14	+2
(e) Electrical Contractors	28	-
(f) Lift and Escalator Contractors		
• Group L	11	-
• Group E	10	-
(g) Fire Services & Water Pump	16	-
(h) Soft Landscape Contractors		
• Group 1	2	-
• Group 2	10	-1
(i) Materials Testing Laboratories for Pile Testing	6	-
Total number of works contractors	<u>226</u>	<u>(+)9/ (-)9</u>
<b><u>II. HA Lists of Property Management Services Providers (PMSP)</u></b>		
(a) Property Services Agents		
• Group PS1	5	-
• Group PS2	19	-1
(b) Cleansing Service Contractors	31	+1/ -3
(c) Security Service Contractors	21	+1/-1
Total number of PMSP	<u>76</u>	<u>(+)2/ (-)5</u>
<b>Total number of works contractors/PMSP (I + II)</b>	<b><u>302</u></b>	<b><u>(+)11/ (-)14</u></b>

## Tendering Arrangement and Evaluation for Various Types of HA Contracts

### A. Works Contracts (Updates are indicated by \*\*)

Contract Type	Mode of Tendering	Lists Adopted for Tendering	Quality (Non-price)/ Price Ratio	Workload Capping Limit (WCL) (in domestic units number)	Authority of Tender Evaluation Methodology (Paper No.)	
<b>Price and Quality (Technical Consideration) with Marking Schemes (Two-Envelope)</b>						
Demolition	Selective Tendering <sup>Note 1</sup>	HA List of Demolition Contractors	<b>30/70</b>	Not Applicable	TC 84/2008 TC 107/2011	
Building Construction	Selective Tendering (for complex projects)	HA List of Building Contractors (New Works Category, NW1 & NW2)	<b>35/65</b>	<b>List Capping Limit</b> <sup>Note 2</sup>	TC 13/2011 TC 97/2024** TC 382025**	
				NW		25 000**
				PLS		31 000**
				<b>Global Capping Limit</b>		61 000
Building Construction	Selective Tendering (for Design-and-Build projects <sup>Note 3</sup> )	HA List of Building Contractors (New Works Category NW2)	<b>40/60</b>	<b>List Capping Limit</b> <sup>Note 2</sup>	BC 6/2022 TC 16/2022 TC 14/2024 TC 97/2024** TC 382025**	
				NW		25 000**
				PLS		31 000**
				<b>Global Capping Limit</b>		61 000

Note 1 Suitable contractors from HA List of Demolition Contractors have been shortlisted to tender for demolition works since 2008, having regard to the capability of contractors and the need to reduce HA's risk exposure.

Note 2 An arrangement of 20% "allowance in excess of List Capping Limit" was approved vide Paper No. TC 39/2012.

Note 3 The proposed strategies and arrangement for the Design-and-Build approach to Housing Authority's public housing development projects was approved on 17 March 2022 vide Paper Nos. **BC 6/2022** and **TC 16/2022**.

Contract Type	Mode of Tendering	Lists Adopted for Tendering	Quality (Non-price)/ Price Ratio	Workload Capping Limit (WCL) (in domestic units number)	Authority of Tender Evaluation Methodology (Paper No.)
<b>Price and Quality (Technical Consideration) with Marking Schemes (Two-Envelope)</b>					
Foundation	Selective Tendering (for Complex projects)	HA List of Piling Contractors (Large Diameter Bored Piling Category and/or Percussive Piling Category)	<b>35/65</b>		TC 81/2011 TC 105/2012 TC 79/2021 TC 97/2024** TC 38/2025**
Automated Refuse Collection System Operation & Maintenance	Open Tendering	Open Tendering	<b>30/70</b>	Not Applicable	MPRC 39/2008
Ground Investigation	Selective Tendering	HA List of Ground Investigation Contractors	<b>20/80</b>	Not Applicable	HDT 106/2017
Civil Engineering (Underground Utilities Investigation Term Contract)	Prequalification	Based on Prequalified Tenderers' List	<b>30/70</b>	Not Applicable	HDT 118/2014
<b>Price and Performance with Marking Schemes (Single-Envelope)</b>					
Building Construction	Selective Tendering <sup>Note 2</sup> (for normal projects)	HA List of Building Contractors (New Works Category)	<b>25/75</b>	Same as Selective Tendering (for complex projects)	TC 54/2005 TC 83/2006 TC 55/2007 TC 22/2009 TC 97/2024** TC 38/2025**
Electrical Installation <sup>Note 4**</sup>	Selective Tendering	HA List of Electrical Contractors	align="center"> <b>25/75</b>		TC 54/2005 TC 83/2006 TC 55/2007 TC 22/2009 TC 97/2024** TC 3/2025**
Fire Services (FS) & Water Pump (WP) Installation <sup>Note 4**</sup>		HA List of Fire Services and Water Pump Contractors			
Lift and Escalator (L&E) Installation <sup>Note 4**</sup>		HA List of Lift and Escalator Contractors			
Machine-Room-Less (MRL) Lift Installation	Selective Tendering	HA List of Lift and Escalator Contractors	<b>30/70</b>	Not Applicable	TC 101/2011 TC 60/2023

