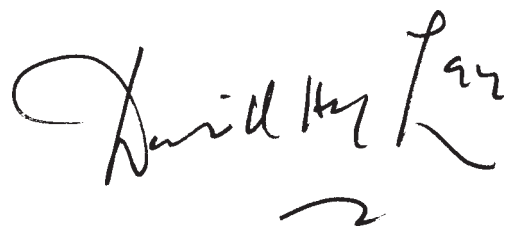


MESSAGE

A good home is a safe home. But about half of the Hong Kong Special Administrative Region's population live in private multi-storey buildings, many of which lack proper management and maintenance. This leads to dilapidation and to safety problems and adversely affects the quality of life. So, to help owners to help themselves - and to ensure the greater safety of their families, neighbours and tenants - we have introduced legislative and administrative measures to improve standards of management in private buildings. To this end, we encourage and assist owners to form owners' corporations under the Building Management Ordinance. And we provide them with advice and information on effective building management. We will vigorously persist with these efforts.

In 1998, under the auspices of the Central Steering Committee on Fire Safety (which I chair), we consulted the public on "Proposals to improve fire safety in private buildings". Our findings showed that the community was generally supportive of those proposals and we are now working on a Building Management (Amendment) Bill with a view to their implementation. We intend to introduce the Bill into the Legislative Council in the 1999-2000 session.

We will continue to actively assist owners and owners' corporations of private buildings. But they, in turn, must work together to manage their homes properly and to make them safe. Through effective building management, we can eliminate dangerous fire hazards and ensure a better, safer, living environment for our families, friends and neighbours.

A handwritten signature in black ink, reading "David H T Lan". The signature is written in a cursive style with a large initial 'D' and a long, sweeping underline.

(David H T Lan)
Secretary for Home Affairs

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.

Our targets this year in pursuing this Policy Objective are –

- to form as many owners' corporations as possible in 2000-2001
- to deal with 1 300 complaints regarding building management and safety
- to continue to implement the statutory licensing schemes for hotels, guesthouses, bedspace apartments, and clubs to regulate their fire safety and building safety

Progress Made

In 1998, we pledged to form as many owners' corporations as possible in 1999-2000; to deal with 700 complaints regarding building management and safety; and to issue or renew 2% more licences for hotels, guesthouses or bedspace apartments and certificates of compliance for clubs over the last year. We have achieved all of these targets. The following paragraphs describe our achievements in detail.

KEY RESULT AREAS (KRAs)

To ensure that this Policy Objective can be achieved, we must deliver results in a number of key areas, that is, we must –

1	Identify building management needs and review service provisions	Page 3
2	Build community awareness of the importance of building management	Page 7
3	Assist owners in the formation of owners' corporations and servicing afterwards	Page 10
4	Identify and co-ordinate improvements to certain "target" buildings	Page 12
5	Regulate safety in hotels, guesthouses, clubs and bedspace apartments	Page 14

1

Identify building management needs and review service provisions

About half of Hong Kong's population live in private multi-storey buildings many 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 concerned policy bureaux and departments, as well as professional bodies and community leaders to identify needs, review standards of service, and assess the current and future demand for our services.

We have established a Central Steering Committee on Fire Safety to co-ordinate the implementation of measures to improve fire safety and building management. Also, District Fire Safety Committees (DFSCs) have been set up in 16 districts to promote fire safety at district level.

As a follow up to the public consultation on "Proposals to improve fire safety in private buildings" conducted in mid-1998, we have reviewed the effectiveness and efficiency of the current administrative and legislative measures to deal with building management. We are proposing legislative amendments to the Building Management Ordinance (Cap. 344) to improve the management standard of private buildings.

Progress Made

In 1998, we proposed to use the following indicators to measure progress under this KRA –

- the number of DFSCs formed
- the number of reviews and related consultation exercises conducted as follow-up to the public consultation on "Proposals to improve fire safety in private buildings"
- the number of areas for improvement identified

Since March 1998, we have set up DFSCs in 16 districts. Good progress has been made on reviewing the legislative and administrative measures on building management as follow-up to the public consultation on "Proposals to improve fire safety in private buildings". Several areas for improvement have been identified and we are pressing ahead with the proposed amendments to the Building Management Ordinance.

