

MESSAGE

A good home is a safe home. About half of Hong Kong's population lives in private multi-storey buildings, some of which lack proper management and maintenance. This leads to dilapidation and to safety problems which adversely affect the quality of life. To help owners to help themselves - and to ensure the greater safety of their families, neighbours and tenants - we regularly review and, if necessary, introduce legislative and administrative measures to improve standards of management in private buildings. This year, we have amended the Building Management Ordinance to facilitate the formation of owners' corporations and to further improve standards of building management. We will introduce new measures in the near future to enhance our support for effective building management.



We continue actively to assist owners and owners' corporations of private buildings. But they, in turn, must take the primary responsibility for building management and work together to manage their homes well and to make them safe. Through partnership with the owners and owners' corporations, we will be able to minimise the danger of fire hazards and ensure a better, safer, living environment for our families and neighbours.

A handwritten signature in black ink, appearing to be 'W K Lam'.

(W K Lam)
Secretary for Home Affairs

Building Management

Policy Objective and Key Result Areas

BUILDING MANAGEMENT

Our Policy Objective is to give more comprehensive practical advice to owners and tenants of buildings so that they are better-equipped to manage their buildings and put into practice their responsibilities for building management, maintenance and safety; and to ensure the safety of certain premises through implementation of statutory licensing schemes.

Overall Targets

Our targets this year in pursuing this Policy Objective are –

- to form as many owners' corporations as possible in 2001
- to deal with 1 500 complaints regarding building management and safety
- to work closely with the Buildings Department to help improve buildings with management and maintenance problems
- to continue to implement the statutory licensing or certification schemes for hotels, guesthouses, bedspace apartments, and clubs to regulate their fire safety and building safety; and to introduce business-friendly measures to streamline the licensing or certification process

Progress

In 1999, we pledged to form as many owners' corporations as possible in 2000; to deal with 1 300 complaints regarding building management and safety; and to issue or renew 2% more licences for hotels, guesthouses and bedspace apartments as well as certificates of compliance for clubs over the last year. We have achieved most of those targets.

We also achieved the following progress in our five Key Result Areas (KRAs).

1 Identify building management needs and review service provisions

In 1999, we proposed to use the following indicator to measure progress under this KRA –

- the number of District Fire Safety Committees (DFSCs) formed
- Since March 1998, we have set up DFSCs in all 18 districts. Good progress has been made with the review of legislative and administrative measures on building management. This was consequent on the public consultation on our “Proposals to improve fire safety in private buildings”.

Also consequent on the consultation, we undertook to introduce and enact the Building Management (Amendment) Bill in the 1999-2000 legislative session. In June 2000, the Legislative Council enacted the Building Management (Amendment) Ordinance 2000. The new law became effective on 1 August 2000.

2 Build community awareness of the importance of building management

In 1999, we proposed to use the following indicators to measure progress under this KRA –

- the number of education, publicity activities and other events organised
- the number of people participating in these promotional activities
- the number of Building Management Resource Centre (BMRC) established
- the number of visitors to, enquiries made and appointments for interview with duty members of the professional bodies for free preliminary professional advice at BMRCs

We have achieved the targets pledged. The 78 events organised by the Home Affairs Department (HAD) attracted about 10 000 participants and were well received. We will organise similar events on an on-going basis. The second BMRC commenced operation in November 1999 and we are seeking a site for the third BMRC, which we aim to establish before the end of the current financial year. The two existing BMRCs have achieved well above the 1999 target of

6 200 visitors, 4 800 enquiries and 310 appointments for interview. Their services continue to be well-received by the public.

3 Assist owners in the formation of owners' corporations and servicing afterwards

In 1999, we proposed to use the following indicators to measure progress under this KRA –

- the number of owners' corporations (OCs) formed
- the percentage increase in new OCs formed
- the number of requests for information on or assistance in OC formation received

We have achieved the targets pledged. Between 1 April and 30 September 2000, 140 new OCs were formed in 225 buildings: an increase of 8% over the same period in 1999. The HAD handled a total of 1 400 requests for information on or assistance in OC formation. We will continue to advise and assist owners on an on-going basis.

