

Head 82 — BUILDINGS DEPARTMENT

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

Estimate 2019–20 **\$1,656.3m**

Establishment ceiling 2019–20 (notional annual mid-point salary value) representing an estimated 1 924 non-directorate posts as at 31 March 2019 rising by 72 posts to 1 996 posts as at 31 March 2020 **\$1,064.1m**

In addition, there will be an estimated 32 directorate posts as at 31 March 2019 and as at 31 March 2020.

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

	2017–18 (Actual)	2018–19 (Original)	2018–19 (Revised)	2019–20 (Estimate)
Financial provision (\$m)	1,394.1	1,570.6	1,572.5 (+0.1%)	1,656.3 (+5.3%)
				(or +5.5% on 2018–19 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 2018, 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 the sub-divided flats;
- continued the LSO on removal of large unauthorised signboards on target streets and the implementation of the Signboard Validation Scheme;
- 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;
- completed the consultancy study on the latest technological methods in identifying 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
- in collaboration with the Urban Renewal Authority (URA), launched Operation Building Bright 2.0 (OBB 2.0) to assist owners of old and dilapidated buildings to comply with the requirements under the Mandatory Building Inspection Scheme (MBIS) to protect public safety.

New Buildings

- continued the consultancy study to formulate a Code of Practice for Seismic-resistant Building Design Standards for the introduction of statutory seismic design requirements for new buildings;
- continued the consultation with stakeholders for implementing a product certification system for materials used in private building developments;
- continued the review of various building regulations, standards and codes of practice with a view to modernising building design and construction standards; and
- continued the consultancy study to review 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	2017 (Actual)	2018 (Actual)	2019 (Plan)
<i>24-hour emergency services</i>				
responding to emergencies during office hours (%):				
within 1.5 hours for cases in urban areas	100	100	100	100
within two hours for cases in new towns in New Territories (N.T.)	100	100	100	100
within three hours for cases in other areas in N.T.	100	100	100	100
responding to emergencies outside office hours (%):				
within two hours for cases in urban areas and new towns in N.T.	100	97.5	94.9	100
within three hours for cases in other areas in N.T.	100	100	100	100
<i>Non-emergency services for reports on UBWs under construction</i>				
responding to reports within 48 hours (%)	99.0‡	99.9	99.4	99.0
<i>Existing Buildings</i>				
buildings targeted for inspection and repair as default works under OBB 2.0a.....	250	—	70	250
buildings targeted for prescribed inspection and, if necessary, prescribed repair under MBIS	400	436	427	400
buildings targeted for prescribed window inspection and, if necessary, prescribed window repair under Mandatory Window Inspection Scheme	400	464	435	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	4 204	4 175	4 000
buildings targeted for removal of UBWs on rooftops, flat roofs, yards and lanes	80	80	80	80

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	Target	2017 (Actual)	2018 (Actual)	2019 (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	50	50	50
specified commercial buildings inspected for improvement of fire safety measures	20	20	20	20
composite buildings inspected for improvement of fire safety measures.....	400	416	406	400
advising on restaurants and places of public entertainment licence applications under the Application Vetting Panel system within 12 working days (%).....	98.0 [^]	98.5	99.1	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	98.8	99.3	100
<i>New Buildings</i>				
processing building plans within 60 days for new submissions (%).....	90.0	92.2	94.5	90.0
within 30 days for re-submissions (%)	90.0	91.9	94.6	90.0
processing within 28 days applications for consent to commence building works (%)	90.0	92.1	94.9	90.0
processing within 14 days applications for occupation permits (%)	100	100	100	100

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

^a New target as from 2018 after the launch of OBB 2.0 in July 2018.

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

Indicators

	2017 (Actual)	2018 (Actual)	2019 (Estimate)
<i>24-hour emergency services</i>			
emergency reports attended to	958	1 323	1 200
<i>Non-emergency services for reports on UBWs under construction</i>			
reports attended to	3 322	3 399	3 200
<i>Existing Buildings</i>			
UBWs			
reports from members of the public attended to	30 635	30 394	31 000
removal orders issued.....	13 182	12 819	12 000
prosecutions against failure to comply with removal orders	3 369	3 360	3 300
unauthorised structures removed and irregularities rectified.....	27 683	27 534	28 000
<i>dilapidated/dangerous buildings</i>			
reports from members of the public attended to	13 895	14 750	14 000
repair/investigation orders issued.....	1 324	931 ^Φ	900
buildings repaired/rectified	805	1 125 ^γ	1 000
<i>mandatory building inspection</i>			
notices issued	12 384	10 943 [¶]	7 000[¶]
notices discharged	7 975	12 519 [@]	11 000

