For information

Report on Significant Deviations between Accepted Tender Prices and Estimated Provisions in the Approved Project Estimates (for Capital Works Contracts Awarded in the Third Quarter of 2020)

On 21 April 2004, the Director of Audit published a report¹ on the value-for-money audit on the Harbour Area Treatment Scheme Stage I project. Among other observations, the Director of Audit took note of significant deviations between the accepted tender prices for some works contracts under this project and those estimated in the Approved Project Estimates (APE). The Public Accounts Committee (PAC) recommended in its June 2004 report that, in order to ensure effective monitoring on the use of funding, works departments should inform the Legislative Council (LegCo) when there is a difference of \$15 million or more between the accepted tender price and the estimated provision in the APE.

2. In response to the recommendation of PAC, the Administration had agreed to submit quarterly reports to LegCo on significant deviations between the accepted tender prices for capital works projects and the estimated provision in the APE when these "equal/exceed \$15 million or 10% of the original estimated provisions in the APE, whichever is the greater"². We submitted the first report covering projects up to end December 2004 to PAC on 4 February 2005 and were directed by the Clerk to the Finance Committee that future reports should be addressed to the Public Works Subcommittee.

3. For the quarter ending September 2020, 23 capital works contracts meet the stipulated reporting criterion. Relevant details of the contracts are set out at the **Annex** attached.

Development Bureau Works Branch March 2021

¹ See Director of Audit's Report No. 42, Chapter 3

² See paragraph 25 of the Government's Minute in response to Report No. 42 of the Public Accounts Committee tabled at the LegCo on 20 October 2004

Report on Significant Deviations between Accepted Tender Prices and Estimated Provisions in the Approved Project Estimates (for Capital Works Contracts Awarded in the Third Quarter of 2020)

(1) Department: <u>Architectural Services Department</u>

Project Code Contract No.	Project Title Contract Title/ Award Date	Approved Project Estimate (APE)	(A) Sum Allowed in APE for the Contract	(B) Accepted Tender Price	(A) – (B) Difference	
		\$	million (in	MOD prices	5)	
3468RO	Improvement of Lam Wah Street Playground and adjacent area	145.50				
SS H516	Improvement of Lam Wah Street Playground and adjacent area/ 10 July 2020		115.30	89.35	25.95	
		The accepted tender price is lower than the sum allowed in APE for the contract. This i due to keen competition under prevailing market conditions, which resulted in lowe rates in the returned tenders. Details of the key items with significant savings are a follows - (a) Contract preliminaries (\$14.04 million); (b) Demolition (\$4.62 million); (c) Building works (\$3.88 million); and (d) Ancillary works (\$3.41 million).				

Project Code Contract No.	Project Title Contract Title/ Award Date	Approved Project Estimate (APE)	(A) Sum Allowed in APE for the Contract	(B) Accepted Tender Price	(A) – (B) Difference
		\$	•	MOD price	es)
3288RS SS J507	Swimming pool complex and open space in Area 107, Tin Shui Wai Construction of a swimming pool complex and open space in Area 107, Tin Shui Wai/ 3 September 2020	1,336.00	1,032.50	758.00	274.50
		sum allow is due to market c rates in th key item follows - (a) Contr (b) Exter (c) Build	r prevailing ed in lower etails of the ings are as 19 million); on);		

(2)	Department:	Civil Engineering and Development Department
	Departmente	Civil Engineering and Development Department

Project Code	Project Title	Approved Project	(A) Sum	(B) Accepted	(A) – (B) Difference	
Contract No.	Contract Title/ Award Date	Estimate (APE)	Allowed in APE for the Contract	Tender Price		
		\$	million (in	MOD prices	5)	
5001BX (block allocation)	Landslip Preventive Measures					
Item No. 1.112	Landslip Prevention and Mitigation Programme, 2019, package K, landslip prevention and mitigation works	179.96				
GE/2019/01	Landslip Prevention and Mitigation Programme, 2019, package K, landslip prevention and mitigation works in Hong Kong Island, Kowloon, New Territories and Outlying Islands/ 27 August 2020		137.43	119.66	17.77	
		 The accepted tender price is lower than the sum allowed in APE for the contract. This is due to keen competition under prevailing market conditions, which resulted in lower rates in the returned tenders. Details of the key items with significant savings are as follows - (a) Contract preliminaries and site clearance (\$9.01 million); (b) Geotechnical works (\$1.19 million); and (c) Ancillary works (\$7.57 million). 				

