Examination of Estimates of Expenditure 2019-20

Reply Serial No.

DEVB(PL)124

CONTROLLING OFFICER'S REPLY

(Question Serial No. 1572)

Head: (82) Buildings Department

Subhead (No. & title): (-) Not Specified

<u>Programme</u>: (1) Buildings and Building Works

<u>Controlling Officer</u>: Director of Buildings (CHEUNG Tin-cheung)

Director of Bureau: Secretary for Development

Question:

The application for Category 1 target buildings of the Operation Building Bright 2.0 (OBB 2.0) was closed on 31 October 2018. Please inform this Committee of the number of applications received (broken down by Category 1 and Category 2 target buildings and the age of buildings), the total amount of subsidies granted, the average amount of subsidy granted for each approved application, the expenditure and manpower involved in OBB 2.0, as well as the estimated expenditure and manpower for the coming year.

Asked by: Hon LEUNG Mei-fun, Priscilla (LegCo internal reference no.: 19)

Reply:

To protect public safety, the Government has earmarked \$3 billion to launch Operation Building Bright 2.0 (OBB 2.0) to provide technical and financial assistance to eligible building owners to carry out prescribed inspection and repair works under the Mandatory Building Inspection Scheme (MBIS).

There are two categories of buildings under OBB 2.0, namely Category 1 and Category 2 buildings. Category 1 buildings are those whose owners are prepared to organise the inspection and repair works for their buildings under MBIS themselves. Category 2 buildings cover those which have outstanding MBIS notices but the owners concerned have difficulties in coordinating the inspection and repair works themselves due to, e.g. lack of an owners' corporation. The Buildings Department (BD) selects Category 2 buildings on risk basis for carrying out the requisite works in default of owners by exercising its statutory power, and seeks to recover the cost from owners concerned afterwards. Eligible owners of Category 2 buildings may claim subsidies under OBB 2.0 to cover all or part of such cost. 479 eligible buildings have submitted application for the first round of OBB 2.0 before the end of the application period on 31 October 2018. As at 28 February 2019, BD had selected 124 Category 2 buildings for carrying out the requisite works in default of owners. The age distribution of these target buildings (under both Category 1 and 2) is tabulated below –

Building Age (years)	Number of buildings which made applications under Category 1	Number of Category 2 buildings selected by BD
50 – 59	426	47
60 and above	53	77
Total	479	124

No subsidy has yet been granted under OBB 2.0 as it would take time to organise and carry out building maintenance works. The estimated cash flow requirement in 2019-20 is \$530 million.

As the Government's partner in implementing OBB 2.0, the Urban Renewal Authority (URA) will be responsible for administering the scheme. URA bears the associated costs of staffing, office accommodation and outsourced independent consultancy service fees from its own resources.

The work performed by BD under OBB 2.0 is to be carried out by 160 professional and technical staff of the Mandatory Building Inspection Sections of BD as part of their overall duties. BD is unable to provide a breakdown of the expenditure and manpower incurred solely for this task.

The Buildings Unit of the Development Bureau (DEVB) oversees the implementation of OBB 2.0 as part of its overall portfolio. DEVB is unable to provide a breakdown of the manpower resources deployed solely for this initiative.