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	2017 (Actual)	2018 (Actual)	2019 (Estimate)
mandatory window inspection			
notices issued	30 223	20 181¶	24 000
notices discharged	56 231	35 859Ω	35 000
NTEHs			
removal orders issued for UBWs in NTEHs.....	572	573	500
sub-divided flats			
sub-divided flats inspected.....	2 230	1 798§	1 600
sub-divided flats rectified of irregularities	253	249	240
dangerous slopes			
repair orders issued	40	42	40
dangerous slopes repaired	91	95	95
prescribed commercial premises			
fire safety directions (FSDns) issued	78	120β	120
FSDns discharged	120	130	130
specified commercial buildings			
fire safety improvement directions (FSIDns) issued.....	96	188β	150
FSIDns discharged	265	470β	470
composite buildings			
FSDns issued.....	3 490	4 337β	3 500
FSDns discharged	1 609	1 912β	1 800
licence/registration applications processed (restaurants, places of public entertainment, tutorial schools etc.)	12 714	13 100	12 500
<i>Minor Works Control System</i>			
minor works submissions received	126 504	125 211	120 000
minor works submissions selected for auditing	7 260	7 093	7 000
<i>Signboard Control System</i>			
unauthorised signboards removal orders issued.....	1 019	999	900
unauthorised signboards removed/validated	1 357	1 489	1 300
dangerous/abandoned signboards removed/repaired	1 339	1 286#	1 200
reports of unauthorised, dangerous or abandoned signboards from members of the public attended to	2 310	2 965	2 500
<i>Comprehensive Building Safety Improvement Loan Scheme</i>			
loan applications processed.....	725	514ψ	800ψ
loan applications approved.....	578	460ψ	600ψ
total amount of loans committed (\$m).....	41.3	38.0	43.0
<i>New Buildings</i>			
new building proposals approved	239	229	230
plans processed.....	19 637	19 741	20 000
gross floor area of proposed new buildings			
approved (in 1 000 m ²)	4 487	3 927	4 200
site inspections made.....	11 652	11 296	11 500
sites inspected.....	1 344	1 364	1 300
occupation permits issued	204	236	240

Φ The decrease in the number of orders issued in 2018 was due to the one-off increase in issued orders against irregularities identified in mini-storages during the territory-wide special joint operation in 2017.

γ The increase in the number in 2018 was due to enhanced enforcement action.

¶ 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. More resources have been deployed to step up enforcement actions against non-compliant notices (including carrying out required inspection and repair works if owners default), enhance assistance to owners to facilitate compliance and strengthen regulation of service providers.

@ The increase in number of notices discharged in 2018 was due to the adjustment in work priority with more focus on enhancing compliance with served notices. More resources have been deployed to step up enforcement actions against non-compliance with notices, enhance assistance to owners to facilitate compliance and strengthen regulation of service providers.

Ω The decrease in the number of notices discharged is due to the substantial reduction in the total number of outstanding notices after the backlog clearance since 2016.

§ The decrease was due to fewer sub-divided flats identified in reported cases and target buildings under LSOs.

β The increase was due to release of resources previously deployed 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 complicated cases.
- ψ The decrease in cases processed/approved in 2018 was due to some potential applicants rescheduling their building safety improvement works to tie in with their participation in OBB 2.0, which invited applications from July to October 2018. Upon the release of the application results of OBB 2.0 by end 2018 and with works commencing from 2019 onwards, it is expected that there will be an increase in the number of applications from building owners in 2019 who require additional assistance from the loan scheme on top of the assistance rendered to them by OBB 2.0.

Matters Requiring Special Attention in 2019–20

- 8 During 2019–20, the Department will take forward initiatives in all areas of its work. In particular, it will:
- continue the LSO on comprehensive clearance of UBWs on rooftops, flat roofs, yards and lanes of target buildings;
 - continue the LSO on inspection of sub-divided flats in target buildings and rectification of irregularities of building works associated with sub-divided flats;
 - continue the LSO on removal of large unauthorised signboards on target streets and implement the Signboard Validation Scheme;
 - 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 URA, continue to implement OBB 2.0 to assist owners of old and dilapidated buildings to comply with the requirements under the MBIS to protect public safety;
 - continue the publicity and public education campaign to disseminate building safety messages to building owners, occupants, building professionals, contractors, workers, property management personnel, students and the general public, and foster a building safety culture;
 - continue the review of various building regulations, standards and codes of practice with a view to modernising building design and construction standards;
 - continue the consultancy study to formulate a 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
 - complete the consultancy study to review the current arrangement under which a development project is only required to register for BEAM Plus as a prerequisite for application for gross floor area concession for amenity features, with a view to further promoting green buildings in the private market.