dvance site formation and	4			
dvance site formation and		6 million (in	MOD price	s)
gineering infrastructure works Kwu Tung North New evelopment Area and Fanling orth New Development Area	17,320.10			
Fanling North New Development Area, phase 1: Fanling Bypass Eastern Section (Shek Wu San Tsuen North to Lung Yeuk Tau)/ 30 July 2020		2,945.88	2,148.00	797.88
			-	
	n lo	tions, which	resulted in	
	ii) ad d cu h	dopting c esign, whi onstruction igher const	ich would methodolo ruction effi	bring in gies with ciency and
		•		significant
	(\$	5338.07 mill	ion);	underpass s (\$193.52
	(c) N (s) (d) S	illion); oise barrie 5189.85 mill ewage pum	r and other ion); and ping station	structures
	Fanling Bypass Eastern Section (Shek Wu San Tsuen North to Lung Yeuk Tau)/	Fanling Bypass Eastern Section (Shek Wu San Tsuen North to Lung Yeuk Tau)/ 30 July 2020 The accepsum allowis due to i) ka ii) ka iii) aa iii) aa	Fanling Bypass Eastern Section (Shek Wu San Tsuen North to Lung Yeuk Tau)/ 30 July 2020 The accepted tender sum allowed in APE is due to i) keen compermarket condit lower rates is and i) ii) adopting c design, whit construction higher constit hence resulted Details of the key savings are as follo (a) Depressed (\$338.07 mill (b) (b) Viaducts and million); (c) Noise barrie (\$189.85 mill (d)	Fanling Bypass Eastern Section (Shek Wu San Tsuen North to Lung Yeuk Tau)/ 30 July 2020 The accepted tender price is low sum allowed in APE for the con is due to i) keen competition under market conditions, which lower rates in the return and ii) adopting contractor's design, which would construction methodolo higher construction effi- hence resulted in significa Details of the key items with savings are as follows – (a) (b) Viaducts and footbridge million); (c) Noise barrier and other (\$189.85 million); and

Project Code Contract No.	Project Title Contract Title/ Award Date	Approved Project Estimate (APE)	(A) Sum Allowed in APE for the Contract	(B) Accepted Tender Price	(A) – (B) Difference
		9	6 million (in	MOD price	s)
ND/2019/07	Fanling North New Development Area, phase 1: site formation and infrastructure works/ 17 August 2020	sum allow is due to market c rates in th key item follows - (a) Contr (b) Site f	wed in APE keen comp onditions, w he returned s with sig ract prelimin formation (\$	314.63 price is low for the con- petition under which resulted tenders. De nificant savi naries (\$20.93 37.06 millior rks (\$55.95 r	tract. This r prevailing ed in lower etails of the ngs are as 3 million); h); and

Project Code Contract No.	Project Title Contract Title/ Award Date	Approved Project Estimate (APE)	(A) Sum Allowed in APE for the Contract	(B) Accepted Tender Price	(A) – (B) Difference
		8	6 million (in	MOD price	s)
7831CL SD/2019/02	West Kowloon Reclamation—main works (remainder)—footbridge at the junction of Sham Mong Road and Hing Wah Street West in Sham Shui Po West Kowloon Reclamation— main works (remainder)— footbridge at the junction of Sham Mong Road and Hing Wah Street West in Sham Shui Po/ 13 July 2020	274.00 218.00 5			
		sum allow is due to market c rates in t key item follows - (a) Contt (b) Piling (c) Road water	wed in APE keen comp onditions, w he returned is with sig ract prelimin g works (\$6. s, drainage, works (\$35	price is low for the con- petition under which resulter tenders. De- nificant savi naries (\$8.90 90 million); landscaping 5.50 million); (\$4.70 million)	tract. This r prevailing ed in lower etails of the ngs are as million); works and and

Project Code Contract No.	Project Title Contract Title/ Award Date	Approved Project Estimate (APE)	(A) Sum Allowed in APE for the	(B) Accepted Tender Price	(A) – (B) Difference	
			Contract			
		S	6 million (ir	MOD price	s)	
7845CL	Hung Shui Kiu/Ha Tsuen New Development Area advance works Phases 1 & 2—site formation and engineering infrastructure and phase 3—detailed design and site investigation	495.90				
YL/2019/02	Hung Shui Kiu/Ha Tsuen New Development Area advance works phase 2—site formation and engineering infrastructure/ 3 August 2020		182.30	112.33	69.97	
		The accepted tender price is lower to sum allowed in APE for the contract is due to keen competition under pro- market conditions, which resulted in rates in the returned tenders. Detail key items with significant savings follows -				
		 (a) Contract preliminaries (\$21.61 mill (b) Land decontamination works (million); and (c) Site formation works and engir infrastructure works (\$10.42 million) 				