\*\*Note 4 Domestic sub-contract arrangement for building services installations under conventional building new works contracts was approved vide Paper No. **TC 3/2025**.

Contract Type	Mode of Tendering	Lists Adopted for Tendering	Quality (Non-price)/ Price Ratio	Workload Capping Limit (WCL)	Authority of Tender Evaluation Methodology (Paper No.)
<b>Price and Performance with Marking Schemes (Single-Envelope)</b>					
Foundation	Selective Tendering (for Normal projects)	HA List of Piling Contractors (Large Diameter Bored Piling Category and/or Percussive Piling Category)	<b>25/75</b>	Same as Selective Tendering (for complex projects)	TC 31/2009 TC 105/2012 TC 79/2021 TC 27/2022 TC 97/2024** TC 38/2025**
Civil Engineering (for new works contracts)	Prequalification or Selective Tendering	Based on DEVB List(s) of Approved Contractors for Public Works (Roads and Drainage/Waterworks Category) and BD List of Registered General Building Contractors	<b>2/98</b>	Not Applicable	Approved by approving authority on a case by case basis
Soft Landscape (New Works)	Selective Tendering	HA List of Soft Landscape Contractors Group 1 or 2	<b>25/75</b>	Maximum five number of contracts at Planting Stage	TC 29/2018
District Term Contract (DTC)	Selective Tendering	HA List of Building Contractors (Maintenance Category) – Group M2	<b>25/75</b>	1 to 5 number of DTC	TC 21/2012 TC 54/2013 TC 96/2014 TC 95/2015 TC 104/2016
Air-Conditioning and Mechanical Ventilation Installation (New Works)	Prequalification	Based on DEVB List of Approved Suppliers of Materials and Specialist Contractors for Public Works – Air-conditioning Installation	<b>8/92</b>	Not Applicable	TC 89/2008 TC 22/2009

Contract Type	Mode of Tendering	Lists Adopted for Tendering	Quality (Non-price)/ Price Ratio	Workload Capping Limit (WCL)	Authority of Tender Evaluation Methodology (Paper No.)
<b>Price Only</b>					
Building Maintenance (Term or Lump Sum, except DTC)	Selective Tendering	HA List of Building Contractors (Maintenance Category) - Group M1 or M2	<b>0/100</b>	3 to 10 number of contracts	TC 21/2012 TC 90/2012 TC 96/2014 TC 95/2015 TC 104/2016
Building Services (Electrical Term Maintenance)	Prequalification	HA List of Electrical Contractors		Not Applicable	Approved by approving authority on a case by case basis
Building Services (Water Supply & Fire Services Term Maintenance)	Prequalification	Prequalified Tenderers' List (Contractors are invited to apply via Gazette, in writing, of their interest in being prequalified for tendering)		Not Applicable	
Building Services (Lift & Escalator Term Maintenance)	Selective Tendering	HA List of Lift and Escalator Contractors	Based on adjustment formula for calculation of maintenance rates (monthly)	Not Applicable	BC 173/95 (approval of current adjustment formula)
Lift Modernization Works (Lump Sum Contract)	Selective Tendering	HA List of Lift and Escalator Contractors	<b>0/100</b>	WCL : Not Applicable <b>TRT</b> (1 Apr 2024 to 31 Mar 2025) : <b>49 lifts **</b>	TC 21/2009

