

Head 82 — BUILDINGS DEPARTMENT

Controlling officer: the Director of Buildings will account for expenditure under this Head.

Estimate 2020–21 **\$1,870.4m**

Establishment ceiling 2020–21 (notional annual mid-point salary value) representing an estimated 1 996 non-directorate posts as at 31 March 2020 rising by 106 posts to 2 102 posts as at 31 March 2021 **\$1,181.7m**

In addition, there will be an estimated 32 directorate posts as at 31 March 2020 and as at 31 March 2021.

Controlling Officer's Report

Programme

Buildings and Building Works

This programme contributes to Policy Area 22: Buildings, Lands, Planning, Heritage Conservation, Greening and Landscape (Secretary for Development) and Policy Area 31: Housing (Secretary for Transport and Housing).

Detail

	2018–19 (Actual)	2019–20 (Original)	2019–20 (Revised)	2020–21 (Estimate)
Financial provision (\$m)	1,556.8	1,656.3	1,704.6 (+2.9%)	1,870.4 (+9.7%)
				(or +12.9% on 2019–20 Original)

Aim

2 The aim is to promote building safety; set and enforce safety, health and environmental standards for private buildings; and improve the quality of building development.

Brief Description

3 With this aim, the Department provides services to owners and occupants in both existing and new private buildings through enforcement of the Buildings Ordinance (Cap. 123).

4 As regards existing buildings, the work of the Department includes reducing dangers and nuisances caused by unauthorised building works (UBWs) including signboards; promoting proper and timely repairs and maintenance of buildings, drainage and slopes; scrutinising and approving alteration and addition works; processing minor works submissions; improving fire safety measures in buildings; and providing advice on the suitability of premises for the issue of licences.

5 As regards new buildings, the Department scrutinises and approves building plans, carries out audit checks on construction works and site safety, and issues occupation permits upon completion of new buildings.

6 In 2019, the Department continued to take enforcement action against UBWs and to require building owners to carry out necessary repairs to dilapidated buildings. In addition, the Department:

Existing Buildings

- continued the large scale operation (LSO) on comprehensive clearance of UBWs on rooftops, flat roofs, yards and lanes in target buildings;
- continued the LSO on inspection of sub-divided flats in target domestic/composite buildings and industrial buildings, and rectification of irregularities of building works associated with the sub-divided flats;
- continued the LSO on removal of large unauthorised signboards on target streets and the implementation of the Signboard Validation Scheme;
- continued conducting village by village (V-by-V) surveys of New Territories exempted houses (NTEHs) to identify UBWs that constitute serious contravention of the law and pose higher potential risks to building safety (First Round Targets) for priority enforcement action;

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- continued to review and prepare proposed legislative amendments to the Building (Minor Works) Regulation (Cap. 123N) by designating more minor works items and prescribed building works items, as well as refining the existing items with a view to facilitating building owners in carrying out small scale building works through the Minor Works Control System;
- continued the public education and publicity campaign to disseminate building safety messages to stakeholders to foster a building safety culture; and
- in collaboration with the Urban Renewal Authority (URA), continued to implement Operation Building Bright 2.0 (OBB 2.0) to assist owners of old and dilapidated buildings to comply with the requirements under the Mandatory Building Inspection Scheme (MBIS) to protect public safety.

New Buildings

- continued the consultancy study to formulate a new Code of Practice for Seismic-resistant Building Design Standards for the introduction of statutory seismic design requirements for new buildings;
 - continued the consultation with stakeholders for implementing a product certification system for materials used in private building developments;
 - continued the review of various building regulations, standards and codes of practice with a view to modernising building design and construction standards; and
 - continued the consultancy study to review the current arrangement under which a development project is only required to register for Building Environmental Assessment Method Plus (BEAM Plus) as a prerequisite for application for gross floor area concession for amenity features, with a view to further promoting green buildings in the private market.
- 7 The key performance measures in respect of buildings and building works are:

Targets

	Target	2018 (Actual)	2019 (Actual)	2020 (Plan)
<i>24-hour emergency services</i>				
responding to emergencies during office hours (%):				
within 1.5 hours for cases in urban areas.....	100	100	100	100
within two hours for cases in new towns in New Territories (N.T.).....	100	100	100	100
within three hours for cases in other areas in N.T.	100	100	100	100
responding to emergencies outside office hours (%):				
within two hours for cases in urban areas and new towns in N.T.	100	94.9	99.1	100
within three hours for cases in other areas in N.T.	100	100	100	100
<i>Non-emergency services for reports on UBWs under construction</i>				
responding to reports within 48 hours (%)	99.0‡	99.4	99.8	99.0
<i>Existing Buildings</i>				
buildings targeted for inspection and repair as default works under OBB 2.0.....	300 α	70	257	300
buildings targeted for prescribed inspection and, if necessary, prescribed repair under MBIS	600 β	427	403	600
buildings targeted for prescribed window inspection and, if necessary, prescribed window repair under Mandatory Window Inspection Scheme (MWIS).....	600 β	435	486	600
NTEHs inspected under the V-by-V surveys for identification of UBWs that constitute serious contravention of the law and pose higher potential risks for priority enforcement action θ	4 000	4 175	5 175 ϵ	4 000

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	Target	2018 (Actual)	2019 (Actual)	2020 (Plan)
buildings targeted for removal of UBWs on rooftops, flat roofs, yards and lanes	80	80	91	80
buildings targeted for rectification of irregularities associated with sub-divided flats including those for domestic use in industrial buildings	100	100	100	100
prescribed commercial premises inspected for improvement of fire safety measures	50	50	50	50
specified commercial buildings inspected for improvement of fire safety measures	20	20	20	20
composite buildings inspected for improvement of fire safety measures.....	400	406	400	400
advising on restaurants and places of public entertainment licence applications under the Application Vetting Panel system within 12 working days (%).....	98.0 [^]	99.1	99.8	98.0
making existing building and minor works records in electronic form available for public viewing in Building Information Centre within three working days (%).....	100	99.3	99.2	100
<i>New Buildings</i>				
processing building plans within 60 days for new submissions (%).....	90.0	94.5	95.5	90.0
within 30 days for re-submissions (%)	90.0	94.6	95.6	90.0
processing within 28 days applications for consent to commence building works (%)	90.0	94.9	95.5	90.0
processing within 14 days applications for occupation permits (%)	100	100	100	100

‡ The target is revised from 100 per cent to 99 per cent as from 2019.

α OBB 2.0 was launched only in July 2018 and the target is revised from 250 buildings to 300 buildings as from 2020 to step up implementation of OBB 2.0.

β The target is revised from 400 buildings to 600 buildings as from 2020 to step up implementation of MBIS and MWIS.

θ Revised description of the previous indicator “NTEHs targeted for survey to identify UBWs that constitute serious contravention of the law and pose higher potential risks for priority enforcement action” as from 2020 for clarifying that the reported figures from 2013 were actually NTEH surveyed under the V-by-V surveys.

ε The increase was due to higher-than-expected number of houses that could be surveyed in targeted villages selected in previous years.

^ The target is revised from 100 per cent to 98 per cent as from 2019.

Indicators

	2018 (Actual)	2019 (Actual)	2020 (Estimate)
<i>24-hour emergency services</i> emergency reports attended to	1 323	742	1 000
<i>Non-emergency services for reports on UBWs under construction</i> reports attended to	3 399	2 436	2 400