Project Code	Project Title	Approved Project	(A) Sum	(B) Accepted	(A) – (B) Difference
Contract No.	Contract Title/ Award Date	Estimate (APE)	Allowed in APE for the Contract	Tender Price	
		5	6 million (in	MOD price	es)
7473RO ND/2018/02	The Establishment of anAgricultural Park in Kwu TungSouth—Phase 1The establishment of an	176.60	142.60	119.99	22.61
	Agricultural Park in Kwu Tung South (Phase 1)/ 18 September 2020				
		sum allow is due to market c rates in t key item follows - (a) Contr (b) Road	r prevailing ed in lower etails of the ngs are as million); land and		
		 (a) Contract preliminaries (\$4.23 mill (b) Road works, formation of lar associated park facilities (\$4.70 n and (c) Drainage, sewerage, irrigation supply, utilities and street lighting (\$13.68 million). 			tion water

Project Code Contract No.	Project Title Contract Title/ Award Date	Approved Project Estimate (APE)	(A) Sum Allowed in APE for the Contract	(B) Accepted Tender Price	(A) – (B) Difference
		9	6 million (in	MOD price	es)
B780CL CV/2018/03	Site formation and infrastructure works for public housing development at Wang Chau, Yuen Long Site formation and infrastructure works at Wang Chau, Yuen Long—Contract 2/ 7 September 2020	237.29 179.31 57			
		sum allow is due to market c rates in th key item follows - (a) Contra and (b) Road water	wed in APE keen comp onditions, w he returned s with sig ract prelimi s, footbridg works, Pai	price is low for the con betition unde which resulte tenders. Do nificant savi naries (\$34.4 ge, drainage Lau, landsca tks (\$23.57 n	tract. This r prevailing ed in lower etails of the ngs are as 41 million); , sewerage, aping works

(3) Department: <u>Drainage Services Department</u>

Project Code Contract No.	Project Title Contract Title/ Award Date	Approved Project Estimate	(A) Sum Allowed in APE	(B) Accepted Tender Price	(A) – (B) Difference
NO.	Award Date	(APE)	for the Contract	Frice	
		\$	million (in	MOD prices	5)
4118CD	Drainage improvement in Northern New Territories— package B (remaining works)	65.50			
4163CD	Drainage improvement works at Ngong Ping	216.00			
4184CD	Drainage improvement in Southern Hong Kong Island—package 2A	134.70			
	Total :	416.20			
DC/2019/06	Drainage improvement works in Northern New Territories (remaining works), Southern Hong Kong Island and Ngong Ping/ 31 July 2020		279.40	207.06	72.34
		The accepted tender price is lower than the sum allowed in APE for the contract. This due to keen competition under prevailing market conditions, which resulted in lower rates in the returned tenders. Details of the key item with significant savings are as follow - (a) Drainage improvement works (\$72.3 million).			

Project Code	Project Title	Approved Project	(A) Sum	(B) Accepted	(A) – (B) Difference
Contract No.	Contract Title/ Award Date	Estimate (APE)	Allowed in APE for the Contract	Tender Price	
		\$	million (in	MOD prices	5)
4186CD	Rehabilitation of underground stormwater drains—stage 2	515.10			
4440DS	Rehabilitation of underground sewers—stage 2	306.10			
4100DX (block allocation) Item DZD19E5	Engineering inspection for underground stormwater drains in Hong Kong and Islands 2020-21 programme	13.40			
4100DX (block allocation) Item DZD19E6	Engineering inspection for drainage box culverts in Hong Kong and Islands 2020-21 programme	18.90			
4100DX (block allocation) Item DZG19E7	Engineering inspection for underground stormwater drains in New Territories North 2020-21 programme	15.40			
4100DX (block allocation) Item DZF19E8	Engineering inspection for drainage box culverts in New Territories North 2020-21 programme	19.90			
4100DX (block allocation) Item DZF19E9	Engineering inspection for underground stormwater drains in Kowloon and New Territories South 2020-21 programme	18.20			
4100DX (block allocation) Item DZF19F0	Engineering inspection for drainage box culverts in Kowloon and New Territories South 2020-21 programme	9.50			
. – .	Total :	916.50			

