

## **CHAPTER 6**

### **Buildings Department**

#### **Buildings Department's efforts to tackle the unauthorised building works problem**

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# BUILDINGS DEPARTMENT'S EFFORTS TO TACKLE THE UNAUTHORISED BUILDING WORKS PROBLEM

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# **BUILDINGS DEPARTMENT'S EFFORTS TO TACKLE THE UNAUTHORISED BUILDING WORKS PROBLEM**

## **Summary**

1. **Introduction.** The Buildings Ordinance states that the prior approval of the Buildings Department (BD) is required for all building works, except certain exempted works. However, many buildings in Hong Kong contain unauthorised building works (UBW) which aggravate building deterioration and pose structural and fire safety risks. The BD estimated in 2001 that there were about 800,000 UBW, including illegal rooftop structures (IRS). In April 2001, the Executive Council endorsed a comprehensive strategy for building safety and timely maintenance (the 2001 Strategy) to tackle, among other things, the UBW problem. Audit has found that the BD has made considerable efforts to tackle the UBW problem, but there are areas where its enforcement process could be improved (paras. 1.4, 1.6 and 2.3).

## **AUDIT FINDINGS**

2. **BD's achievements in removing UBW.** Under the 2001 Strategy, the BD expected to remove between 150,000 and 300,000 UBW within five to seven years. Audit has estimated that the BD will be able to remove 208,550 UBW in the seven years from 2001 to 2007. While this will exceed the lower end of the BD's expectation, it still falls short by nearly one-third of the upper-end expectation of removing 300,000 UBW (para. 2.5).

3. **Outstanding section 24 orders.** Having identified a UBW that requires enforcement action, the BD may issue a statutory order under section 24 of the Buildings Ordinance (s. 24 order) requiring the owner to remove it. Audit's analysis of 18,300 outstanding s. 24 orders indicates that 11,500 (or 62%) had been issued more than 16 months ago. These included 1,590 orders (or 8%) that had been issued more than seven years ago (para. 3.5).

4. **Blitz operations and the Coordinated Maintenance of Buildings Scheme (CMBS).** Blitz operations and the CMBS are proactive, large-scale operations used to remove a large number of UBW. Audit's examination of the progress of some of these operations indicates that they have fallen behind



schedule. Audit has also found that, because of unsatisfactory performance by contractors, BD staff have had to spend a lot of time and effort in supervising outsourced blitz operations, rendering them less cost-effective than those conducted in-house (paras. 5.5, 5.8, 5.13, 6.5 and 6.8).

5. **Illegal rooftop structures.** By obstructing the fire escape route, IRS on single-staircase buildings pose a serious fire risk to the occupants. Under the 2001 Strategy, the Administration undertook to clear IRS on 4,500 single-staircase buildings within seven years. Since then, the BD has identified additional single-staircase buildings with IRS posing a serious fire risk which were *not* in the original list of the 4,500 buildings. This suggests that the BD's annual target for IRS clearance (presently 700 buildings a year) may need to be revised if its objective of removing the IRS from *all* single-staircase buildings by 2007 is to be achieved (paras. 7.6 to 7.9).

6. **Advertisement signboards.** According to the 2001 Strategy, the Administration undertook to introduce a signboard registration scheme in the 2001-02 legislative session. However, this scheme has not materialised. The Housing, Planning and Lands Bureau encountered difficulties in drawing up a feasible registration scheme, and has decided to subsume the control of signboards under a new minor works control scheme. It remains to be seen whether the new minor works control scheme will fully meet the objective of the registration scheme approved by the Executive Council in April 2001, which was to ensure the structural safety of signboards (paras. 8.7 to 8.13).

7. **BD's prosecution policy and practice.** It is the BD's stated objective to use prosecutions as an effective deterrent and to enhance respect for the law and for the BD as law enforcement agent. The existence of a large number of outstanding s. 24 orders, however, suggests that many building owners continue to flout the law by ignoring s. 24 orders. Audit has found that, although the BD has more than doubled its prosecution efforts in recent years, the result (i.e. 476 prosecutions in 2002) has fallen short of the BD's pledge to initiate 2,000 prosecutions a year. More prosecution efforts by the BD are needed to deter non-compliance (paras. 9.8 and 9.9).

8. **Removal action by government term contractor (GTC).** The use of the GTC to remove UBW is an effective way of enforcing s. 24 orders. However, despite the large number of outstanding orders on hand, the GTC was seldom used to enforce them (paras. 10.4 and 10.5).

9. **Audit's case studies.** Audit's case studies have revealed instances of delay at various stages of the BD's enforcement process. This suggests that closer monitoring of the BD's enforcement action is needed. There were also instances where junior grade officers of the BD made decisions that deferred effective enforcement action. Such important decisions, in Audit's view, deserve attention at a more senior level (paras. 11.3 to 11.12).

## AUDIT RECOMMENDATIONS

10. The Director of Buildings should:

### ***BD's achievements***

- (a) endeavour to meet the BD's upper-end expectation of removing 300,000 UBW by 2007 (para. 2.6);

### ***Outstanding s. 24 orders***

- (b) closely monitor the progress of the BD's enforcement of all outstanding s. 24 orders, and require BD staff to regularly submit appropriate management information to facilitate monitoring (paras. 3.7(a) and (d));

### ***Blitz operations and CMBS***

- (c) closely monitor the progress of blitz operations and of the CMBS, and take appropriate action to expedite their progress (paras. 5.16(a) and 6.17(a));
- (d) draw up an action plan to implement measures to reduce the BD's high supervision costs for the outsourced blitz operations as soon as possible (para. 5.16(c));

### ***IRS***

- (e) revisit on a regular basis (say annually) the annual target for IRS clearance, taking into account the number of newly identified





single-staircase buildings with IRS that pose a serious fire risk (para. 7.15(c));

***BD's prosecution policy and practice***

- (f) step up the BD's prosecution efforts, having regard to the large number of outstanding s. 24 orders on hand and the BD's pledge to instigate 2,000 prosecutions a year (para. 9.11(a));

***Removal action by GTC***

- (g) ascertain why so few actions were taken using the GTC and, if necessary, step up the BD's enforcement of s. 24 orders through GTC action (para. 10.6(a));

***Audit's case studies***

- (h) ensure that vigorous action is taken at all stages of the BD's enforcement process, and require BD staff to set a deadline for initiating prosecution and/or GTC action for each outstanding s. 24 case (paras. 11.14(a) and (b)); and
- (i) ensure that decisions are made at an appropriately senior level and, for consistency, issue clear guidelines setting out the circumstances under which inaction, or deferment of action, is considered acceptable (paras. 11.14(c) and (d)).

11. The Secretary for Housing, Planning and Lands should carry out a post-implementation review of the new minor works control scheme to find out whether it meets the objective of the signboard registration scheme, and report the results to the Executive Council as appropriate (para. 8.14).

**Response from the Administration**

12. The Administration is generally in agreement with the audit recommendations.

## PART 1: INTRODUCTION

1.1 This PART describes the background to the audit and outlines its objectives and scope.

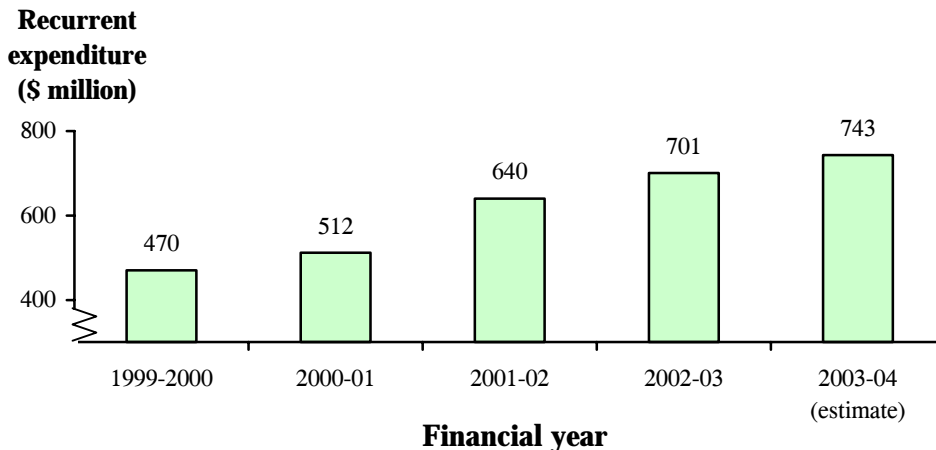
### The Buildings Department

1.2 The aim of the Buildings Department (BD) is to promote building safety, enforce building standards and improve the quality of building development. With this aim, the BD provides services to owners and occupants of both existing and new buildings by enforcing the Buildings Ordinance (BO — Cap. 123). Services relating to existing buildings include: reducing dangers and nuisances caused by unauthorised building works (UBW) and advertisement signboards; promoting proper repairs of old buildings and slopes; considering and approving alteration and addition works; improving fire safety measures in buildings; and providing advice on the suitability of premises for the issue of licences for specified commercial uses.

1.3 As at 31 March 2003, the BD was made up of five Divisions supported by 1,423 staff (935 civil servants and 488 non-civil service contract staff). The BD's recurrent expenditure for the financial year 2003-04 is estimated to be \$743 million. Figure 1 shows the BD's recurrent expenditure for the five financial years from 1999-2000 to 2003-04.

**Figure 1**

**BD's recurrent expenditure for the five financial years  
1999-2000 to 2003-04**



Source: Controlling Officer's Reports (CORs)

## Problems caused by UBW

1.4 Under the BO, all building works require the BD's prior approval of plans, and consent to commence works (except certain exempted works). Without this approval, building works are unauthorised and subject to enforcement action by the BD. Many old private buildings contain UBW, especially on the exterior. UBW aggravate building deterioration and pose structural and fire safety risks. They may also cause hygiene problems and environmental nuisance.

1.5 The BD estimated in 2001 that there were about 800,000 UBW in Hong Kong, including illegal rooftop structures. Most of them were to be found on buildings from 20 to 40 years old. The Government is very concerned about this large number of UBW and, in the interests of public safety, is determined to remove the risks they pose.

## April 2001 Strategy

1.6 In February 2000, the Government set up a task force under the then Planning and Lands Bureau (Task Force) to formulate a comprehensive strategy for building safety and timely maintenance (hereinafter referred to as the 2001 Strategy). The strategy proposed by the Task Force was endorsed by the Executive Council (ExCo) in April 2001. The 2001 Strategy contained, among other things, the following five major initiatives to tackle the problem of UBW:

- (a) **Revised enforcement policy.** The BD was to implement a revised enforcement policy that would widen the scope of its enforcement action (Note 1). Under this policy, in addition to removing UBW that would cause imminent danger to life or property, the BD would also remove other UBW in certain specified circumstances. For example, the BD would remove UBW identified in buildings targeted for large-scale operations, even though they

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**Note 1:** *Under the previous enforcement policy, the BD classified UBW into "high priority" cases for enforcement and "low priority" cases for deferment of action, as follows:*

- (i) *items classified as "high priority" were those UBW that constituted obvious or imminent danger to life or property and significant new UBW. All other UBW were classified as "low priority". The BD took immediate enforcement action on "high priority" items; and*
- (ii) *for "low priority" items, the BD would simply issue advisory letters advising owners to remove the UBW.*

might not pose imminent danger. Appendix A outlines the details of this policy;

- (b) ***Stepping up of enforcement action.*** The BD was to continue conducting large-scale clearance operations, known as “blitz operations”, to clear all the UBW on the external walls of a target building in a single operation. The BD would increase the scale of the blitz operations to 900 buildings in 2001 and 1,000 buildings in 2002. By implementing the revised enforcement policy and stepping up enforcement actions, it was expected that the BD would remove from 150,000 to 300,000 UBW in five to seven years;
- (c) ***Pilot Coordinated Maintenance of Buildings Scheme.*** The BD was to continue running the pilot Coordinated Maintenance of Buildings Scheme (CMBS), which had been in operation since November 2000. Under this scheme, the BD coordinated with other departments concerned to help owners and owners’ corporations (OCs) maintain their buildings;
- (d) ***Illegal rooftop structures (IRS).*** To remove serious fire risks, the BD was to step up its IRS clearance programme with a view to clearing *within seven years* all 12,000 IRS on the 4,500 single-staircase buildings then identified; and
- (e) ***Control of signboards.*** To ensure public safety, the Government was to introduce a simple self-financing registration system in the 2001-02 legislative session. New and existing signboards would be registered, with structural and fire safety requirements commensurate with their risk to public safety.

1.7 To implement the 2001 Strategy, including the above-mentioned initiatives, the BD was allocated \$167 million in 2001-02 for additional staff and to pay for outsourcing some of its work to the private sector. The annual provision allocated to the BD for this purpose is \$205 million from 2002-03 onwards.

## **Audit review**

1.8 Audit has recently conducted a review to examine the BD’s efforts in tackling the UBW problem, including the implementation of the 2001 Strategy insofar as it relates to UBW, and to ascertain whether there are areas for improvement. The audit has focused on the following areas:

- (a) the BD's achievements in removing UBW (see PART 2);
- (b) the extent of compliance with orders issued under section 24 of the BO (see PART 3);
- (c) complaint cases (see PART 4);
- (d) blitz operations (see PART 5);
- (e) the Coordinated Maintenance of Buildings Scheme (see PART 6);
- (f) the BD's efforts to remove the fire risk posed by illegal rooftop structures (see PART 7);
- (g) control of signboards (see PART 8);
- (h) the BD's prosecution policy and practice (see PART 9); and
- (i) removal action by the government term contractor (see PART 10).

1.9 In carrying out the audit review, Audit examined the records and interviewed the staff of the BD and the Housing, Planning and Lands Bureau (HPLB), and would like to acknowledge with gratitude their full cooperation.

## **PART 2: BD's ACHIEVEMENTS IN REMOVING UNAUTHORISED BUILDING WORKS**

2.1 This PART examines the BD's achievements in removing UBW in recent years.

### **BD's UBW operations**

2.2 There are two broad categories of the BD's UBW operations, as follows:

- (a) ***Complaint-driven activities.*** These are ad hoc activities carried out in response to day-to-day complaints by members of the public or referrals from other government departments; and
- (b) ***Programmed clearance operations.*** These are proactive, large-scale operations, and include blitz operations, the CMBS and the IRS clearance programme (see paras. 1.6 (b), (c) and (d)).

