

Legislative Council Panel on Development

**The Administration's Responses to
the Motion passed under agenda item IV
"Lift Modernisation Subsidy Scheme"
at the meeting on 23 October 2018**

Regarding the motion moved by Hon LAM Cheuk-ting on "Lift Modernisation Subsidy Scheme" and passed by the Legislative Council Panel on Development at its meeting on 23 October 2018, the Administration's responses are as follows:

"Relax the application threshold of the Lift Modernisation Subsidy Scheme."

1. Property owners should take primary responsibility for proper upkeep of their lifts. In the implementation of the Lift Modernisation Subsidy Scheme (LIMSS), we have to ensure that public resources are properly used and hence our focus is to provide appropriate support to needy owners to facilitate modernisation of their aged lifts.

2. Based on the ceiling on the average Rateable Value (RV) proposed under the LIMSS, we estimate that there will already have about 13 000 lifts eligible for the LIMSS. Of the 13 000 lifts, about half are more than 30 years and about half are between 15-30 years old. We estimate that the \$2.5-billion LIMSS will be adequate to cover modernisation of about 5 000 aged lifts in 6 years. Relaxing the RV ceiling of the LIMSS will not help increase the number of subsidy recipients but may defeat our policy intent of helping those more needy owners. As discussed at the meeting, we will review the effectiveness of the LIMSS in about two years after its launching.

"Extend the coverage to enable more elderly people to be eligible under the Scheme; and after elderly owner-occupiers have passed the asset means test, even if they are living in buildings which are not eligible under the Scheme, they should still be allowed to get the subsidies."

3. As mentioned in our response above, we have to ensure that public resources are properly used in the implementation of the LIMSS and our policy intent is to use the \$2.5 billion of funds to facilitate modernisation of about 5 000 aged lifts owned by needy people in the community. Under the LIMSS,

additional subsidy, at a cap of \$50,000 per domestic unit, will be granted to elderly owner-occupiers of eligible buildings without the need to undergo any asset or income means test. If we were to extend the subsidy scope of the LIMSS to cover those elderly owner-occupiers of those buildings not currently applicable under the LIMSS, our resources to be deployed to help the target subsidy recipients will be diluted. In fact, there are some other existing subsidy schemes including the “Building Maintenance Grant Scheme for Elderly Owners” administered by the Hong Kong Housing Society and the “Building Safety Loan Scheme” provided by the Buildings Department which can offer financial assistance to those elderly owner-occupiers of those buildings not currently applicable under the LIMSS to modernise their aged lifts where appropriate.

Development Bureau
Electrical and Mechanical Services Department
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