

Head 82 — BUILDINGS DEPARTMENT

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

Estimate 2016–17 **\$1,308.7m**

Establishment ceiling 2016–17 (notional annual mid-point salary value) representing an estimated 1 658 non-directorate posts as at 31 March 2016 rising by 86 posts to 1 744 posts as at 31 March 2017 **\$826.7m**

In addition, there will be an estimated 32 directorate posts as at 31 March 2016 and as at 31 March 2017.

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

	2014–15 (Actual)	2015–16 (Original)	2015–16 (Revised)	2016–17 (Estimate)
Financial provision (\$m)	1,142.7	1,243.1	1,266.9 (+1.9%)	1,308.7 (+3.3%)
				(or +5.3% on 2015–16 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) (BO).

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 old buildings, drainage and slopes; scrutinising and approving alteration and addition works; processing minor works submissions; improving fire safety construction 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 2015, 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 to implement the revised enforcement policy against UBWs introduced since April 2011 and respond to reports on UBWs from members of the public;
- continued the large scale operation (LSO) on comprehensive clearance of UBWs on rooftops, flat roofs, yards and lanes in 190 buildings;
- continued the LSO on inspection of sub-divided flats in 210 target buildings, comprising 190 domestic/composite buildings and 20 industrial buildings, and rectification of irregularities of building works associated with the sub-divided flats;
- continued the LSO on removal of large unauthorised signboards and the implementation of the Validation Scheme for Unauthorised Signboards under the Signboard Control System;
- completed village by village survey of 5 274 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;

Head 82 — BUILDINGS DEPARTMENT

- completed the processing of 18 034 reporting forms received under the Reporting Scheme for UBWs in NTEHs that constitute less serious contravention of the law and pose lower potential risks to building safety;
- in collaboration with the Hong Kong Housing Society (HKHS) and the Urban Renewal Authority (URA), continued to implement the Operation Building Bright (OBB);
- implemented the Mandatory Building Inspection Scheme (MBIS) and Mandatory Window Inspection Scheme (MWIS) in 650 and 663 buildings respectively;
- continued the consultancy study on the latest technological methods in identifying the sources of water seepage in buildings;
- continued to review the Building (Minor Works) Regulation (Cap. 123N) by formulating new and refined minor works items as well as new prescribed building works items to facilitate building owners in carrying out new and/or maintaining existing small scale minor works; and
- continued the public education and publicity campaign to disseminate building safety messages to stakeholders to foster a building safety culture.

New Buildings

- continued the joint benchmarking exercise with the industry on plan submission quality with a view to facilitating preparation of plans for approval;
 - continued to offer technical advice on compliance with the BO to facilitate the approval process of building plan submissions involving adaptive re-use of and alteration and addition works to heritage buildings;
 - implemented the design and construction requirements for energy efficiency of residential buildings;
 - commenced the consultancy study to formulate a Code of Practice for Seismic-resistant Building Design Standards for the introduction of statutory seismic design requirements for new buildings;
 - commenced the consultation with stakeholders for implementing a product certification system for materials used in private building developments; and
 - continued the review of various building regulations, standards and codes of practice with a view to modernising building design and construction standards.
- 7 The key performance measures in respect of buildings and building works are:

Targets

	Target	2014 (Actual)	2015 (Actual)	2016 (Plan)
<i>24-hour emergency services</i>				
responding to emergencies during office hours (%):				
within 1.5 hours for cases in urban areas.....	100	99.3	99.8	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	99.5	99.7	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 (%)	100	99.6	99.0	99.0
<i>Existing Buildings</i>				
buildings targeted for repair and maintenance under OBB.....	—μ	156	9	—
buildings targeted for prescribed inspection and, if necessary, prescribed repair under MBIS	500¶	1 018	650	500¶
buildings targeted for prescribed window inspection and, if necessary, prescribed window repair under MWIS	500¶	1 018	663	500¶