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 set up District Fire Safety Committees (DFSCs) in all 18 districts <i>(Home Affairs Department (HAD))</i></p>	<p>To set up nine DFSCs each year in 1998 and 1999 <i>(1998)</i></p>	<p>We set up DFSCs in 12 districts in 1998 and four districts in May 1999. We are actively planning the setting up of DFSCs in the remaining two districts by end-1999. <i>(Action in Progress: On Schedule)</i></p>
<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” <i>(Home Affairs Bureau (HAB))</i></p>	<p>To complete a review of existing measures in 1999-2000 <i>(1998)</i></p>	<p>As at 30 September 1999, we had reviewed the current legislative and administrative measures on building management. We intend to implement the following initiatives to follow up on the review –</p> <ul style="list-style-type: none"> ● introducing a Building Management (Amendment) Bill 1999 into the Legislative Council in the 1999-2000 session; ● publishing a Code of Practice on Building Management in the Gazette; ● drawing up a list of building managers and publishing in the Gazette for reference and choice by owners of problematic buildings; ● reviewing 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); and

* 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
		<ul style="list-style-type: none"> ● in the long run, reviewing other provisions of the BMO to enhance the operation of owners' corporations. <p>We briefed the Legislative Council Panel on Home Affairs on 12 April and on 29 June 1999 regarding the above initiatives. Representatives of the 18 Provisional District Boards also attended the meeting on 29 June.</p> <p><i>(Action in Progress: On Schedule)</i></p>
<p>To provide the Central Steering Committee on Fire Safety with information and assistance <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 <i>(1998)</i></p>	<ul style="list-style-type: none"> ● 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 to amend the BMO. ● In April and June 1999 respectively, the Committee and the HAD organised two territory-wide Building Management Seminars which were attended by some 2 000 participants. <p><i>(Action in Progress: On Schedule)</i></p>

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicator –

Indicator	1999 Target
The number of DFSCs formed	To have a DFSC set up in each of the 18 districts

We will undertake the following initiative to deliver results in this area –

Initiative	1999 Target
To draft and introduce into the Legislative Council a Building Management (Amendment) Bill as follow-up to the public consultation on “Proposals to improve fire safety in private buildings” (HAB)	To introduce and enact the Building Management (Amendment) Bill in the 1999-2000 legislative session

2

Build community awareness of the importance of building management

We have been adopting 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.

The first Building Management Resource Centre (BMRC) has been established in Kowloon. The Centre provides information, services and advice to building owners, residents, owners' corporations (OCs), mutual aid committees and management bodies so as to assist them in improving the standards of management, safety and maintenance of their buildings. As the demand for such services is increasing, we will – by December 1999 – establish the second BMRC on Hong Kong Island and are actively planning for the establishment of one more BMRC in the New Territories in 2000 to improve our service delivery in this area.

Progress Made

In 1998, we proposed to use the following indicators to measure progress under this KRA –

- the number of education, publicity activities and other measures organised
- the level of participation in promotional activities
- the number of BMRC established

We have achieved the targets pledged. The 63 events organised by the Home Affairs Department were well attended and well received by about 7 300 participants. We will continue to organise similar events on an on-going basis. The second BMRC will be established by December 1999 and good progress has been made on the planning to set up the third BMRC in 2000.

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 <i>(Home Affairs Department (HAD))</i></p>	<p>To organise 60 events for 7 000 participants by March 2000 <i>(1998)</i></p>	<p>Between 1 April and 30 September 1999, we organised 63 events for 7 300 participants. The total events to be organised in 1999-2000 and the total number of participants are targeted to be 80 and 10 000 respectively. <i>(Action in Progress: On Schedule)</i></p>
<p>To conduct more fire drills for owners and occupants in buildings <i>(HAD)</i></p>	<p>To conduct fire drills in 27 OC-managed buildings and a number of non-OC-managed buildings by March 2000 <i>(1998)</i></p>	<p>Between 1 April and 30 September 1999, we conducted 50 fire drills. 3 500 owners and occupants participated. We aim to conduct 60 drills in 1999-2000. <i>(Action in Progress: On Schedule)</i></p>
<p>To establish two more Building Management Resource Centres (one each on Hong Kong Island and in the New Territories) <i>(HAD)</i></p>	<p>To establish the Centres in 1999-2000 <i>(1998)</i></p>	<p>We will establish the second Centre on Hong Kong Island by December 1999. We are identifying a site for the third Centre, which will be in the New Territories. We expect to open this before end-2000. <i>(Action in Progress: On Schedule)</i></p>