4 Identify and co-ordinate improvements to certain "target" buildings

In 1999, we proposed to use the following indicators to measure progress under this KRA –

- the number of buildings on the "target" list
- the number of buildings improved and removed from the "target" list

We have achieved our targets as pledged. Good progress has been made on the improvement of "target" buildings. Between 1 April and 30 September 2000, we have identified 40 buildings for inclusion in - and improved and removed 10 buildings from - the list of "target" buildings. Since the establishment of Building Management Co-ordination Teams in 1985, we have identified 1 425 buildings for inclusion into - and improved and removed 570 buildings from - the "target" list. The current list comprises 855 buildings.

5 Regulate safety in hotels, guesthouses, clubs and bedspace apartments

In 1999, we proposed to use the following indicators to measure progress in this area –

- the capacity of the singleton hostel programme
- the percentage of bedspace apartment lodgers who are offered alternative accommodation after being displaced from bedspace apartments as a result of the implementation of the Bedspace Apartments Ordinance

Our overall performance under this KRA is satisfactory. Between 1 April 1999 and 31 March 2000, we issued a total of 1 491 new and renewed licences and certificates of compliance (consisting of 159 new and 1 332 renewed licences and certificates of compliance) which represents a 2.4% decrease compared with those issued during the same period last year. The slight decrease in the number of licences and certificates of compliance is believed to be attributable to the economic downturn which has resulted in fewer applications. In the spirit of helping business, we have implemented various business-friendly initiatives and achieved tangible and intangible benefits such as substantially shorter average processing times for hotel/guesthouse licensing applications.

The purpose-built multi-storey singleton hostel Sunrise House in Shun Ning Road opened in late 1998. It is a concrete demonstration of the Government's determination to ensure that no displaced bedspace apartment lodgers will be rendered homeless because of the statutory licensing scheme. At present, our singleton hostel programme has an intake capacity of about 650 places, providing alternative accommodation for displaced lodgers and other eligible persons.

Progress on each previously announced initiative under the above KRAs is set out in the "Detailed Progress" section of this report.

Looking Forward

To achieve our overall targets this year, we will undertake the following initiatives and targets under each of the KRAs for the coming year.

1

Identify building management needs and review service provisions

About half of Hong Kong's population live in private multi-storey buildings some of which lack proper management and maintenance, resulting in dilapidation and safety problems. The community expects Government to do more to improve the situation and to help owners and occupants to help themselves improve the management and safety of their buildings. To this end, we work in partnership with other bureaux and departments, professional bodies and community leaders to identify needs, review standards of service, and assess current and future demand for our services.

With these things in mind, we will establish a new division in the Home Affairs Department to plan and co-ordinate building management matters.

Consequent on the public consultation on our "Proposals to improve fire safety in private buildings", we reviewed the effectiveness and efficiency of the current administrative and legislative measures to deal with building management. In particular, we introduced legislative amendments to the Building Management Ordinance (Cap. 344) which were passed by the Legislative Council in June 2000 and came into operation on 1 August 2000. The new provisions facilitate the formation of owners' corporations (OCs), establish a Code of Practice on building management and empower the Government to order the appointment of building management agents, if necessary, for buildings with serious management problems. We will set up a Steering Group to plan, co-ordinate and monitor the implementation of the amendments.

We will assess our performance in respect of this KRA against the following indicators –

- The percentage increase in the number of new OCs formed. Our target is 10% over last year and we shall monitor progress to see if further legislative amendments will be necessary to facilitate the formation of OCs.
- The number of buildings with serious building management problems to which we have rendered assistance to help resolve their problems. Our target is to assist 10 such buildings in 2001.

