

<b>S/N</b>	<b>Category</b>	<b>Question</b>	<b>Answer</b>
1	General	Why is HDB introducing PQM tenders for HDB supermarkets?	HDB has piloted the tendering of eating houses under the Price-Quality Method (PQM). We will now extend this mode of tender to supermarket units. This will allow HDB to take into account quality factors, such as their productivity initiatives, mode of operations (including pricing), and community-centric programmes or activities that give back to society.
2		How does the PQM tender benefit residents?	The PQM tender considers factors like productivity initiatives, active management of premises, and affordability of groceries for residents. By accounting for quality when awarding tenders, we hope to encourage better business productivity and management, while ensuring the availability of affordable essential grocery items.
3		Will HDB be releasing more supermarkets under such PQM tender?	Yes, we will be releasing more supermarkets under PQM tender as and when new supermarkets are completed and/or existing supermarkets are returned.
4		Why is HDB no longer publishing the minimum rent?	HDB previously published the minimum rent to guide operators and discourage unrealistically high or low tendered rents.  However, we no longer publish minimum rents to give businesses the flexibility to submit wider ranges of tendered rents, according to their business projections. We now consider all tendered rents for award.
5		Will HDB award the tender even if the highest-scoring tendered rent is very low?	HDB considers each tender on a case-by-case basis. If the tendered rent is far too much below the tenancy's estimated market value, HDB reserves the right to not award the tender. In such a scenario, HDB will consider to put up the tenancy for tender again at a later tender exercise.
6		Can HDB reveal the estimated market value for the rental, as a guide for tenderers and to avoid abortive tenders?	No, this is to avoid influencing the tender bid. Tenderers should calculate their own sustainable rents based on their business projections.
7		Where can I find information on the supermarkets offered for tender?	Interested tenderers may look out for information of the tender on HDB InfoWEB ( <a href="http://www.hdb.gov.sg">www.hdb.gov.sg</a> > Business > Commercial > Renting from HDB > Shops and Offices > Supermarket Price-Quality Method (PQM) Tender). There will also be tender notices advertised in The Straits Times and the LianHe ZaoBao when such tenders are called.
8		Where can I purchase the tender documents?	The tender documents can be purchased at \$10 per set (inclusive of GST) at HDB Hub, Toa Payoh, Atrium 3rd Storey, Commercial Properties from 8:30am to 5:00pm on weekdays. The documents will only be available for purchase from 30 December 2019 to 30 January 2020.
9		How will tenderers submit their tenders?	Tenderers are required to submit their tender submissions into the Tender Box 5 at HDB Hub, Toa Payoh, Atrium 3rd Storey, Commercial Properties.
10		Will there be a site show rounds for the supermarkets?	Yes, site show rounds will be conducted. Tenderers are advised to attend the site show rounds so as to view the supermarkets before submitting their tender.

		Please refer to the tender documents for details on the Tender Briefing session and Site Viewing schedule.
11	Will HDB or the government give subsidies for operators to implement the productive initiatives?	Eligible projects could be supported by Enterprise Singapore's (ESG's) Capability Development Grant (CDG). For more information on CDG and the application process, companies can refer to <a href="http://www.enterprisesg.gov.sg/Growing-Business/Grant/">http://www.enterprisesg.gov.sg/Growing-Business/Grant/</a> .
12	Will HDB give assistance to help tenderers of new premises tide over the initial period when residents are still in the process of shifting to their flats?	To help tenants ease into their businesses in new premises while the customer base is still building up, assistance measures will be granted to tenants of newly completed premises. For tenancies of eligible premises, the Tendered Rent payable monthly for the initial tenancy term of 3 years is as follows: (a) First year of term: 80% of the monthly Tendered Rent (b) Second year of term: 90% of the monthly Tendered Rent (c) Third year of term: 100% of the monthly Tendered Rent  The successful tenderer for the supermarket at <u>Blk 106 Bidadari Park Drive #01-06</u> and <u>Blk 455 Sengkang West Ave #01-16</u> will be granted staggered rent as stated above.
13	What is the rent-free period given to the successful tenderer?	HDB will grant a 2 month rent-free period for the successful tenderer to renovate the supermarkets.
14	I will need more time to procure the productive format, install devices and install nuisance management equipment. Can I commence business first, and implement productive management initiatives and other proposals at a later date?	The operator is expected to commence business and fully implement the proposed initiatives within 3 months from the tenancy commencement date.
15	Will HDB require the existing supermarkets to implement similar quality initiatives (including cashless payment)?	No, existing supermarkets will not be required to implement quality initiatives if the PQM was not used imposed upfront during their initial tender.  However, operators who are keen to transform existing supermarkets into more productive formats may approach ESG to enquire on their eligibility for the Capability Development Grant (CDG). For more information on CDG and the application process, operators can refer to <a href="http://www.enterprisesg.gov.sg/Growing-Business/Grant/">http://www.enterprisesg.gov.sg/Growing-Business/Grant/</a> .
16	Who should I contact for more information about this tender, tender procedures and tenancy conditions?	For enquiries on the tender procedures and tenancy conditions, please call HDB's toll-free hotline at 1800-866-3073.
17	How will the tender submissions be evaluated?	Tender submissions will be evaluated based on the accompanying proposals submitted. Submissions that meet the mandatory criteria will be considered. They will then be evaluated based on the Evaluation Criteria stated in the "Conditions of Tender", where 50 points are allocated to the tender price and another 50 points are allocated to the quality measures. The scores for the tender price and quality factors will then be summed up to a combined score (maximum 100 points). Please refer to the Conditions of Tender in the tender documents for more details on the scoring of the price and quality factors.

