Bills Committee on Buildings (Amendment) Bill 2010

Summary of views of organizations and individuals made at the meeting on 20 March 2010 and the Administration's response

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I. General issues		
Organization/individual	Views	Administration's response
The Hong Kong Association of Property Management Companies	• The Administration plans to select 2 000 and 5 800 private buildings each year for the Mandatory Building Inspection Scheme (MBIS) and the Mandatory Window Inspection Scheme (MWIS) respectively. Given the large number of buildings involved, the Administration should select a smaller number of buildings, e.g. 1 000 and 2 900 buildings respectively for the MBIS and MWIS during the initial stage so that both the Administration and the residents could have time to familiarise with the Schemes, and make use of the experience gained to improve the Schemes.	The Administration noted the Association's suggestion. We are formulating the modus operandi for the implementation of the MBIS and MWIS and will ensure smooth implementation through measures including provisions of adequate technical and financial assistance and selection of target buildings with different conditions.
	• The Administration must ensure that the Buildings Department (BD), Home Affairs Department (HAD), Hong Kong Housing Society (HKHS), Urban Renewal Authority (URA) and concerned government departments are provided with adequate resources to facilitate smooth implementation of the mandatory schemes. Prior funding arrangements should be made.	• The Administration will assess resources requirement taking into account the final legal framework after Members' scrutiny of the Buildings (Amendment) Bill 2010 (the Bill) and the corresponding operational details, and will arrange for the required resources in accordance with the established Government procedures.
	• To relieve the Administration's resource burden, the Association proposes the setting	The HAD has undertaken to conduct a two-phase consultancy study on how the

I. General issues		
Organization/individual	Views	Administration's response
	up of a registration mechanism so that eligible property management companies could be deployed to co-ordinate the participation of private buildings in the schemes.	regulation of property management companies in Hong Kong should be strengthened. The key findings of the first phase study were reported to the Panel on Home Affairs in July 2008. The HAD is currently conducting the second phase study and aims to complete it by end of 2010. The HAD will then report the key findings to the Panel on Home Affairs and seek Members' views on the way forward.
	• Since the Voluntary Building Classification Scheme (VBCS) can complement the MBIS and MWIS, the Association hopes that it can be launched as soon as practicable.	• The HKHS and BD have been working closely together to prepare for the implementation of the VBCS, taking into account the last modus operandi and requirements of the MBIS. We will continue our discussion with the HKHS and hope to launch the VBCS as early as possible.
Kwun Tong District Council	• The roles and functions as well as the efficiency of the BD should be enhanced so that it can better deal with the complaints about building maintenance problems.	• Through implementation of the MBIS and MWIS, the Administration aims to foster and sustain a building safety culture in our community. The BD will re-prioritise its resource deployment, putting the Department's focus on the implementation of the new statutory regimes, public

I. General issues		
Organization/individual	Views	Administration's response
		education programme as well as the preventive inspection and repair initiatives.
Hong Kong Construction Association, Limited	• The Association considers that the enforcement of regular inspections of old buildings and windows is a right move enabling early detection of potential problems in dilapidated buildings, thereby driving building owners to carry out timely repair and maintenance works.	The Administration noted the Association's support for the MBIS and MWIS.
Hong Kong Institute of Real Estate Administrators	The Institute notes with concern that domestic buildings not exceeding three storeys are not covered by the MBIS and MWIS. To safeguard public safety, there is a need to take care of these buildings through another mechanism or by amending the relevant legislation.	 The proposed exclusion of domestic buildings not exceeding three storeys in height from the MBIS and MWIS is formulated based on the BD's assessment that, having taken into account the characteristics, development and distribution of buildings in Hong Kong, such category of buildings generally poses a lesser risk to public safety. For buildings not covered by the two mandatory schemes (either have not reached the age limit or are domestic and do not exceed three storeys), the BD will continue to monitor their safety conditions and take actions under the Buildings Ordinance (Cap. 123) (BO) to ensure their safety.