2.3 Evidence indicates that the BD has made considerable efforts to step up its enforcement action, mainly through large-scale operations:

- (a) in 2001 and 2002, the BD conducted blitz operations on 3,330 buildings. This exceeded the BD's target of 1,900 buildings for these two years by 75%; and
- (b) the number of UBW removed increased substantially, totaling 76,850 in the past three years, as shown in Table 1.

**Table 1**

**Number of UBW removed  
(2000 to 2002)**

	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>Total</b>
<b>No. of UBW removed</b>	18,300	20,650	37,900	<b>76,850</b>
Year-on-year increase (%)	—	+13%	+84%	

Source: BD's records

**Estimate of BD's  
achievements up to 2007**

2.4 The 2001 Strategy paper stated that the BD would remove from 150,000 to 300,000 UBW in five to seven years (see para. 1.6(b)). Audit considers that it is now opportune to make an *interim assessment* as to whether this expectation will be met by 2007. Based on the BD's achievements in 2001 and 2002 and its estimate for 2003, the BD should be able to remove 208,550 UBW in the seven years from 2001 to 2007. Table 2 shows Audit's estimate.

**Table 2**

**Audit's estimate of UBW removed from 2001 to 2007**

<b>Year</b>	<b>No. of UBW</b>
2001 (actual)	<b>20,650</b>
2002 (actual)	<b>37,900</b>
2003 to 2007 ( <i>five-year estimate</i> )	<b>150,000 (Note)</b>
<b>Total</b>	<b>208,550</b>

Source: BD's records and Audit's estimate

Note: According to the COR for 2003-04, the BD estimated that 30,000 UBW would be removed in 2003.

2.5 If achieved, the estimated figure of 208,550 UBW removed from 2001 to 2007 will have exceeded the lower end (i.e. 150,000) of the BD's expectation as stated in the 2001 Strategy paper. **However, it will still fall short of the upper-end expectation of removing 300,000 UBW, by nearly one-third (see also para. 1.5).**

### **Audit recommendation**

2.6 **Given public concerns about UBW, Audit has recommended that the Director of Buildings should endeavour to meet the BD's upper-end expectation of removing 300,000 UBW by 2007. To this end, the Director should consider conducting more large-scale clearance operations such as the blitz operations.**

### **Response from the Administration**

2.7 ***Overall response from the Secretary for Housing, Planning and Lands.*** The **Secretary** has said that he very much appreciates the detailed study of the subject. See PART 12.

2.8 ***Response from the Director of Buildings.*** The **Director** welcomes Audit's recommendation and will study carefully its resource implications. See also PART 12. He has also said that:

- (a) he welcomes the audit observation that the BD has made considerable efforts to step up its enforcement action; and
- (b) the range of 150,000 to 300,000 UBW to be removed by 2007 is an estimate based on the number of buildings targeted for clearance operations. As mentioned in paragraph 2.3(a), the BD targeted more than 900 and 1,000 buildings in 2001 and 2002 respectively for clearance operations. The total number of UBW removed depends on the actual number of UBW found in these buildings and the compliance rate of owners in removing them.



## **PART 3: EXTENT OF COMPLIANCE WITH SECTION 24 ORDERS**

3.1 Having identified a UBW that requires enforcement action, the BD may issue a statutory order under section 24 of the BO (s. 24 order) requiring the owner to remove the UBW within a specified period (usually within 60 days). This PART examines the extent of compliance with s. 24 orders.

### **Audit analysis of compliance with s. 24 orders**

3.2 The issuing of s. 24 orders is a crucial step in the process of removing UBW. In the three years 2000 to 2002, 76,000 s. 24 orders were issued. The number of orders issued increased from 10,700 in 2000 to 53,100 in 2002, a nearly fourfold rise.

3.3 To ascertain the extent of compliance with s. 24 orders, in May 2003 Audit conducted an analysis of 33,000 s. 24 orders issued from 2000 to 2002 (Note 2), based on data in the BD's Buildings Condition Information System (BCIS — Note 3). **Table 3 shows that the 33,000 s. 24 orders had an overall compliance rate of 57%, ranging from 74% for orders issued in 2000 to 32% for those issued in 2002.**

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**Note 2:** *This audit analysis could not cover all 76,000 orders issued in these years because, at the time of audit, the BD had still not input into the BCIS information on some 43,000 orders issued in 2002 under the outsourced blitz operations.*

**Note 3:** *The BCIS is a major computer system introduced in mid-2002 at a cost of \$20 million. The objective of the BCIS is to maintain a database of the conditions of all existing private buildings in Hong Kong which will provide an effective means of recording, processing and retrieving details of complaints, referrals, planned surveys, statutory orders and works orders.*

Table 3

**Extent of compliance with s. 24 orders issued from 2000 to 2002  
(as at May 2003)**

Year	No. of orders issued	Year of compliance				Total number of orders complied with	
		2000	2001	2002	2003 (Note)	(Note)	
	(a)	(b)	(c)	(d)	(e)	[(b) + (c) + (d) + (e)]	
2000	10,690	1,780	4,960	1,140	60	<b>7,940</b>	<b>(74%)</b>
2001	12,240	—	4,420	3,040	300	<b>7,760</b>	<b>(63%)</b>
2002	10,030	—	—	2,070	1,150	<b>3,220</b>	<b>(32%)</b>
<b>Total</b>	<b>32,960</b> (say <b>33,000</b> )	<b>1,780</b>	<b>9,380</b>	<b>6,250</b>	<b>1,510</b>	<b>18,920</b>	<b>(57%)</b>

Source: BD's BCIS

Note: Up to 7 May 2003.

### Ageing analysis of outstanding s. 24 orders

3.4 Based on BCIS data, Audit also conducted an ageing analysis of 18,300 s. 24 orders that were issued before 1 January 2003, but had not been complied with by the end of April 2003 (Note 4), to ascertain how long these s. 24 orders had remained outstanding.

3.5 Table 4 shows the results of Audit's analysis of these 18,300 outstanding orders by their year of issue. Of these outstanding orders, some 11,500, or 62%, had been issued more than 16 months ago. These included 1,590 orders (or 8%) that had been issued more than seven years ago.

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**Note 4:** *By the end of April 2003, 43,500 s. 24 orders issued before 1 January 2003 had not been complied with. Of these outstanding orders, 25,200 were issued under the outsourced blitz operations, the data of which had not been input into the BCIS. Hence, Audit's analysis only covered 18,300 outstanding orders.*

**Table 4**

**Section 24 orders issued before 1 January 2003  
but still outstanding as at April 2003**

1990 and before	Year in which the s. 24 orders were issued						Orders still outstanding as at April 2003	
	1991 to 1995	1996 to 1998	1999	2000	2001	2002		
790	800	1,150	1,510	2,750	4,490	6,840	18,330 (say 18,300)	
4%	4%	6%	8%	15%	25%	38%	100%	
8%		62%						

Source: BD's records

**Audit recommendations**

3.6 S. 24 orders are statutory orders, which should have a high compliance rate. **The existence of thousands of outstanding s. 24 orders that were issued more than 16 months ago is, therefore, of serious management and public concern.**

3.7 **Audit has recommended that the Director of Buildings should:**

- (a) **closely monitor the progress of the BD's enforcement of all outstanding s. 24 orders, paying particular attention to long outstanding cases;**
- (b) **take vigorous action to ensure that all s. 24 orders are complied with as soon as possible, taking into account the areas for improvement that Audit has identified in paragraphs 11.3 to 11.13;**
- (c) **require BD staff to make timely input of data into the BCIS, so that BCIS records are always up-to-date;**

- (d) **require BD staff to regularly submit appropriate management information on the compliance status of s. 24 orders, based on up-to-date BCIS data, to facilitate monitoring by BD senior management. Tables 3 and 4 are examples of the kinds of information that should be submitted for monitoring purposes; and**
  
- (e) **provide the public with information (through the BD's COR and/or website) on the extent of compliance with s. 24 orders, and ageing analyses of outstanding cases. This will enhance public accountability and help external stakeholders (e.g. the Legislative Council — LegCo) assess the BD's performance.**

3.8 See PART 12 for the Administration's response.

## **PART 4: UBW CASES ARISING FROM COMPLAINTS**

4.1 This PART examines the BD's procedures for handling complaints about UBW.

### **Procedures for handling complaints**

4.2 The BD handles a large number of UBW complaints made by members of the public, or referred from other government departments. Complaints and referrals received are filed in the relevant building files, which are then passed to the Unit Head (a senior professional officer) for screening. The Unit Head determines whether the complaints should be classified as "***Obviously/Likely Immediate Enforcement Action***" cases (hereinafter referred to as "IE cases"). In IE cases, the BD takes further action which includes:

- inspection
- issuing of an advisory letter and/or s. 24 order
- compliance inspection
- issuing of a compliance/non-compliance letter

Failure to comply with an s. 24 order may result in prosecution by the BD and removal action by a government term contractor (GTC).

### **Analysis of complaint cases without "initial action date"**

4.3 According to the BCIS, the BD received 37,570 complaint cases in 2001 and 2002. Audit's analysis of the BCIS data revealed that, as at July 2003, only 31,200 cases (or 83%) had an "initial action date" (e.g. the date of initial screening) recorded in the BCIS, indicating that action had been initiated. The remaining 6,370 cases (or 17%) had *no* such data recorded in the BCIS, possibly because:

- (a) no action had been initiated; or
- (b) action had been initiated but the date of action had not been entered into the BCIS.

4.4 Audit's examination of some randomly selected case files suggests that the main reason was that recorded in (b) above. An example was a complaint received on 15 December 2001. The case was screened on 20 December 2001. A site inspection was subsequently conducted and no further action was found to be necessary. However, the "initial action date" was not entered into the BCIS. **Audit considers that the BD needs to ensure that *all* complaint cases have been attended to, and all action taken has been duly recorded.**

#### **Analysis of complaint cases with "initial action date"**

4.5 Of the 31,200 complaint cases with an "initial action date", Audit's analysis of the BCIS data revealed that there could have been delays in the BD's follow-up action in 3,930 cases (or 12%). Audit's analysis revealed that, as at July 2003:

- (a) in 2,270 cases (or 7%), no site inspections had been carried out, although the case screening (i.e. the initial action) had taken place *more* than four months earlier; and
- (b) in 1,660 cases (or 5%), s. 24 orders had not been issued, although the site inspections had been carried out *more* than four months earlier.

The cases in (a) and (b) above were classified as IE cases, meaning that immediate enforcement action was required.

4.6 **Audit considers that the BD needs to rectify this situation.** In this connection, Audit's case studies of some long outstanding complaint cases indicate that there are areas for improvement that are common to the BD's other operations (e.g. IRS clearance and signboard operations). To avoid repetition, these points, together with two examples of Audit's case studies of complaint cases (Cases 1 and 2), are discussed in PART 11.

## **Audit recommendations**

4.7 **Audit has recommended that the Director of Buildings should:**

***Cases without “initial action date”***

- (a) **ascertain why there were no records of the “initial action date” in the BCIS and take appropriate remedial measures;**
- (b) **closely monitor *all* complaint cases to ensure that action is duly initiated and recorded in the BCIS;**

***Cases with “initial action date”***

- (c) **ascertain why no site inspections had been carried out months after case screening had been performed, or why no s. 24 orders had been issued months after the site inspections, and take appropriate remedial measures; and**
- (d) **closely monitor *all* complaint cases to ensure that follow-up action (including site inspections and the issue of s. 24 orders) is properly performed and duly recorded in the BCIS.**

4.8 See PART 12 for the Administration’s response.

## **PART 5: BLITZ OPERATIONS**

5.1 This PART examines the BD's achievements through the use of blitz operations.

### **Objective and mode of operations**

5.2 Blitz operations are large-scale operations aimed mainly at removing all potentially dangerous UBW from the external walls of target buildings. Target buildings are selected according to a set of selection criteria, and include buildings on streets with heavy pedestrian flow and buildings with more than a specified number of UBW on their external walls. Once a building has been targeted for blitz operations, the BD aims to remove all potentially dangerous UBW from its exterior in a single operation. The BD began to conduct blitz operations in September 1999, following an accident caused by a piece of concrete falling from the canopy of a building in Mongkok, Kowloon.

5.3 Under the 2001 Strategy, the BD has increased the scale of blitz operations and has set an enhanced target of conducting operations on 1,000 buildings a year (Note 5). In mid-2001, the BD began outsourcing its blitz operations. Since then, the frontline work of these operations has been performed by special contractors appointed by the BD (the "blitz contractors") with the BD's in-house staff assuming a supervisory role. Up to June 2003, a total of 63 contracts worth \$58 million, and covering 3,285 buildings, had been awarded to 26 blitz contractors.

### **BD's achievements through the blitz operations**

5.4 Up to June 2003, the BD had commenced six blitz operations, including three in-house and three outsourced operations, covering 4,046 buildings. Table 5 shows the details of these operations.

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**Note 5:** *The targets for 2000 and 2001 were 400 and 900 buildings respectively (see also para. 1.6(b)).*



**Table 5**  
**Details of six blitz operations**  
**(as at June 2003)**

Year	Commencement date	No. of target buildings	No. of UBW removed
<b>In-house operations</b>			
1999	September 1999	307	12,570
2000	September 2000	405	15,720
2001 (Note)	June 2001	49	560
<b>Outsourced operations</b>			
2001 (pilot scheme)	June 2001	37	1,700
2001 (first batch)	November 2001	1,489	28,190
2001 (second batch) (Note)	December 2001	1,759	14,760
<b>Total</b>		<b>4,046</b>	<b>73,500</b>

Source: BD's records

Note: No blitz operations commenced in 2002. The 2003 blitz operations, covering 1,000 buildings, commenced in July 2003.

5.5 Table 5 shows that (up to June 2003) the six blitz operations had removed 73,500 UBW and suggests that, compared with complaint-driven activities, blitz operations are more effective in removing UBW. They are more proactive, focused and intensive. Furthermore, blitz operations benefit from economies of scale, because they deal with whole buildings (instead of individual UBW), or groups of nearby buildings in similar condition.

5.6 Audit has conducted a review of the blitz operations to ascertain if there is scope for further improvements. The audit has focused on the outsourced operations because they have, since 2001, become the primary type of blitz operation. Audit notes that the BD has encountered the following problems:

- (a) programme slippage (see paras. 5.7 to 5.11); and
- (b) high supervision costs (see paras. 5.12 to 5.15).