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

Indicator	1999 Target
The number of education, publicity activities and other measures organised	To organise more such activities than in the previous year
The number of people participating in these promotional activities	To successfully attract more participants than in the previous year
The number of Building Management Resource Centres (BMRCs) established	To have three BMRCs established by end-2000
The number of visitors to, enquiries made and appointments for interview with duty member of the professional bodies for free preliminary professional advice at BMRCs	To handle 6 200 visitors, 4 800 enquiries and 310 appointments for interview

3

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

In the 60 000 private buildings in Hong Kong, so far some 5 900 owners' corporations (OCs) have been formed covering about 10 000 buildings. We plan to adopt a more proactive approach in encouraging owners to form OCs or other forms of owners' associations for management and maintenance of the common parts of their buildings as part of our effort to promote public participation to improve building management. Staff of the Home Affairs Department (HAD) will assist owners in the formation of OCs, and will promote active owner participation in management. The services provided will facilitate efficient and effective operation of OCs.

Progress Made

In 1998, we proposed to use the following indicators to measure progress under this KRA –

- the number of 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 1999, 130 new OCs were formed in 210 buildings, representing an increase of 11% over the same period of 1998. The HAD handled a total of 1 300 requests for information on or assistance in OC formation. We will continue to advise and assist owners on an on-going basis.

To achieve results in this area, the following initiative has been undertaken in the past years –

Initiative	Target	Present Position
<p>To take a more pro-active approach to help owners form OCs and enhance servicing of the OCs (Home Affairs Department)</p>	<ul style="list-style-type: none"> ● To form 210 new OCs in 336 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 (1998) 	<ul style="list-style-type: none"> ● Between 1 April and 30 September 1999, we assisted in the formation of 130 OCs, in about 210 buildings. We have increased our 1999-2000 target to 240 OCs in 384 buildings. ● The 130 new OCs formed between 1 April and 30 September 1999, represent an increase of 11% over the same period in 1998. We expect to meet the 5% target by 31 March 2000. ● We handled 1 300 requests between 1 April and 30 September 1999. (Action in Progress: On Schedule)

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

Indicator	1999 Target
The number of OCs formed	To have 240 OCs formed in 384 buildings by March 2000
The percentage increase in new OCs formed	To achieve a 5% increase in new OCs formed
The number of requests for information on or assistance in OC formation received	To aim to handle all requests for information on or assistance in OC formation received during the year

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 such buildings is to improve their management in a co-ordinated way. Since 1985, we have formed Building Management Co-ordination Teams (BMCTs) 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.

Progress Made

In 1998, 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
- the number of BMCTs established

We have achieved our targets pledged. Good progress has been made on the improvement of “target” buildings. Between 1 April and 30 September 1999, we have identified 38 buildings for inclusion into, and improved and removed 12 buildings from, the list of “target” buildings. Since the establishment of BMCTs in 1985, we have identified 1 297 buildings for inclusion into – and improved and removed 548 buildings from – the “target” list. The current list comprises 749 buildings. We will continue to co-ordinate efforts to help the owners carry out improvement. Two new BMCTs were established in May 1999 as planned.

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 continue to identify “target” buildings and co-ordinate assistance to owners so that they can carry out improvements <i>(Home Affairs Department (HAD))</i>	● To identify 65 new “target” buildings by March 2000	● Between 1 April and 30 September 1999, we identified 38 new “target” buildings. We aim to identify 78 such buildings by March 2000.

Initiative	Target	Present Position
	<ul style="list-style-type: none"> To have 19 buildings improved and removed from the “target” list by March 2000 (1998)	<ul style="list-style-type: none"> Between 1 April and 30 September 1999, we improved 12 buildings and removed them from the “target” list. We aim to improve and ‘de-list’ 23 buildings in total by March 2000. (Action in Progress: On Schedule)
To establish BMCTs in two more districts (HAD)	To establish the teams by March 2000 (1998)	The two teams were established in May 1999. (Action Completed)

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

Indicator	1999 Target
The number of buildings on the “target” list	To have 78 buildings identified by March 2000
The number of buildings improved and removed from the “target” list	To have 23 buildings improved and removed from the “target” list by March 2000

5

Regulate safety in hotels, guesthouses, clubs and bedspace apartments

People who use hotels, guesthouses, clubs and bedspace apartments have a right to expect fire and building safety. We will therefore continue to implement the statutory licensing schemes 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 for legal operation. 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.