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Organization/individual	Views	Administration's response
The Hong Kong Institute of Surveyors	• The Institute considers it necessary to shorten the inspection cycle of buildings exceeding 40 or 50 years to six to seven years after a round of repair works so as to allow time for building owners to plan ahead the repairs works in the next inspection cycle.	• The Administration noted the Institute's suggestion. The ten-year inspection cycle was formulated after two rounds of public consultation and aims to strike a prudent balance between ensuring building safety and minimising owners' burden. Nevertheless, during the ten-year cycle, owners are still responsible to properly maintain their buildings and the BD will continue to take enforcement action under the BO to ensure building safety.
	The Institute disagrees that building inspections are "relatively simple". The Institute believes that those undertaking building inspection, repair and maintenance works must be professionally qualified.	• We did not mean to, and will not, by using the wordings "relatively simple" in our paper, underestimate the professional expertise required for inspections and repairs. What we meant was that, comparing with, for example, construction of new large scale buildings, inspections and repairs are relatively simpler. We agree that inspection and repairs under the MBIS and MWIS must be undertaken by building professionals and contractors with adequate qualifications and work experience.
	• The MBIS is intended to cover the common	• Registered inspectors (RIs) will not be

I. General issues		
Organization/individual	Views	Administration's response
	parts and requires no inspection to the interior of individual units. However, "common parts" under the Bill has the meaning given by the Building Management Ordinance (Cap. 344), which may include structural elements inside a unit. The Administration should clarify its legislative intent on the scope of MBIS. The Administration should re-consider the definition of "external wall" as well because an external wall may lie between two adjoining buildings. How to inspect the exterior of such a wall is an issue. How to determine the inspection and maintenance responsibilities of "party walls" jointly owned by two adjoining lots is also an issue.	required to inspect areas inside private premises. In practice, if there are building defects inside private premises which affect structural safety of a building, signs of distress and defects are detectable by the RI's inspection of the common parts and/or external walls of the building. If such signs are observed, RIs will be required to report to the BD for follow-up actions.
	• The practice notes to be drawn up by the BD should meet actual needs and be easily understood by both professionals and the general public.	• The BD is consulting the industry on the code of practice for the MBIS and MWIS. The BD will also prepare guidelines in layman terms to help building owners understand the statutory requirements.
	• The Institute suggests that the Administration should draw up a set of guidelines on the legal requirements under the MBIS and MWIS for easy reference of building owners.	

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Organization/individual	Views	Administration's response
		technical assistance to owners in need to help the latter comply with the statutory requirements.
	• In order to save costs and resources, the Institute considers that the need to carry out detailed building inspection should be determined by the findings of a less costly preliminary building inspection.	• Under the MBIS, we do not expect that detailed investigation will be needed in many cases. When an RI considers it necessary to carry out a detailed investigation of certain building elements in order to formulate the repair proposal, he must submit a detailed investigation proposal to the BD for agreement.
The Real Estate Developers Association of Hong Kong	• Given the complexity of the subject, the Association has decided to carry out an in-depth study, and will share with the Bills Committee its views upon completion of the study.	The Administration noted that the Association will gives its views upon completion of its study.
Dr YANG Mo, Southern District Council member	• There is a lack of good co-ordination among government departments. The Administration should clearly specify in the Bill the responsibilities of the concerned departments so that better co-ordination can be achieved.	• The Administration has been coordinating and will continue to foster effective coordination among the concerned government departments (including the BD and HAD) and supporting organisations (including the HKHS and URA) to ensure the smooth implementation of the MBIS and MWIS.
	• To safeguard public safety, the Building	• The BA would be empowered under the