Contract Type	Mode of Tendering	Lists Adopted for Tendering	Quality (Non-price)/ Price Ratio	Workload Capping Limit (WCL)	Authority of Tender Evaluation Methodology (Paper No.)
<b>Price Only</b>					
Building Services (Air-Conditioning and Ventilation Systems Term Maintenance)	Prequalification	Based on DEVB List of Approved Suppliers of Materials and Specialist Contractors for Public Works – Air-conditioning Installation	<b>0/100</b>	Not Applicable	Approved by approving authority on a case by case basis.
Non-destructive Pile Testing	Selective Tendering	HA List of Materials Testing Laboratories for Pile Testing			
Other construction material testing/calibration	Selective Tendering (Prequalification)	User-maintained Lists or Reference Lists from other departments			
Refuse Handling Systems Supply, Installation & Maintenance	Prequalification	Prequalified Tenderers' List (Contractors are invited to apply via Gazette of their interest in being prequalified for tendering)			
Building Services (Refuse Handling System Term Maintenance)	Prequalification	Prequalified Tenderers' List (Contractors are invited to apply via Gazette of their interest in being prequalified for tendering)			
Civil Engineering (for maintenance contracts)	Prequalification	DEVB List of Approved Contractors for Public Works (Roads and Drainage/ Waterworks Category) and BD Register of General Building Contractors			

Contract Type	Mode of Tendering	Lists Adopted for Tendering	Quality (Non-price)/ Price Ratio	Workload Capping Limit (WCL)	Authority of Tender Evaluation Methodology (Paper No.)
<b>Price Only</b>					
Geotechnical Engineering (slope maintenance contracts)	Prequalification	DEVB List of Approved Suppliers of Materials & Specialist Contractors for Public Works (LANP Category) and BD Register of Specialist Contractors (Sub-register of Site Formation Category)	<b>0/100</b>	Not Applicable	Approved by approving authority on a case by case basis.
Geotechnical Engineering (monitoring and maintenance of ground anchors and horizontal drains maintenance contracts)		HA List of Ground Investigation Contractors or DEVB List of Approved Suppliers of Materials & Specialist Contractors for Public Works (Pre-stressed Concrete Works for Highway Structures (Class I) Category)			

**B. Service Contracts**

Contract Type	Mode of Tendering	Lists Adopted for Tendering	Quality (Non-price)/ Price Ratio <sup>Note 9</sup>	Workload Capping Limit (WCL) (in domestic units number)	Authority of Tender Evaluation Methodology (Paper No.)
<b>Price and Quality (Technical Consideration) with Marking Schemes (Two-envelope)</b>					
Property Services (PRH)	Selective Tendering	HA List of Property Service Agents (PSA) Group PS1 or PS2	50/50 <sup>Note 5</sup>	WCL : 85,000 <sup>Note 6</sup>	TC 25/2013 TC 18/2014 TC 64/2016 TC 25/2019 TC 27/2020 TC 125/2020 TC 41/2023 TC 47/2023
Property Services (HOS/GSH)			50/50 <sup>Note 5</sup>	Not Applicable	TC 28/2007 TC 40/2016 TC 72/2018 TC 25/2019 TC 125/2020 TC 47/2023
Security Service	Selective Tendering	HA List of Security Service Contractors	50/50 <sup>Note 5</sup>	WCL : 9,000 - 70,000 <sup>Note 7</sup>	TC 25/2009 TC 38/2011 TC 25/2019 TC 125/2020 TC 41/2023 TC 47/2023

Note 5 For service contracts that rely heavily on engaging non-skilled workers, the non-price to price ratio has been changed to 50:50 for tenders invited since 1 April 2019.

Note 6 An arrangement of 5% "allowance in excess of WCL" was approved vide Paper No. **TC 126/2016**.