Head 82 — BUILDINGS DEPARTMENT

	Target	2014 (Actual)	2015 (Actual)	2016 (Plan)
NTEHs targeted for survey to identify UBWs that constitute serious contravention of the law and pose higher potential risks for priority enforcement action	4 000 ^ω	5 210	5 274	4 000
buildings targeted for removal of UBWs on rooftops, flat roofs, yards and lanes	80 ^Ψ	200	190	80^Ψ
buildings targeted for rectification of irregularities associated with sub-divided flats including those for domestic use in industrial buildings	100 ^Φ	308	210 ^Φ	100^Φ
prescribed commercial premises inspected for improvement of fire safety measures	50	67	50	50
specified commercial buildings inspected for improvement of fire safety measures	20	22	20	20
composite buildings inspected for improvement of fire safety measures.....	400	400	400	400
advising on restaurants and places of public entertainment licence applications under the Application Vetting Panel system within 12 working days (%).....	100	99.8	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	99.7	99.8	98.0
<i>New Buildings</i>				
processing building plans within 60 days for new submissions (%).....	100	89.9	94.0	90.0
within 30 days for re-submissions (%)	100	94.1	96.3	90.0
processing within 28 days applications for consent to commence building works (%)	100	93.9	96.4	90.0
processing within 14 days applications for occupation permits (%)	100	100	100	100
processing applications for hoarding permits [⊠]				
within 60 days for cases of first application (%)	—	88.1	—	—
within 30 days for cases of re-application, fast track processing or renewal (%).....	—	94.4	—	—

μ The OBB operation has reached its final stage with all remaining target buildings covered in 2015.

¶ The number of buildings planned to be covered by MBIS and MWIS in 2016 is adjusted downwards to 500 due to redeployment of resources for serving inspection notices to buildings identified in previous years and taking enforcement action against non-compliant notices.

ω The number of NTEHs planned to be surveyed in 2016 is adjusted downwards to 4 000 due to redeployment of resources for clearing the backlog of outstanding removal orders.

Ψ Taking into account the recommendations of the Audit Commission in its Director of Audit's Report No. 64 (Audit Report), the target is reduced in order to redeploy resources to complete outstanding LSOs and clear the backlog of outstanding removal orders.

Φ Taking into account the recommendations of the Audit Commission in its Audit Report and the difficulties encountered in enforcement actions, the target is reduced in order to redeploy resources to complete outstanding LSOs and clear the backlog of outstanding removal orders. The revised target comprises 20 industrial buildings and 80 domestic or composite buildings.

⊠ Target removed as from 2015 as this is not a key performance target in processing new building proposals.

