

Head 82 — BUILDINGS DEPARTMENT

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

Estimate 2018–19 **\$1,570.6m**

Establishment ceiling 2018–19 (notional annual mid-point salary value) representing an estimated 1 799 non-directorate posts as at 31 March 2018 rising by 125 posts to 1 924 posts as at 31 March 2019 **\$987.5m**

In addition, there will be an estimated 32 directorate posts as at 31 March 2018 and as at 31 March 2019.

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

	2016–17 (Actual)	2017–18 (Original)	2017–18 (Revised)	2018–19 (Estimate)
Financial provision (\$m)	1,359.9	1,382.9	1,399.3 (+1.2%)	1,570.6 (+12.2%)
				(or +13.6% on 2017–18 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 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 2017, 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 80 buildings;
- continued the LSO on inspection of sub-divided flats in 100 target buildings, comprising 80 domestic/composite buildings and 20 industrial buildings, and rectification of irregularities of building works associated with 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 survey of some 4 000 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;
- continued the consultancy study on the latest technological methods in identifying the sources of water seepage in buildings;

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- 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;
- continued the public education and publicity campaign to disseminate building safety messages to stakeholders to foster a building safety culture; and
- completed the territory-wide special joint operation with the Fire Services Department to inspect and enforce against irregularities affecting fire safety in mini-storages.

New Buildings

- continued 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;
- 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
- commenced the consultancy study to review 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	2016 (Actual)	2017 (Actual)	2018 (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	90.9	100	100
responding to emergencies outside office hours (%):				
within two hours for cases in urban areas and new towns in N.T.	100	100	97.5	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	99.8	99.9	99.0
<i>Existing Buildings</i>				
buildings targeted for prescribed inspection and, if necessary, prescribed repair under Mandatory Building Inspection Scheme (MBIS)	400	500	436	400
buildings targeted for prescribed window inspection and, if necessary, prescribed window repair under Mandatory Window Inspection Scheme	400	500	464	400
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	4 437	4 204	4 000
buildings targeted for removal of UBWs on rooftops, flat roofs, yards and lanes	80	80	80	80

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	Target	2016 (Actual)	2017 (Actual)	2018 (Plan)
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	38	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	300	416	400
advising on restaurants and places of public entertainment licence applications under the Application Vetting Panel system within 12 working days (%).....	100	99.9	98.5	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	99.6	98.8	99.0
<i>New Buildings</i>				
processing building plans within 60 days for new submissions (%).....	90.0	93.9	92.2	90.0
within 30 days for re-submissions (%)	90.0	94.3	91.9	90.0
processing within 28 days applications for consent to commence building works (%)	90.0	94.6	92.1	90.0
processing within 14 days applications for occupation permits (%)	100	100	100	100
<i>Indicators</i>				
		2016 (Actual)	2017 (Actual)	2018 (Estimate)
<i>24-hour emergency services</i>				
emergency reports attended to		839	958	1 000
<i>Non-emergency services for reports on UBWs under construction</i>				
reports attended to		2 753	3 322	3 000
<i>Existing Buildings</i>				
<i>UBWs</i>				
reports from members of the public attended to		36 461	30 635	36 000
removal orders issued.....		12 901	13 182	12 000
prosecutions against failure to comply with removal orders		3 362	3 369	3 300
unauthorised structures removed and irregularities rectified.....		26 430	27 683	28 000
<i>dilapidated /dangerous buildings</i>				
reports from members of the public attended to		14 014	13 895	14 000
repair/investigation orders issued.....		969	1 324Φ	950
buildings repaired/rectified		1 017	805	1 000Φ
<i>mandatory building inspection</i>				
notices issued		5 571	12 384@	5 000
notices discharged		8 281	7 975	9 000@
<i>mandatory window inspection</i>				
notices issued		86 280	30 223¶	15 000¶
notices discharged		151 772	56 231Ω	45 000Ω