## Action plans for outsourced blitz operations

5.7 The outsourced blitz operations broadly involve four key stages: the survey stage, order servicing stage, compliance inspection stage and final stage. The intended timeframe for completing a blitz operation and each of its key stages is outlined in the BD's action plan for that operation. For example, the BD's action plan scheduled the two outsourced blitz operations of 2001 for commencement in late 2001 and completion in March 2003 (i.e. 16 months). Table 6 shows the target completion dates for each of the four key stages as stated in the BD's action plan.

**Table 6**

### The BD's action plan for the two outsourced blitz operations of 2001, with the target completion dates

<b>Key stage</b>	<b>Target completion date</b>
<b>Survey stage</b>	
The contractor serves letters to the owners advising them that their building has been selected for clearance of UBW. He then conducts a full survey of the building to identify UBW, defects on external walls and defects in drainage pipes. He then submits a survey report to the BD for acceptance.	31 March 2002
<b>Order servicing stage</b>	
After the BD has endorsed the survey report, the contractor prepares memos to the Land Registry (LR) for checking of ownership. Upon receipt of ownership details, he prepares s. 24 orders for BD staff to sign. The contractor serves the orders to the owners or OCs.	30 April 2002
<b>Compliance inspection stage</b>	
The contractor conducts a compliance inspection immediately after the expiry of the s. 24 orders to ascertain whether the required works have been completed. He then submits to the BD a compliance inspection report on the compliance status of the orders.	30 September 2002
<b>Final stage</b>	
The contractor continues to provide services for an extended period of six months, commencing after the endorsement of the compliance report. At the end of this period, he submits a final report for BD acceptance detailing all outstanding matters.	31 March 2003

Source: BD's records

## Progress of the outsourced blitz operations

5.8 Audit's analysis of the progress of the 2001 outsourced blitz operations indicates that they have fallen behind schedule. For example, none of the final reports for the 3,285 buildings included in the operations had been submitted to the BD by 30 June 2003, i.e. three months after the target completion date of March 2003.

5.9 To illustrate the extent of slippage, Audit further examined the progress of contractors' work on five selected buildings. Audit found that, for all of these buildings, there was an average slippage of 139 days, up to the compliance inspection stage. Table 7 shows Audit's findings.

**Table 7**

**Audit's examination of contractors' work progress  
on five selected buildings  
(as at July 2003)**

Key stage	Target completion date stated in BD's action plan	Actual completion date (slippage)					Average slippage for the five buildings
		Building A	Building B	Building C	Building D	Building E	
Survey	31 March 2002	4 March 2002 (+27)	17 May 2002 (- 47)	18 March 2002 (+13)	11 March 2002 (+20)	27 Feb. 2002 (+32)	+ 9
Order servicing	30 April 2002	19 March 2002 (+42)	3 Sept. 2002 (- 126)	20 Dec. 2002 (- 234)	16 Oct. 2002 (- 169)	26 March 2002 (+35)	- 90
Compliance inspection	30 September 2002	7 March 2003 (- 158)	20 Nov. 2002 (- 51)	12 March 2003 (- 163)	13 March 2003 (- 164)	6 March 2003 (- 157)	- 139
Final	31 March 2003	Not yet known	Not yet known	Not yet known	Not yet known	Not yet known	Not yet known (Note)

Source: BD's records

Legend: The " - " sign denotes the number of days behind schedule, i.e. slippage. The " + " sign denotes the number of days ahead of schedule.

Note: As the contractors had not completed the final stage for the five buildings at the time of audit, the overall slippage could not be assessed.

## Audit observations

5.10 Slippage delays the removal of the UBW on target buildings. **Audit considers that the BD needs to closely monitor contractors' performance and ensure that they expedite their action.**

5.11 Furthermore, as the action plan has a bearing on the BD's resource planning, any slippage in its implementation could affect the BD's deployment of resources and its other operations. **Audit considers that the BD needs to critically assess the implications of the slippage for its other operations and on resource deployment, and take appropriate action to minimise its adverse effects.**

## High supervision costs

5.12 From the BD's records, Audit noted some adverse comments by BD staff on the blitz contractors' performance, as follows:

- (a) some contractors were not experienced in building surveys, and in the diagnosis and recording of building defects;
- (b) some were not familiar with the BD's operations;
- (c) initially, some contractors were unable to differentiate between actionable and non-actionable UBW, thus causing delays in completing surveys and submitting survey reports; and
- (d) some survey reports submitted by contractors were incomplete and of poor quality, and had to be returned for amendments.

5.13 Because of the contractors' unsatisfactory performance, BD staff had to spend much time and effort in processing the contractors' submissions and supervising their work. This added significantly to the cost of the outsourced blitz operations. In this regard, Audit noted that the BD had made a cost comparison between in-house blitz operations and outsourced operations. According to the BD's cost comparison, the average operating cost of the outsourced operations for each building was \$42,000, \$4,000 (or 10%) higher than the average operating cost for each building (i.e. \$38,000) of the in-house operations. This was due mainly to the high supervision costs incurred

by the BD, which accounted for \$24,000 (or 57%) of the operating cost per building of the outsourced operations. Table 8 shows the BD’s cost comparison.

**Table 8**

**The BD’s cost comparison between outsourced blitz operations and in-house operations**

	<b>Outsourced blitz operations (covering 3,285 buildings)</b>			<b>In-house operations</b>
	Contractor costs	BD’s supervision cost	Total	
	\$	\$	\$	\$
<b>Total cost</b>	58 million	79 million	137 million	124 million (Note)
<b>Average cost per building</b>	18,000	24,000	42,000	38,000

*Source:* BD’s records

*Note:* Assuming that the 3,285 buildings had been dealt with by in-house operations, instead of outsourced operations.

5.14 The BD has considered various measures to address the problem of high supervision costs, including those shown in Table 9.

Table 9

**The BD's proposed measures to address the problem of high supervision costs of outsourced blitz operations**

- setting rules and issuing guidelines for contractors to follow
- setting acceptance standards and providing comprehensive sample survey/compliance/progress reports for contractors' reference
- offering contractors more periodic training and experience-sharing sessions to enhance their understanding of the BD's expectations and explain their difficulties in meeting these expectations
- expanding the contractors' services at the compliance stage with the aim of reducing the amount of follow-up action required by BD staff
- developing and distributing a list of frequently asked questions for contractors' use

Source: BD's records

### **Audit observations**

5.15 Outsourcing has been widely used by public organisations to enhance cost-effectiveness. However, the outsourced blitz operations do not seem to be as cost-effective as the in-house operations, due apparently to the contractors' lack of experience and skills and the high supervision costs. **The BD needs to implement appropriate measures (including the measures proposed in Table 9) as soon as possible to improve the contractors' performance and reduce supervision costs.**

### **Audit recommendations**

5.16 **Audit has recommended that the Director of Buildings should:**

- (a) **closely monitor the contractors' performance and ensure that they expedite their action;**

- (b) **critically assess the implications of the slippage in the blitz operations for the BD's other operations and for its resource deployment, and take appropriate action to minimise its adverse effects;**
- (c) **draw up an action plan to implement the proposed measures in Table 9 with a view to reducing the high supervision costs as soon as possible;**
- (d) **regularly review the BD's supervision costs for all outsourced blitz operations to ensure they are kept at a reasonable level; and**
- (e) **through rigorous appraisal of contractors' performance and enforcement of the relevant contract provisions (Note 6), ensure that the blitz contractors employ staff who have the required qualifications, skills and experience to provide the BD with quality services.**

### **Response from the Administration**

5.17 The **Director of Buildings** is generally in agreement with Audit's recommendations. See also PART 12. He has also said that:

- (a) the 2001 blitz operations are the largest assignment so far outsourced by the BD. With the benefit of hindsight, it is considered that the original target dates set for completing the key stages might have been too optimistic; and
- (b) with the experience gained from the 2001 blitz operations, the BD has revised the target completion dates for the new batches of outsourced contracts. It will also require the new blitz contractors to engage staff who are sufficiently experienced in this type of work to carry out the tasks required. He expects that these measures will help reduce the costs incurred in supervising the contractors.

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**Note 6:** *Audit notes that there are provisions in the blitz contracts allowing the BD to suspend or terminate a contractor's service at any time by giving one month's notice in writing.*

## **PART 6: THE COORDINATED MAINTENANCE OF BUILDINGS SCHEME**

6.1 This PART examines the BD's achievements in implementing the Coordinated Maintenance of Buildings Scheme (CMBS).

### **Objective and mode of operations**

6.2 Introduced in November 2000 as a pilot scheme, the CMBS operates as a "one-stop-shop" service and is run by seven government departments (Note 7) concerned with the maintenance of private buildings. Its main objective is to promote owners' awareness of their building maintenance responsibilities. Target buildings are selected according to a set of selection criteria. Targeted buildings include those showing signs of dilapidation in the common areas and those with a large number of UBW on the external walls.

6.3 The BD takes the lead in coordinating the efforts of various departments to help owners and OCs identify and carry out repairs considered necessary to improve the safety of their buildings, including removing UBW which pose a danger to public safety or obstruct necessary repair works. Under the 2001 Strategy, the Administration was to continue operating the CMBS and assess its effectiveness to see whether it should be extended or modified.

### **The Administration's review of the CMBS**

6.4 In April 2002, the BD reported the results of its review of the first CMBS operation (which covered 150 buildings) to the LegCo Panel on Planning, Lands and Works. The BD reported that it considered the CMBS to be more cost-effective than

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**Note 7:** *They are the BD, Home Affairs Department, Fire Services Department, Electrical and Mechanical Services Department, Food and Environmental Hygiene Department, Water Supplies Department and Environmental Protection Department.*



the conventional approach of directly issuing building owners with orders to carry out repair works after defects had been found (Note 8).

### **BD's achievements under the CMBS**

6.5 Up to June 2003, 550 buildings had been included in the CMBS and 10,330 UBW had been removed from these buildings. Table 10 shows the results of these CMBS operations.

**Table 10**

**Results of CMBS operations  
(as at June 2003)**

	<b>CMBS 2000</b>	<b>CMBS 2001</b>	<b>CMBS 2002</b>	<b>Total</b>
<b>Commencement date</b>	November 2000	December 2001	December 2002	
<b>Number of target buildings covered</b>	150	200	200	550
<b>Number of UBW removed</b>	8,670	1,650	10	10,330

Source: BD's records

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**Note 8:** *The BD also reported that:*

- (a) *although BD staff needed to spend more time in meeting and giving support and advice to owners under the CMBS compared with the conventional approach, the extra effort had succeeded in motivating many more owners to take up their maintenance responsibility. As a result, owners were much more prepared to initiate repair works to their buildings than those owners issued with repair orders by the BD in the course of its normal law enforcement work;*
- (b) *the CMBS had brought about a sense of urgency amongst the building owners concerned to initiate repairs, which many of them knew were long overdue;*
- (c) *in the longer term, the extra efforts made by the participating departments would pave the way for a cultural change amongst building owners and make them better motivated to carry out periodic inspection and maintenance of their buildings. The BD believed that there was a case for running the CMBS for a longer time; and*
- (d) *in view of the relatively small size of the pilot scheme, the BD intended to carry out another review upon the completion of the second CMBS operation (which covered 200 buildings) to assess its effectiveness more accurately.*

6.6 Audit notes the BD's positive achievements under the CMBS, both in terms of the number of UBW removed, and its effect on motivating building owners to take up their maintenance responsibility. However, the BD has encountered the following problems:

- (a) programme slippage (see paras. 6.7 to 6.11); and
- (b) late issuing of s. 24 orders for UBW (see paras. 6.12 to 6.16).

### **Milestones in a CMBS operation**

6.7 A CMBS operation has several milestones, as shown in Table 11:

**Table 11**

#### **Milestones in a CMBS operation**

- |   |
|---|
| <ul style="list-style-type: none"><li>● The BD notifies the building owners of the commencement of the CMBS.</li><li>● The BD coordinates with other participating departments and carries out an initial survey on the target building.</li><li>● The BD issues advisory letters providing the building owners with a schedule of repair/improvement works required.</li><li>● Owners/OCs appoint authorised persons (APs) to carry out the improvement works.</li><li>● The BD issues statutory orders for UBW removal and building repair works (if the owners have not shown any intention of carrying out the removal/repair works).</li><li>● The BD conducts compliance inspections on UBW and building repair works.</li><li>● The BD initiates prosecution action against building owners, where necessary.</li><li>● The BD issues letters to the building owners informing them that the building has been de-listed from the CMBS (Note).</li></ul> |
|---|

*Source:* BD's records

*Note:* The BD regards a target building as de-listed when improvement works have generally been completed and about 70% of the UBW have been removed.

## Progress of CMBS operations

6.8 In the BD's action plan for each CMBS operation, target dates for reaching each key milestone are stated. However, Audit noted that in general there was slippage in the CMBS operations. For example, the "de-listing" milestone date for the 2000 CMBS operation was 1 January 2002. However:

- (a) by 1 January 2002, none of the 150 buildings targeted for improvement in that operation had been de-listed; and
- (b) by 1 January 2003, only 45 buildings (or 30% of the 150 buildings) had been de-listed.

6.9 Audit examined the BD's work progress on three buildings to ascertain the extent of slippage against three key milestones, namely, the appointment of an AP, the issuing of statutory orders and the completion of compliance inspections. The audit findings in Table 12 show that, in each case, the BD's progress was far *behind schedule*.

**Table 12**

**The BD's work progress on three buildings under the CMBS 2000**

Key stage	Target completion date stated in the BD's CMBS 2000 Action plan	Actual completion date (slippage)			Average slippage for the three buildings
		Building F	Building G	Building H	
Appointment of an AP	1 April 2001	6 Sept. 2001 ( - 158)	18 April 2001 ( - 17)	28 June 2001 ( - 88)	- 88
Issue of s. 24 orders	1 June 2001	27 Nov. 2001 ( - 179)	22 April 2003 ( - 690)	14 Nov. 2001 ( - 166)	- 345
Compliance inspection	1 Dec. 2001	23 Oct. 2002 ( - 326)	Not yet completed (Note 1)	31 Oct. 2002 ( - 334)	- 330 (Note 2)

Source: BD's records

Legend: The " - " sign denotes the number of days behind schedule, i.e. slippage.

Note 1: Seven s. 24 orders were issued on 22 April 2003. On 23 May 2003, the case officer conducted a compliance inspection on one of the seven orders. Compliance inspections had not been conducted on the remaining six orders as at 31 July 2003.

Note 2: As the compliance inspections for Building G had not been completed, the average figure here refers to Buildings F and H only.

