



Rehabilitation

Arresting the Pace of Decay

Rehabilitation is one of the URA's two core businesses.

During 2013/14, the URA has continued its rehabilitation efforts through Operation Building Bright (OBB) and the Integrated Building Maintenance Assistance Scheme (IBMAS). In addition, technical and financial assistance to building owners have also been offered under the Mandatory Building Inspection Subsidy Scheme (MBISS). The financial assistance, technical advice and coordination services provided by the URA to Owner's Corporations are welcomed judging by the enthusiastic response.

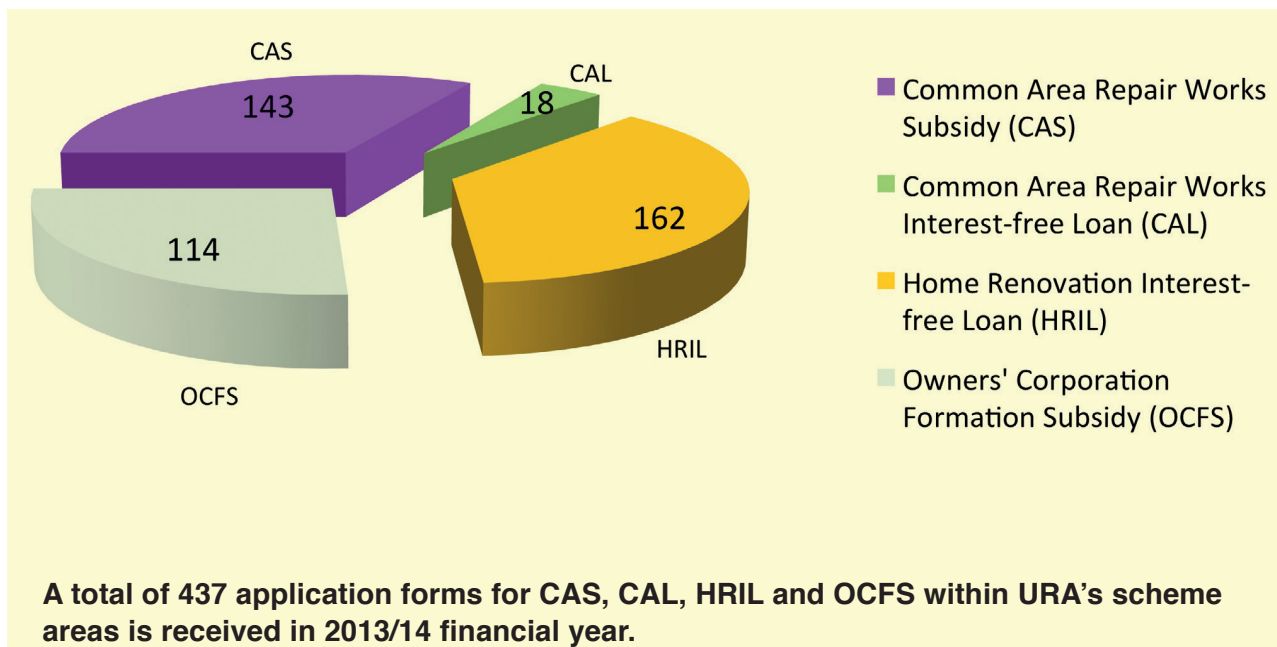


Integrated Building Maintenance Assistance Scheme

From 1 April 2011, the assistance schemes previously operated by the URA and the Hong Kong Housing Society (HKHS) to promote and facilitate better building maintenance have been amalgamated into a single Integrated Building Maintenance Assistance Scheme (IBMAS), adopting the same set of application criteria and providing the same subsidies and assistance to all eligible multiple-owned private domestic and composite buildings in Hong Kong. Through a single application form, owners can also apply for two Government funded assistance schemes i.e. the Building Maintenance Grant Scheme for Elderly Owners operated by the HKHS and the Comprehensive Building Safety Improvement Loan Scheme operated by the BD. Regular IBMAS coordination meetings are held between the URA and the HKHS.

The URA's Materials Incentive Scheme (MIS) and Loan Scheme (LS) are now replaced by the Common Area Repair Works Subsidy (CAS) and the Common Area Repair Works Interest-free Loan (CAL) under IBMAS. From the commencement of the MIS and LS in 2004 up to the end of 2013/14, about 338 buildings (around 680 blocks) comprising around 26,000 units have been rehabilitated under the MIS and the CAS under IBMAS, of which 13 buildings (13 blocks) comprising around 850 units have been rehabilitated within 2013/14. About 230 buildings (around 350 blocks) comprising around 19,160 units have been rehabilitated under the LS and the CAL under IBMAS. In addition, about 130 owners' corporations have been formed under the Owners' Corporation Formation Subsidy (OCFS) of IBMAS. Currently, there are a total of 313 IBMAS cases in progress (226 cases for common area repair works and 87 cases for owners' corporation formation).

Number of applications received in 2013/14 under Integrated Building Maintenance Assistance Scheme



"The new tendering arrangement introduced last year and the RenoSafe scheme have been devised to address the problem of bid-rigging in the building rehabilitation industry. Since the launch of the new tendering arrangement, we have noted that the tender returns have doubled in numbers and the tender prices have become more reasonable. This is encouraging. We are more than happy to provide assistance and advice to owners who do not have any clues of how to get a good start. The happy faces of the owners and the improved living environment are the motivation for me to do my job even better."



