

# **CHAPTER 1**

## **Development Bureau**

### **Conservation of monuments and historic buildings**

**Audit Commission  
Hong Kong  
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*This audit review was carried out under a set of guidelines tabled in the Provisional Legislative Council by the Chairman of the Public Accounts Committee on 11 February 1998. The guidelines were agreed between the Public Accounts Committee and the Director of Audit and accepted by the Government of the Hong Kong Special Administrative Region.*

Report No. 60 of the Director of Audit contains 8 Chapters which are available on our website at <http://www.aud.gov.hk>

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# CONSERVATION OF MONUMENTS AND HISTORIC BUILDINGS

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# CONSERVATION OF MONUMENTS AND HISTORIC BUILDINGS

## Executive Summary

1. Heritage and historic buildings are valuable assets of society which enshrine a city's significant past developments. A good system of conservation and promotion of these assets helps people develop a sense of belonging to society and promote tourism. Under the Antiquities and Monuments Ordinance (A&M Ordinance — Cap. 53), the Antiquities Authority (who is the Secretary for Development) may declare a place, building, site or structure (by reasons of its historical significance) a monument for protection from excavation, demolition or alteration. As of February 2013, there were 101 declared monuments, of which 57 were owned by the Government and the remaining 44 by private bodies.

2. Furthermore, the Antiquities Advisory Board (AAB) has implemented an administrative grading system for classifying historic buildings into three grades (namely Grades 1, 2 and 3), where Grade-1 buildings are those of outstanding merits, Grade-2 buildings of special merits and Grade-3 buildings of some merits. As of February 2013, there were 917 graded historic buildings (comprising 153 Grade-1, 322 Grade-2 and 442 Grade-3 buildings), of which 203 were owned by the Government and 714 by private bodies.

3. The Antiquities and Monuments Office (AMO) set up under the Leisure and Cultural Services Department is responsible for protecting and conserving Hong Kong's archaeological and built heritage, and increasing awareness, understanding and appreciation of cultural heritage by facilitating public access to the heritage. Moreover, the Commissioner for Heritage's Office (CHO) set up under the Development Bureau (DEVB) is responsible for providing policy support and guidance to the AMO, and implementing heritage conservation and revitalisation projects. In 2012-13, the estimated expenditures of the AMO and the CHO were \$98 million and \$45 million respectively.

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### Declaration of monuments

4. Upon noting that a historic building is having a demolition risk, the Antiquities Authority may, under the A&M Ordinance, declare the building a proposed monument for a period of 12 months. The purpose is to provide the building with immediate protection against demolition. From 1982 to 2012, five historic buildings had been declared proposed monuments, namely Ohel Leah Synagogue at Robinson Road, Morrison Building in Tuen Mun, Jessville at Pok Fu Lam Road, King Yin Lei at Stubbs Road and Ho Tung Gardens at Peak Road. In the event, Morrison Building and King Yin Lei were subsequently declared monuments, Ohel Leah Synagogue and Ho Tung Gardens were classified as Grade-1 buildings and Jessville a Grade-3 building (paras. 2.2 and 2.7).

5. *Experience drawn from Ho Tung Gardens case.* In October 2011, after assessing the heritage merits of Ho Tung Gardens, the Antiquities Authority announced to the public of his intention to declare the Gardens a monument. In the event, the Chief Executive-in-Council later directed that the monument declaration should not be made. According to the DEVB, the Government could not reach agreement with the owner over the related financial compensation and opening of the Gardens for public visits. In this connection, research by the Audit Commission (Audit) has revealed that some overseas countries have statutory provisions to help the governments acquire private historic buildings for conservation (paras. 2.16 to 2.18).

### Assessment of historic buildings

6. From 1996 to 2000, the AMO conducted a territory-wide survey of historic buildings and identified 1,444 buildings with high heritage value. From 2002 to 2004, the AMO carried out assessments of these 1,444 buildings. From 2005 to 2009, an Assessment Panel of the AAB further conducted assessments and, in 2009, the AAB announced the proposed grading of these buildings. Thereafter, the AMO consulted the owners of the related private buildings and informed the Government bureaux or departments (B/Ds) of the related Government buildings before the AAB confirmed the grading of the buildings. As of February 2013, of these 1,444 buildings, 53 (4%) had been confirmed as monuments, 917 (63%) as graded buildings and 276 (19%) as No-grade buildings while 23 (2%) had been demolished and the grading of the remaining 175 buildings (12%) had not been confirmed (paras. 1.7, 1.8, 1.12, 1.13 and 3.2).

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7. ***Grading of 1,444 historic buildings not yet completed.*** In March 2010, the DEVB informed the Legislative Council Panel on Development that the AAB had targeted to complete the grading of the 1,444 historic buildings in 2010. However, as of February 2013, more than two years after the target completion date, the grading of 175 historic buildings had not yet been confirmed. Furthermore, as of February 2013, other than the 1,444 historic buildings, the AMO had received public referrals of 202 buildings for historic-value assessments (paras. 3.3, 3.4 and 3.8).

