

**For discussion on
24 June 2019**

LEGISLATIVE COUNCIL

JOINT SUBCOMMITTEE TO FOLLOW UP ISSUES RELATING TO THE REDEVELOPMENT, MAINTENANCE AND MANAGEMENT OF AGED BUILDINGS

Support Measures for “Three-nil” Buildings Provided by the Home Affairs Department

PURPOSE

This paper aims to brief Members on the support measures provided by the Home Affairs Department (HAD) for “three-nil” buildings.

BACKGROUND

2. On the basis of information obtained by District Offices through day-to-day liaison, there are currently about 40 000 private buildings in Hong Kong, of which some 5 300 buildings do not have owners’ corporations (OCs) or any form of residents’ organisations, or do not engage property management companies (PMCs) in managing their buildings (i.e. the so-called “three-nil” buildings). While it is the responsibility of owners to manage their buildings, effective building management could be difficult for such “three-nil” buildings, as owners and residents lack the platform to discuss and handle issues of common concern. For “three-nil” buildings which are relatively aged, the lack of proper management and maintenance might lead to building dilapidation, which might also have implications on building and public safety.

HAD’S SUPPORT MEASURES FOR “THREE-NIL” BUILDINGS

3. Apart from the general support measures on building management as set out in the separate paper, entitled “*Work of the HAD on Building Management and Support Measures for Aged Buildings*”, HAD has introduced targeted support services for “three-nil” buildings. Such measures aim to assist owners of such buildings to organise themselves to

form OCs, so that they can improve the management of the buildings, undertake building maintenance works where necessary and apply for relevant loans and subsidies. As for those buildings which may not be able to form OCs or other forms of residents' organisations initially (e.g. due to high mobility of residents), we still seek to instil interest among owners in building management and to equip them with relevant knowledge so as to enhance the management of such buildings. Details of the measures are as follows.

Building Management Professional Advisory Service Scheme

4. To enhance support for owners of "three-nil" buildings, as well as buildings whose management committees (MCs) of their OCs have gone defunct, HAD launched the Building Management Professional Advisory Service Scheme (BMPASS) in November 2011. PMCs are commissioned to provide owners of aged buildings in need, in particular those in "three-nil" buildings, with a range of free professional advisory and follow-up services on building management.

Objectives

5. The objectives of the BMPASS are to assist owners to better understand and discharge their responsibilities for managing their own properties, so as to halt building dilapidation, enhance building safety and safeguard the public. The PMCs, with their professionalism and experience in implementing the BMPASS, help owners overcome the hurdles of initial start-up and coordination, so that owners can be progressively trained and eventually take up the management responsibilities.

Eligibility

6. The BMPASS is now in its third phase (from April 2017 to March 2020). The prevailing eligibility criteria are as follows –

- (a) residential or composite building¹ aged 30 years or above;
- (b) the annual average rateable value of the residential units does not exceed \$162,000 (for urban areas, including Sha Tin, Kwai Tsing and Tsuen Wan Districts) and \$124,000 (for New Territories);

¹ Excluding New Territories Small Houses and village houses, as well as house developments.

- (c) the common parts of the building are in disrepair or dilapidated condition, requiring maintenance or repair;
- (d) there is no OC, or the MC of the OCs is defunct/inactive; and
- (e) the building has not been included in either Phase 1 or Phase 2 of the BMPASS.

7. Owners interested in joining the BMPASS may submit applications to HAD. District Council members and District Offices may also nominate buildings to join.

Scope of Services

8. The scope of services provided by the PMCs includes –
- (a) conducting household visits and contacting owners directly;
 - (b) producing building management audit reports on common parts;
 - (c) assisting in the recruitment of Resident Liaison Ambassadors (RLAs);
 - (d) facilitating the formation of OCs or the reactivation of operation of OCs;
 - (e) attending OC meetings to provide professional advice and secretarial support;
 - (f) assisting OCs in applying for various loan and subsidy schemes for maintenance works, and following up on building/window inspections, maintenance works and tendering matters, etc.;
 - (g) assisting OCs in the procurement of third party risks insurance;
 - (h) assisting OCs in the purchase and installation of energy saving equipment; and
 - (i) providing training on building management to office-bearers of OCs, owners and RLAs.