			1		Page 12
Project Code Contract No.	Project Title Contract Title/ Award Date	Approved Project Estimate (APE)	(A) Sum Allowed in APE for the Contract	(B) Accepted Tender Price	(A) – (B) Difference
		\$	million (in	MOD prices	5)
DC/2019/04	Condition survey and rehabilitation of underground sewers and stormwater drains—stage 2/ 14 September 2020	The accept sum allowed due to kee market cor rates in the key items follows - (a) Contra	636.90 ted tender ed in APE f een compe- nditions, w e returned with sign ct prelimina	431.99 431.99 price is low or the contra tition under hich resulte tenders. De ificant savi ries (\$21.19 orks (\$158.1	204.91 er than the act. This is prevailing d in lower etails of the ngs are as million);

Title	Approved Project	(A) Sum	(B) Accepted	(A) – (B) Difference		
Award Date	Estimate (APE)	Allowed in APE for the Contract	Tender Price			
	\$	million (in	MOD prices	5)		
Upgrading of West Kowloon and Tsuen Wan sewerage—phase 2	2,285.50					
West Kowloon and Tsuen Wan village sewerage—phase 1	104.10					
Total :	2,389.60					
Upgrading of West Kowloon and Tsuen Wan sewerage—phase 2A/ 9 July 2020		754.99	508.23	246.76		
	sum allowe due to ke market co rates in th	to keen competition under preva et conditions, which resulted in le in the returned tenders. Details of items with significant savings are				
	 (a) Contract preliminaries (\$14.46 m (b) Pipelaying works by trenchlest (\$161.61 million); (c) Pipelaying works by open curmillion); and (d) Dry weather flow ir rehabilitation and miscellaneous million). 					
	Upgrading of West Kowloon and Tsuen Wan sewerage—phase 2 West Kowloon and Tsuen Wan village sewerage—phase 1 Total : Upgrading of West Kowloon and Tsuen Wan sewerage—phase 2A/	Award Date (APE) Image: Constraint of the second	Award Date(APE)in APE for the ContractAward Date(APE)in APE for the ContractUpgrading of West Kowloon and Tsuen Wan sewerage—phase 22,285.50West Kowloon and Tsuen Wan village sewerage—phase 1104.10Total :2,389.60Upgrading of West Kowloon and Tsuen Wan sewerage—phase 2A/ 9 July 2020754.99The accepted tender f sum allowed in APE f due to keen compet market conditions, w rates in the returned to key items with sign follows -(a) Contract prelimina (b) Pipelaying works (\$161.61 million); (c) Pipelaying works million); and (d) Dry weather rehabilitation and	Award Date (APE) in APE for the Contract Price Upgrading of West Kowloon and Isuen Wan sewerage—phase 2 \$ million (in MOD prices) West Kowloon and Tsuen Wan village sewerage—phase 1 104.10 104.10 Upgrading of West Kowloon and Tsuen Wan sewerage—phase 1 2,389.60 754.99 508.23 Upgrading of West Kowloon and Tsuen Wan sewerage—phase 2.A/ 9 July 2020 The accepted tender price is low sum allowed in APE for the contra due to keen competition under market conditions, which resulter rates in the returned tenders. De key items with significant savit follows - (a) Contract preliminaries (\$14.46 (b) Pipelaying works by trenche (\$161.61 million); and (c) Pipelaying works by open of million); and (d) Dry weather flow rehabilitation and miscellaned (c) Pipelaying works by open of million); and (c) Pipelaying works by open of million); and		

Project Code Contract No.	Project Title Contract Title/ Award Date	Approved Project Estimate (APE)	(A) Sum Allowed in APE for the Contract	(B) Accepted Tender Price	(A) – (B) Difference
		\$	million (in	MOD prices	5)
4430DS DC/2019/13	ToloHarboursewerageofunsewered areas, stage 2—phase 2ToloHarboursewerageofunsewered areas, stage 2—phase2/17July 2020	308.10	185.55	134.41	51.14
		sum allowe due to ke market co rates in th key items follows - (a) Village and	ed in APE f een compe- nditions, w e returned with sign e sewerage	price is low or the contra tition under hich resulte tenders. De ificant savi works (\$22 tations (\$28.	tet. This is prevailing d in lower etails of the ngs are as 51 million);