### Government monuments and graded buildings

8. Most of the Government monuments and graded buildings have been put into use by B/Ds, and guided tours have been arranged for some of them (paras. 4.5 and 4.14).

9. ***Lack of conservation of 10 unallocated Government graded buildings.*** Audit examination revealed that, as of February 2013, of the 203 Government graded buildings, 10 had not been allocated to any B/Ds. Audit noted that these buildings had been left unattended for a long period of time, and owing to the lack of proper maintenance, some of these buildings had become dilapidated and might pose safety risks to visitors (paras. 4.3 to 4.8).

10. ***Government monument and graded buildings left unused.*** Audit examination also revealed that, as of December 2012, of the 57 Government declared monuments and 193 (203 less 10) Government graded buildings which had been allocated to B/Ds or private bodies for use, one monument and five graded buildings had been left unused for a long period of time, ranging from 6 to 20 years (paras. 4.3, 4.5 and 4.9).

11. ***Guided tours not organised for many Government historic premises.*** Audit examination revealed that, from 2009 to 2012, no guided tours had been organised for 36 (63%) of the 57 Government monuments and 152 (75%) of the 203 Government graded buildings. The lack of guided tours to these historic premises is not conducive to promoting awareness, understanding and appreciation of heritage in Hong Kong (paras. 4.14 and 4.16).

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### Private monuments and graded buildings

12. Under the Buildings Ordinance (Cap. 123), the owner of a private building needs to obtain approval from the Buildings Department (BD) before commencing any building demolition or alteration works. Furthermore, under the Buildings Ordinance (Application to the New Territories) Ordinance (Cap. 121), the owner of a small house in the New Territories may be exempted from obtaining approval from the BD for building demolition or alteration works if he has obtained a Certificate of Exemption from the Lands Department (Lands D). Since October 2009, with a view to conserving private historic buildings, the DEVB has tasked the BD and the Lands D to notify the CHO and the AMO of any applications for demolishing or altering monuments and graded buildings. Upon receipt of such notifications, the CHO and the AMO will discuss with the building owners on possible economic incentives for conserving the buildings (paras. 5.3 and 5.4).

13. *CHO and AMO not being notified of the demolition of some private historic buildings.* Audit examination revealed that, from March 2009 to February 2013, a Grade-3 building and five proposed Grade-3 buildings in the New Territories had been demolished without obtaining approval from the BD or the Lands D. However, the BD had not taken any enforcement action against the building owners. Furthermore, the Lands D, after noting the demolition plan of a Grade-3 building and a proposed Grade-3 building, had not notified the CHO and the AMO. The buildings were subsequently demolished (paras. 5.5 to 5.9).

### Promotion of heritage conservation

14. *Information signs not erected outside many monuments and graded buildings.* Information signs erected outside monuments and graded buildings help the general public locate these premises and provide information on their historic significance. However, Audit noted that information signs had not been erected outside many Government and private monuments and almost all the Government and private graded buildings (para. 6.4).

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### Audit recommendations

15. Audit recommendations are provided in PART 7 of this Audit Report. Only the key ones are highlighted in this Executive Summary. Audit has *recommended* that the Secretary for Development should:

#### *Declaration of monuments*

- (a) conduct a review of the existing mechanism for heritage conservation, particularly that relating to private historic buildings, drawing experience from the Ho Tung Gardens case and making reference to overseas practices (para. 7.12(a));

#### *Assessment of historic buildings*

- (b) task the Executive Secretary of the AMO to formulate a plan for confirming the grading of the outstanding 175 historic buildings (para. 7.12(b)(i));

#### *Government monuments and graded buildings*

- (c) take measures to ensure that all unallocated Government graded buildings (particularly the 10 unallocated buildings identified by Audit) are properly maintained and gainfully used (para. 7.12(c));
- (d) task the Commissioner for Heritage to periodically organise guided tours to Government monuments and graded buildings as far as practicable (para. 7.12(e)(i));

#### *Private monuments and graded buildings*

- (e) task the Executive Secretary of the AMO to conduct promotion campaigns on the requirements for building owners to seek the BD's consent before demolition of historic buildings (para. 7.12(f)(i));
- (f) remind the related B/Ds of the requirement to notify the CHO and the AMO of any demolition or alteration plans of private historic buildings (para. 7.12(g)); and

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### *Promotion of heritage conservation*

- (g) **task the Executive Secretary of the AMO to take action to erect information signs outside all Government monuments and graded buildings, and persuade the owners of private monuments and graded buildings to allow the erection of information signs outside their buildings as far as possible (para. 7.12(i)(i) and (ii)).**