Head 82 — BUILDINGS DEPARTMENT

Indicators

	2014 (Actual)	2015 (Actual)	2016 (Estimate)
<i>24-hour emergency services</i>			
emergency reports attended to	911	845	1 000
<i>Non-emergency services for reports on UBWs under construction</i>			
reports attended to	3 872	3 302 ^α	3 300
<i>Existing Buildings</i>			
<i>UBWs</i>			
reports from members of the public attended to	41 146	39 281	40 000
warning notices issued ^Ω	332	357	—
removal orders issued	11 816	12 918	12 000
prosecutions against failure to comply with removal orders	2 532	3 030	3 300^γ
unauthorised structures removed and irregularities rectified	22 866	24 362 ^Δ	28 000^Δ
<i>dilapidated buildings</i>			
reports from members of the public attended to	13 430	12 777	14 000
repair/investigation orders issued	540	589	500
buildings repaired	849	947	700
<i>mandatory building inspection</i>			
number of notices issued	17 537	11 519	8 500[@]
number of notices discharged	984	4 247	6 000[@]
<i>mandatory window inspection</i>			
number of notices issued	105 943	123 259	90 000[@]
number of notices discharged	57 964	123 627	100 000[@]
<i>NTEHs</i>			
removal orders issued for UBWs in NTEHs	454	415	350
<i>sub-divided flats</i>			
number of sub-divided flats inspected	2 218	3 466 ^α	3 800
number of sub-divided flats rectified of irregularities ...	295	207	260
<i>dangerous slopes</i>			
repair orders issued	102	106	80^Θ
dangerous slopes repaired	60	58	60
<i>prescribed commercial premises</i>			
fire safety directions (FSDns) issued	128	130	130
FSDns discharged	110	110	120
<i>specified commercial buildings</i>			
fire safety improvement directions (FSIDns) issued	323	251	210^ε
FSIDns discharged	802 ^δ	702	630^δ
<i>composite buildings</i>			
FSDns issued	5 988	5 857	5 100
FSDns discharged	1 760	1 703	1 800
<i>licence/registration applications processed (restaurants, places of public entertainment, tutorial schools etc.)</i>	12 396	12 752	12 000
<i>Minor Works Control System</i>			
minor works submissions received	106 829	115 832	110 000
minor works submissions selected for auditing	6 638	6 742	6 500
household minor works items validated ^ϕ	8	—	—
<i>Signboard Control System</i>			
unauthorised signboards removal orders issued	349	682 [#]	600
unauthorised signboards removed/validated	791	1 215 [#]	900
dangerous/abandoned signboards removed/repaired	1 301	1 500 [#]	1 500
reports of unauthorised, dangerous or abandoned signboards from members of the public attended to	1 451	2 036 ^τ	1 400
<i>Comprehensive Building Safety Improvement Loan Scheme</i>			
loan applications processed	1 827	1 246 ^η	1 200
loan applications approved	1 516	722 ^η	700
total amount of loans committed (\$m)	117.6	42.8 ^η	40.0

Head 82 — BUILDINGS DEPARTMENT

	2014 (Actual)	2015 (Actual)	2016 (Estimate)
<i>New Buildings</i>			
new building proposals approved	237	227	260^o
plans received and processed	17 334	18 458 ^o	19 000^o
gross floor area of proposed new buildings approved (in 1 000 m ²)	4 406	4 232	4 800^o
site inspections made.....	10 023	11 210 ^o	11 000^o
sites inspected.....	1 201	1 226	1 300^o
hoarding permits issued or renewed ^Λ	867	—	—
occupation permits issued	200	204	220^o

ο The decrease in 2015 was due to a drop in reports received from the public.

Ω Indicator to be removed as from 2016 as this is not a key performance indicator in enforcement work against UBWs.

γ The increase in 2016 is due to enhanced prosecutions against non-compliance of removal orders.

Δ The increase is due to the redeployment of resources for clearing the backlog of outstanding removal orders.

@ The estimate in 2016 has taken into account the adjustment in work priority. Resources will be redeployed to step up enforcement actions against non-compliant notices.

α The increase in 2015 was due to more individual reports on sub-divided flats and more sub-divided flats found in target buildings.

Θ The estimate in 2016 has taken into account the anticipated decrease in the number of dangerous slopes identified under the risk-based priority ranking system of the Landslip Prevention and Mitigation Programme and resources will be redeployed to clear the backlog of outstanding repair orders.

ε Since the remaining number of specified commercial buildings in multiple ownership and with directions yet to be issued has decreased, the corresponding number of directions to be issued will decrease in the coming years.

δ Many directions issued with relatively simple requirements have been discharged gradually and difficult cases particularly those involving improvement works in the common parts of buildings are accumulating.

◇ Indicator removed as from 2015 as this is not a key performance indicator on minor works control system.

The increase in 2015 was due to the stepped-up enforcement actions against unauthorised signboards including the clearance of outstanding removal orders.

τ The increase in 2015 was due to an increase in reports received from the public.

η The drop in the number of loan applications in 2015 was due to the phasing out of OBB and less LSOs carried out since 2014.