Note 7 Banding system with different workload capping has been adopted for security service contractors with banding exercise conducted per annum. The workload capping limit for bands are summarised below –

Band	WCL	Remarks
Band IA	70 000 units	Contractors with confirmed status meeting the higher financial requirements of the bands, and meeting the performance threshold upgraded from Band IB, Band IIA or Band IIB
Band IB	35 000 units	Contractors with confirmed status meeting the minimum performance threshold upgraded from Band IIA or Band IIB
Band IIA	23 000 units	New contractors on probationary status meeting the higher financial requirements of the bands / Existing contractors with insufficient contracts in hand/ Existing contractors upgraded from Band IIB or downgraded from Band I
Band IIB	9 000 units	New contractors on probationary status / Existing contractors with insufficient contracts in hand / Existing contractors downgraded from Band I or Band IIA

Contract Type	Mode of Tendering	Lists Adopted for Tendering	Quality (Non-price)/ Price Ratio <sup>Note 9</sup>	Workload Capping Limit (WCL) (in domestic units number)	Authority of Tender Evaluation Methodology (Paper No.)
Cleansing Service	Selective Tendering	HA List of Cleansing Service Contractors	50/50 <sup>Note 5</sup>	WCL : 9,000 - 45,000 <sup>Note 8</sup>	TC 25/2009 TC 38/2011 TC 25/2019 TC125/2020 TC 41/2023 TC 47/2023
<b>Price and Quality (Technical Consideration) with Marking Schemes (Two-envelope)</b>					
Horticulture	Selective Tendering	HA List of Soft Landscape Contractors	30/70	Not Applicable	Approved by approving authority on a case by case basis
Property Management Agency (Shopping Centre)	Open Tendering (Pre-qualification) / Selective Tendering	HA List of PSA (Group PS1 or PS2) or Open Tendering	50/50 <sup>Note 5</sup>	Not Applicable	TC 38/2011 TC 25/2019
Property Management Agency (Factory Estates)	Selective Tendering	HA List of PSA (Group PS1 or PS2)	50/50 <sup>Note 5</sup>	Not Applicable	TC 125/2020 TC 41/2023 TC 47/2023

Note 8 Banding system with different workload capping has been adopted for cleansing service contractors with banding exercise conducted per annum. The workload capping limit for different bands are summarised below –

Band	WCL	Remarks
Band IA	45 000 units	Contractors with confirmed status meeting the higher financial requirements of the bands, and meeting the performance threshold upgraded from Band IB, Band IIA or Band IIB
Band IB	30 000 units	Contractors with confirmed status meeting the minimum performance threshold upgraded from Band IIA or Band IIB
Band IIA	23 000 units	New contractors on probationary status meeting the higher financial requirements of the bands / Existing contractors with insufficient contracts in hand / Existing contractors upgraded from Band IIB or downgraded from Band I
Band IIB	9 000 units	New contractors on probationary status / Existing contractors with insufficient contracts in hand / Existing contractors downgraded from Band I or Band IIA

Note 9 Use of Performance Score for Tender Evaluation

Tender-In Month	Performance Score Used
December, January, February	Score at Contractors Score League (CSL) ending September endorsed by CRC in November
March, April, May	Score at CSL ending December endorsed by CRC in February/March
June, July, August	Score at CSL ending March endorsed by CRC in May
September, October, November	Score at CSL ending June endorsed by CRC in August

Contract Type	Mode of Tendering	Lists Adopted for Tendering	Quality (Non-price)/ Price Ratio <small>Note 9</small>	Workload Capping Limit (WCL)	Authority of Tender Evaluation Methodology (Paper No.)
Carpark Operator	Open Tendering (Pre-qualification)	Open Tendering	50/50 <small>Note 5</small>	Not exceed 60% of the HA parking provision	TC 11/2011 TC 38/2011 TC 89/2012 TC 25/2019 TC 39/2019 TC 125/2020 TC 41/2023 TC 47/2023
Tree Services	Open Tendering	Open Tendering	30/70	Not Applicable	TC 23/2019
<b>Price Only</b>					
Secondment Services (Contract Property Services Officers and Multi-skilled Clerks)	Selective Tendering	HA List of Property Service Agents (PSA) Group PS1 or PS2	0/100	Not Applicable	Approved by approving authority on a case by case basis.