I. General issues		
Organization/individual	Views	Administration's response
	Authority (BA) should carry out the necessary building inspection and repairs and recover the costs from the concerned owners if they fail to discharge their legal responsibilities.	proposed sections 30B(10) and (11) and 30C(8) and (9) of the Bill to carry out or cause to be carried out inspection and repair works upon owners' default and recover the cost, supervision charge and surcharge from the defaulted owners.
Mr YEUNG Wai-sing, Eastern District Council member	• The Administration has proposed to expand the pool of building inspectors and provide subsidies for first inspection fees to needy owners. These measures have basically responded to two major concerns in previous discussions on the MBIS and MWIS.	• The Administration noted Mr YEUNG's support for the proposed expansion of pool of service providers and subsidies of first building inspection fees to eligible owners in need.
Mr SUEN Kai-cheong, Chairman of Wan Chai District Council	• Mr SUEN supports the principles as enshrined in the Bill that owners should be responsible for maintaining their properties.	The Administration noted Mr SUEN's support for the Bill.
Miss Jacqueline CHUNG, Wan Chai District Council member	• Miss CHUNG agrees that buildings selected for the MBIS should be included in the MWIS at the same time.	• The Administration noted Miss CHUNG's support for the proposed synchronisation of the MBIS and MWIS.

II. Unauthorized building works and internal alteration works		
Organization/individual	Views	Administration's response
Kwun Tong District Council	As a preventive measure to eliminate structural hazards, the Administration should treat all unauthorized building works (UBWs) in different districts equally in arranging their clearance.	identified during building inspection to the
Mr YEUNG Wai-sing, Eastern District Council member	• The Ma Tau Wai collapse incident has aroused concerns about improper internal alteration works. As it is difficult to monitor internal alteration works, Mr YEUNG considers it impracticable for the Bill to cover the inspection of the interior of private premises. The Administration should step up public education to remind owners to exercise due care and amend the relevant legislation to require owners to seek approval from the Government before carrying out large-scale internal alternation works. Structural engineers should be engaged to confirm that such works would not affect building safety. Further, the Administration should set up a	view. Under the existing BO, any internal alteration works involving building structure must obtain prior approval and consent of the BA. The BD will continue its public education programmes on this front.

II. Unauthorized building works and internal alteration works		
Organization/individual	Views	Administration's response
	fund to reward informants if their reports lead to successful conviction. Concerned property owners, renovation workers and contractors should be heavily penalised for their offenses.	
	• The ultimate responsibility of monitoring internal alteration works should rest with building owners. This will be less costly than leaving the responsibility to the Administration.	The Administration noted Mr YEUNG's views.
Eastern District Council	• The Eastern District Council supports the mandatory inspection schemes in general, but is worried that the schemes might not be effective in addressing the problem of partitioning of private premises which affects the structural safety of buildings. It has reservations on the BD's view that building defects due to interior alteration of private premises could be observed from inspections of common areas or external walls.	• In practice, if internal alteration works conducted within an individual unit affect the structural elements of a building, signs of distress and other indications should be detectable by inspection of the common parts and external walls of the building conducted by registered professionals. An RI appointed to carry out a prescribed inspection is required to report to the BA if s/he observes any such signs during the inspection of the common parts or external walls of the building. The BD will investigate into any suspected illegal internal alteration works that affect the structural integrity of a building.

III. Service providers		
Organization/individual	Views	Administration's response
Kwun Tong District Council	• Past experience shows that some authorized persons may collude to influence the outcome of tendering exercises, and adopt a lenient standard in works quality so as to get along with contractors. These, coupled with the tendency of most owners' corporations (OCs) to choose the lowest bid, are the major causes of substandard works. To address these problems, the BD should assume the role as an independent party to inspect and regulate the works throughout the process more actively.	Practice on Procurement of Supplies, Goods and Services with which all OCs should comply. Training courses on the Code of Practice are being organised for OCs.
	• In order to improve the quality of works, the Administration should step up technical training for workers, and instil in them a proper work attitude.	• The Administration noted the District Council's view. Registered contractors under the BO must engage workers of appropriate level of competence, supervise the building works carried out by the workers, and ensure that the works are carried out in compliance with the standards as required under the BO.
The Hong Kong Institute of Architects	• On proposed section 30D(3)(a) of the Bill, the Administration should clearly state the criteria for an RI to be exempted from carrying out	• Generally, an RI must carry out a prescribed inspection personally. Nevertheless, we recognise that in some occasions an RI may