Assistance in Information Dissemination

9. Apart from the above services, HAD has also tasked the PMCs to provide other services by acting as a bridge of communication between the Government and owners in these “three-nil” buildings. For example, they have assisted in conveying the message of properly displaying building numbers as required by the Rating and Valuation Department. Moreover, the PMCs have assisted in disseminating anti-mosquito message to OCs and RLAs and drawing the attention of OCs and RLAs in buildings that are undergoing or will shortly undergo repairs and renovation to the importance of implementing anti-mosquito measures. More recently, they have helped HAD promote the adoption of the Best Practices on Building Management, which is a set of administrative guidelines published by HAD in early 2019 to assist owners in better fulfilling the responsibilities in managing their buildings.

Monitoring and Performance of the Scheme

10. During the implementation of the BMPASS, HAD is responsible for monitoring and overseeing the performance of the PMCs to ensure that comprehensive and quality services are provided to the owners. HAD has put in place a number of monitoring measures, including regular review of the service performance and effectiveness of the front-line staff of the PMCs, meeting with the management of the PMCs to review the progress and strategies, surprise inspections, consultations and satisfaction surveys with owners and residents, etc.

11. The BMPASS has generally been well-received by the owners of the target buildings and relevant members of the community, who consider that the Scheme has assisted owners of aged buildings in improving building management, living environment and building safety. Since its inception in November 2011, the PMCs has reached out to about 3 800 buildings (involving 58 000 units), encompassing all eligible “three-nil” buildings under the Scheme. The PMCs have made around 17 500 successful household visits so far, and the key results are summarised as follows –

	Phase 1 (from 2011 to 2014)	Phase 2 (from 2014 to 2017)	Phase 3 (from 2017 to 2020; figures as at March 2019)
No. of OCs formed/ re-activated	157	194	145
No. of buildings with assistance provided to apply for maintenance loan/subsidy	88	98	132
No. of buildings with assistance provided to appoint consultants/contractors for maintenance works	68	73	38
No. of buildings with assistance provided to procure third party risks insurance	N/A ²	130	88
No. of RLAs recruited	N/A ²	1 255	1 339

RLA Scheme

12. As part of our efforts to facilitate residents of aged buildings to enhance building management, HAD launched the RLA Scheme in November 2011 to recruit owners or tenants who live in “three-nil” buildings of 30 years or above as RLAs. The Scheme seeks to establish a resident liaison network for promoting the message of effective building management. RLAs will assist in engaging residents to discuss and handle daily building management matters (such as cleanliness, security, fire safety, etc.) and encouraging residents to share their experience and knowledge in building management. RLAs will also assist government departments in contacting residents to disseminate messages on building management-related matters.

13. The PMCs engaged in the BMPASS will conduct household visits at target buildings and hold talks to encourage residents to participate as RLAs. Even if no RLAs can be recruited initially, the PMCs will usually continue the promotion efforts with a view to recruiting RLAs at a later stage. District Offices also invite residents of “three-nil” buildings to participate in the Scheme through day-to-day liaison, and publicise RLA recruitment at

² The PMCs engaged are responsible to provide assistance to OCs to procure third party risks insurance and recruit RLAs starting from Phase 2 of the BMPASS.

building management seminars and workshops held from time to time. To equip the RLAs with building management knowledge, our District Offices will invite them to join building management workshops and seminars and building safety and fire prevention activities organised by government departments. Since the launch of the Scheme, over 4 000 RLAs have been recruited³, and 416 OCs were formed with RLAs' involvement as at March 2019.

Work at District-level

14. Depending on the conditions and needs of “three-nil” buildings, some District Offices have provided assistance in improving their building management conditions. For example, one-off cleaning services are provided to “three-nil” buildings under the “District-led Actions Scheme”, with a view to demonstrating the effectiveness of good building management and incentivising residents' participation in building management.

OVERALL OBSERVATIONS

15. With the continuing efforts in promoting better building management and the relevant support measures mentioned above, the number of “three-nil” buildings has decreased gradually over the years, from about 6 600 in mid-2011 to about 5 300 in March 2019⁴. We will continue to implement suitable support measures to facilitate “three-nil” buildings in forming residents' organisations, and to assist the residents of such buildings in improving the management of their buildings.

Home Affairs Bureau
Home Affairs Department
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³ Since the RLA Scheme has been implemented for a number of years, some RLAs have moved out of the target buildings or withdrawn from the Scheme for personal reasons.

⁴ Based on information obtained by District Offices through day-to-day liaison.