We will pursue the following initiatives and targets to deliver results in this area –

Initiative *	Target
<p>To set up a new division in the Home Affairs Department to co-ordinate building management matters and provide comprehensive service and advice to the public on building management issues</p> <p><i>(Home Affairs Department (HAD))</i></p>	<p>To set up the new division before mid-2001</p>
<p>To implement the Building Management (Amendment) Ordinance 2000</p> <p><i>(HAD)</i></p>	<ul style="list-style-type: none"> ● To set up an Inter-departmental Steering Group to plan, co-ordinate and monitor actions by relevant departments to implement the Building Management (Amendment) Ordinance 2000 and achieve better building management and preventive maintenance ● By end-2001, to have assisted owners of ten buildings with serious building management problems to appoint management committees/ building managers

* the bracketed information denotes the agency with lead responsibility for the initiative

Initiative	Target
<p>To set up a central database of all private buildings, including residential, commercial, and industrial ones, providing basic information to the public on buildings in all districts, such as type, number of units and storeys, as well as information on building management bodies, and so forth. The information will be shared with the Buildings Department and other relevant departments, and may form part of their database on buildings</p> <p><i>(Buildings Department/HAD)</i></p>	<p>To complete the database by March 2002</p>

We use educational, publicity and administrative measures to promote the community's awareness of the importance of building management.

We regularly conduct training courses, talks, seminars, exhibitions on building management and fire drills in the districts to equip owners and occupants with the relevant knowledge. We also produce promotional and publicity materials such as leaflets, booklets, TV and radio Announcements of Public Interest, and educational video tapes.

There are two Building Management Resource Centres (BMRCs): one each in Kowloon and on Hong Kong Island. The Centres provide information, services and advice to building owners, residents, owners' corporations, mutual aid committees and management bodies so as to assist them improve the standards of management, safety and maintenance of their buildings. As the demand for such services is increasing, we are planning the establishment of a third BMRC in the New Territories.

We will assess our performance in respect of this KRA against the following indicators –

- The number of education, publicity activities and other events organised. Our target is to organise more such activities than last year. In 2001, our target is to hold 85 events.
- The number of people participating in these promotional activities. Our target is to attract more participants than we did last year. We expect to attract 13 000 participants in 2001.
- The number of BMRCs established. Our target is to have the third BMRC established by the end of the current financial year.
- The number of visitors to the BMRCs, the number of enquiries they make, and the number of appointments made in BMRCs for interview with duty members of the professional bodies. Our target for 2001 is to handle 13 200 visitors, 8 400 enquiries and 330 appointments for interview.

We will pursue the following initiatives and targets to deliver results in this area –

Initiative	Target
<p>To set up a dedicated homepage on building management on the Internet with updated and enhanced information on building management, bulletin board service, and so forth, for quick reference and use by the public <i>(Home Affairs Department (HAD))</i></p>	<p>To launch the website by end-2001</p>
<p>To organise training courses for office bearers of owners' corporations on specialised subjects, such as audit/accounting procedures, meeting procedures, building maintenance, and so forth <i>(HAD)</i></p>	<p>To organise not less than 30 such courses by end-2001</p>

3

Assist owners in the formation of owners' corporations and servicing afterwards

There are approximately 42 000 private buildings in Hong Kong. But so far, there are just 6 200 owners' corporations (OCs) covering about 11 000 buildings. We plan to adopt a more pro-active approach to encourage owners to form OCs - or other forms of owners' associations - for management and maintenance of the common parts of their buildings. Staff of the Home Affairs Department (HAD) will visit all private buildings in their districts to identify those where OCs can be formed. They will help owners to form OCs and will promote good building management. HAD staff will also attend the general meeting of all existing OCs and other meetings as and when requested. They will also help to mediate in disputes amongst owners.