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	2016 (Actual)	2017 (Actual)	2018 (Estimate)
NTEHs			
removal orders issued for UBWs in NTEHs.....	529	572	500
sub-divided flats			
sub-divided flats inspected.....	3 045	2 230§	1 800§
sub-divided flats rectified of irregularities.....	254	253	240
dangerous slopes			
repair orders issued.....	85	40λ	40λ
dangerous slopes repaired.....	72	91	95
prescribed commercial premises			
fire safety directions (FSDns) issued.....	108	78Δ	120
FSDns discharged.....	122	120	130
specified commercial buildings			
fire safety improvement directions (FSIDns) issued.....	119	96Δ	150
FSIDns discharged.....	320	265Δ	470
composite buildings			
FSDns issued.....	3 676	3 490Δ	4 000
FSDns discharged.....	1 828	1 609Δ	1 800
licence/registration applications processed (restaurants, places of public entertainment, tutorial schools etc.).....	11 931	12 714	12 500
<i>Minor Works Control System</i>			
minor works submissions received.....	135 187	126 504	130 000
minor works submissions selected for auditing.....	7 104	7 260	7 000
<i>Signboard Control System</i>			
unauthorised signboards removal orders issued.....	719	1 019	800
unauthorised signboards removed/validated.....	1 153	1 357	1 050
dangerous/abandoned signboards removed/repaired.....	1 566	1 339#	1 200#
reports of unauthorised, dangerous or abandoned signboards from members of the public attended to.....	2 171	2 310	2 200
<i>Comprehensive Building Safety Improvement Loan Scheme</i>			
loan applications processed.....	998	725ψ	800
loan applications approved.....	1 016	578ψ	600
total amount of loans committed (\$m).....	71.1	41.3ψ	40.0
<i>New Buildings</i>			
new building proposals approved.....	220	239	230
plans processed.....	18 723	19 637	20 000
gross floor area of proposed new buildings			
approved (in 1 000 m ²).....	3 457	4 487β	4 400
site inspections made.....	11 348	11 652	11 500
sites inspected.....	1 331	1 344	1 300
occupation permits issued.....	230	204	230

Φ The increase in 2017 was due to enhanced enforcement action against irregularities affecting fire safety in mini-storages. The estimated increase in 2018 is due to the effect of the enhanced enforcement action.

@ The increase in number of notices issued in 2017 was due to additional buildings targeted after taking into consideration their conditions. The estimated increase in the number of notices discharged in 2018 has taken into account the adjustment in work priority with more focus on enhancing compliance with served notices. More resources will be redeployed to step up enforcement actions against non-compliant notices, enhancing assistance to owners to facilitate compliance, and strengthening regulation of service providers.

¶ The decrease in the number of notices issued is due to the adjustment in work priority with more focus on enhancing compliance with served notices, and issue of notices to older buildings generally involving smaller number of units and notices. More resources will be redeployed to step up enforcement actions against non-compliant notices, enhancing assistance to owners to facilitate compliance, and strengthening regulation of service providers.

Ω The decrease in the number of notices discharged is due to the total number of outstanding notices being substantially decreased arising from the backlog clearance since 2016.

§ The decrease was due to the reduction in the number of target buildings from 308 to 100 buildings from 2014 to 2016.

λ The decrease was due to the reduction in the number of slopes identified under the risk-based priority ranking system of the Landslip Prevention and Mitigation Programme and the redeployment of resources to clear the backlog of outstanding repair orders.

Δ The decrease was due to deployment of resources to handle the special operation against irregularities affecting fire safety in mini-storages.

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- # The decrease was due to the decrease in the number of dangerous/abandoned signboards and the redeployment of resources to step up enforcement actions against difficult cases.
- ψ The decrease in cases processed/approved was due to the decrease in applicants who also participated in the first phase of the Operation Building Bright, for which applications have been closed. There have been a number of applicants joining the two schemes at the same time for carrying out building improvement works.
- β The marked increase in gross floor area approved in 2017 was mainly due to the increase in the number of new buildings as a result of increase in land supply.

Matters Requiring Special Attention in 2018–19

- 8 During 2018–19, 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 and the LSO on removal of signboards that are not validated on target buildings or target streets;
 - continue the LSO on removal of UBWs in NTEHs that constitute serious contravention of the law and pose higher potential risks to building safety;
 - in collaboration with the Urban Renewal Authority, launch Operation Building Bright 2.0 to assist owners of old and dilapidated buildings to comply with the requirements under the MBIS to protect public safety;
 - complete the consultancy study on the latest technological methods in identifying the sources of water seepage in buildings, including updating guidelines on testing methods for water seepage investigations;
 - 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;
 - 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;
 - continue to consult stakeholders for implementing a product certification system for materials used in private building developments; and
 - continue the consultancy study to review 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 further promoting green buildings in the private market.

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ANALYSIS OF FINANCIAL PROVISION