18		What will happen if there is a tie in the overall score?	The tender will be awarded to the operator with a higher quality score.
19	Evaluation of Tender	Do I score higher points if I submit a high tendered rent?	Tenderers will be awarded higher points under the price segment if they submit a higher tendered rent. However, only a maximum of 50 points (out of a total of 100 points) will be awarded to tenderers based on their tender price. Please refer to the Conditions of Tender in the tender documents for more details on the scoring of the tender price.
20		Why are there mandatory criteria in the tender evaluation?	Tenderers must introduce at least one cashless payment solution (such as NETS, EZ-Link, or QR codes) in line with the push towards a cashless society.  Separately, they should also have a "Savers' Corner" (where the 20 budget items will be on display) to ensure that affordable options are more visible to consumers, and provide cash withdrawal service at the tendered Supermarket.
21		Will new/ inexperienced supermarket operators be considered?	All eligible and complete tender submissions will be considered. However, points will be awarded to tenderers currently operating a supermarket or minimart. Please refer to the Conditions of Tender in the tender documents for more details on the scoring of quality factors.
22		What is considered a "Budget Item"?	A "Budget Item" is a budget brand item that falls within the listed categories of goods and is the lowest-priced item of that category that the Tenderer will offer on sale.
23		Why do I have to propose budget items and maintain the price caps throughout the tenancy term?	While supermarkets typically offer a myriad of products with varied pricing, we want to ensure that there are affordable essential grocery options available for consumers.
24		What are the details that I have to submit for the proposed budget items?	Tenderers are to provide detailed descriptions for each item, including brand, variant, quantity.
25		Can I adjust the prices of the budget items or replace the budget item during the tenancy term?	In the event that the Successful Tenderer is unable to maintain the proposed price caps or is unable to make the proposed items available to consumers anytime during the tenancy term, the Successful Tenderer may propose to adjust the price cap or replace the budget item, subject to HDB's approval and prior written consent.
26		What if I do not propose a budget item for a particular grocery item category?	No points will be awarded under the quality criteria "Business Proposal: Provision of affordable groceries" if any of the required fields are incomplete.
27		Can I split a larger value pack and sell the individual items as a Budget Item?	No. The splitting of package pricing (e.g. larger value packs) is not allowed and will not be considered.
28		Why are points awarded for productivity initiatives and track records? Would this disadvantage smaller players and first timers?	Points are awarded for productivity initiatives to encourage operators to serve residents in a more efficient manner. To date, many businesses (both big and small) have implemented productivity initiatives in their operations. As such, smaller businesses will not be disadvantaged in the evaluation.  Points are awarded to tenderers with a proven track record as we believe experienced operators will be better able to minimise any disruptions of service to residents. This is because