## Audit observations

6.10 As in its observations on blitz operations, Audit considers that the BD needs to expedite progress of the CMBS operations, and assess the implications of the slippage for its other operations and for its resource deployment.

6.11 From the BD's records, Audit notes that BD staff have expressed concern about the tight timeframe of the CMBS operations, and suggested that more time should be allowed for their completion. **These views are worth noting because an action plan with a realistic and achievable timeframe is often a prerequisite for the successful planning, monitoring and implementation of an operational programme.**

## Late issuing of s. 24 orders for buildings with appointed APs

6.12 Audit notes that a common reason for the slow progress of the 2000 CMBS operation was the late issuing of s. 24 orders for buildings the owners of which had appointed APs to act on their behalf.

6.13 Although APs were appointed to coordinate and supervise building repair works, the scope of their work *rarely* included the removal of UBW (Note 9). As a result, many s. 24 orders had to be issued at a late stage, after the BD's case officers discovered that the UBW had not been removed in parallel with the building repair works.

6.14 An example for illustration is as follows.

- In an initial survey of a building (conducted with officers of other participating departments) on 10 January 2001, the BD's case officer identified some actionable UBW. However, the scope of the appointed AP's work did not include the removal of UBW.

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**Note 9:** *Finding of the Internal Audit Unit of the BD (July 2003).*

- On 6 April 2002, the AP notified the BD that repair works had been completed.
- On 22 May 2002, the case officer conducted a compliance inspection and found that 14 actionable UBW had not been removed in parallel with the building repair works.
- The case officer issued advisory letters to the owners on 28 May 2002.
- Some 11 months later, on 22 April 2003, s. 24 orders were issued.
- *The issuing of s. 24 orders was 690 days behind the target date (i.e. 1 June 2001) stated in the BD's action plan. This was due partly to the limited scope of the appointed AP's work, and partly to the BD's delay in issuing s. 24 orders even after the problem had come to light.*

### **Measures adopted by the BD**

6.15 The BD has been aware of the problem. In a senior officers' meeting of May 2003, chaired by the Director of Buildings, a decision was made to adopt the following measures to address it:

- (a) promote the appointment of APs who will oversee both UBW removal and building repair works; and
- (b) require the BD's case officer to confirm with the appointed AP the scope of his work. If this does *not* include the removal of UBW, the case officer should arrange for the early issuing of s. 24 orders requiring their removal.

### **Audit observations**

6.16 Audit agrees that adopting the measures mentioned in paragraph 6.15 will help avoid delays in the removal of UBW from buildings with appointed APs. **The BD needs to closely monitor the implementation of these measures to ensure that they achieve the intended results.**

## **Audit recommendations**

- 6.17 **Audit has recommended that the Director of Buildings should:**
- (a) **closely monitor the progress of the CMBS operations and take appropriate action to expedite their progress;**
  - (b) **critically assess the implications of the slippage in the CMBS operations for the BD's other operations and for its resource deployment, and take appropriate action to minimise its adverse effects;**
  - (c) **critically review the time and resources required for the completion of CMBS operations in the light of experience gained;**
  - (d) **design future action plans with realistic and achievable target dates for CMBS operations; and**
  - (e) **closely monitor the implementation of the measures mentioned in paragraph 6.15, to ensure that they achieve the intended results.**

## **Response from the Administration**

6.18 The **Director of Buildings** welcomes Audit's recommendations. See also PART 12. He has also said that:

- (a) the main objective of the CMBS operation is to instil a culture in the building owners to initiate necessary maintenance of their buildings; and
- (b) the BD has given more time in individual cases for the owners to organise the necessary repair works. Indeed the time required to commence and complete the repair works in individual buildings depends very much on the readiness of the owners to organise themselves, including the formation of OCs.

## **PART 7: ILLEGAL ROOFTOP STRUCTURES**

7.1 This PART examines the BD's efforts to remove the fire risk posed by illegal rooftop structures.

### **Government's policy for clearing IRS**

7.2 It is the Government's policy to give priority to tackling IRS that pose fire hazards. In a single-staircase building, the roof often serves as the *only* fire refuge area for occupants. By obstructing the fire escape route, IRS on single-staircase buildings pose a serious fire risk.

7.3 Under the 2001 Strategy, the Administration undertook to clear all 12,000 IRS on 4,500 single-staircase buildings within seven years (see para. 1.6(d)). From 2001 onwards, the BD set an enhanced target of removing IRS on 700 single-staircase buildings a year (Note 10). The BD's objective is to remove **all** IRS from **all** single-staircase buildings by **2007**.

### **BD's progress in removing IRS**

7.4 Audit has found that the BD has increased its efforts in clearing IRS. However, Audit has also found that for the two years 2001 and 2002, the BD did not achieve its target of removing IRS on 700 single-staircase buildings a year. Table 13 shows the details.

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**Note 10:** *This enhanced target was introduced in 2001. The BD started its IRS clearance programme on single-staircase buildings in 1999. The targets for 1999 and 2000 were 100 and 300 buildings respectively.*

**Table 13**

**Number of single-staircase buildings with IRS removed in 2001 and 2002**

<b>Year</b>	<b>Target</b>	<b>Actual</b>	<b>Shortfall</b>	<b>Percentage of shortfall</b>
	<b>(A)</b>	<b>(B)</b>	<b>(C)</b>	<b>(C/A × 100%)</b>
2001	700	402	298	43 %
2002	700	632	68	10 %
<b>Total</b>	<b>1,400</b>	<b>1,034</b>	<b>366</b>	<b>26%</b>

Source: CORs

7.5 Any slippage in implementing the IRS clearance programme will delay the removal of fire hazards. **To prevent further slippage, Audit considers that the BD needs to closely monitor the progress of its IRS clearance action to ensure that the annual clearance targets are met.**

**Estimate of IRS on single-staircase buildings not cleared by 2007**

7.6 The target of removing IRS on 700 single-staircase buildings a year was set in 2001. This was based on there being an estimated 4,500 single-staircase buildings with IRS. Since then, the BD has identified an *additional* 840 single-staircase buildings that do not have adequate refuge areas for occupants because of IRS. These IRS were mainly identified by BD staff when they carried out clearance inspections in nearby buildings. On the other hand, BD staff also found that some 250 buildings which were included in the original list of 4,500 single-staircase buildings with IRS had in fact more than one staircase.

7.7 As at April 2003, the BD’s records showed that there were 5,090 single-staircase buildings in its IRS clearance programme (Note 11). Of these 5,090 buildings, the IRS of 1,630 buildings had already been removed. For the remaining 3,460 buildings, clearance actions were either in progress or had not yet commenced.

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**Note 11:** This represented a net increase of 590 (i.e. 840 minus 250) buildings (or 13%) over the original estimate of 4,500 buildings.



7.8 Assuming that the BD clears 700 buildings a year, Audit has estimated that by 2007, IRS on 193 of the above-mentioned 3,460 buildings will remain to be cleared (Note 12).

7.9 More single-staircase buildings with IRS posing serious fire risks may be found, as the clearance programme progresses. **To ensure it achieves its objective of removing all IRS from all single-staircase buildings by 2007, the BD's annual target for IRS clearance may need to be revised.**

### **BD's IRS clearance enforcement process**

7.10 The BD's IRS clearance enforcement process consists of the following major steps:

- (a) BD staff carry out site inspections to determine whether the IRS pose an "imminent danger". In the context of fire safety, this means a situation where, in the event of a fire, an occupant of the building may not be able to reach a place of safety because of the IRS, or may face a high risk of being injured whilst escaping. If an IRS is deemed to pose an imminent danger, an s. 24 order for demolishing the IRS is issued to the owner;
- (b) when an s. 24 order is served, the BD asks the Housing Department (HD) to carry out a survey (known as a freezing survey) on the number of residents in the IRS concerned, for re-housing purposes (see Appendix B for the re-housing eligibility criteria). Other departments concerned (e.g. the Police) are also informed of the planned enforcement action;
- (c) the owner is usually given one month to start the demolition works and another month to complete the works. If the owner ignores the s. 24 order, the BD posts a "Notice of Intention to Apply for a Closure Order" (NIACO) on the premises. In the NIACO, the BD states the date on which it proposes to apply to the court for the closure order. In general, the BD applies for the closure order three months after issuing the NIACO;

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**Note 12:** *Audit's estimate of number of buildings not cleared by 2007:*

<i>No. of buildings with IRS to be cleared as at April 2003</i>	<i>3,460</i>
<i>Less: No. of buildings with IRS targeted for clearance</i>	
<i>May to December 2003 (8/12 × 700)</i>	<i>467</i>
<i>2004 to 2007 at 700 buildings each year</i>	<i>2,800</i>
	<hr/> <i>3,267</i>
<i>No. of buildings with IRS that will remain to be cleared by 2007</i>	<hr/> <i>193</i> <hr/>

- (d) once the NIACO is served, HD staff contact the affected occupants regarding re-housing arrangements; and
  
- (e) after obtaining the closure order from the court, the BD and the Police execute the closure order. The BD arranges for its contractor to remove the IRS. The BD may issue re-entry permits to the affected occupants for a specified period of time if re-housing is still in progress, or they are experiencing financial problems.

**Time required for IRS clearance**

7.11 In the three years 2000, 2001 and 2002, the BD completed IRS clearance action on 1,160 single-staircase buildings. Audit’s analysis indicates that the time required for completing clearance action on these buildings was on average 303 days from the date of the first site inspection to the date of IRS removal. As shown in Table 14, 364 cases (or 31%) were completed within 180 days. In 72 cases (i.e. 6%), however, more than 720 days were taken to complete the clearance process.

**Table 14**

**Time required for the removal of IRS in 1,160 buildings  
(2000 to 2002)**

<b>No. of days taken to complete clearance action</b>	<b>No. of cases</b>
Less than 180	364 (31%)
180 to 359	482 (42%)
360 to 539	147 (13%)
540 to 720	95 (8%)
More than 720	<u>72 (6%)</u>
<b>Total</b>	<b><u><u>1,160</u></u></b>

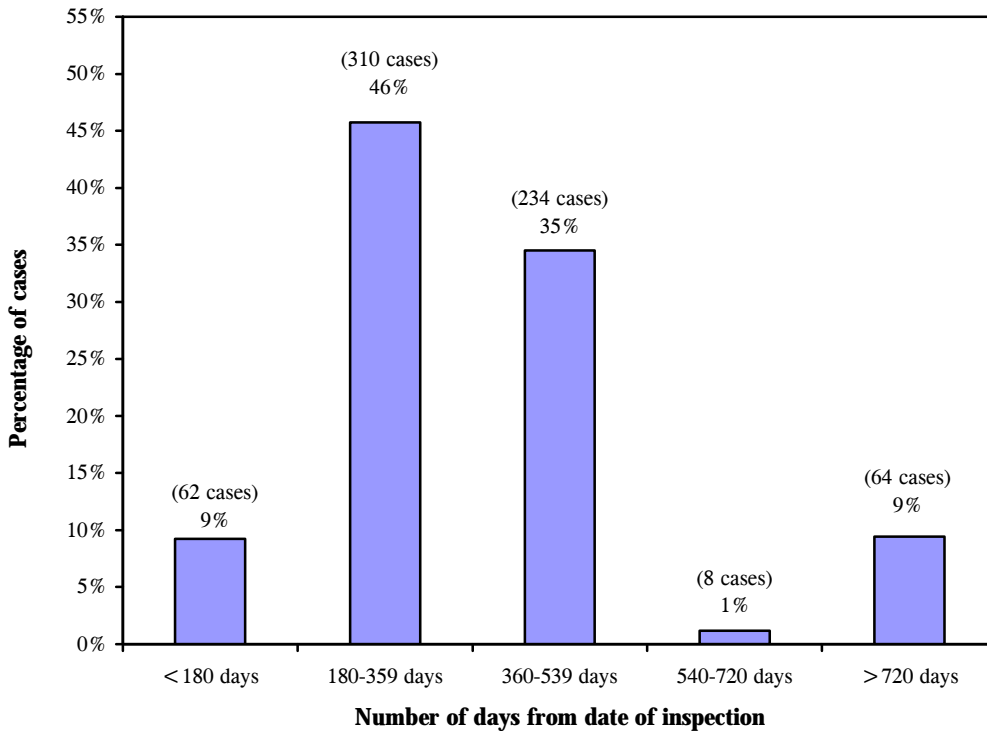
*Source: BD’s records*

### Ageing analysis of cases commenced but not yet completed

7.12 In 678 cases, IRS clearance action commenced before 1 January 2003 but had not been completed by April 2003. Audit’s analysis indicates that, on average, these cases had been outstanding for 389 days, counting from the date on which clearance action was initiated (i.e. the first site inspection) to 30 April 2003. As shown in Figure 2, 306 cases (i.e. 45%) had been outstanding for more than 360 days, including 64 cases (i.e. 9%) that had been outstanding for more than 720 days.

**Figure 2**

**Ageing analysis of 678 IRS cases commenced before 1 January 2003 but not completed as at April 2003**



Source: BD’s records

### Causes of the lengthy period required for IRS clearance

7.13 Table 14 shows that 31% of the IRS cases were completed within 180 days. Figure 2 shows other cases that had remained outstanding for a lengthy period after the commencement of clearance action. In response to Audit’s enquiries, the BD has said that:

- (a) the lengthy period required for clearance was mainly due to dispossession arrangements (Note 13). During the course of operations, BD staff had to deal with requests for delayed clearance from the affected owners and occupants; and
- (b) time-consuming counselling was often required to persuade owners or occupants to cooperate and to avoid confrontation during the clearance operations.

7.14 Apart from the reasons stated in paragraph 7.13, Audit’s case studies have identified some other causes of delays and areas for improvement. These, together with two examples (Cases 3 and 4), are discussed in PART 11. **Given the serious fire risks posed by IRS, Audit considers that the BD needs to closely monitor all IRS clearance cases, in particular long outstanding cases, and take vigorous action to ensure that they are completed as soon as possible.**

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**Note 13:** *In this regard, Audit notes that since December 2002 the Housing Authority has relaxed the eligibility criteria for re-housing occupants affected by IRS clearance (see Appendix B). It is expected that this will help streamline the clearance process in future.*

## **Audit recommendations**

7.15 **Audit has recommended that the Director of Buildings should:**

### ***Annual clearance target***

- (a) **closely monitor the progress of the BD's IRS clearance action to ensure that its annual targets are met;**
- (b) **make extra efforts to deal with the shortfalls of 2001 and 2002;**

### ***Identification of single-staircase buildings with IRS***

- (c) **revisit on a regular basis (say annually) the annual target for IRS clearance, taking into account the number of newly identified single-staircase buildings with IRS that pose a serious fire risk;**
- (d) **consider the need for conducting a systematic survey of the single-staircase buildings in the territory, to ensure that all single-staircase buildings with IRS posing a serious fire risk are identified and included in the IRS clearance programme; and**

### ***Long outstanding cases***

- (e) **closely monitor all IRS clearance cases, in particular long outstanding cases, and take vigorous action to ensure that they are completed as soon as possible.**

7.16 See PART 12 for the Administration's response.

## **PART 8: CONTROL OF SIGNBOARDS**

8.1 This PART examines the Government's control of signboards for public safety purposes.

### **Background**

8.2 Many business operators use signboards to advertise their services or merchandise. According to the BD's estimate, there are over 220,000 (Note 14) advertisement signboards in Hong Kong, and some 10% are abandoned. Each year, the number of signboards increases by about 3%.