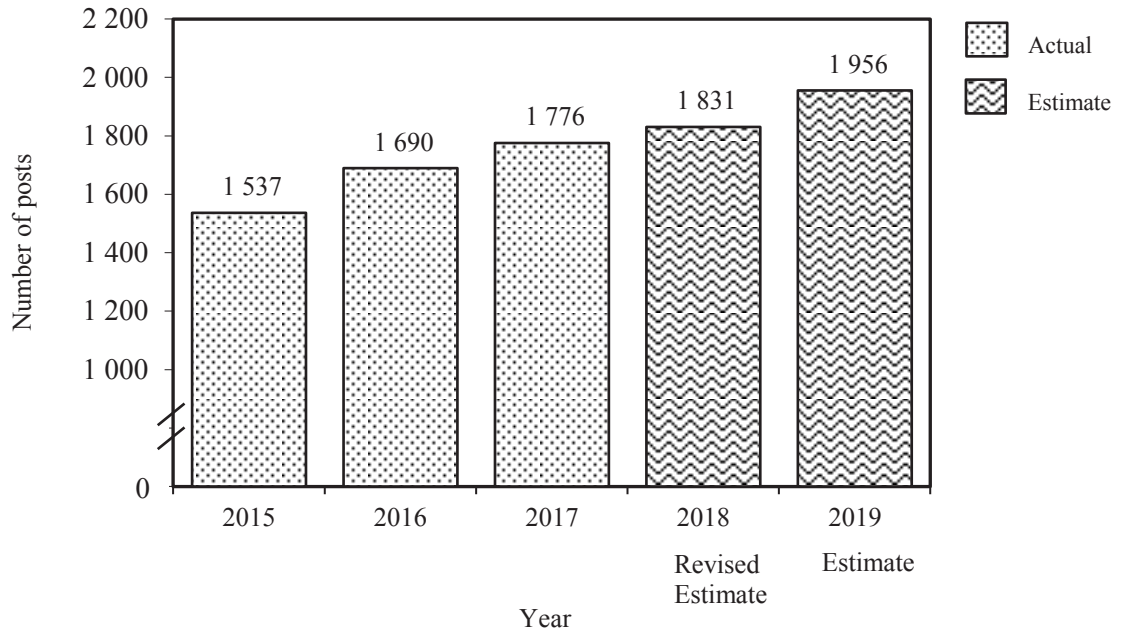
	2016-17 (Actual) (\$m)	2017-18 (Original) (\$m)	2017-18 (Revised) (\$m)	2018-19 (Estimate) (\$m)
Programme				
Buildings and Building Works.....	1,359.9	1,382.9	1,399.3 (+1.2%)	1,570.6 (+12.2%)
				(or +13.6% on 2017-18 Original)

Analysis of Financial and Staffing Provision

Provision for 2018-19 is \$171.3 million (12.2%) higher than the revised estimate for 2017-18. This is mainly due to the increased provision for enhancing building and slope safety, and for the creation of 125 posts mainly for the continued implementation of the initiatives in enhancing 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 2016-17	Approved estimate 2017-18	Revised estimate 2017-18	Estimate 2018-19	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	1,323,420	1,351,836	1,365,648	1,525,309
227	Payment for Land Registry/Companies Registry Trading Fund services	36,495	31,094	33,685	45,000
	Total, Recurrent.....	1,359,915	1,382,930	1,399,333	1,570,309
	Total, Operating Account	1,359,915	1,382,930	1,399,333	1,570,309
Capital Account					
Plant, Equipment and Works					
661	Minor plant, vehicles and equipment (block vote).....	—	—	—	333
	Total, Plant, Equipment and Works.....	—	—	—	333
	Total, Capital Account.....	—	—	—	333
	Total Expenditure	1,359,915	1,382,930	1,399,333	1,570,642

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Details of Expenditure by Subhead

The estimate of the amount required in 2018–19 for the salaries and expenses of the Buildings Department is \$1,570,642,000. This represents an increase of \$171,309,000 over the revised estimate for 2017–18 and \$210,727,000 over the actual expenditure in 2016–17.

Operating Account

Recurrent

2 Provision of \$1,525,309,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Buildings Department. The increase of \$159,661,000 (11.7%) over the revised estimate for 2017–18 is mainly due to the increased provision for enhancing building and slope safety, improving the efficiency and effectiveness of water seepage investigation cases, and coping with the increasing workload in processing building plans.

3 The establishment as at 31 March 2018 will be 1 831 posts including one supernumerary post. It is expected that there will be an increase of 125 posts in 2018–19. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2018–19, but the notional annual mid-point salary value of all such posts must not exceed \$987,458,000.

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

	2016–17 (Actual) (\$'000)	2017–18 (Original) (\$'000)	2017–18 (Revised) (\$'000)	2018–19 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	982,940	1,034,454	1,049,888	1,129,826
- Allowances.....	8,246	7,800	8,733	11,875
- Job-related allowances.....	43	53	89	93
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	5,007	6,195	4,600	5,945
- Civil Service Provident Fund contribution.....	54,855	71,935	71,285	86,696
Departmental Expenses				
- Hire of services and professional fees	107,995	99,947	99,947	119,041
- Contract maintenance	1,840	1,850	1,447	1,533
- General departmental expenses	162,494	129,602	129,659	170,300
	1,323,420	1,351,836	1,365,648	1,525,309

5 Provision of \$45 million 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 \$11,315,000 (33.6%) over the revised estimate for 2017–18 is mainly due to the increased requirement for ownership checks and registration in Land Registry arising from enhancing building and slope safety.

Capital Account

Plant, Equipment and Works

6 Provision of \$333,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* is for purchasing specialised vehicle.