Mr Daniel LEE
Senior Manager, Building Rehabilitation

Operation Building Bright

The Government's OBB programme is a one-off special operation to create more employment opportunities for the construction sector and to promote building safety which at the same time has raised owners' awareness of the need for rehabilitation.

The URA has given full support to the Government's OBB programme since it began in 2009. At the end of 2013/14, 1,070 buildings (around 1,820 blocks) comprising around 40,300 units out of the 1,460 target buildings (around 2,530 blocks) within the URA's Rehabilitation Scheme Areas (RSAs) had either been rehabilitated or had rehabilitation works substantially complete. Out of these 1,070 buildings, 240 buildings (around 400 blocks) comprising around 8,500 units had either been rehabilitated or rehabilitation works were substantially completed within the year 2013/14. Through conscientious efforts and collaboration with the Independent Commission Against Corruption (ICAC) and the HKHS, guidelines and procedures have also been published and implemented to tighten requirements on service providers in the building renovation industry aimed at mitigating malpractices and promoting public education. The Supplementary Note 3 – "New Tendering Arrangement" (NTA) was introduced in September 2013 which specifically tackles the latest tendering malpractices, with an aim to promote a healthier industry environment by providing a fair, interference-free bidding platform. Initial results have been encouraging with returned expressions of interest and tenders averaging around three times the responses received prior to the introduction of the NTA. Regular OBB Steering Committee meetings attended by the Buildings

Department (BD), HKHS and the URA to deliberate on significant issues and to monitor and update progress continue.

Mandatory Building Inspection Subsidy Scheme

The Buildings Department (BD) has commenced the full implementation of the Mandatory Building Inspection Scheme (MBIS) in June 2012. The URA duly launched the Mandatory Building Inspection Subsidy Scheme (MBISS) in conjunction with the HKHS on 7 August 2012. Under this Scheme, the URA will assist building owners to arrange the first inspections of buildings within its RSAs which are subject to inspection notices issued by BD. Since August 2012, the URA staff have been attending district briefing sessions organised by BD to brief and attend to the questions of owners of target buildings on the subsidy and assistance available under the MBISS. Owners of buildings which, on inspection, are found to require rehabilitation may apply for rehabilitation works assistance under IBMAS, with the URA providing a one-stop continual building care service. Up to the end of 2013/14, out of the 861 MBIS target buildings (around 1,260 blocks) located in the URA target areas, 492 buildings (around 720 blocks) have been contacted. From these 492 buildings, 155 buildings (around 220 blocks) applications have been received and approvals-in-principle were granted to 140 buildings (around 200 blocks).

“Building rehabilitation involves much professional knowledge and many owners do not know how to get started. It is crucial to commission a professional consultancy firm to coordinate the project at a reasonable fee. In the beginning, we did not know what to do. Thanks to URA’s staff for their professional and useful advice which helped reduce the risk of bid-rigging. Their presence and participation at meetings on related works have greatly put our hearts at ease. Despite the complication of the tendering process, the final costs of the works have been reduced by 10% as compared with the first tender price and that eased the burden of our owners.”



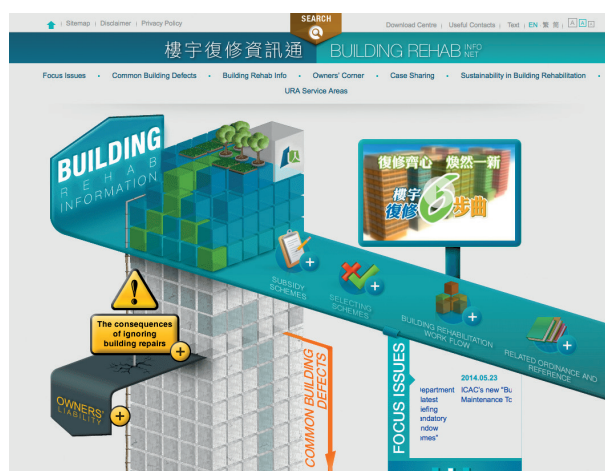
The Hon **SIU Yuen-sheung**, BBS, JP
Chairlady of Shung Tze House Owners' Corporation

Shung Tze House in Hung Hom consists of nine buildings aged over 40 years and joined the “Operation Building Bright” in 2011. With the assistance provided by the URA, the rehabilitation work for the first phase of four buildings is close to completion and the Owners' Corporation has commenced the second phase of rehabilitation work for five buildings.

Building Rehab Info Net

A building rehabilitation website (called the “Building Rehab Info Net” - www.buildingrehab.org.hk) was soft-launched in January 2014 to serve as a one-stop e-platform for building owners as well as building professionals and contractors to access comprehensive building rehabilitation-related information. The website includes details of and application forms for various assistance schemes, an experience-sharing corner and tender information to enhance awareness of their roles, rights and obligations as owners in rehabilitation projects. The URA has promoted the website widely to its stakeholders, government departments, district councils, NGOs, owners’ corporations, and industry and professional bodies. Overall, in 2013/14, the

promotion of rehabilitation was in full swing across all platforms including day-to-day assistance provided to eligible owners, the URA’s NGO partners, and the holding of regular seminars and briefings.



The “Building Rehab Info Net” provides property owners with comprehensive information related to building maintenance and repairs.