8.3 The Government's policy is to ensure that signboards attached to buildings do not pose risks to safety and that signboard owners take responsibility for the maintenance of their signboards. At the same time, the Government is mindful of the attraction of signboards as a showcase for Hong Kong.

8.4 The BD has issued a technical guide advising on the construction and maintenance of signboards. The BD checks the safety of signboards both through its own programme of inspections and in response to complaints from the public. If necessary, the BD issues statutory notices known as "Dangerous Structure Removal Notices" (DSRNs) under the Public Health and Municipal Services Ordinance (PHMSO — Cap. 132) requiring signboard owners to repair or remove signboards found to be dangerous or which are likely to become dangerous. In addition, the BD removes signboards in emergency situations.

### **Public consultations and Task Force's proposals**

8.5 Over the years, some LegCo Members and many in the community, particularly through the District Councils, have called for firmer control of signboards, including measures requiring owners to take responsibility for ensuring signboard safety and for removing their signboards when appropriate. Feedback from consultations was generally in favour of statutory registration, with a control system for easily identifying signboard owners and recovering any public expenditure incurred on their behalf.

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**Note 14:** *The BD does not maintain an inventory of existing signboards which have been authorised by the BD and therefore does not know how many of the existing signboards are authorised. Nevertheless, it is generally believed that most existing signboards are unauthorised.*

8.6 Having studied overseas practices and feedback from earlier consultations, in December 2000 the Task Force (referred to in paragraph 1.6) proposed that the Government should proceed with a self-financing system to register signboards for public safety. The salient features of the proposals were:

- (a) **Definition of signboards.** For design, construction, maintenance, removal and registration purposes, signboards should be categorized according to size into very large, large, medium and simple signboards;
- (b) **Definition of signboard owners.** As a general principle, the signboard owner should be defined as any person who caused or had caused the signboard to be constructed, who might gain financial benefit from the signboard or the signboard space, or whose merchandise, trade or business was advertised by the signboard;
- (c) **Role of professionals and contractors.** To introduce the registration system, the law should be amended to provide for a new category of building works, namely “minor works”, that would include signboards; a new register for minor works contractors including signboard contractors; and certification of the safety of signboards where appropriate;
- (d) **Registration of signboards.** Very large, large and medium signboards should be registered with the BD to ensure their structural, positional and fire safety standards (Note 15). Simple signboards should be exempted from registration;
- (e) **Registration fee and cost recovery.** The fee for registration should cover the cost of administering the system, and be linked to the size of the signboard concerned;

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**Note 15:** *The registration number of the signboard should be displayed legibly on the board. The registration of new signboards (constructed after commencement of the system) and existing signboards (constructed before commencement of the system) should require the applicant to present requisite supporting information such as a certificate of safety, along with an undertaking to remove the signboard when it was no longer required.*

- (f) **Transitional arrangements.** The registration of existing signboards should commence one year after the registration of signboard contractors had begun. A grace period of two years should be given for signboard owners to comply; and
  
- (g) **Enforcement powers, offences and penalties.** New offences, with deterrent penalties, should be created for failure to register a registrable signboard, abandoning a signboard, failure to display the relevant registration number on a registered signboard and displaying a false registration number on an unregistered registrable signboard.

## The 2001 Strategy

8.7 The proposal to register signboards formed part of the 2001 Strategy. In April 2001, the Administration advised ExCo that:

- (a) to ensure safety of advertisement signboards, the Administration proposed to introduce simple, self-financing registration **in the 2001-02 legislative session** (see para. 1.6(e)). New and existing signboards would be registered, with requirements for structural and fire safety commensurate with their risk to public safety including size. New signboards would also require building owners' consent, including those directly affected (e.g. by a sign's bright light). The BD was conferring with relevant bodies to finalise dimensions for different categories of signboards. Building professionals would be advised to include anchorage for signboards at the design and construction stage of new commercial or composite buildings, where appropriate; and
  
- (b) registration fees would recover the administrative costs. A levy, set at a reasonable percentage of the registration fee, would be imposed to create a fund to remove abandoned signboards. A two-year grace period would be given for owners of existing signboards. Unregistered signboards would be removed thereafter.

8.8 In April 2001 ExCo agreed that the Administration should take forward the registration of signboards proposed as outlined above.



### **Control of signboards subsumed under the proposed minor works control scheme**

8.9 In the event, no legislation for signboard registration was introduced in the 2001-02 legislative session. From the records of the HPLB, Audit noted that the Bureau had encountered difficulties in drawing up the details of a feasible scheme for registering signboards and so decided not to proceed. An HPLB internal paper of August 2002 gave the following reasons for this:

- (a) the Administration could already take action against signboards that impacted on building safety or posed a danger to the public. The Administration would continue to ensure that prompt action was taken against dangerous signboards;
- (b) the Administration was proposing to introduce a new category of minor works under the BO (see para. 8.10). If passed, this would provide a simpler avenue for minor works, including small signboards, to comply with the BO; and
- (c) the Administration was mindful of the cost of compliance involved in introducing a registration system for all signboards, both for the business community and for society at large. On closer review, this cost might not be proportionate to the problem at hand (i.e. the wish to deal with abandoned and/or dangerous signboards).

8.10 The HPLB considered that signboards were basically a type of building works and it was *unnecessary* to devise an entirely new control scheme to regulate them. The HPLB decided to subsume the control of signboards under the Buildings (Amendment) Bill 2003 which was introduced into LegCo in April 2003. The Bill provides for a new control scheme for minor works (hereinafter referred to as the new minor works control scheme). Minor works, including signboards and other minor building works, are classified into three categories with different submission and supervision requirements (see Appendix C).

### **Audit's comparison of the two schemes**

8.11 The above developments have raised the question of whether the new minor works control scheme will meet the original objective of the registration scheme which was endorsed by ExCo in April 2001. Audit has compared the key features of the two

schemes. **The comparison shows that the new minor works control scheme lacks most of the key features of the registration scheme designed to ensure the safety of signboards (see Appendix D for details).** For example, it does not seek to control existing signboards. Until minor works are performed on existing signboards (e.g. alteration works), the new minor works control scheme will not apply to them.

8.12 In response to the above audit findings, the HPLB has made the following comments:

- (a) the primary objective of the HPLB in controlling signboards is to ensure their structural safety. The ExCo Memorandum of April 2001 clearly stated that the registration scheme was proposed to ensure the safety of advertisement signboards (see para. 8.7(a)). The HPLB has not departed from the original primary objective;
- (b) it is acknowledged that the features and implementation details of the new minor works control scheme are different from those of the proposed signboard registration scheme. However, the HPLB does not see a need for the new minor works control scheme to have the same or similar features as the registration scheme to ensure signboard safety. What matters is whether the objective of the proposal is achieved, not whether the individual features of the proposal are implemented;
- (c) insofar as the primary objective of the proposed registration scheme is to ensure the safety of signboards, the approach of subsuming the control of signboards under the BO is a more practicable and efficient way of achieving that objective. In seeking ExCo's approval to introduce the Buildings (Amendment) Bill 2003 into LegCo (see para. 8.10), the HPLB has drawn ExCo's attention to public concern about the structural safety of advertisement signboards constructed without the BD's approval; and
- (d) the HPLB's measures are not confined to the introduction of the new minor works control scheme. Insofar as signboards are basically building works, there is already a well-established mechanism under the existing building control framework for handling them, and the BD has already taken enforcement action against unauthorised signboards under this framework.

### **Audit observations**

8.13 Audit notes the HPLB's assurance that, in subsuming the control of signboards under the new minor works control scheme, the HPLB has not departed from the original primary objective of the registration scheme. However, given the significant differences between the two schemes, it remains to be seen whether the new minor works control scheme will fully meet the original objective of the signboard registration scheme.

### **Audit recommendations**

8.14 **Audit has recommended that the Secretary for Housing, Planning and Lands should:**

- (a) **carry out a post-implementation review of the new minor works control scheme (say in three years' time) to find out whether the new scheme meets the objective of the signboard registration scheme approved by ExCo in April 2001; and**
- (b) **report the results of the post-implementation review to ExCo as appropriate.**

### **Response from the Administration**

8.15 The **Secretary for Housing, Planning and Lands** has said that the HPLB will certainly be happy to review the implementation of the new minor works control scheme. He will report to ExCo the results of the post-implementation review as appropriate.

### **Target number of signboards removed/repaired**

8.16 The focus of the BD's existing operations on signboards is to ensure that they do not endanger public safety. The BD conducts inspections to identify signboards that are dangerous, or likely to become dangerous, and removes them under the PHMSO (see para. 8.4).

8.17 According to its CORs, since 2000 the BD has set a target for the number of signboards to be removed/repaired of 1,200 a year. Table 15 shows the BD's achievements in 2001 and 2002, which exceeded that target by 42%.

**Table 15**

**Number of signboards removed/repaired in 2001 and 2002**

Year	No. of signboards removed/repaired		Actual exceeded target no. and (%)
	Target	Actual	
	(A)	(B)	(C)= (B) - (A)
2001	1,200	1,491	291 (24%)
2002	1,200	1,917	717 (60%)
<b>Total</b>	<b>2,400</b>	<b>3,408</b> <b>(Note)</b>	<b>1,008 (42%)</b>

Source: CORs

Note: Of these 3,408 signboards, 1,777 (or 52%) had been abandoned. The number of abandoned signboards removed increased from 646 in 2001 to 1,131 in 2002, a 75% rise.

8.18 The actual number of signboards removed/repaired over and above the target reflects the BD's increased efforts in signboard operations. It also partly reflects the adverse business environment arising from the recent economic downturn, which has resulted in more abandoned signboards needing to be removed. **This suggests that the BD's target may need to be revised in the light of the prevailing economic climate, to ensure that the target meets current needs.**

### **Outstanding DSRNs**

8.19 According to data in the BCIS, as at May 2003 there were about 1,000 outstanding DSRN cases of which 540 (i.e. 54%) had been outstanding for more than a year. However, BD staff informed Audit that, according to their manual records, there were only 52 outstanding cases.

8.20 **Audit considers that the BD needs to ascertain the causes of the discrepancy between the BCIS and the manual records, and why some DSRN cases have remained outstanding for so long.** Audit's case studies have identified areas for improvement in the BD's follow-up action on outstanding DSRNs. The audit observations, together with an example (Case 5), are discussed in PART 11.

### **Audit recommendations**

8.21 **Audit has *recommended* that the Director of Buildings should:**

- (a) **revisit on a regular basis the annual target for the number of signboards to be removed/repaired, taking into account the prevailing economic climate and its impact on the number of abandoned signboards;**
- (b) **ascertain the causes of the significant discrepancy between the number of outstanding DSRN cases recorded in the BCIS and those recorded in the manual records, and take remedial action accordingly; and**
- (c) **identify the long outstanding DSRN cases and ascertain why they have remained outstanding for so long.**

8.22 See PART 12 for the Administration's response.

## **PART 9: BD's PROSECUTION POLICY AND PRACTICE**

9.1 This PART examines the BD's policy and practice for the prosecution of BO offences (including UBW offences).

### **BD's prosecution policy**

9.2 A person who fails, without reasonable excuse, to comply with an order served on him under the BO shall be guilty of an offence and liable on conviction to a fine and to imprisonment (Note 16). Prosecution of offenders is an integral part of the BD's enforcement responsibility.

9.3 The BD's departmental prosecution policy is documented in a BD Instruction issued to its staff in February 1995. According to that BD Instruction:

- (a) the objectives of the prosecution policy are to pursue the cause of justice; serve the public interest; create an effective deterrent; and enhance respect for the law and for the BD as the enforcement agent;
- (b) the BD's aim is to prosecute wherever and whenever appropriate. Any person committing an offence should therefore be prosecuted. However, as the BD's resources are not unlimited, there may be a need for considering priorities in prosecution. *Priority should be accorded to prosecuting offenders in the following circumstances:*
  - if a person has committed the same offence two or more times;
  - if an UBW is in progress;
  - in cases where the UBW are excessive in scale and in blatant disregard of the law or public safety;
  - in cases of non-compliance with a statutory order;
  - in cases where building works deviate materially from approved plans; or
  - in cases where building works are being carried out in a dangerous manner or may result in collapse; and

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**Note 16:** See PART IV — OFFENCES of the Buildings Ordinance, Cap. 123.

- (c) the circumstances in (b) above are not listed in any order of importance and all cases falling within the circumstances described should be acted on as and when they come to the attention of the BD.

### **BD's practice regarding prosecution**

9.4 There are many cases that fall within the circumstances mentioned in paragraph 9.3(b) which should be accorded priority prosecution action. Using s. 24 orders as an example, 43,500 s. 24 orders were issued before 1 January 2003 but remained outstanding as at April 2003. According to the BD's prosecution policy, these are all priority cases for prosecution action. In practice, however, prosecution action is taken only in a small percentage of cases, with each BD case officer exercising his discretion on whether to recommend prosecution action for individual cases.

9.5 Where prosecution action is recommended, the recommendation has to be approved by a BD directorate officer (D1), before the case is referred to the BD's Legal Section for prosecution. Where no prosecution action is recommended, however, there is *no* procedure that requires the case to be submitted to a directorate officer for agreement, and the reasons for not taking prosecution action do not have to be specified.