**C. Goods and General Services, IT Projects and General Consultancy Services**

Contract Type	Mode of Tendering	Lists Adopted for Tendering	Quality (Non-price)/ Price Ratio	Workload Capping Limit (WCL)	Authority of Tender Evaluation Methodology (Paper No.)
<b>Price and Quality (Technical Consideration) with Marking Schemes (Two-envelope)</b>					
Goods and General Services	Open Tendering	Open Tendering	50%-70% / 30%-50%	Not Applicable	<ul style="list-style-type: none"> <li>● Procurement Instruction No. 2 of 2019/20 (marking scheme framework). To follow the enhancement measures in Financial Circular No. 2/2019 to promote innovation procurement by adopting marking scheme for tender assessment.</li> <li>● Approval is required for adopting marking scheme.</li> <li>● Prior approval is also required for not adopting marking scheme or deviation from the marking scheme framework</li> </ul>
IT Projects & Related Services	Open Tendering	Open Tendering	50%-70% / 30%-50%		
General Consultancy Services	Open Tendering	Open Tendering	50%-70% / 30%-50%		

**D. Professional Services Providers**

Contract Type	Mode of Tendering	Lists Adopted for Tendering	Quality (Non-price) /Price Ratio	Workload Capping Limit (WCL)	Authority of Tender Evaluation Methodology (Paper No.)
<b>Price and Quality (Technical Consideration) with Marking Schemes (Two-envelope)</b>					
Professional Services Providers (PSP) (Architectural)	Selective Tendering (Prequalification) <sup>Note 10</sup>	Based on AACSB List of Consultants (Appropriate Category) maintained by Development Bureau	70/30	15 Workload Points	BC 148/98 BC 113/2000 / QH 9/2000 BC 113/2001 HDT 10/2015 (revised)
PSP (Structural Engineering)				15 Workload Points	BC 158/98 BC 20/2000 HDT 106/2022
PSP (Building Services)					
PSP (Quantity Surveying)		Based on EACSB's Directories of Consultants (Appropriate Category) maintained by Development Bureau	70/30 or 80/20	Not Applicable	BC 158/98 BC 113/2000 / QH 9/2000
PSP (Building Surveying)					
PSP (Civil Engineering)					
PSP (Geotechnical Engineering)					
Specialist Consultants	Open Tendering/ Selective Tendering (Pre-qualification)	User-maintained Lists or Reference Lists from other departments or organisations or Open Tendering	70/30 or 80/20 or 50/50	Not Applicable	BC 152/98 BC 113/2000 / QH 9/2000
BEAM Services Providers (BEAM-SP)	Open Tendering/ Selective Tendering (Pre-qualification)	User-maintained Lists or Reference Lists from other departments or organisations or Open Tendering	70/30	One third of the total Workload Points of active agreements	HDT 36/2014 (Revised)
BIM Services Providers (BIMSP)	Open Tendering/ Selective Tendering (Pre-qualification)	User-maintained Lists or Reference Lists from other departments or organisations or Open Tendering	70/30	Not Applicable	Approved by approving authority on a case by case basis
PSP (Arboricultural)	Open Tendering	Open Tendering	70/30	Not Applicable	Approved by approving authority on a case by case basis

Note 10 Prequalification is only required for quantity surveying services of special nature (e.g. cost study and review of schedule of rates).

**Summary of Capping Limits/Workload Points (WPs) for Professional Services Providers (PSP)** (Updates are indicated by \*\*)

Item	Aspect	Capping Limit
	<b>Capping Limits (Company)</b>	
(1)	<b>All Concurrent Agreements in Hand</b> (i.e. Maximum WP of a PSP)	<b>15</b> (same for ASP, ESP, BSESP)
(2)	<b>Bonus WPs for Experienced Companies</b> (i.e. add 10% of WP)	110% of 15 = 16.5 say <b>17</b>
(3)	<b>Additional Allowance for PSP with WP approaching the Capping Limit</b> (i.e. 20% Allowance in excess)	20% of 15 = <b>3</b>