			<p>supermarkets are important amenities for residents and will act as an anchor tenant to the shop cluster.</p> <p>However, you may wish to note that affordability is still given a higher weightage than productivity initiatives and track records in this PQM tender.</p>
29		Why is the active management of supermarkets a quality criterion being evaluated?	We would like supermarket operators to be attentive to safety issues and be mindful of any nuisances generated to minimise any negative impact on residents. Points are awarded to tenderers who display efforts to mitigate such trade nuisances.
30		Why is community-centric proposal a quality criterion being evaluated?	We would like to encourage more community-centric proposals such as discounts for senior citizens or residents from lower-income households.
31		Why do I have to provide estimated costs of fitting out, expected operating expenses, and projected business turnover of the supermarket?	We would like to ensure that tenderers have worked out their sums carefully and do not submit overly high tender prices that are not sustainable.
32		Can I tender for more than one site in the same tender exercise?	Yes, if there is more than one site in the same tender exercise. You will need to purchase an additional set of tender documents as only the original Tender Form will be accepted. However, please note that each tenderer is only allowed to submit one tender per site.
33	<b>Tender Procedure</b>	Do I have to register for a company to participate in the tender?	If you have yet to register for a company, you may indicate in the tender form your intended mode of business (i.e. sole proprietorship, partnership or company). You will only need to register for a company upon receiving our letter informing you that you are successful in your tender.
34		I may need to change the particulars of my business and shareholders subsequently. Is it allowed?	Only particulars contained in the Tender Form are recognised. Any subsequent request to change the particulars of the successful tenderer such as mode of business, inclusion/deletion of partners/shareholders etc. before the execution of the Tenancy Agreement is not allowed and shall be treated as a failure to take up the tenancy when awarded, unless with the consent of HDB and subject to HDB's prevailing policies and conditions.
35		Can I withdraw my tender after submission?	Tenders submitted cannot be withdrawn or amended for any reason whatsoever. The tender deposit shall be forfeited if a tenderer withdraws his tender after submission or fails to take up the tenancy when awarded. If the tenderer fails to take up the tenancy when awarded, it shall be a breach of contract and the tenderer may be debarred from future tenders called by HDB or other Statutory Boards and Government Departments up to a maximum period of 5 years.
36		How would I know if I am successful in the tender?	The final results of the tender will be published in HDB's InfoWEB and on the notice board at HDB Hub, level 3. If you are successful, you will be informed of the acceptance of your tender through a letter sent to the address stated in the Tender Form.
37		Can I assign the premises?	There will be no assignment throughout the tenancy.

38		The tender documents referred to a price-comparison app, which all successful tenderers must use when operating their supermarket. What is this app?	CASE has launched a price comparison app to empower consumers with price knowledge. It lists down the prices of groceries at supermarkets/minimarts and cooked food at eating houses/ food courts/ hawker centres. All successful supermarket PQM tenderers will be required to list their item prices on the app once it is launched nationwide (estimated launch: early 2020).
39		Can operator modify their tender commitments after the premises are awarded?	Commitments made by operators in their tender submission will form part of the legal contract between the Government and the operators. Any request by the operators to modify the proposals stated in Section V of the Tender Form will have to be justified by the operators, and will require the approval of HDB prior to implementation.
40		At the end of the first term of tenancy, will these sites be granted tenancy renewal automatically?	Renewal of tenancy is at the discretion of HDB and will be at the prevailing market rent. In the event that the tenancy is not renewed, the site will be tendered again.
41	Renewal	What if operators do not adhere to their tender commitments after the premises are awarded?	<p>Commitments made by operators in their tender submission will form part of the legal contract between the Government and the operators. Any request by the operators to modify the proposals stated in Section V of the Tender Form will have to be justified by the operators, and will require the approval of HDB prior to implementation.</p> <p>HDB may also conduct random inspections to verify if the tenant has complied with the tenancy conditions. Should an operator breach its commitments, HDB will first work with the tenants before taking appropriate tenancy action, where necessary. For non-compliance, HDB reserves the right not to renew the tenancy and may recover the premises.</p>
42		Can operators resubmit new proposals during renewal?	<p>In the event that the operator is offered by HDB an option to renew the tenancy upon the end of the first 3-year term, the operator may update his price commitments across the entire basket of the 20 budget items. The overall price should <u>not</u> increase more than the prevailing Core Inflation Rate published by Monetary Authority of Singapore (MAS) and Ministry of Trade and Industry (MTI).</p> <p>If the operator wishes to propose changes to their existing scope, a new proposal will have to be submitted for HDB's assessment.</p>