### **BD's pledge to step up prosecution action**

9.6 The BD's senior management recognises prosecution as an effective means of bringing about compliance to statutory orders, and it intends to take a forceful approach in dealing with non-compliant cases. Senior officers of the BD have, on various occasions, pledged that prosecution action would be stepped up. For example:

- (a) at a press conference in March 2000, the Director of Buildings said that the BD was determined to prosecute those owners who failed to comply with statutory orders. He further said that the BD was prepared to increase the number of prosecutions by more than *ten times*, from 200 in 1999 to 2,200 in 2000. Similar pledges to increase the number of prosecutions tenfold to 2,000 were also given in April 2000 and January 2001 at LegCo Panel meetings; and
- (b) in July 2001, the Director of Buildings again stated that the BD would not tolerate UBW and would invariably prosecute such cases to protect public interest and to ensure building safety.

## Number of prosecutions instigated

9.7 According to the BD's statistics, the number of prosecutions instigated increased from 215 in 1999 to 248 in 2000. The number further increased to 476 in 2002, representing an increase of 121% compared with the 1999 figure. Table 16 shows the details.

**Table 16**

**Number of prosecutions instigated by the BD  
from 1999 to 2003 (up to 30 June 2003)**

	Year				
	1999	2000	2001	2002	2003 (January to June)
<b>Number of prosecutions instigated (Notes 1 &amp; 2)</b>	215	248	392	476	202
<b>Year-on-year increase (%)</b>	N/A	+15%	+58%	+21%	N/A

Source: BD's records

Note 1: Prosecution is regarded as having been instigated once a summons has been served.

Note 2: The great majority of these prosecution cases arose from non-compliance with s. 24 orders. Other cases accounted for less than 3% of the total number.

## Audit observations

9.8 **BD's pledge not met.** The number of prosecutions instigated by the BD more than doubled in 2002 as compared to 1999. **However, the result falls far short of 2,000 prosecutions a year, a pledge that has been repeatedly made by the Director of Buildings.** Furthermore, judging from its performance in the first six months of 2003 (i.e. 202 prosecutions), the BD may be unable to sustain the level of performance achieved in 2002 (i.e. 476 prosecutions). This will widen the gap between the BD's pledge and its actual achievements.



9.9 ***Need to step up prosecution efforts.*** The BD's stated objectives are through prosecutions to create an effective deterrent and enhance respect for the law and for the BD as the law enforcement agent (see para. 9.3(a)). However, as at April 2003 some 43,500 s. 24 orders issued before 1 January 2003 were still outstanding. These included 11,500 orders (or 26%) that had been outstanding for more than 16 months. These figures suggest that, despite the BD's objectives, many building owners continue to flout the law by ignoring the s. 24 orders. **Audit considers that more prosecution efforts by the BD are needed to deter non-compliance.**

9.10 ***Possible reason for not initiating prosecution action.*** From the BD's records, Audit noted that a possible reason for the small number of prosecution cases instigated was the case officers' reluctance to initiate prosecution action. Although they generally acknowledged the effectiveness of prosecution for deterring non-compliance, many case officers were concerned that prosecution action would increase their workload (Note 17), which they considered was already beyond their capacity. **Audit considers that the concerns of these BD officers need to be addressed as soon as possible. It should be emphasised that increased prosecution efforts, if sustained over time, will create a more effective deterrent and result in fewer non-compliant cases. This will, in turn, reduce the need for follow-up efforts on non-compliant cases.**

### **Audit recommendations**

9.11 **Audit has recommended that the Director of Buildings should:**

- (a) **step up the BD's prosecution efforts, having regard to the large number of outstanding s. 24 orders on hand and the pledge of the BD to instigate 2,000 prosecutions a year; and**
- (b) **take immediate action to address BD officers' concerns about initiating prosecution action. This should include reassessing their caseload from time to time, to ensure that they can cope with the additional workload arising from prosecution action.**

9.12 See PART 12 for the Administration's response.

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**Note 17:** *For internal processing, the BD classifies its prosecution cases into routine and non-routine cases, according to their complexity and nature. Cases concerning non-compliant s. 24 orders are less complicated and are usually classified as routine cases. Prosecution action in routine cases would still generate additional work for the case officers including, for example, rechecking the validity of the s. 24 orders concerned, re-performing site inspections and attending court as witnesses.*

## **PART 10: REMOVAL ACTION BY GOVERNMENT TERM CONTRACTOR**

10.1 This PART examines the use of the government term contractor (GTC) to remove UBW.

### **BD's practice of using GTC to remove UBW**

10.2 Section 24 of the BO provides that if an s. 24 order is not complied with, the BD may demolish the UBW, and recover the cost of the works from the owner. According to the BD Instruction on the use of the GTC, the demolition of UBW by the GTC should be pursued if the UBW is likely to cause a risk to life or limb or public nuisance, and is likely to be prejudicial to the public interest or the interest of any third party.

10.3 At a LegCo meeting in April 2001, in response to a question by a LegCo Member, the Director of Buildings confirmed that while GTC removal action had been taken against UBW that posed a high risk to public safety, such action would only be taken on a need basis because of the high administrative costs involved.

### **Instances where GTC action was taken to enforce s. 24 orders**

10.4 The use of the GTC to remove UBW is an effective way of enforcing s. 24 orders. However, Audit has found *very few* instances in which the GTC was used to enforce s. 24 orders. For example, in the financial year 2002-03 only 28 UBW (including 26 IRS) with outstanding orders were removed by GTC action.

10.5 Given the large number of s. 24 orders on hand that had not been complied with (see para. 9.9), it is reasonable to ask why GTC action was so seldom taken to enforce them. In this connection, Audit noted that some BD case officers were reluctant to initiate prosecution action because of concerns over the additional work. **In Audit's view, a similar reluctance to instigate GTC action may exist for the same reason (Note 18).**

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**Note 18:** *The additional work includes preparing works orders, overseeing the contractor's work and taking cost recovery action.*

## **Audit recommendations**

- 10.6 **Audit has *recommended* that the Director of Buildings should:**
- (a) **ascertain why GTC action has so seldom been taken to enforce s. 24 orders and, if necessary, step up enforcement through GTC action; and**
  - (b) **regularly review the need to take more GTC action, having regard to the number of outstanding s. 24 orders on hand and the effectiveness of the BD's other responses (e.g. prosecution action).**
- 10.7 See PART 12 for the Administration's response.

## **PART 11: AUDIT'S CASE STUDIES**

11.1 This PART describes Audit's case studies on the BD's enforcement process for removing UBW.

### **Results of Audit's case studies**

11.2 As mentioned in PARTs 4, 7 and 8, Audit has conducted some case studies on the various operations of the BD. Examples are given below for illustration:

- (a) Cases 1 and 2 relate to complaints about UBW (PART 4 refers);
- (b) Cases 3 and 4 relate to IRS clearance (PART 7 refers); and
- (c) Case 5 relates to an abandoned signboard (PART 8 refers).

The results indicate that there are areas for improvement in the BD's enforcement process.

**Case 1**

**UBW on a building in Shamshuipo, Kowloon**

<b>Item</b>	<b>Date</b>	<b>Days elapsed since event in item (a)</b>	<b>Key event</b>
(a)	22.6.1999	—	The Lands Department (Lands D) informed the BD of the existence of substantial overhanging structures in a lane in Shamshuipo, Kowloon. It asked the BD to ascertain if the structures were approved and, if not, to issue an s. 24 order to have them removed.
(b)	29.6.2000	373	The Lands D sent a reminder to the BD enquiring about its progress.
(c)	3.1.2001	561	The BD received a referral from the Food & Environmental Hygiene Department about the same structures.
(d)	20.2.2001	609	A BD team carried out a site inspection.
(e)	10.5.2001	688	The team completed the inspection report. The report recommended IE action on the UBW, which the Unit Head agreed to. (See para. 4.2 for the definition of “IE action”.) This would involve the issuing of advisory letters, followed by s. 24 orders.
(f)	27.9.2001	828	(i) The BD sent a request to the LR for ownership details of the premises.  (ii) On the same day, the BD issued an advisory letter asking the owner/occupant of the premises to remove the UBW as soon as possible. (As a norm, advisory letters are issued without the names of the owners/occupants on them. Hence, they can be issued before ownership details have been obtained).
(g)	10.10.2001	841	The BD received ownership details from the LR.
(h)	24.12.2001	916	Referring to its earlier memo (see item (a) above), the Lands D reminded the BD that the UBW still existed.
(i)	1.2.2002	955	The BD advised the Lands D that BD staff had inspected the UBW, and that a recommendation would be made for the issue of an s. 24 order requiring remedial measures to be taken.

Item	Date	Days elapsed since event in item (a)	Key event
(j)	5.7.2003	1,474	Audit reviewed the case file and found that, up to 5 July 2003, nothing had transpired since item (i), and that s. 24 orders had still not been issued. Audit staff visited the site on 26 July 2003 and found that the UBW was still in existence. See Photograph 1 taken by audit staff on that date.
<p><b>Audit comments:</b></p> <p>The BD's follow-up action to remove the UBW has been slow. As at 5 July 2003 (i.e. 1,474 days after the receipt of the first complaint), an s. 24 order had still not been issued. <b>Further audit observations are discussed in paragraphs 11.3 to 11.13.</b></p>			

Source: BD's records and Audit's inspection

### Photograph 1

#### UBW on a building in Shamshuipo, Kowloon



Source: Photograph taken by Audit staff on 26 July 2003

**Case 2**

**UBW on a building in Tai Po, New Territories**

<b>Item</b>	<b>Date</b>	<b>Days elapsed since event in item (a)</b>	<b>Key event</b>
(a)	19.1.2000	—	The action team received a referral from another BD team about UBW on the first floor of a building in Tai Po.
(b)	22.2.2000	34	The action team conducted a site inspection.
(c)	16.5.2000	118	The action team conducted another site inspection.
(d)	17.5.2000	119	The action team completed the site inspection report. The report recommended the issue of an s. 24 order.
(e)	29.5.2000	131	(i) The BD issued a letter to the owner/occupant of the premises (without name) advising him to take steps to immediately remove the UBW and reinstate the premises to accord with the approved building plan.  (ii) On the same day, the BD sent a request to the LR for ownership details.
(f)	8.6.2000	141	The BD received ownership details from the LR.
(g)	22.9.2000	247	The BD issued an s. 24 order requiring the owner to commence removal work by 22 October 2000 and to complete it by 21 November 2000.
(h)	25.5.2001	492	The action team conducted a compliance inspection and found that the s. 24 order had not been complied with.
(i)	12.7.2001	540	The action team completed the compliance inspection report and recommended the issue of a superseding s. 24 order to correct a typing error found in the previous s. 24 order.
(j)	24.8.2001	583	The BD issued a superseding s. 24 order to the owner replacing the previous order. It required the owner to commence removal work forthwith and to complete it within 21 days.

Item	Date	Days elapsed since event in item (a)	Key event
(k)	15.8.2003	1,304	<p>Audit reviewed the case files and found that:</p> <ul style="list-style-type: none"> <li>(i) as at 15 August 2003, the s. 24 order had still not been complied with. The action team had taken no substantive action against the UBW since the issue of the superseding order on 24 August 2001; and</li> <li>(ii) in a separate development, the building concerned was targeted for a blitz operation which commenced in January 2002. At the time of completion of the audit (i.e. 15 August 2003), the blitz operation was still in progress. Insofar as the UBW in question was concerned, another s. 24 order had been issued on 14 January 2003 under the blitz operation which, as at 15 August 2003, had not been complied with.</li> </ul> <p><i>Audit staff visited the site on 19 August 2003 and found that the UBW was still there. See Photograph 2 taken by audit staff.</i></p>
<p><b><i>Audit comments:</i></b></p> <p>The BD's follow-up action to remove the UBW has been slow. As at 15 August 2003 (i.e. 1,304 days after the receipt of the complaint), the UBW had still not been removed. <b>Further audit observations are discussed in paragraphs 11.3 to 11.13.</b></p>			

Source: BD's records and Audit's inspection



**Photograph 2**

**UBW on a building in Tai Po, New Territories**



*Source: Photograph taken by Audit staff on 19 August 2003*

**Case 3**

**IRS on a single-staircase building in Shamshuipo, Kowloon**

<b>Item</b>	<b>Date</b>	<b>Days elapsed since event in item (a)</b>	<b>Key event</b>
(a)	27.3.2001	—	An action team conducted an inspection of this single-staircase building. They found that the IRS was fully enclosed by roofing and solid walls.
(b)	30.3.2001	3	The BD sent a request to the LR for ownership details.
(c)	20.4.2001	24	The BD received ownership details from the LR.
(d)	1.6.2001	66	The action team completed the inspection report which accorded an “imminent danger” status to the IRS (see para. 7.10(a) for definition of “imminent danger” status). The report recommended the issue of an s. 24 order for the demolition of the IRS.
(e)	13.7.2001	108	The BD issued an s. 24 order to the owner, requiring the commencement of demolition work within 30 days and completion of the work within 60 days.
(f)	14.8.2001	140	The action team conducted a compliance inspection of the IRS. As the owner had not complied with the order, the team posted an NIACO (see para. 7.10(c)) on site and notified various government departments (e.g. the Police and the HD) of the intended enforcement action. According to the NIACO, the BD intended to apply to the court for a closure order on 16 November 2001, so that demolition work could be carried out without danger to the occupants or the public.
(g)	16.11.2001	234	The closure order was executed on 16 November 2001, following an inspection by the action team on 6 November 2001 which confirmed that the IRS was still in existence. After execution of the closure order, the BD issued re-entry permits to the owner lasting for 28 days (i.e. up to 13 December 2001).