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	2018 (Actual)	2019 (Actual)	2020 (Estimate)
<i>Existing Buildings</i>			
<i>UBWs</i>			
reports from members of the public attended to	30 394	32 188	31 000
removal orders issued.....	12 819	12 186	12 000
prosecutions against failure to comply with removal orders	3 360	3 642	3 500
unauthorised structures removed and irregularities rectified.....	27 534	28 374	28 000
<i>dilapidated/dangerous buildings</i>			
reports from members of the public attended toδ	14 436	17 499γ	14 000
repair/investigation orders issued.....	931	938	950
buildings repaired/rectified	1 125	1 297	1 100
<i>mandatory building inspection</i>			
notices issued	10 943	8 840φ	5 000Δ
notices discharged	12 519	10 390Ω	9 000Ω
<i>mandatory window inspection</i>			
notices issued	20 181	25 772	24 000
notices discharged	35 859	26 429Ω	25 000Ω
<i>NTEHs</i>			
removal orders issued for UBWs in NTEHs.....	573	802ω	600
<i>sub-divided flats</i>			
sub-divided flats inspected.....	1 798	1 612	1 600
sub-divided flats rectified of irregularities	249	275	240
<i>dangerous retaining walls/slopesλ</i>			
reports from members of the public attended toΨ	314	10 912γ	250
repair orders issued	42	43	45
dangerous retaining walls/slopes repaired◇	95	91	95
<i>prescribed commercial premises</i>			
fire safety directions (FSDns) issued	120	120	120
FSDns discharged	130	130	130
<i>specified commercial buildings</i>			
fire safety improvement directions (FSIDns) issued.....	188	245η	240
FSIDns discharged	470	479	470
<i>composite buildings</i>			
FSDns issued.....	4 337	3 617μ	2 900μ
FSDns discharged	1 912	1 815	1 800
<i>licence/registration applications processed (restaurants, places of public entertainment, tutorial schools etc.)</i>			
	13 100	13 361	12 500
<i>Minor Works Control System</i>			
minor works submissions received	125 211	120 947	120 000
minor works submissions selected for auditing	7 093	7 063	7 000
<i>Signboard Control System</i>			
unauthorised signboards removal orders issued.....	999	921	900
unauthorised signboards removed/validated	1 489	1 881τ	1 600τ
dangerous/abandoned signboards removed/repaired	1 286	1 303	1 400#
reports of unauthorised, dangerous or abandoned signboards from members of the public attended to	2 965	2 998	2 900
<i>Building Safety Loan Scheme¶</i>			
loan applications processed.....	514	574	650
loan applications approved.....	460	423	450
total amount of loans committed (\$m).....	38.0	41.8	43.0
<i>New Buildings</i>			
new building proposals approved	229	263ψ	270
plans processed.....	19 741	20 326	20 000
<i>gross floor area of proposed new buildings</i>			
approved (in 1 000 m ²)	3 927	4 556	4 300
site inspections made.....	11 296	12 216	11 500
sites inspected.....	1 364	1 389	1 300
occupation permits issued	236	236	240

δ As from 2020, the number of public reports attended to is broken down into reports on dilapidated/dangerous buildings and reports on dangerous retaining walls/slopes. The figures in 2018 and 2019 reflect the reports on dilapidated/dangerous buildings attended to in both years.

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- γ The increase was due to high number of repeated reports in connection with particular locations.
- φ The decrease in the number of notices issued was due to fewer notices required to be served on owners of the target buildings, which were aged 50 years or above with less units, for implementation of OBB 2.0.
- Δ The estimated decrease is due to the anticipated reduction in the number of projections on the exteriors of target buildings requiring inspection by property owners under MBIS.
- Ω The decrease in 2019 and the estimated decrease in 2020 are due to the reduction in the number of outstanding notices as a result of continuous efforts to clear backlog in the last few years.
- ω The increase in 2019 was due to more actionable UBWs revealed from public reports and the V-by-V surveys.
- λ Revised description of the previous indicator “dangerous slopes” as from 2020 for clarifying that the work includes both retaining walls and slopes.
- Ψ It is a new indicator as from 2020 which was previously subsumed under reports on dilapidated/dangerous buildings.
- ◇ Revised description of the previous indicator “dangerous slopes repaired” as from 2020 for clarifying that the work includes both retaining walls and slopes.
- η The increase in 2019 was due to strengthened enforcement action upon a review of outstanding directions, namely serving directions to current owners who have purchased the premises after the issue of the last directions.
- μ The decrease in 2019 and the estimated decrease in 2020 are due to fewer FSDns required to be served on owners of individual units of the remaining target buildings.
- τ The increase in 2019 was due to enhanced enforcement action against outstanding orders. In 2020, more efforts are required in enforcing the remaining outstanding orders.
- # The estimated increase in 2020 is due to the implementation of improved mode of street surveys resulting in increase in the number of dangerous/abandoned signboards identified, and the stepped up enforcement actions against non-compliant cases.
- ¶ Revised description of the previous indicator “Comprehensive Building Safety Improvement Loan Scheme” as from 2020 for reflecting the current title of the Scheme used in various promotion platforms and publicity campaigns for the public.
- ψ The increase is due to the increase in number of new building proposals received in 2019.