III. Service providers		
Organization/individual	Views	Administration's response
	the prescribed inspection personally.	not be able to carry out a prescribed inspection personally. For example, where a detailed investigation into certain inspection items is necessary to ascertain the extent or cause of a defect, an RI may engage a specialist to carry out such detailed investigation. Such exemption will only be permitted under certain circumstances and will be prescribed in the regulations to be made.
	• Proposed sections 30D(9) and 30E(8) of the Bill state respectively that an RI or a qualified person (QP) is not allowed to nominate another RI or QP to act in his or her stead for the inspection even through he or she is temporarily unable to act by reason of illness or absence from Hong Kong. The Institute considers that the restriction is onerous, and may cause unnecessary delay to the inspection and related works. The Institute opines that the prevailing practice of nomination as permitted under section 23(2) of the Building (Administration) Regulations should be extended to the MBIS and MWIS.	• Unlike general buildings works, building and window inspection can generally be conducted within a relatively short period of time. Also, RIs and QPs must carry out personal inspection and RIs must make the repair proposals based on their personal inspection. It is inappropriate to allow an RI or QP to nominate another RI or QP to act in his stead even though he is temporarily unable to act.
	• Proposed section 30E(3) of the Bill states that	• The proposed section 30E(3) of the Bill

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Organization/individual	Views	Administration's response
	if a QP appointed to carry out the inspection of a window is not a natural person, a representative of the QP as prescribed in the regulations must carry out the prescribed inspection personally. The Administration should stipulate clearly in the Bill who can be the representative and what the required qualifications are.	provides that if a QP is not a natural person, a representative of the QP as prescribed in the regulations must carry out the prescribed inspection personally. The prescription of representatives of QPs for the purposes of this proposed section will be provided for in a regulation to be made.
Hong Kong Institute of Real Estate Administrators	The Institute finds it necessary to have an effective control and monitoring mechanism to guard against malpractices that may unduly affect the outcome of tender exercises under the MBIS.	 The Government has issued the Code of Practice on Procurement of Supplies, Goods and Services with which all OCs should comply. Training courses on the Code of Practice are being organised for OCs. The Government, HKHS and URA have gained experience in promoting proper tendering procedures through implementing the Operation Building Bright. We will share our experience with building owners and encourage them to adopt proper and adequate tendering procedures for inspection and repair works under the MBIS and MWIS.
	• The Institute notes that the Administration is proposing to expand the range of service providers under the MBIS to include	• An RI should possess relevant professional qualifications and adequate experience in building design, construction, repair and

III. Service providers		
Organization/individual	Views	Administration's response
	architects, engineers and surveyors. Given that different types of works require different knowledge and expertise, the Administration should consider setting out the required professional qualifications of building inspectors, such as classifying them into two categories, and the BD should specify the concerned buildings to be inspected by each category of inspectors.	maintenance. The BD will issue a code of practice to provide guidelines to RIs. It is not necessary to classify them into different categories.
	• To ensure that contractors of the MBIS projects meet the required standard, the BD should take into account the complexity and contents of the works and specify the required qualifications of the contractors.	• Depending on the scale and types of works, repair works under the MBIS must be carried out by a registered general building contractor (RGBC) or a registered minor works contractor (RMWC) who is qualified to carry out the works for which it is registered.
The Hong Kong Institute of Surveyors	The Institute considers that in a way similar to the MBIS, those undertaking prescribed inspections under the MWIS should be registered individuals rather than companies.	• Window inspection under the MWIS will be relatively simpler than building inspection under the MBIS. To meet market demand, the pool of QPs for window inspection will be expanded to include RGBCs and RMWCs. Where a QP is not a natural person, a representative of the QP as prescribed in the regulations to be made must carry out the prescribed inspection