υ The increase in 2015 was due to the planned increase in land supply for private developments. Such momentum is expected to sustain in 2016.

Λ Indicator removed as from 2015 as this is not a key performance indicator in processing new building proposals.

Matters Requiring Special Attention in 2016–17

- 8 During 2016–17, the Department will take forward initiatives in all areas of its work. In particular, it will:
- continue to implement the revised enforcement policy against UBWs introduced since April 2011 and respond to reports on UBWs from members of the public;
 - 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 and the LSO on removal of signboards that are not validated on target buildings or target streets;
 - continue the LSO for removal of UBWs in NTEHs that constitute serious contravention of the law and pose higher potential risks to building safety;
 - continue to collaborate with HKHS and URA in speeding up the rehabilitation of old buildings by providing technical and financial assistance to owners in need and complete the repair of all OBB buildings;
 - continue the consultancy study on the latest technological methods in identifying the sources of water seepage in buildings;
 - 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;
 - complete the review of the Building (Minor Works) Regulation by formulating new and refined minor works items as well as new prescribed building works items to facilitate building owners in carrying out new and/or maintaining existing small scale minor works;

Head 82 — BUILDINGS DEPARTMENT

- complete the joint benchmarking exercise with the industry on the quality of submission of plans to facilitate their preparation of plans for early approval;
- continue to assist Development Bureau to prepare for the amendments to the building regulations to introduce performance-based standards and modernise technical requirements in respect of construction and drainage of buildings;
- continue to provide technical advice on building plan submissions involving adaptive re-use of and alteration and addition works to heritage buildings to facilitate the approval process and to process such submissions, and to review the relevant guidelines;
- 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 Code of Practice for Seismic-resistant Building Design Standards for the introduction of statutory seismic design requirements for new buildings; and
- continue to consult stakeholders for implementing a product certification system for materials used in private building developments.

Head 82 — BUILDINGS DEPARTMENT

ANALYSIS OF FINANCIAL PROVISION

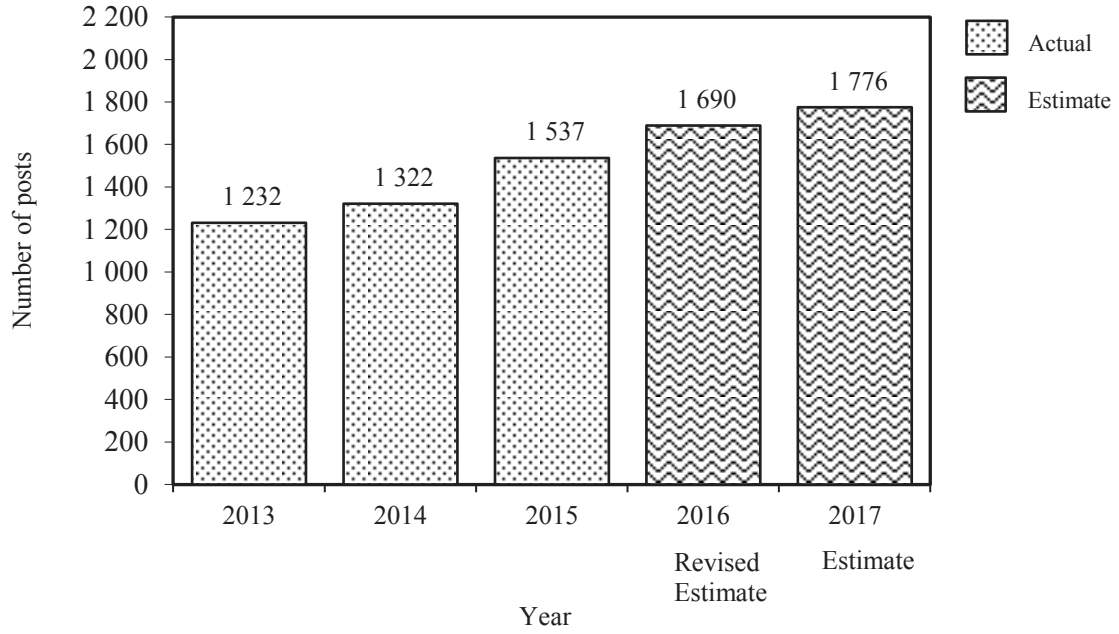
Programme	2014-15 (Actual) (\$m)	2015-16 (Original) (\$m)	2015-16 (Revised) (\$m)	2016-17 (Estimate) (\$m)
Buildings and Building Works.....	1,142.7	1,243.1	1,266.9 (+1.9%)	1,308.7 (+3.3%)
				(or +5.3% on 2015-16 Original)