Matters Requiring Special Attention in 2020–21

- 8 During 2020–21, the Department will take forward initiatives in all areas of its work. In particular, it will:
- continue the LSO on comprehensive clearance of UBWs on rooftops, flat roofs, yards and lanes of target buildings;
 - continue the LSO on inspection of sub-divided flats in target buildings and rectification of irregularities of building works associated with sub-divided flats;
 - continue the LSO on removal of large unauthorised signboards on target streets, implement the Signboard Validation Scheme, and commence a consultancy study on the use of information technology to enhance enforcement against dangerous and abandoned signboards;
 - continue the LSO on removal of UBWs in NTEHs that constitute serious contravention of the law and pose higher potential risks to building safety;
 - continue the legislative exercise to amend the Building (Construction) Regulations (Cap. 123B) and Building (Minor Works) Regulation (Cap. 123N);
 - in collaboration with the URA, continue to implement OBB 2.0 to assist owners of old and dilapidated buildings to comply with the requirements under the MBIS to protect public safety;
 - continue the publicity and public education campaign to disseminate building safety messages to building owners, occupants, building professionals, contractors, workers, property management personnel, students and the general public, and foster a building safety culture;
 - continue the review of various building regulations, standards and codes of practice with a view to modernising building design and construction standards;
 - continue the consultancy study to formulate a new Code of Practice for Seismic-resistant Building Design Standards for the introduction of statutory seismic design requirements for new buildings;
 - continue to consult stakeholders for implementing a product certification system for materials used in private building developments; and
 - engage stakeholders on proposals to enhance the current arrangement under which a development project is only required to register for BEAM Plus as a prerequisite for application for gross floor area concession for amenity features, with a view to stepping up the promotion of green buildings in the private market.

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ANALYSIS OF FINANCIAL PROVISION

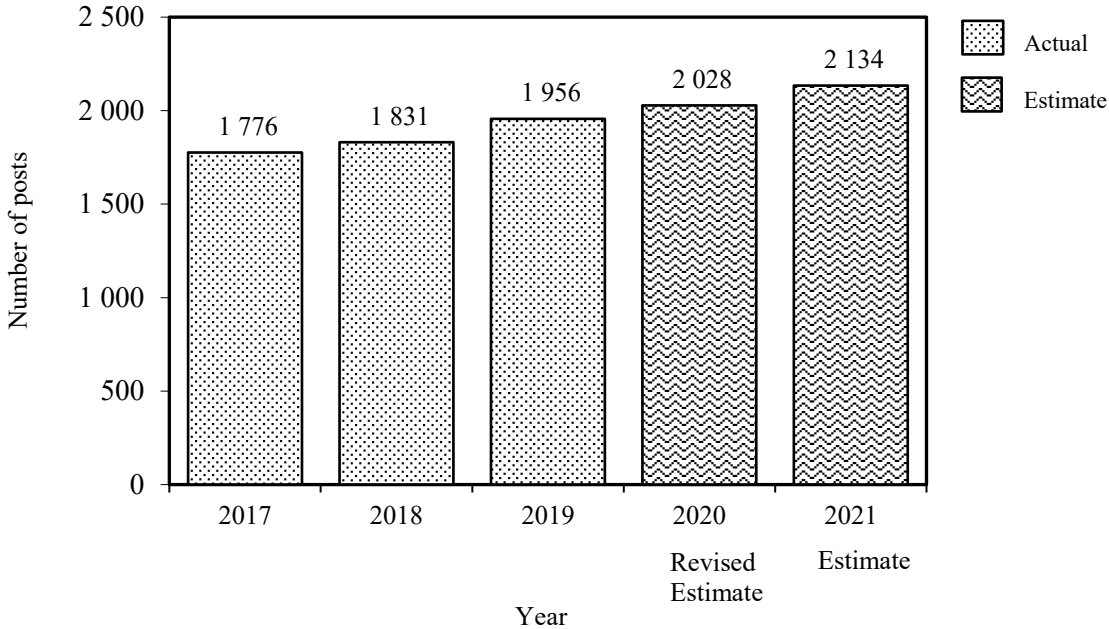
	2018-19 (Actual) (\$m)	2019-20 (Original) (\$m)	2019-20 (Revised) (\$m)	2020-21 (Estimate) (\$m)
Programme				
Buildings and Building Works.....	1,556.8	1,656.3	1,704.6 (+2.9%)	1,870.4 (+9.7%)
				(or +12.9% on 2019-20 Original)