We will assess our performance in respect of this KRA against the following indicators –

- The number of OCs formed. Our target is to form 260 OCs in 2001.
- The percentage increase in new OCs formed. Our target is to achieve a 10% increase over last year.
- The number of requests received for information on, or assistance in, OC formation. Our target is to handle all requests for information received during the year.

We will pursue the following initiative and targets to deliver results in this area –

Initiative	Target
To improve the capability of District Office staff in attending to enquiries from and in resolving problems of OCs and relevant building management bodies <i>(Home Affairs Department)</i>	<ul style="list-style-type: none">● To review the current staffing for formation and servicing of OCs and other building management bodies with a view to introducing a revised structure before June 2001● To organise at least five staff training courses by end-2001

4

Identify and co-ordinate improvements to certain “target” buildings

Some buildings present particularly serious and extensive management and safety problems. The best way to deal with those problems is to improve building management in a co-ordinated way. Since 1985, we have formed Building Management Co-ordination Teams in 15 districts to identify and target buildings with serious management and safety problems and to co-ordinate efforts to help owners carry out improvements.

We and the Buildings Department will formulate revised criteria for targeting buildings for co-ordinated action. We will also devise a new mechanism for expediting improvements to such buildings. We will establish a District Building Management Liaison Team in each district.

We will assess our performance in respect of this KRA against the following indicators –

- The number of buildings on the “target” list. Our target is to identify 150 buildings by March 2001.
- The number of buildings improved and removed from the “target” list. Our target is to improve and remove 150 buildings from the “target” list in 2001.

We will pursue the following initiatives and targets to deliver results in this area –

Initiative	Target
To establish District Building Management Liaison Teams (DBMLTs) to replace the existing Building Management Co-ordination Teams (BMCTs) <i>(Home Affairs Department (HAD))</i>	To replace the existing 15 BMCTs by 18 DBMLTs by end-2001

Initiative	Target
<p>To redefine “Target Buildings” in conjunction with the Buildings Department and to introduce a new mechanism for dealing with such buildings with a view to expediting improvements to the safety and maintenance of such buildings</p> <p><i>(Buildings Department (BD)/HAD)</i></p>	<p>To introduce the revised criteria and set up the new mechanism by early 2001</p>
<p>To help the Buildings Department to implement its Co-ordinated Maintenance Buildings Scheme which targets buildings that pose danger to life and limb</p> <p><i>(BD/HAD)</i></p>	<p>To assist the Buildings Department in meeting its target of delisting 150 “target” buildings in 2001</p>

People who use hotels, guesthouses, clubs and bedspace apartments have the right to expect fire and building safety. With that in view, we will continue to regulate the building and fire safety of these establishments under the Hotel and Guesthouse Accommodation Ordinance, the Clubs (Safety of Premises) Ordinance and the Bedspace Apartments Ordinance.

Since July 1998, all of these establishments have been required to obtain licences or certificates of compliance. We will ensure that all such establishments comply with the statutory requirements and will issue or renew licences or certificates of compliance to those meeting the statutory safety standards. Additionally, we have implemented various business-friendly initiatives and achieved tangible and intangible benefits such as substantially shorter average processing times for hotel/guesthouse licensing applications.

We will assess our performance in respect of this KRA against the following indicators –

- The number of licences issued under the Hotel and Guesthouse Accommodation Ordinance and the Bedspace Apartment Ordinance; and the number of certificates of compliance issued under the Clubs (Safety of Premises) Ordinance. Our target is to issue 1 500 - 1 600 licences and certificates of compliance in 2001.
- The percentage of bedspace apartment lodgers who are offered alternative accommodation after being displaced from bedspace apartments as a result of the implementation of the Bedspace Apartments Ordinance. Our target is 100%.