III. Service providers		
Organization/individual	Views	Administration's response
	 The Administration should not apply double standards in requiring third-party supervision 	 personally. Window inspection under the MWIS will be relatively simpler than building inspection
	of the window repair works when the window inspections are carried out by natural persons, whereas there is no such requirement where the window inspections are carried out by registered contractors.	under the MBIS. To save cost and time and provide owners with flexibility, we consider it appropriate to allow a QP who is also an RGBC or RMWC to act as contractor for necessary repair works.
	• The Institute expresses concern that the Inspectors Registration Committee comprises only a small number of members when compared with that of the Authorized Persons Registration Committee.	• The scope of works of RIs under the BO is not as wide as that of an authorized person. We consider that it is appropriate to have five members in the Inspectors Registration Committee.
	BD should establish an effective quality monitoring mechanism for reviewing the building inspection reports submitted by service providers.	• The BD will conduct audit checks on the inspection and completion reports submitted by the RIs, and may take disciplinary or prosecution actions as appropriate against any malpractices or irregularities identified.
The Hong Kong Institution of Engineers	• The Institution considers that it would be constructive to set guidelines and a control mechanism to ensure the quality and consistency of RIs' performance, and the quality of the repair works.	• The BD will issue a code of practice to the service providers to clearly specify the requirements on prescribed inspection and prescribed repair as well as the standards and requirements for compliance with the notices.

III. Service providers			
Organization/individual	Views	Administration's response	
Mr SUEN Kai-cheong, Chairman of Wan Chai District Council	• Although an inspector will be prohibited from being the contractor at the same time, malpractice could still exist in reality. The support given to property owners is not enough for them to tackle these situations. Owners are reluctant to form OCs because they try to avoid being held liable for any mistakes in a tendering exercise.	Practice on Procurement of Supplies, Goods and Services with which all OCs should comply. Training courses on the Code of	

IV. Providing assistance to owners' corporations/owners		
Organization/individual	Views	Administration's response
Kwun Tong District Council	• Many owners of older buildings are not residents of those buildings. As such, these owners may refuse to top up the funding shortfall under Operation Building Bright to bring the repair works to a more desirable standard, thereby compromising the quality of the repair works. The Administration should have a clear policy to cope with this problem.	The Government, together with the HKHS and URA, will provide adequate technical and financial assistance to owners in need.
Hong Kong Institute of Real Estate Administrators	• At present, there are different types of financial assistance schemes for building maintenance. For the convenience of applicants, in particular aged citizens, and reduction of the running costs, the Administration should consider providing one-stop service for different schemes as a means to simplify the application process.	• The Administration, in collaboration with the HKHS and URA, are considering measures to improve the user-friendliness of the various schemes and coordination among the organisations.
The Hong Kong Institute of Surveyors	• To facilitate the conduct of building inspections, the Administration should be flexible and lenient when vetting applications from building owners for subsidies to inspect their buildings.	• The Administration, in collaboration with the HKHS and URA, are considering measures to improve the user-friendliness of the various schemes and coordination among the organisations.
	The BD should provide good support for aged buildings without OCs by engaging qualified professionals to carry out the inspection and repair works if the owners are unable to do so	The Government, together with the HKHS and URA, will provide adequate technical and financial assistance to owners in need.

IV. Providing assistance to owners' corporations/owners		
Organization/individual	Views	Administration's response
	 The Administration should bring in an effective and efficient mechanism to deal with appeals arising from the MBIS and MWIS. 	There is a mechanism under the BO where any person aggrieved by a statutory order or notice served under the Ordinance may lodge an appeal to the Appeal Tribunal (Buildings). Such mechanism would be applicable to notices served under the MBIS and MWIS.
The Hong Kong Institution of Engineers	• For buildings without OCs and having difficulties in conducting mandatory inspections, the Administration may consider offering some form of advisory service or assistance (including financial) as part of its package.	The Government, together with the HKHS and URA, will provide adequate technical and financial assistance to owners in need.
Dr YANG Mo, Southern District Council member	• To facilitate the successful implementation of the MBIS and MWIS, the Administration should pay due attention to the problems faced by owners of dilapidated buildings without OCs. For owners seeking profits through selling their properties to developers or the URA for redevelopment, providing assistance in forming OCs may not be an incentive for them to undertake building repair works. Besides, some building owners may have migrated to other countries, and some	 It is an established community consensus that building owners are primarily responsible for properly maintaining their buildings. Nevertheless, the Government, together with the HKHS and URA, will provide adequate technical and financial assistance to owners in need. Where an owner fails to comply with the statutory requirements under the MBIS and MWIS, the BA may take enforcement action against the owner. The BA may also