Analysis of Financial and Staffing Provision

Provision for 2016-17 is \$41.8 million (3.3%) higher than the revised estimate for 2015-16. This is mainly due to the increased provision for enhancing enforcement relating to building safety including LSOs against UBWs and clearance of outstanding removal orders, processing of new building plans, and filling of vacancies. In 2016-17, there will be an increase of 86 posts including conversion of existing non-civil service contract positions to civil service posts for the continued implementation of the initiatives in enhancing building safety.

Head 82 — BUILDINGS DEPARTMENT

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



Head 82 — BUILDINGS DEPARTMENT

Sub-head (Code)	Actual expenditure 2014–15	Approved estimate 2015–16	Revised estimate 2015–16	Estimate 2016–17
	\$'000	\$'000	\$'000	\$'000
Operating Account				
Recurrent				
000	Operational expenses	1,107,238	1,207,697	1,231,661
227	Payment for Land Registry/Companies Registry Trading Fund services	35,137	35,406	35,212
	Total, Recurrent.....	<u>1,142,375</u>	<u>1,243,103</u>	<u>1,266,873</u>
	Total, Operating Account	<u>1,142,375</u>	<u>1,243,103</u>	<u>1,308,654</u>
Capital Account				
Plant, Equipment and Works				
	Minor plant, vehicles and equipment (block vote).....	293	—	—
	Total, Plant, Equipment and Works.....	<u>293</u>	<u>—</u>	<u>—</u>
	Total, Capital Account.....	<u>293</u>	<u>—</u>	<u>—</u>
	Total Expenditure	<u><u>1,142,668</u></u>	<u><u>1,243,103</u></u>	<u><u>1,266,873</u></u>
		<u><u>1,308,654</u></u>		<u><u>1,308,654</u></u>

Head 82 — BUILDINGS DEPARTMENT

Details of Expenditure by Subhead

The estimate of the amount required in 2016–17 for the salaries and expenses of the Buildings Department is \$1,308,654,000. This represents an increase of \$41,781,000 over the revised estimate for 2015–16 and \$165,986,000 over the actual expenditure in 2014–15.

Operating Account

Recurrent

2 Provision of \$1,273,568,000 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 2016 will be 1 690 posts including one supernumerary post. It is expected that there will be an increase of 86 posts in 2016–17. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2016–17, but the notional annual mid-point salary value of all such posts must not exceed \$826,656,000.

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

	2014–15 (Actual) (\$'000)	2015–16 (Original) (\$'000)	2015–16 (Revised) (\$'000)	2016–17 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	797,835	875,663	900,443	931,367
- Allowances.....	6,344	9,008	7,573	8,808
- Job-related allowances.....	17	51	51	53
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	4,728	6,660	5,136	6,321
- Civil Service Provident Fund contribution.....	27,955	40,839	42,825	51,783
Departmental Expenses				
- Hire of services and professional fees	78,242	103,324	109,164	107,623
- Contract maintenance	2,032	2,192	2,100	2,100
- General departmental expenses	190,085	169,960	164,369	165,513
	1,107,238	1,207,697	1,231,661	1,273,568

5 Provision of \$35,086,000 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.