Item	Date	Days elapsed since event in item (a)	Key event
(h)	28.1.2002	307	<p>(i) According to a file note dated 28 January 2002 made by a Building Safety Officer, the writer had a telephone conversation with the owner-occupant of the IRS. The owner-occupant, who was also the owner of the floor immediately beneath the roof, told the officer that he had asked the tenant occupying that floor to move out, so that he could move in and demolish the IRS. However, the owner-occupant could not provide a firm date for the demolition.</p> <p>(ii) The Building Safety Officer indicated in the file note that he would wait a little longer (until after the Chinese New Year) to see whether the owner-occupant would demolish the IRS. (The Chinese New Year holidays ended on 14 February 2002.)</p> <p>(Note: The rank of Building Safety Officer is a relatively junior rank in the BD hierarchy.)</p>
(i)	3.12.2002	616	<p>(i) Nothing transpired after item (h) until 3 December 2002 when, according to another file note, a Senior Survey Officer rang up the owner-occupant of the IRS to follow up the matter. The officer learned from the owner-occupant that he had financial problems and the floor immediately beneath the roof was still being occupied by his tenant. The officer advised the owner-occupant to approach the Social Welfare Department for assistance.</p> <p>(ii) The officer indicated in the file note that he would review the case after the Chinese New Year. (The Chinese New Year holidays ended on 3 February 2003.)</p> <p>(Note: The rank of Senior Survey Officer is also a relatively junior rank in the BD hierarchy.)</p>
(j)	23.4.2003	757	<p>The Senior Survey Officer instructed a Survey Officer to arrange for a site inspection.</p>

Item	Date	Days elapsed since event in item (a)	Key event
(k)	5.7.2003	830	<i>Audit reviewed the case file and found that, up to 5 July 2003, nothing had transpired since item (j). Audit staff visited the site on 22 July 2003 and found that the IRS was still in existence. See Photograph 3 taken by Audit staff.</i>
<p><b><i>Audit comments:</i></b></p> <p>The BD's follow-up action to remove the IRS has been slow. As at 5 July 2003 (i.e. 830 days after the BD's clearance action had commenced), the IRS was still in existence, continuing to pose a serious fire risk to the occupants of the building. Furthermore, there was still no firm date for removal action. <b>Further audit observations are discussed in paragraphs 11.3 to 11.13.</b></p>			

Source: BD's records and Audit's inspection

### Photograph 3

#### IRS on a single-staircase building in Shamshuipo, Kowloon



Source: Photograph taken by Audit staff on 22 July 2003

**Case 4**

**IRS on a single-staircase building in Mongkok, Kowloon**

<b>Item</b>	<b>Date</b>	<b>Days elapsed since event in item (a)</b>	<b>Key event</b>
(a)	27.10.2000	—	A BD action team conducted an inspection of the single-staircase building. They found that the IRS in question had a 2.5 metre high metal fence and solid enclosure with cover.
(b)	31.10.2000	4	The BD sent a request to the LR for ownership details.
(c)	11.11.2000	15	The BD received ownership details from the LR.
(d)	14.11.2000	18	The action team completed the inspection report which accorded an “imminent danger” status to the IRS. The report recommended the issue of an s. 24 order for the demolition of the IRS. The report also recommended that a closure order should be obtained and GTC action (see para. 10.2) should be taken if the s. 24 order was not complied with.
(e)	25.1.2002	455	The BD sent another request to the LR for ownership details.
(f)	5.3.2002	494	The BD received ownership details from the LR.
(g)	13.3.2002	502	Another action team conducted another inspection of the subject building. Their findings were the same as those reported by the previous inspection team.
(h)	19.3.2002	508	The action team completed the inspection report which, again, accorded an “imminent danger” status to the IRS. As with the previous inspection report (see item (d) above), the action team recommended that an s. 24 order be issued, and that a closure order should be obtained and GTC action be taken if the s. 24 order was not complied with.
(i)	25.4.2002	545	The BD issued an s. 24 order to the owner requiring the commencement of demolition work within 30 days and completion of the work within 60 days.

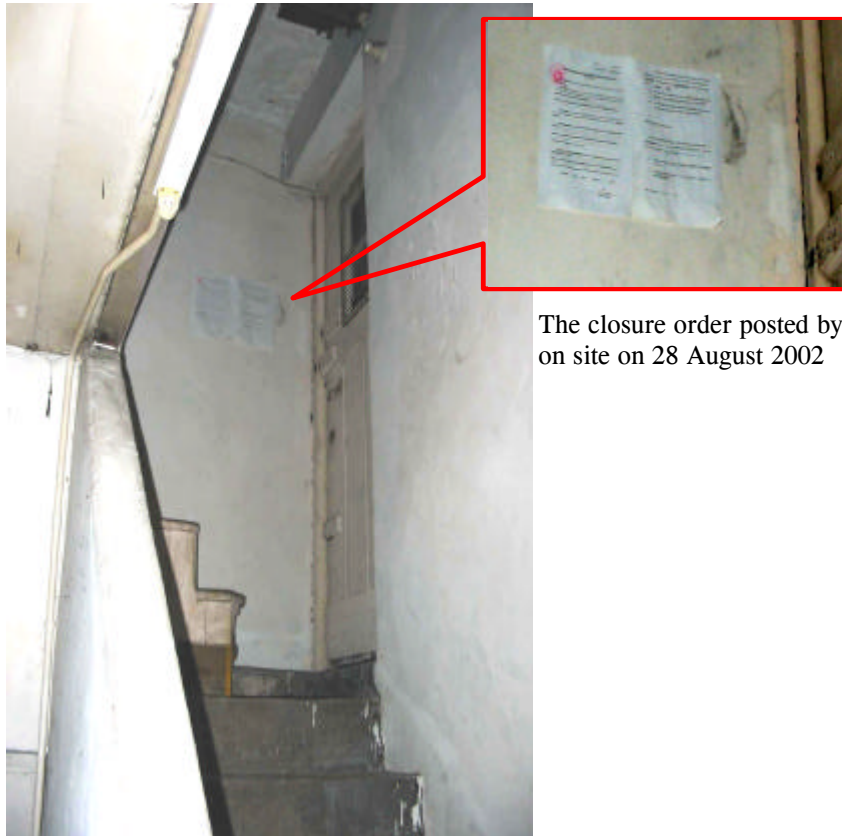
Item	Date	Days elapsed since event in item (a)	Key event
(j)	27.5.2002	577	The action team conducted a compliance inspection of the IRS. As the owner had not complied with the order, the team posted an NIACO on site and notified various government departments (e.g. the Police and the HD) of the intended enforcement action. According to the NIACO, the BD intended to apply to the court for a closure order on 28 August 2002.
(k)	28.8.2002	670	<p>(i) The HD informed the BD that, of the three affected families, one had voluntarily moved out of the IRS. The other two families had not approached the HD to apply for re-housing.</p> <p>(ii) The closure order was executed on 28 August 2002, following an inspection by the action team on 14 August 2002 which confirmed that the IRS was still in existence. After execution of the closure order, the BD issued re-entry permits to some occupants lasting for one month (i.e. up to 27 September 2002).</p>
(l)	10.10.2002	713	The HD informed the BD that it had not received any re-housing applications in connection with the IRS and, therefore, it would take no further action.
(m)	5.12.2002	769	According to a file note dated 5 December 2002 made by a Building Safety Officer, the writer had on that day made a phone call to the HD officer who handled re-housing matters. The HD officer told him that an affected occupant of the IRS had been in Mainland China since August 2002 due to sickness of a family member.
(n)	3.7.2003	979	<p>(i) Nothing transpired after item (m) until 3 July 2003 when, according to another file note, the Building Safety Officer called the HD officer again to follow up the matter. The HD officer informed him that the occupant was still in Mainland China taking care of his family.</p> <p>(ii) The Building Safety Officer then inspected the IRS on the same day. The officer noted that there were some personal belongings inside the IRS, and that there was no evidence to suggest that the occupant would not return to Hong Kong in the near future.</p>

Item	Date	Days elapsed since event in item (a)	Key event
(o)	10.7.2003	986	<p>(iii) The officer indicated in the file note that he would keep the situation in view, and that he had left a contact slip at the premises asking the occupant to call him when he returned to Hong Kong.</p> <p>(Note: The rank of Building Safety Officer is a relatively junior rank in the BD hierarchy.)</p> <p><i>Audit reviewed the case file. The position remained the same as that mentioned in (n) above. Audit staff visited the site on 20 August 2003 but could not gain access to the roof because the entrance to it was locked. See Photograph 4 taken by Audit staff.</i></p> <p><i>Besides the question of whether or not the IRS was still in existence, the fact that the entrance to the roof was locked in itself posed a serious fire risk to the occupants of the building.</i></p>
<p><b>Audit comments:</b></p> <p>The BD's follow-up action to remove the IRS has been slow. As at 3 July 2003 (i.e. 979 days after the BD's clearance action had commenced), the IRS was still there, continuing to pose a serious fire risk to the occupants of the building. Furthermore, there was still no firm date for removal action. <b>Further audit observations are discussed in paragraphs 11.3 to 11.13.</b></p>			

Source: BD's records and Audit's inspection

**Photograph 4**

**The locked entrance to the roof of the  
single-staircase building in Mongkok, Kowloon**



The closure order posted by BD  
on site on 28 August 2002

*Source: Photograph taken by Audit staff on 20 August 2003*



**Case 5**

**An abandoned signboard in Nathan Road, Kowloon**

<b>Item</b>	<b>Date</b>	<b>Days elapsed since event in item (a)</b>	<b>Key event</b>
(a)	8.3.2001	—	A BD action team conducted a site inspection of the signboard, which was mounted on the wall of a building in Nathan Road. They found that the signboard was abandoned.
(b)	9.3.2001	1	The action team completed the Dangerous Sign Inspection Report. The report recommended the issue of a DSRN (see para. 8.4).
(c)	13.3.2001	5	The BD issued a DSRN to the owner of the signboard on the grounds that the signboard was likely to become dangerous. The DSRN required the owner to remove the signboard within 14 days from the date of the DSRN. If the owner was in default, the BD might remove the signboard and recover the expenses from him.
(d)	4.7.2002	483	Nothing transpired after item (c) until 4 July 2002 when another BD officer received an enquiry from a member of the public about the signboard. That officer referred the case to the action team for follow-up action, and advised that the management office of the building had confirmed that the signboard had been abandoned.
(e)	31.7.2003	875	<i>Audit reviewed the case file and found that nothing had transpired from item (d). Audit staff visited the site on 31 July 2003 and found that the signboard was still in existence. See Photograph 5 taken by Audit staff on site.</i>

***Audit comments:***

The BD's follow-up action to remove the signboard has been slow. As at 31 July 2003 (i.e. 875 days after the site inspection in which it was established that the signboard had been abandoned and was likely to become dangerous), the abandoned signboard was still in existence.

**Further audit observations are discussed in paragraphs 11.3 to 11.13.**

Source: BD's records and Audit's inspection

**Photograph 5**

**An abandoned signboard in Nathan Road, Kowloon**



Source: *Photograph taken by Audit staff on 31 July 2003*

## Audit observations

11.3 **General observations.** *Once initiated, enforcement action to remove UBW should be vigorous and expeditious. This is because delays prolong the existence of the risks posed by the UBW.* However, as the above case studies show, there are many instances where delays have occurred. Paragraphs 11.4 to 11.13 highlight the key audit observations.

11.4 **Delays in conducting site inspections.** *The site inspection is a crucial step by which the BD ascertains the validity of a complaint and whether enforcement action is required. Delays in conducting site inspections have a knock-on effect on all subsequent steps.*

- In **Case 1**, Audit found a delay by BD staff in carrying out the site inspection. Although the BD received a referral from the Lands D on 22 June 1999, its staff did not carry out a site inspection until **609 days** later on 20 February 2001. Between these two dates, the BD received a reminder from the Lands D on 29 June 2000 and a referral about the same UBW from the Food & Environmental Hygiene Department on 3 January 2001 (see items (a) to (d) in Case 1).
- In **Case 2**, a referral was received on 19 January 2000. However, BD staff did not complete the site inspections until **118 days** later, on 16 May 2000 (see items (a) to (c) in Case 2).

11.5 **Delays in completing inspection reports.** *The inspection report, showing the results of the site inspection, is an important document on which decisions for further action are based. Therefore, Audit would expect reports to be promptly completed after the site inspections.*

- In **Cases 1 and 3**, Audit found that the BD's action teams had taken a long time to complete the inspection reports. From the date of site inspection, the time taken for completion of the inspection reports was **79 days in Case 1** (see item (e) in Case 1), and **66 days in Case 3** (see item (d) in Case 3).

11.6 **Delays in taking follow-up action on inspection reports.** *After an inspection report has been submitted and processed, Audit would expect the BD to take prompt follow-up action.* However, Audit found in the case studies that delays had occurred.

- In **Case 1**, the action team did not proceed to the next step until **140 days** after the completion of the inspection report (see item (f) in Case 1), when a request was sent to the LR for ownership details. Thereafter, no substantive actions were taken for **646 days**, counting up to 5 July 2003 (i.e. the date of audit review). This was despite the BD's recommendation that an s. 24 order should be issued (see items (g) to (j) in Case 1).
- In **Case 4**, the action team did not proceed to the next step until **437 days** after the completion of the inspection report (see item (e) in Case 4). This delay, apparently, had nullified the BD's earlier inspection efforts. In the event, it had to re-perform the inspection (see item (g) in Case 4) before an s. 24 order could be issued.

11.7 **Inadequate follow-up action after execution of closure orders.** *Once a closure order has been executed on the IRS of a single-staircase building, Audit would expect the BD to take prompt action to remove the IRS, otherwise, in the event of a fire, the building would not have an adequate refuge area for the occupants.* However, in **Cases 3 and 4**, Audit found that the BD's follow-up action had been inadequate.

- In **Case 3**, the closure order was executed on 16 November 2001. However, no action was recorded on file until **73 days later** (i.e. on 28 January 2002), when an officer had a telephone conversation with the owner-occupant of the IRS about the matter. Very little took place in 2002. In April 2003, an instruction was issued to arrange for a site inspection. However, up to 5 July 2003 (i.e. **73 days** later and the last time Audit reviewed the case file), there was no record to indicate that the inspection had been carried out (see items (g) to (k) in Case 3).
- In **Case 4**, the closure order was executed on 28 August 2002. In July 2003, the subject IRS was still there. During this period, the BD paid only one site visit to the IRS and made two telephone enquiries on the whereabouts of an affected occupant (see items (k) to (n) in Case 4).

11.8 **Lack of follow-up action after issuing an s. 24 order/DSRN.** *S. 24 orders and DSRNs are law enforcement instruments. Once issued, Audit would expect the BD to take timely follow-up action to check on and enforce compliance with them.*

- In **Case 2**, Audit found that the BD issued an s. 24 order on 22 September 2000. However, a compliance inspection was not conducted until **245 days** later, on 25 May 2001 (see items (g) and (h) in Case 2).
- In **Case 5**, the BD issued a DSRN on 13 March 2001. Up to the time of audit review on 31 July 2003 (i.e. **870 days** after the issue of the DSRN), no substantive actions had been taken to remove the abandoned signboard (see items (c) to (e) in Case 5).

