

Integrity and Quality Building Maintenance Cases in Perspective

Conspiracy to offer bribes over consultancy and renovation contracts for residential buildings

A sales manager of an architectural firm, a sales manager of a construction company and a senior manager of a property management company conspired to offer a sum between \$20,000 and \$50,000 to a part-time clerk employed by the owners' corporation of a private building as a reward for assisting the architectural firm in securing a canopy maintenance consultancy contract. They also offered several ten thousand dollars to an employee of a property management company (PMC) for assisting the architectural firm in boosting the extent of a renovation project of another building. The sales manager of the architectural firm later tried to persuade the PMC employee to speak favourably for him and not to testify against him. Eventually, the sales manager of the architectural firm admitted two counts of offering advantages to agents and one count of perverting the course of justice and was sentenced to 12 months' imprisonment. The other two were convicted of conspiracy to offer advantages to agents and sentenced to eight months' imprisonment.

Conspiracy to obtain contracts of fire-fighting equipment installation and renovation projects corruptly

An owners' corporation (OC) invited tenders for renovation and installation of fire-fighting equipment in two shopping arcades in the estate. The projects cost about \$40 million. The OC entrusted an engineering consultancy firm with carrying out the tender exercise and supervising the projects. The OC held a meeting to select a contractor for the projects but the selection was deferred owing to the opposition of two OC members. The OC chairman and a director of the engineering consultancy firm subsequently conspired to offer 3% of the total value of the contract to one of the two OC members as a reward for his favouring certain contractors during the tender selection for the installation of fire sprinklers and demolition of canopies. The two were each convicted of one count of conspiracy to offer an advantage to an agent and sentenced to imprisonment for two years.

Bribery over lift maintenance contract

The owners' corporation (OC) of an estate invited tenders for a lift maintenance contract worth about \$1.1 million. The director of an engineering company then offered a 13-day tour to Turkey, Greece and Egypt for two persons valued at \$39,880 to the OC chairlady as a reward for her awarding the contract to the former. The director was later convicted of one count of offering an advantage to an agent, and sentenced to six months' imprisonment.

Offering of bribe related to consultancy and electrical works contracts

A general manager of a property management company, who also owned a consultancy firm, assisted the owners' corporations (OCs) of two buildings in inviting tenders for consultancy work in relation to electrical repair works. The general manager recommended his own company to the chairmen. His company and two other companies were finally shortlisted by the OCs. The general manager promised that he would pay the OC chairmen and members \$37,500 in total if his company was awarded the consultancy contract; and that he would pay another \$37,500 if the contractor he recommended was awarded the repair works contract. The general manager was charged with one count of offering advantages to agents and sentenced to 27 months' imprisonment with the bribe forfeited.

Bribery over a building renovation contract

The owners' corporation (OC) chairman of a residential building and a director of a construction company were involved in corruption over a renovation contract for the building and sentenced to two years and 18 months in jail respectively. In sentencing, the judge said custodial sentences must be imposed on the defendants to reflect the seriousness of the bribery offences. The said construction company director offered a TV set, a free tour to Thailand and \$10,000 in bribes to the said OC chairman as a reward for persuading the OC members not to conduct another tendering exercise in relation to a renovation contract, but to put forward the four shortlisted contractors to an owners' general meeting for final selection, as well as assisting the said construction company to secure the renovation contract.