Project Code Contract No.	Project Title Contract Title/ Award Date	Approved Project Estimate (APE)	(A) Sum Allowed in APE for the Contract	(B) Accepted Tender Price	(A) – (B) Difference
		\$	million (in	MOD prices	5)
4431DS	Port Shelter sewerage, stage 2, package 3	515.90			
4432DS	Port Shelter sewerage, stage 3, package 2	668.20			
	Total :	1,184.10			
DC/2019/09	Provision of village sewerage in Sai Kung/ 16 July 2020	sum allowe due to ke market con rates in the key items follows - (a) Contra (b) Village works stations (\$64.33	ed in APE feen competenditions, we returned to with sign et preliminate sewerage of associ s and sev 3 million); a	799.70 price is low or the contra tition under hich resulted tenders. De ificant savin ries (\$30.41 works and of ated sewage vage treatm nd 2.40 million)	ct. This is prevailing d in lower etails of the ngs are as million); construction e pumping nent plants

(4) Department: <u>Highways Department</u>

Project	Project					
Code Contract	Title Contract Title/	Approved Project Estimate	(A) Sum Allowed	(B) Accepted Tender	(A) – (B) Difference	
No.	Award Date	(APE)	in APE for the Contract	Price		
		\$	million (in	MOD prices	5)	
6832TH	Retrofitting of noise barriers on Long Tin Road	304.00				
HY/2019/11	Retrofitting of noise barriers on Long Tin Road/ 17 July 2020		247.90	36.33		
		The accepted tender price is lower than sum allowed in APE for the contract. This due to keen competition under prevai market conditions, which resulted in lo rates in the returned tenders. Details of key items with significant savings are follows - (a) Contract preliminaries (\$7.68 million); (b) Noise barriers (\$25.65 million); and (c) Associated street lighting, slope, drains traffic aids, utilities and landscaping we (\$3.00 million).				

(5) Department: <u>Home Affairs Bureau</u>

Project Code	Project Title	Approved Project	(A) Sum	(B) Accepted	(A) – (B) Difference
Contract No.	Contract Title/ Award Date	Estimate (APE)	Allowed in APE for the Contract	Tender Price	
		\$	million (in	MOD prices	s)
8044QJ	YouthHostelSchemeconstructionworksbyPoLeungKuk for the youth hostelproject inMa Tin Pok, YuenLong	1,444.70			
G14-016- C02	Main contract works for Po Leung Kuk Youth Hostel/ 28 August 2020		812.09	440.73	
		sum allow due to k market co rates in th key items follows - (a) Buildin	r prevailing d in lower etails of the ngs are as		

Project Code Contract	Project Title Contract Title/	Approved Project Estimate	(A) Sum Allowed	(B) Accepted Tender	(A) – (B) Difference	
No.	Award Date	(APE)	in APE for the Contract	Price		
		\$	million (in	MOD prices	5)	
7803CL	Development of Anderson Road Quarry Site—site formation and associated infrastructure works	7,693.40				
4/WSD/19	Development of Anderson Road Quarry Site—construction of grey water treatment plant/ 9 September 2020		374.43	333.00	41.43	
		The accepted tender price is lower th sum allowed in APE for the contract. due to keen competition under pre market conditions, which resulted in rates in the returned tenders. Details key items with significant savings follows - (a) Contract preliminaries (\$22.78 million) (b) Civil and electrical and mechanical (\$15.45 million); and (c) Ancillary works (\$3.20 million).				

(6) Department: <u>Water Supplies Department</u>

Project Code Contract No.	Project Title Contract Title/ Award Date	Approved Project Estimate (APE)	(A) Sum Allowed in APE	(B) Accepted Tender Price	(A) – (B) Difference	
			for the Contract			
		\$	million (in	MOD prices	5)	
9196WC	Implementation of Water Intelligent Network—remaining works	1,236.00				
13/WSD/19	Construction of pressure management and district metering installations under Water Intelligent Network— remaining works/ 22 July 2020		636.00	211.72		
		 The accepted tender price is lower than sum allowed in APE for the contract. Th due to keen competition under prevair market conditions, which resulted in logrates in the returned tenders. Details of key items with significant savings are follows - (a) Contract preliminaries (\$51.97 million) (b) Ground investigation and site cleara (\$22.33 million); (c) Pipework and fittings (\$62.96 milliand (d) Ancillary works (\$74.46 million). 				