IV. Providing assistance to owners' corporations/owners		
Organization/individual	Views	Administration's response
	buildings may be held by overseas limited companies. These owners would not care about the condition and environment of their aging properties. Dr YANG has doubts on the effectiveness of the Administration's proposed measures in solving the problems.	consider carrying out the inspection and repair works and recover the cost, supervision charge and surcharge afterwards.
Eastern District Council	• The various building maintenance financial assistance schemes should also apply to civil servants co-operative building society's properties.	• The various financial assistance schemes accept applications from all private buildings meeting the criteria of the respective schemes and do not preclude civil servants co-operative building society's properties.
Mr SUEN Kai-cheong, Chairman of Wan Chai District Council	• Mr SUEN criticises the insufficient support given at district level in that some OCs have withdrawn from building maintenance projects as they could not raise sufficient funds.	• Maintenance of private buildings is the responsibility of the owners. The Government, together with the HKHS and URA, will provide adequate technical and financial assistance to owners in need.
Miss Jacqueline CHUNG, Wan Chai District Council member	Miss CHUNG suggests that technical advice, support and guidance should be provided to help owners select competent and eligible contractors, and prevent tender-rigging activities.	• The Government, together with the HKHS and URA, will provide adequate technical and financial assistance to owners in need.

V. Window inspection and repair		
Organization/individual	Views	Administration's response
Kwun Tong District Council	• In view of the alarming number of accidents involving fallen windows in some buildings, the Administration should assist owners of the concerned buildings to identify the causes of these accidents, including inspection of the quality of the aluminium windows and their wear and tear condition, etc. Besides, the Administration must deal with tenants and owners found to be negligent in window maintenance in a more serious manner.	• The implementation of MWIS will help foster and sustain a culture of regular preventive maintenance of windows among the owners. Under the proposed MWIS, where an owner fails to comply with the statutory requirements, the BA may serve a fixed penalty notice and instigate prosecution against the owner. The BA may also consider carrying out inspection and repair works and recover the cost, supervision charge and surcharge afterwards.
Hong Kong Construction Association, Limited	• The Association notes that various window systems requiring different levels of technical know-how have been in use in Hong Kong. As such, the Administration should nominate qualified service providers among RGBCs and RMWCs with sufficient training and knowledge to undertake repairs and maintenance works of different levels and complexities.	All the RGBCs and RMWCs registered for minor works in respect of windows are qualified to carry out the prescribed inspection and prescribed repair for windows under the MWIS.
Hong Kong General Building Contractors Association Limited	• If building owners have to appoint professionals to conduct inspections before engaging RMWCs to repair the windows, this will result in a substantial increase in cost. It will be difficult for the Administration to win	• Under the proposed MWIS, owners may appoint an RGBC or RMWC to carry out both prescribed inspection and prescribed repair of windows.

V. Window inspection and repair			
Organization/individual	Views	Administration's response	
	the support of building owners.		
	• BD has promulgated technical standards and guidelines on installation of new aluminium windows. The Association believes that with proper maintenance, old aluminium windows can continue to be used. The BD should also promulgate guidelines to the effect that under the MWIS, old aluminium windows may continue to be put in use if they have been given proper inspection and repair by QPs.	provide guidelines for inspection and repair works carried out under the MBIS and MWIS. Existing aluminium windows which are in good condition need not be replaced or upgraded to current design	

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