11.9 **No deadline for IRS or UBW removal.** Of the five illustrative cases, four involved the issue of either an s. 24 order or, in the case of Case 5 (which concerns an abandoned signboard), a DSRN. These orders/DSRN have long expired. Audit noted that as at July 2003 no deadline had been set for initiating prosecution and/or GTC action. **Without such a deadline, Audit is concerned that the cases could continue to drag on.**

11.10 **Important decisions made by officers of insufficient seniority.** *In the case studies, Audit noted that important decisions were sometimes made by junior grade BD officers.*

- In **Case 3**, on 28 January 2002, a Building Safety Officer (a technical grade officer) decided to “*wait a little longer*” before taking further action, after a telephone conversation with the owner-occupant of the IRS. As it turned out, no action was taken for the next **309 days** (see items (h) and (i) in Case 3).
- In **Case 3**, on 3 December 2002, a Senior Survey Officer (also a technical grade officer) decided that he would review the case after the coming Chinese New Year holidays. As it turned out, no action was taken for the next **141 days** (see items (i) and (j) in Case 3).
- In **Case 4**, on 3 July 2003, upon learning from an HD officer that an affected occupant of the IRS was still in Mainland China and after seeing some

personal belongings in the IRS, a Building Safety Officer decided to keep the situation in view and left a contact slip at the premises asking the occupant to contact the BD when he returned to Hong Kong (see item (n) in Case 4). **As the officer did not indicate in the file when he would review the case again, in Audit's view, this was tantamount to granting an indefinite stay of action.**

11.11 ***Need to review decision-making levels.*** *In Audit's view, the decisions mentioned in paragraph 11.10 had the effect of deferring effective enforcement action, such as prosecution and/or GTC action.* These decisions could have had serious consequences for the occupants of the single-staircase buildings by prolonging their exposure to serious fire risks. **Audit is concerned that such important decisions were left in the hands of BD's technical grade operational staff, who are relatively junior in the BD hierarchy.** By contrast, Audit notes that other operational decisions (particularly those requiring forceful action) are made by officers at a much higher level. For example, the decision to issue an s. 24 order has to be made by a senior professional officer, and the decision to take prosecution action has to be made by a directorate officer (D1). **Audit considers that the decisions leading to inaction, or deferment of action, are just as important as those that call for action. They deserve attention at a more senior level.**

11.12 ***Need to draw up guidelines to help decision-making.*** In the course of their clearance operations, BD staff often encounter situations that require them to decide whether or not inaction, or deferment of action, is warranted. *In the absence of clear guidelines, questions are bound to arise about the reasonableness of an officer's judgement in a particular case, and about the consistency of judgements of different officers handling similar cases.* **Case 4** is a case in point, where action was deferred because an occupant of the IRS had gone to Mainland China (see para. 11.10). In Audit's view, this decision is not indisputable. Given the situation in Case 4, a different BD case officer assigned to this case may legitimately have decided to take prompt action to demolish the IRS because delay would jeopardise the safety of the building's occupants.

11.13 ***Need to make better use of information technology (IT).*** From the illustrative cases, Audit notes that there is scope for making better use of IT to improve the BD's operational efficiency in the following areas:

- (a) ***Obtaining ownership details from the LR.*** Audit notes that the BD obtained ownership details from the LR mostly through exchange of memos. In the illustrative cases, this process took on average 19 days to complete,

suggesting that there is scope for speeding up the search process through better use of IT. Possible options may include making use of the LR's Direct Access Services (Note 19) and interfacing the BCIS with the LR's computer systems, to minimise the need for manual processing of ownership data; and

- (b) ***Enhancing efficiency of site inspections.*** The BD's inspection reports are prepared manually, which partly explains the length of time it takes to prepare them (see para. 11.5). This suggests that there is scope for using mobile computing devices (such as Personal Digital Assistants and digital cameras) to enhance the operational efficiency of BD staff.

### **Audit recommendations**

11.14 **Audit has recommended that the Director of Buildings should:**

- (a) **closely monitor the BD's enforcement process to ensure that vigorous action is taken to pursue outstanding UBW cases at all stages (see paras. 11.3 to 11.8);**
- (b) **require BD staff to set a deadline for initiating prosecution and/or GTC action for each outstanding s. 24 case. If no action has been initiated by the deadline, justifications should be submitted to an appropriately senior level BD officer for approval (see para. 11.9);**
- (c) **critically review the appropriateness of the present levels of decision-making in the BD, to ensure that decisions are made at a level that is commensurate with their importance and the consequences following from them (see para. 11.11);**

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**Note 19:** *The LR's Direct Access Services allow subscribers to make remote on-line retrieval of the LR's imaged land documents. At the time of audit, Audit noted that although the BD already subscribed to the LR's Direct Access Services, ownership details were still obtained from the LR mostly by paper correspondence.*

- (d) **for the guidance of all BD officers and to ensure consistency in decision-making, issue clear guidelines setting out the circumstances under which inaction, or deferment of action, is considered acceptable (see para. 11.12);**
- (e) **in drawing up the guidelines, pay due regard to the interests of all stakeholders, particularly members of the public whose safety depends on the BD's timely action in removing UBW (see para. 11.12);**
- (f) **in consultation with the Land Registrar, examine how the search process for owners' particulars can be sped up through better use of IT (see para. 11.13(a)); and**
- (g) **provide BD staff who are tasked to perform outdoor inspections with mobile computing devices (e.g. Personal Digital Assistants and digital cameras) to enhance their operational efficiency (see para. 11.13(b)).**

### **Response from the Administration**

11.15 See PART 12 for the Administration's response. On the audit recommendation in paragraph 11.14(f), the **Land Registrar** has also said that:

- (a) the LR and the BD have discussed, from time to time, ways of expediting the process of ascertaining ownership information and of using more fully the Direct Access Services; and
- (b) the LR is developing an Integrated Registration Information System which, when put into operation early next year, will greatly improve the accessibility of ownership information. The LR welcomes suggestions that will further enhance its efficiency in providing ownership information to the BD.



## **PART 12: OVERALL RESPONSE FROM THE ADMINISTRATION**

12.1 The **Secretary for Housing, Planning and Lands** has said that:

- (a) he very much appreciates Audit's detailed study of the subject. He assures Audit that the Administration is totally committed to tackling the UBW problem as cost-effectively as possible. He will certainly study very carefully Audit's recommendations with a view to better achieving this aim;
- (b) where the present monitoring system needs improvement, the HPLB will put in place more robust procedures to ensure better supervision and management oversight; and
- (c) he shares Audit's wish of increasing BD's enforcement action. In setting performance targets, however, the HPLB needs to take into account the resources available.

12.2 The **Director of Buildings** welcomes Audit's recommendations on ways to improve the BD's enforcement action. He has also said that:

- (a) the BD is committed to reducing dangers and hazards caused by UBW. He will, therefore, study very carefully Audit's recommendations so that the BD may achieve its targets in a cost-effective manner. He will also critically assess the implications of the recommendations (including the recommendations for enhancing the BD's targets for service delivery) for the BD's existing capacity and resources; and
- (b) in the meantime, he is keen to improve the BD's efforts in tackling the UBW problem. To this end, the BD is updating records in the BCIS of all s. 24 orders and follow-up action on complaints. To avoid undue slippage in its enforcement action, the BD has recently set up a system to monitor closely the progress of follow-up action at both operational and management level. The BD will also make special efforts to clear the backlog of outstanding s. 24 orders, taking into consideration the resources available and the need to prioritise removal of UBW posing a high safety risk.

**The 2001 Strategy — revised enforcement policy against UBW**

The revised enforcement policy against UBW will re-focus priorities and broaden the scope for enforcement action. Resources will be directed to the removal of:

- (a) items constituting obvious or imminent danger to life or property;
- (b) new items, irrespective of the date of completion of the building where they have been carried out;
- (c) items in or on buildings, on podiums and rooftops, in yards and lanes (including unauthorised site formation works) constituting a serious hazard or a serious environmental nuisance, as determined by the Building Authority;
- (d) major individual items;
- (e) items in or on individual buildings with extensive UBW;
- (f) items identified in buildings or groups of buildings targeted for large-scale operations or maintenance programmes; and
- (g) unauthorised alteration to or works in environmentally friendly features of a building (e.g. balconies, sky or podium gardens) for which exemption from calculation of gross floor area has been granted by the Building Authority.

**Re-housing eligibility criteria for public rental housing  
for IRS occupants affected by clearance operations**

The Government's policy is that no one will be rendered homeless by an IRS clearance. Affected IRS occupants in genuine need of subsidized accommodation are re-housed to public rental housing in accordance with the eligibility criteria set out as follows:

- (a) The IRS was built before 1982. This criterion is aimed at containing the proliferation of IRS.
- (b) The requisite residence requirement is met. Until recently, the requirement was residence in the IRS on or before 1982. On 19 December 2002, the Housing Authority approved the relaxation of this requirement. Under the new arrangements, families who have resided in the affected structures for two years or more prior to the date of a statutory order being served by the BD will be deemed to have applied for public rental housing through the Waiting List for two years and will be re-housed to public rental flats upon clearance. Affected households with less than two years' residence and in need of accommodation will be re-housed to Interim Housing to wait their turn for public rental housing through the Waiting List.
- (c) The income and assets of the IRS occupants meet the prescribed limits for the Waiting List.
- (d) At least half of the family members have resided in Hong Kong for seven years. Children with either parent having resided in Hong Kong for seven years will be deemed to have resided in Hong Kong for seven years.

2. The criteria set out above are necessary to prevent the erection of new IRS and to ensure that subsidised rental housing is only provided to those in genuine need. Families not meeting these criteria will be given priority to apply for the Home Assistance Loan Scheme, or re-housed to Interim Housing to meet their temporary housing needs. Singleton and doubleton families, in addition to the above, may opt for a cash allowance in lieu of re-housing. In addition, families with special social or medical needs, including elderly households, will be given compassionate re-housing upon the Social Welfare Department's recommendation.

*Source: LegCo paper*

**Submission and supervision requirements under the  
Buildings (Amendment) Bill 2003  
— new minor works control scheme**

	<b>Building works (other than minor works)</b>	<b>Minor works</b>		
		<b>Category I</b>	<b>Category II (Note)</b>	<b>Category III</b>
Obtaining of BD's approval of plans and consent <i>before</i> commencement of works	✓	×	×	×
Design, supervision and certification by APs and registered structural engineers	✓	✓	×	×
Submission of plans and documents to BD for record <i>before</i> commencement of works	N/A	✓	✓	×
Submission of as-built plans and certificate of completion to BD <i>after</i> completion of works	✓	✓	✓	✓ (except removal of UBW)

Source: LegCo paper

Legend: ✓ means required.  
× means not required.

Note: The Buildings (Amendment) Bill 2003 provides that the BD may by notice in the Gazette specify different types of minor works having regard to the nature, scale, complexity and structural implications of and the risks likely to be incurred by the works. Three different categories, namely I, II and III, may be so specified. For example, Category I, II and III for signboards refer to the erection or alteration of signboards having different sizes of display area.

**Comparison of the new minor works control scheme  
with the signboard registration scheme approved by ExCo in April 2001**

<b>Item</b>	<b>Key feature of the signboard registration scheme</b>	<b>Does the new minor works control scheme have this feature?</b>
(a)	To define signboards according to size with requirements commensurate with their size	Yes
(b)	To define the signboard owner	Yes (Note 1)
(c)	To introduce a new category of building works viz “minor works” to include signboards, and a new register for minor works contractors including signboard contractors	Yes
(d)	<p>To require the applicant for registration of a <b>new</b> signboard registration to present:</p> <p>(i) a certificate of safety covering structural, positional and fire (including electrical) safety of the signboard;</p> <p>(ii) a statement of arrangements for maintaining the signboard in good repair;</p> <p>(iii) a declaration as to who caused the signboard to be constructed and an undertaking from that person to remove the signboard when it is not required;</p> <p>(iv) a public liability insurance policy for the signboard; and</p> <p>(v) a document indicating building owners’ consent</p>	<p>Yes (Note 2)</p> <p><b>No</b></p> <p><b>No</b></p> <p><b>No</b></p> <p><b>No</b></p>

<b>Item</b>	<b>Key feature of the signboard registration scheme</b>	<b>Does the new minor works control scheme have this feature?</b>
(e)	<p>To require the applicant for registration of an <b>existing</b> signboard to present:</p> <p>(i) a general appraisal by a building professional (for very large signboards) or a registered signboard contractor (for other registrable signboards) of the structural, positional and fire (including electrical) safety of the signboard; and</p> <p>(ii) documents that are similar to those mentioned in (ii) to (iv) of item (d) above</p>	<p><b>No</b></p> <p><b>No</b></p>
(f)	<p>To remove existing signboards which are still unregistered after a two-year grace period has been given for signboard owners to comply with requirements</p>	<p><b>No</b></p>
(g)	<p>For effective enforcement, to introduce new offences for failure to register a registrable signboard, abandoning a signboard, failure to display the registration number and displaying a false registration number on an unregistered registrable signboard</p>	<p><b>No</b></p>
(h)	<p>To issue technical guidelines on construction and maintenance of signboards, together with advice on the requirements of other government departments</p>	<p>Yes (Note 3)</p>
(i)	<p>To ensure signboard owners' continuing compliance with requirements through renewal of registration every three years</p>	<p><b>No</b></p>

Source: *LegCo papers*

Note 1: *The Buildings (Amendment) Bill 2003 (see para. 8.10 of the report) defines who shall be served statutory orders requiring the removal of unauthorised signboards.*

Note 2: *This has to some extent been addressed by the new minor works control scheme. For all categories of minor works, the BD will require submission of as-built plans and a certificate of completion certifying the structural safety of the works concerned, once they are completed.*

Note 3: *The Bill provides for a new regulation that specifies the requirements for signboards projecting over streets. The BD has also planned to issue new technical guidelines on the construction and maintenance of signboards.*

## Appendix E

### Acronyms and abbreviations

AP	Authorised person
BCIS	Buildings condition information system
BD	Buildings Department
BO	Buildings Ordinance — Cap. 123
CMBS	Coordinated Maintenance of Buildings Scheme
COR	Controlling Officer's Report
DSRNs	Dangerous Structure Removal Notices
ExCo	Executive Council
GTC	Government term contractor
HD	Housing Department
HPLB	Housing, Planning and Lands Bureau
IE	Obviously/Likely immediate enforcement actions
IRS	Illegal rooftop structures
Lands D	Lands Department
LegCo	Legislative Council
LR	Land Registry
NIACO	Notice of intention to apply for a closure order
OCs	Owners' corporations
PHMSO	Public Health and Municipal Services Ordinance — Cap. 132
S. 24 order	Statutory order issued under section 24 of the Buildings Ordinance
Task Force	The Planning and Lands Bureau Task Force
UBW	Unauthorised building works