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ANALYSIS OF FINANCIAL PROVISION

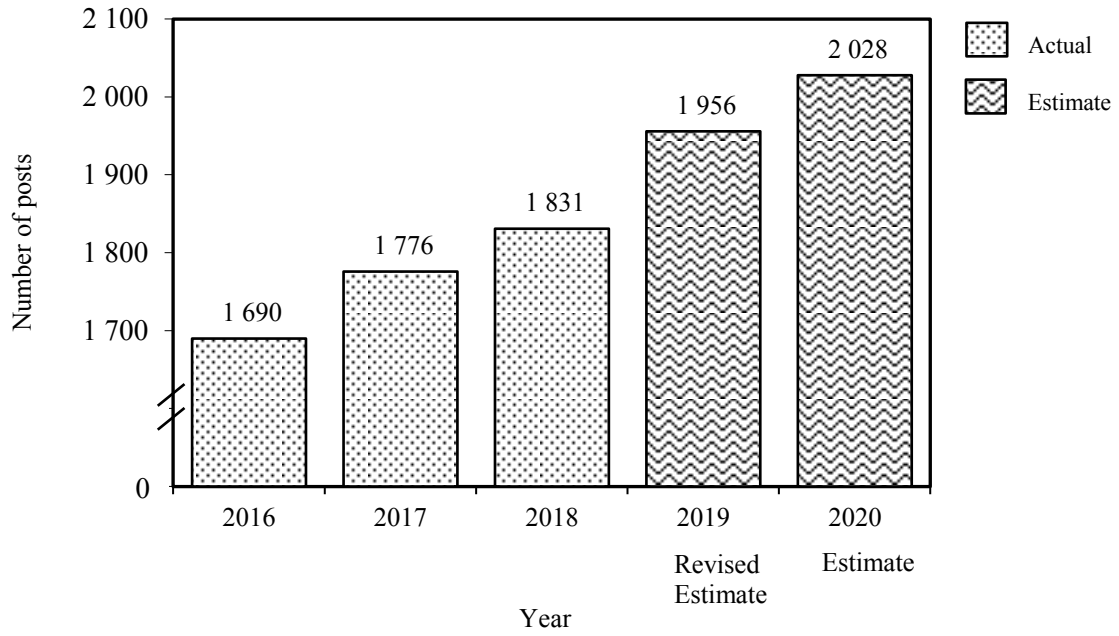
	2017–18 (Actual) (\$m)	2018–19 (Original) (\$m)	2018–19 (Revised) (\$m)	2019–20 (Estimate) (\$m)
Programme				
Buildings and Building Works.....	1,394.1	1,570.6	1,572.5 (+0.1%)	1,656.3 (+5.3%)
				(or +5.5% on 2018–19 Original)

Analysis of Financial and Staffing Provision

Provision for 2019–20 is \$83.8 million (5.3%) higher than the revised estimate for 2018–19. This is mainly due to the increased provision for coping with the workload arising from processing new building plans and stepping up enforcement action to enhance building safety, and for the net creation of 72 posts mainly for the continued implementation of the initiatives to enhance building safety.

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



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Sub-head (Code)	Actual expenditure 2017-18	Approved estimate 2018-19	Revised estimate 2018-19	Estimate 2019-20	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	1,362,507	1,525,309	1,539,246	1,622,678
227	Payment for Land Registry/Companies Registry Trading Fund services	31,555	45,000	32,878	31,500
	Total, Recurrent	1,394,062	1,570,309	1,572,124	1,654,178
	Total, Operating Account	1,394,062	1,570,309	1,572,124	1,654,178
Capital Account					
Plant, Equipment and Works					
661	Minor plant, vehicles and equipment (block vote)	—	333	333	2,085
	Total, Plant, Equipment and Works	—	333	333	2,085
	Total, Capital Account	—	333	333	2,085
	Total Expenditure	1,394,062	1,570,642	1,572,457	1,656,263

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Details of Expenditure by Subhead

The estimate of the amount required in 2019–20 for the salaries and expenses of the Buildings Department is \$1,656,263,000. This represents an increase of \$83,806,000 over the revised estimate for 2018–19 and \$262,201,000 over the actual expenditure in 2017–18.

Operating Account

Recurrent

2 Provision of \$1,622,678,000 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 2019 will be 1 956 posts including one supernumerary post. It is expected that there will be a net increase of 72 posts in 2019–20. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2019–20, but the notional annual mid-point salary value of all such posts must not exceed \$1,064,079,000.

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

	2017–18 (Actual) (\$'000)	2018–19 (Original) (\$'000)	2018–19 (Revised) (\$'000)	2019–20 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	1,045,504	1,129,826	1,139,543	1,230,475
- Allowances.....	9,789	11,875	14,465	10,493
- Job-related allowances.....	70	93	85	100
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	4,525	5,945	4,603	5,810
- Civil Service Provident Fund contribution.....	71,588	86,696	87,771	105,856
Departmental Expenses				
- Hire of services and professional fees	99,823	119,041	101,803	122,020
- Contract maintenance	1,431	1,533	1,392	1,390
- General departmental expenses	129,777	170,300	189,584	146,534
	1,362,507	1,525,309	1,539,246	1,622,678

5 Provision of \$31,500,000 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.

Capital Account

Plant, Equipment and Works

6 Provision of \$2,085,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of \$1,752,000 (526.1%) over the revised estimate for 2018–19. This is due to the increased requirement for the purchase of a specialised vehicle.