We will pursue the following initiatives and targets to deliver results in this area –

Initiative	Target
<p>To introduce subsidiary legislation to the Hotel and Guesthouse Accommodation Ordinance to provide for a longer licence validity period up to seven years for eligible premises</p> <p><i>(Home Affairs Department (HAD)/ Home Affairs Bureau)</i></p>	<p>To consult the relevant trades on a new scale of fees under the Ordinance and, if appropriate, introduce legislative amendments in the 2000-2001 legislative session</p>
<p>To consider ways of further shortening the processing time for hotel and guesthouse licence applications under the Hotel and Guesthouse Accommodation Ordinance</p> <p><i>(HAD)</i></p>	<p>To develop performance pledges in relation to the processing of hotel and guesthouse licence applications by March 2001</p>
<p>To ensure better planning and utilisation of the singleton hostel programme</p> <p><i>(HAD)</i></p>	<p>To explore and assess ways to promote, enhance and rationalise the singleton hostel programme by end-2001</p>

Building Management

Detailed Progress

1

Identify building management needs and review service provisions

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative *	Target #	Present Position +
To draft and introduce into the Legislative Council a Building Management (Amendment) Bill as a follow-up to the public consultation on “Proposals to improve fire safety in private buildings” <i>(Home Affairs Bureau (HAB))</i>	To introduce and enact the Building Management (Amendment) Bill in the 1999-2000 legislative session <i>(1999)</i>	The Building Management (Amendment) Bill was passed by the Legislative Council on 27 June 2000 and came into operation on 1 August 2000. <i>(Action Completed)</i>
To set up District Fire Safety Committees (DFSCs) in all 18 districts <i>(Home Affairs Department)</i>	To set up nine DFSCs each year in 1998 and 1999 <i>(1998)</i>	We have set up DFSCs in all 18 districts. <i>(Action Completed)</i>

* the bracketed information denotes the agency with lead responsibility for the initiative

the bracketed information denotes the year in which the target was set

+ the bracketed information denotes the status of the target

Initiative	Target	Present Position
<p>To review existing legislative and administrative measures on building management and fire safety as a follow-up to the public consultation exercise on “Proposals to improve fire safety in private buildings”</p> <p><i>(HAB)</i></p>	<p>To complete a review of existing measures in 1999-2000</p> <p><i>(1998)</i></p>	<p>We have completed the review and –</p> <ul style="list-style-type: none"> ● brought the Building Management (Amendment) Ordinance 2000 into operation on 1 August 2000; ● published a Code of Practice on Building Management in the Gazette; ● drawn up a list of building managers and published the list in the Gazette for reference and selection by owners of problematic buildings; and ● reviewed the Code of Practice on Procurement of Supplies, Goods and Services issued by the Authority (Secretary for Home Affairs) under section 44 of the Building Management Ordinance (BMO). <p><i>(Action Completed)</i></p>
<p>To provide the Central Steering Committee on Fire Safety with information and assistance</p> <p><i>(HAB)</i></p>	<p>To service the Committee effectively so as to enable it to hold quarterly meetings or as many meetings as necessary in 1999-2000</p> <p><i>(1998)</i></p>	<p>The Committee met once this year. In the light of the public consultation on “Proposals to improve fire safety in private buildings”, it reviewed the existing legislative and administrative framework and agreed on proposals for amending the BMO.</p> <p><i>(Action Completed)</i></p>

2

Build community awareness of the importance of building management

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
<p>To organise seminars, training courses, talks on building management and fire safety to equip owners and occupants with knowledge of building management</p> <p><i>(Home Affairs Department (HAD))</i></p>	<p>To organise 60 events for 7 000 participants by March 2000</p> <p><i>(1998)</i></p>	<p>Between 1 April 1999 and 31 March 2000, we organised 78 events for 10 000 participants.</p> <p><i>(Action Completed)</i></p>
<p>To conduct more fire drills for owners and occupants in buildings</p> <p><i>(HAD)</i></p>	<p>To conduct fire drills in 27 owners' corporation (OC)-managed buildings and a number of non-OC-managed buildings by March 2000</p> <p><i>(1998)</i></p>	<p>By March 2000, we had conducted fire drills in 154 buildings in which owners and occupants participated.</p> <p><i>(Action Completed)</i></p>
<p>To establish two more Building Management Resource Centres (one each on Hong Kong Island and in the New Territories)</p> <p><i>(HAD)</i></p>	<p>To establish the Centres in 1999-2000</p> <p><i>(1998)</i></p>	<p>We established the second Centre on Hong Kong Island in November 1999. We are identifying a site for the third Centre. We expect to open this before the end of the current financial year.</p> <p><i>(Action in Progress: Behind Schedule)</i></p>