Some bedspace apartment operators have not been able to meet the statutory licensing standards and have opted to close their apartments. Others have reduced the number of lodgers in their apartments. We will ensure that no lodger is made homeless as a result of the implementation of the Bedspace Apartments Ordinance by providing alternative accommodation for those displaced from bedspace apartments registered with the Home Affairs Department (HAD).

Progress Made

In 1998, we proposed to use the following indicators to measure progress in this area –

- the number of licences or certificates of compliance issued or renewed
- the percentage increase in licences or certificates of compliance issued or renewed over the previous year
- the total capacity of existing singleton hostels by end-1998
- the percentage of bedspace apartment lodgers who are offered alternative accommodation after being displaced from bedspace apartments registered with the HAD as a result of the implementation of the Bedspace Apartments Ordinance

Our overall performance under this KRA is generally satisfactory. Between 1 April and 31 August 1999, we issued 104 licences or certificates of compliance (covering 81 hotels/guesthouses, 21 clubs and two bedspace apartments) which represents a 4% increase compared with the same period last year. This signifies an increase in operators' awareness of the importance of the fire and building safety in such premises. However, the number of licences or certificates of compliance renewed by us decreased by 3% during the same period. The decrease is attributable to the economic downturn which has resulted in a number of hotels/guesthouses and clubs ceasing operation.

In 1998-1999, we actively identified suitable accommodation to re-house lodgers displaced from registered bedspace apartments as a result of the implementation of the Bedspace Apartments Ordinance. With the commencement of operation of a purpose-built singleton hostel in Shun Ning Road in September 1998, our singleton hostel programme was able to re-house more than 700 displaced lodgers by end-1998. As a result, we are able to achieve our target of offering alternative accommodation to 100% of the displaced lodgers.

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 and 31 August 1999, we issued 104 licences or certificates of compliance, which represents a 4% increase compared with the same period in 1998. During the same period, the number of licences or certificates of compliance renewed decreased by 3%. The decrease is attributable to the economic downturn which has resulted in a number of hotels/guesthouses and clubs ceasing operation.</p> <p><i>(Action in Progress: Under Review)</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>	<ul style="list-style-type: none"> ● To identify sufficient sites to re-house about 500 displaced bedspace apartment lodgers in 1998-1999 	<ul style="list-style-type: none"> ● The first purpose-built singleton hostel at Shun Ning Road commenced operation in September 1998 to accommodate 310 displaced lodgers. This, together with the HAD's other hostels, can accommodate more than 700 displaced lodgers. <p><i>(Action in Progress: On Schedule)</i></p>

Initiative	Target	Present Position
	<ul style="list-style-type: none"> To offer alternative accommodation to all lodgers displaced from bedspace apartments registered with the HAD as a result of the implementation of the Bedspace Apartments Ordinance <p>(1998 and 1997)</p>	<ul style="list-style-type: none"> All lodgers so displaced were offered alternative accommodation. <p>(Action Completed)</p>
To introduce the Hotel Accommodation (Miscellaneous Provisions) Bill 1998 to rectify the deficiencies in the Hotel and Guesthouse Accommodation Ordinance <i>(Home Affairs Bureau)</i>	To have the Bill enacted in the 1998-1999 legislative session <i>(1998)</i>	The Hotel Accommodation (Miscellaneous Provisions) Ordinance was enacted on 18 December 1998. <i>(Action Completed)</i>

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

Indicator	1999 Target
The total capacity of existing singleton hostels by end-1999	To achieve a capacity of 700 by end-1999
The percentage of bedspace apartment lodgers who are offered alternative accommodation after being displaced from bedspace apartments registered with the HAD as a result of the implementation of the Bedspace Apartments Ordinance	To offer alternative accommodation to all lodgers displaced from bedspace apartments registered with the HAD as a result of the implementation of the Bedspace Apartments Ordinance