<b>Item</b>	<b>Aspect</b>	<b>Workload Points</b>
(4)	<p><b>Counting of WPs for an Agreement (Company)</b></p> <ul style="list-style-type: none"> <li>- Normal               <ul style="list-style-type: none"> <li>a) Single project</li> <li>b) Bundled projects</li> </ul> </li> <li>- Complex (i.e. Multi-phased, Large project)               <ul style="list-style-type: none"> <li>a) Single project</li> <li>b) Bundled projects</li> </ul> </li> <li>- Special (e.g. IPA)</li> </ul>	<p align="center">1 1.25  2 2.5  3</p>
(5)	<p><b>Counting of WPs at Different Stages of an DCD Agreement (Company)</b></p> <p>Up to completion of 1st typical floor ceiling slab plus three months</p> <ul style="list-style-type: none"> <li>- Normal               <ul style="list-style-type: none"> <li>a) Single project</li> <li>b) Bundled projects</li> </ul> </li> <li>- Complex (i.e. Multi-phased, Large project)               <ul style="list-style-type: none"> <li>a) Single project</li> <li>b) Bundled projects</li> </ul> </li> <li>- Special (e.g. IPA)</li> </ul> <p>From 1<sup>st</sup> typical floor ceiling slab plus three months, to substantial completion plus three months (for all types of typical, multi-phased, IPA)</p> <p>No Direct Design of Works or Specific Specialist Studies/Design</p> <p>At Defect Liability Period (i.e. three months after substantial completion)/ Final Account Stage</p>	<p align="center">1 1.25  2 2.5  3  0.5 0.63 (bundled projects)  0  0</p>

<b>Item</b>	<b>Aspect</b>	<b>Workload Points</b>	
(6)	<b>Capping Limits (Key Personnel)</b>  <b>Director</b>	No capping	
(7)	<b>Senior Design Professional (SDP)</b>	<u>PRH</u>	<u>HOS</u>
	(A) up to completion of 1st typical floor ceiling slab plus three months		
	- Normal		
	a) Single project (A/SE/BSE)	0.20 WP	0.22 WP
	b) Bundled projects (A/SE/BSE)	0.25 WP	0.28 WP
	- Complex (i.e. Multi-phased, Large project)		
	a) Single project (A/SE/BSE)	0.40 WP	0.44 WP
	b) Bundled projects (A/SE/BSE)	0.50 WP	0.55 WP
	(B) from 1st typical floor ceiling slab plus three months, to substantial completion plus three months	<u>PRH</u>	<u>HOS</u>
	- Normal		
	a) Single project (A/SE/BSE)	0.20 WP	0.20 WP
	b) Bundled projects (A/SE/BSE)	0.25 WP	0.25 WP
	- Complex (i.e. Multi-phased, Large project)		
	a) Single project (A/SE/BSE)	0.40 WP	0.40 WP
	b) Bundled projects (A/SE/BSE)	0.50 WP	0.50 WP

<b>Item</b>	<b>Aspect</b>	<b>Workload Points</b>	
(8)	<b>Design Professional (DP)</b>	<u>PRH</u>	<u>HOS</u> (Add 10%)
	(A) up to completion of 1st typical floor ceiling slab plus three months		
	- Normal		
	a) Single project (A)	0.67 WP	0.74 WP
	(SE/BSE)	0.50 WP	0.55 WP
	b) Bundled projects (A)	0.84 WP	0.92 WP
	(SE/BSE)	0.63 WP	0.69 WP
	- Complex (i.e. Multi-phased, Large project)		
	a) Single project (A)	1.34 WP	1.47 WP
	(SE/BSE)	1.00 WP	1.10 WP
	b) Bundled projects (A)	1.68 WP	1.84 WP
	(SE/BSE)	1.25 WP	1.38 WP
	(B) from 1st typical floor ceiling slab plus three months, to substantial completion plus three months	<u>PRH</u>	<u>HOS</u>
	- Normal		
	a) Single project (A)	0.33 WP	0.33 WP
	(SE)	0.33 WP	0.33 WP
	(BSE)	0.25 WP	0.25 WP
	b) Bundled projects (A)	0.41 WP	0.41 WP
	(SE)	0.41 WP	0.41 WP
	(BSE)	0.31 WP	0.31 WP
	- Complex (i.e. Multi-phased, Large project)		
	a) Single project (A)	0.67 WP	0.67 WP
	(SE)	0.67 WP	0.67 WP
	(BSE)	0.50 WP	0.50 WP
	b) Bundled projects (A)	0.84 WP	0.84 WP
	(SE)	0.84 WP	0.84 WP
	(BSE)	0.63 WP	0.63 WP

**Summary of Tender Award Restrictions for PSP**

**(1) Within Rolling Six Month Period**

	ASP	ESP	BSESP	
Max. no. of agreements to be awarded to a single PSP within any rolling six month period	3	3	3	<i>whichever is the higher</i>
	<i>or 2/3 (i.e. 67%, round up to a whole number when necessary) of the total no. of agreements in the period</i>			

**(2) Within Each Batch**

	ASP	ESP	BSESP
Max. no. of agreements to be awarded to a single PSP in each batch of tenders	<i>2/3 (i.e. 67%, round up to a whole number when necessary) of the total no. of agreements of the batch of tenders</i>		

**(3) For PSP without HA Past Performance**

PSP, without any valid past performance score (for the corresponding type of professional services to be procured) in HA in the last 10 years, is restricted to be awarded with not more than **two** agreements in a batch, and not more than **two** agreements within any rolling six-month period.