3

Assist owners in the formation of owners' corporations and servicing afterwards

To achieve results in this area, various initiatives have been undertaken in the past year. Details are set out below –

Initiative	Target	Present Position
<p>To take a more pro-active approach to help owners form owners' corporations (OCs) and enhance servicing of the OCs</p> <p><i>(Home Affairs Department)</i></p>	<ul style="list-style-type: none"> ● To form 240 new OCs in 384 buildings by March 2000 ● To achieve a 5% increase in new OCs by March 2000 ● To handle 1 100 requests for information on or assistance in OC formation <p><i>(1999)</i></p>	<ul style="list-style-type: none"> ● Between 1 April 1999 and 31 March 2000, we directly assisted in the formation of 225 OCs in about 360 buildings. Another 84 OCs were formed in the same period by the owners themselves, after seeking advice from us. ● The 225 new OCs formed between 1 April 1999 and 31 March 2000 represent an increase of 4.7% over the previous year. ● We handled 1 350 requests between 1 April 1999 and 31 March 2000. <p><i>(Action Completed)</i></p>

4

Identify and co-ordinate improvements to certain “target” buildings

To achieve results in this area, various initiatives have been undertaken in the past year. Details are set out below –

Initiative	Target	Present Position
<p>To continue to identify “target” buildings and co-ordinate assistance to owners so that they can carry out improvements</p> <p><i>(Home Affairs Department)</i></p>	<ul style="list-style-type: none"> ● To identify 78 new “target” buildings by March 2000 ● To have 23 buildings improved and removed from the “target” list by March 2000 <p><i>(1999)</i></p>	<ul style="list-style-type: none"> ● By March 2000, we had identified 127 new “target” buildings. ● We have improved 26 buildings and removed them from the “target” list. <p><i>(Action Completed)</i></p>

5

Regulate safety in hotels, guesthouses, clubs and bedspace apartments

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
<p>To continue to implement the statutory licensing schemes to regulate the building and fire safety of hotels, guesthouses, clubs and bedspace apartments by inspecting more establishments, advising operators on upgrading works required and issuing or renewing more licences or certificates of compliance to those meeting the standards</p> <p><i>(Home Affairs Department (HAD))</i></p>	<p>To achieve a 2% increase in licences and certificates of compliance issued or renewed by March 2000 over the last year</p> <p><i>(1998)</i></p>	<p>Between 1 April 1999 and 31 March 2000, a total of 1 491 new and renewed licences and certificates of compliance were issued : 2.4% down on the same period last year. It is believed that the decrease is attributable to the economic downturn which has resulted in fewer applications for licences and certificates of compliance.</p> <p><i>(Action Completed)</i></p>
<p>To identify more sites for the construction of singleton hostels to re-house bedspace apartment lodgers displaced as a result of the implementation of the Bedspace Apartments Ordinance</p> <p><i>(HAD)</i></p>	<p>To identify sufficient sites to re-house about 500 displaced bedspace apartment lodgers in 1998-1999</p> <p><i>(1998 and 1997)</i></p>	<p>The purpose-built singleton hostel Sunrise House, which has a capacity of 310 places, came into operation in late 1998. This brought the total intake capacity of our singleton hostels to some 650 places.</p> <p><i>(Action Completed)</i></p>