Project Code Contract No.	Project Title Contract Title/ Award Date	Approved Project Estimate (APE)	(A) Sum Allowed in APE for the Contract	(B) Accepted Tender Price	(A) – (B) Difference	
		\$	million (in	MOD prices	5)	
9368WF	Improvement to Dongjiang water mains P4 at Sheung Shui and Fanling	1,071.40				
5/WSD/19	Improvement to Dongjiang water mains P4 at Sheung Shui and Fanling/ 4 September 2020		1,066.50	438.80	627.70	
		sum allowe due to ke market co prices in th key items follows - (a) Laying method (b) Laying	he accepted tender price is lower im allowed in APE for the contract ue to keen competition under arket conditions, which resulted rices in the returned tenders. Deta ey items with significant saving ollows - a) Laying of water mains by con method (\$559.50 million); and b) Laying of water mains by method (\$68.20 million).			

Project Code Contract No.	Project Title Contract Title/ Award Date	Approved Project Estimate (APE)	(A) Sum Allowed in APE for the Contract	(B) Accepted Tender Price	(A) – (B) Difference		
		\$	million (in	MOD prices	5)		
9369WF	Uprating of Sheung Wong Yi Au fresh water supply system—Stage 1	207.00					
2/WSD/19	Mainlaying and uprating of Ha Wong Yi Au Fresh Water Pumping Station/ 10 September 2020		153.00	102.75	50.25		
		sum allowe due to ke market co rates in the key item w	The accepted tender price is lower that sum allowed in APE for the contract. The due to keen competition under preva- market conditions, which resulted in 1 rates in the returned tenders. Details o key item with significant savings are as fol- - (a) Mainlaying works (\$50.25 million).				

(7) Department: <u>Non-governmental organisations</u>

Project Code	Project Title	Approved Project	(A) Sum	(B) Accepted	(A) – (B) Difference
Contract No.	Contract Title/ Award Date	Estimate (APE)	Allowed in APE for the Contract	Tender Price	
		\$	million (in	MOD prices	5)
8004MJ 8110080459	associated works for main works package 2 for Expansion of	16,214.10	11,181.65	9,160.00	2,021.65
	United Christian Hospital/ 27 July 2020	sum allowe due to ke market co rates in th key items follows - (a) Basem (b) Buildin (c) Buildin (c) Buildin millior (d) Draina millior (e) Alterat blocks	ed in APE freen competenditions, we returned to with sign ent (\$82.81 ng works (\$1) ng services a); ge and exactly and exactly to the services a);	1,344.31 mill installation sternal wor dition works illion); and	ct. This is prevailing d in lower etails of the ngs are as lion); as (\$295.66 ks (\$80.32

Project Code Contract No.	Project Title Contract Title/ Award Date	Approved Project Estimate (APE)	(A) Sum Allowed in APE for the	(B) Accepted Tender Price	(A) – (B) Difference	
			Contract			
		\$	million (in	MOD prices	5)	
8005MP	Redevelopment of Grantham Hospital, phase 1—demolition, site formation and foundation works	1,181.90				
8110080470	Main works package 1—demolition, foundation and associated works for redevelopment of Grantham Hospital (Phase 1) / 7 August 2020		1,130.60	886.93	243.67	
		sum allowe due to ke market co rates in th	accepted tender price is lower than allowed in APE for the contract. The to keen competition under preva- ket conditions, which resulted in 1 is in the returned tenders. Details of items with significant savings ar ows -			
		 (a) Contract preliminaries (\$5.82 million); (b) Demolition, foundation, site formation excavation and lateral support worn (\$222.95 million); and (c) External works and drainage (\$14. million). 				

Project Code	Project Title	Approved Project	(A) Sum	(B) Accepted	(A) – (B) Difference	
Contract No.	Contract Title/ Award Date	Estimate (APE)	Allowed in APE for the Contract	Tender Price		
		\$ million (in MOD prices)				
B075MC	Community health centre-cum- residential care home for the elderly at Tuen Mun Area 29 West	1,046.40				
20190505	Construction of public housing development at Tuen Mun Area 29 West/ 24 August 2020		709.50	417.02	292.48	
		sum allowe due to ke market co rates in th	The accepted tender price is lower than the sum allowed in APE for the contract. This is due to keen competition under prevailing market conditions, which resulted in lower rates in the returned tenders. Details of the key items with significant savings are as follows -			
		 (a) Contract preliminaries (\$71.60 million); (b) Building works (\$100.38 million); and (c) Updating of the estimated provision for contract price fluctuation taking into account of the current market conditions (\$120.50 million). 				