

**CONTROLLING OFFICER'S REPLY**

**DEVB(PL)136**

**(Question Serial No. 0144)**

Head: (82) Buildings Department  
Subhead (No. & title): (-) Not Specified  
Programme: (1) Buildings and Building Works  
Controlling Officer: Director of Buildings (YU Tak-cheung)  
Director of Bureau: Secretary for Development

Question:

Please advise the Committee of the effectiveness of Operation Building Bright 2.0 in assisting owners of old buildings to comply with the requirements under the Mandatory Building Inspection Scheme so far. What is the total number of buildings which have received assistance? What are the highest, lowest and average expenditures involved respectively?

Asked by: Hon TSE Wai-chuen, Tony (LegCo internal reference no.: 189)

Reply:

To safeguard public safety from hazards caused by building neglect, the Government announced in October 2017 the launching of Operation Building Bright 2.0 (OBB 2.0) in partnership with the Urban Renewal Authority (URA) to provide technical and financial assistance to eligible buildings for carrying out prescribed inspection and repair works under the Mandatory Building Inspection Scheme (MBIS). With a total commitment of \$6 billion, OBB 2.0 is expected to benefit some 5 000 buildings.

There are two categories of buildings under OBB 2.0. Category 1 buildings are those whose owners are prepared to take up the organisation of the inspection and repair works for their buildings under MBIS. Category 2 buildings cover those which have outstanding MBIS notices but the owners concerned have difficulties in coordinating the inspection and repair works. The Buildings Department (BD) proactively selects Category 2 buildings on risk basis and exercises its statutory power to carry out the requisite inspection and repair works required under MBIS in default of owners, 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.

According to URA, in the first round applications ended in October 2018, a total of 579 applications were approved, which covered 479 Category 1 buildings<sup>(1)</sup>. The second round of applications was just ended in October 2020. According to URA, a total of 762 applications were approved, which covered 694 Category 1 buildings, and 35 applications (involving around 29 buildings) are under processing. URA has been approaching the owners of the Category 1 buildings in phases to arrange commencement of the prescribed inspection and repair works under the MBIS.

At the same time, since the launch of OBB 2.0, BD had so far selected 636 Category 2 buildings for carrying out the requisite works under MBIS in default of owners as of end December 2020. The Government will continue to monitor the effectiveness of the on-going OBB 2.0 in incentivising early compliance with MBIS.

According to URA, subsidy of around \$73.2 million, including the amount of subsidies released and committed to be released, has been approved under OBB 2.0 for 172 beneficiary buildings<sup>(2)</sup> as of end 2020. The highest, lowest and average subsidies released or committed to the beneficiary buildings thus far is \$3.6 million, \$40,000 and \$0.4 million respectively.

Note <sup>(1)</sup>: Application under OBB 2.0 is made on the basis of Deed of Mutual Covenant (DMC). Some buildings may have more than one DMC, and some DMCs may cover more than one building. The number of applications approved is therefore does not correspond to the number of buildings involved for some cases.

Note <sup>(2)</sup>: The subsidy of OBB 2.0 is granted on individual owner basis and that only owner-occupiers of eligible buildings may benefit from OBB 2.0. Beneficiary buildings refer to buildings in which there is at least one application of owner-occupier for subsidy approved by the URA. Generally speaking, applications from owner-occupiers of Category 1 buildings for subsidy could be made only after the owners have procured works contract. In the case of Category 2 buildings, the subsidies would be used by eligible owners to offset the amounts to be charged by BD upon completion of the requisite inspection and repair works under MBIS. As of end December 2020, a substantial number of participating buildings were yet to reach the stage of submitting the applications or had their applications under processing.

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