**(4) For PSP with Adverse Performance**

PSP, with any performance report rated as ‘adverse’ (for the corresponding type of professional services to be procured) in HA projects within the immediate past two quarters as having endorsed by Contractors Review Committee (Professional Services Providers) as at tender return date, is restricted to be awarded with not more than **one** agreement in a batch, and not more than **one** agreement within any rolling six-month period.

**(5) Within Each Batch based on PSP’s Declaration**

PSP is required to submit a declaration on the maximum number of agreements they are capable of undertaking in a Batch. The PSP shall not be awarded more agreements than their declared number of agreements.

## **Other Restrictions**

### **(1) Arrangement for Related Company**

For Capping Limits and Tender Award Restriction for related company of the same discipline –

- (a) Only one company within the group of companies is permitted to tender for a particular agreement (failure to observe will render the tenders submitted by these related companies null and void);
- (b) The Capping Limits and Tender Award Restrictions to the group of related companies will be applied as if they were one company, i.e. all related companies within the group will share the Capping Limits and Tender Award Restrictions set for one company; and
- (c) All companies within each group of related companies will be put in quarantine whenever one of the companies is involved in serious incidents.

### **(2) Arrangement for Large or Complicated Projects**

For selected large or complicated projects, only Band 1, instead of both Band 1 and Band 2, PSP of Architectural and Associated Consultants Selection Board (AACSB)'s Consultant Lists are permitted to tender.

## **Pre-qualification and Tender Assessment Criteria for PSP**

### **(1) Pre-qualification Submission Assessment Criteria**

The proposed marks allocated to the prequalification/ shortlisting assessment criteria are as follows –

	<b>Assessment Criteria</b>	<b>Marks</b> <sup>Note 1</sup>
1	Understanding of public housing requirements and approach to detail design for enhancing sense of well-being and design excellence**, tender document & ICU submission, etc.	20%
2	Relevant local experience in detailed design	25%
3	Resources - proposed team members and drawing office support	30%
4	Past performance in HA projects <sup>Note 2</sup>	25%
	<b>Total</b>	<b>100%</b>

### **(2) Tender Submission Assessment Criteria**

The assessment for the non-price aspects of the tender submission is divided into TWO sections (i.e. Technical Score and Past Performance Score in ratio of 80:20). The proposed marks allocated to each section are as below –

<b>A</b>	<b>Technical Score</b>	ASP	ESP/ BSESP
<b>1.0</b>	<b>Proposed Project Team's Resources</b>	50%	50%
1.1	Project Team Organisation Plan		
1.2	Qualifications & Work Experience of the proposed Key Personnel		
1.2.1	Design Director	10% **	10% **
1.2.2	Senior Design Professional	15% **	15% **
1.2.3	Design Professional	25% **	25% **
<b>2.0</b>	<b>Understanding of the Project</b>	35% **	30%
2.1	General	5%	5%
2.2	Detail Design & Cost Effectiveness	15%	15%
2.3	Coordination of Concerned Parties	5%	5%
2.4	Drawing Production System	5%	5%
2.5	Innovative Design**	5% **	-
<b>3.0</b>	<b>Program/Submission Schedules with resources allocation</b>	15% **	20%
3.1	Allocation of Manpower Resources	10% **	15%
3.2	Appraisal of Program with Breakdown of Critical Activities	5%	5%
	<b>Total:</b>	<b>100%</b>	

<b>B</b>	<b>Past Performance Score</b>	
	Past performance in HA projects <sup>Note 2</sup>	<b>100%</b>

Note 1 Tender Evaluation Team is allowed to adjust the scores to suit the project need/special requirements.

Note 2 For PSP without any past performance in HA projects in the last 10 years, an average score of all PSPs being assessed will be given to them according to the prevailing mechanism.