Analysis of Financial and Staffing Provision

Provision for 2020-21 is \$165.8 million (9.7%) higher than the revised estimate for 2019-20. This is mainly due to the increased provision for enhancing the efficiency and effectiveness of the Joint Office with the Food and Environmental Hygiene Department in handling public reports about water seepage problem, stepping up the implementation of OBB 2.0 and the enforcement action to enhance building safety, and for the net increase of 106 posts mainly for the continued implementation of the initiatives to enhance building safety.

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*Changes in the size of the establishment
(as at 31 March)*



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Sub-head (Code)	Actual expenditure 2018–19	Approved estimate 2019–20	Revised estimate 2019–20	Estimate 2020–21	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	1,525,328	1,622,678	1,669,123	1,832,116
227	Payment for Land Registry/Companies Registry Trading Fund services	31,127	31,500	33,384	38,250
	Total, Recurrent	<u>1,556,455</u>	<u>1,654,178</u>	<u>1,702,507</u>	<u>1,870,366</u>
	Total, Operating Account	<u>1,556,455</u>	<u>1,654,178</u>	<u>1,702,507</u>	<u>1,870,366</u>
Capital Account					
Plant, Equipment and Works					
	Minor plant, vehicles and equipment (block vote)	333	2,085	2,085	—
	Total, Plant, Equipment and Works	<u>333</u>	<u>2,085</u>	<u>2,085</u>	—
	Total, Capital Account	<u>333</u>	<u>2,085</u>	<u>2,085</u>	—
	Total Expenditure	<u><u>1,556,788</u></u>	<u><u>1,656,263</u></u>	<u><u>1,704,592</u></u>	<u><u>1,870,366</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2020–21 for the salaries and expenses of the Buildings Department is \$1,870,366,000. This represents an increase of \$165,774,000 over the revised estimate for 2019–20 and \$313,578,000 over the actual expenditure in 2018–19.

Operating Account

Recurrent

2 Provision of \$1,832,116,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Buildings Department.

3 The establishment as at 31 March 2020 will be 2 028 posts including one supernumerary post. It is expected that there will be a net increase of 106 posts in 2020–21. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2020–21, but the notional annual mid-point salary value of all such posts must not exceed \$1,181,681,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2018–19 (Actual) (\$'000)	2019–20 (Original) (\$'000)	2019–20 (Revised) (\$'000)	2020–21 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	1,138,748	1,230,475	1,274,603	1,363,649
- Allowances.....	13,145	10,493	14,729	15,047
- Job-related allowances.....	62	100	65	122
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	4,616	5,810	5,098	7,004
- Civil Service Provident Fund contribution.....	88,279	105,856	106,135	123,699
Departmental Expenses				
- Hire of services and professional fees	96,394	122,020	92,318	110,925
- Contract maintenance	1,307	1,390	2,088	2,750
- General departmental expenses	182,777	146,534	174,087	208,920
	1,525,328	1,622,678	1,669,123	1,832,116

5 Provision of \$38,250,000 under *Subhead 227 Payment for Land Registry/Companies Registry Trading Fund services* is for the payment of fees to the Land Registry and Companies Registry for providing ownership information and registration of orders/notices/directions. The increase of \$4,866,000 (14.6%) over the revised estimate for 2019–20 is mainly due to the increased requirement for ownership checks and registration in Land Registry arising from Operation Building Bright 2.0 and Mandatory Window Inspection Scheme.