16. **Audit has also *recommended* that, regarding the six Government historic buildings that have been left unused for a long period of time, the relevant Government departments should take action to ensure that the buildings are properly utilised (para. 7.13).**

### **Response from the Administration**

17. **The Administration agrees with the audit recommendations. The Secretary for Development also thanks Audit for undertaking this audit review.**

## **PART 1: INTRODUCTION**

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

### ***Background***

1.2 Heritage and historic buildings are valuable assets of society which enshrine a city's significant past developments. A good system of conservation and promotion of these assets helps people understand the city's history and develop a sense of belonging to society. In Hong Kong, these assets could also help promote tourism and enhance the attractiveness of Hong Kong as Asia's world city. However, with the increasing demand for land for residential and commercial developments, these valuable assets may not be preserved unless the Government makes effective and vigorous conservation efforts.

1.3 The Antiquities and Monuments Ordinance (A&M Ordinance — Cap. 53), enacted in 1971, has been effective since 1976. Under the Ordinance, the Antiquities Authority (who is the Secretary for Development — Note 1) has various powers and duties for the preservation of objects of historical, archaeological and palaeontological interest. Among other things, the Antiquities Authority may, after consulting the Antiquities Advisory Board (AAB — Note 2) and with the approval of the Chief Executive of the Hong Kong Special Administrative Region, declare a place, building, site or structure which he considers to be of public interest by

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**Note 1:** *The Antiquities Authority was the Secretary for Home Affairs in respect of Hong Kong and Kowloon, and the Secretary for the New Territories in respect of the New Territories (1976 to 1982); the Director of Urban Services (1982 to 1985); the Secretary for Municipal Services (1985 to 1989); the Secretary for Recreation and Culture (1989 to 1996); the Secretary for Broadcasting, Culture and Sport (1996 to 1998); the Secretary for Home Affairs (1998 to 2007); and the Secretary for Development (since July 2007).*

**Note 2:** *As of February 2013, the AAB comprised a Chairman and 22 members from different sectors of the community, who were appointed on a two-year term.*

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reasons of its historical, archaeological or palaeontological significance to be a monument for protection (Note 3). The first monument, namely a rock carving at Big Wave Bay, was declared in 1978. Photographs 1 to 8 show eight declared monuments in Hong Kong.

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**Note 3:** *Under the A&M Ordinance, a monument is protected from acts such as excavation, demolition, alteration, tree planting or depositing of refuse, unless a permit is granted by the Antiquities Authority. Any person who carries out works on a monument without such a permit may be subject to prosecution and liable, on conviction, to a fine of \$100,000 and imprisonment for one year.*

Photographs 1 to 8  
Eight monuments

Photograph 1



Rock Carving at Big Wave Bay

Photograph 2



Cape D' Aguilar Lighthouse

Photograph 3



Former Kowloon-Canton Railway  
Clock Tower

Photograph 4



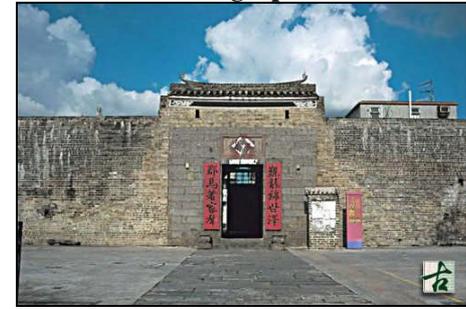
Hong Kong Observatory

Photograph 5



Kom Tong Hall

Photograph 6



Kun Lung Gate Tower

Photograph 7



Law Uk Hakka House

Photograph 8



Man Mo Temple Compound

Source: *Antiquities and Monuments Office records*

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### *Antiquities Advisory Board*

1.4 The AAB is a statutory body established in 1976 under the A&M Ordinance. Its terms of reference include advising the Antiquities Authority on:

- (a) whether a place, building, site or structure should be declared a monument or a proposed monument (Note 4);
- (b) any matters relating to antiquities, proposed monuments or monuments, or referred to it for consultation; and
- (c) measures to promote:
  - (i) the restoration and conservation of historic buildings and structures;
  - (ii) the conservation, and where necessary, the investigation of archaeological sites; and
  - (iii) awareness of and concern for the conservation of Hong Kong's heritage.

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**Note 4:** *Upon noting a historic building is having a risk of demolition, the Antiquities Authority may, after consultation with the AAB, declare the building a proposed monument. In the case of a declaration of a proposed monument within private land, the declaration shall have effect for 12 months which cannot be extended.*

### *Antiquities and Monuments Office*

1.5 The Antiquities and Monuments Office (AMO — Note 5), set up in 1976, is presently established under the Leisure and Cultural Services Department (LCSD). In respect of built heritage issues, the Development Bureau (DEVB) provides policy directives to the LCSD. Moreover, the AMO provides secretarial and administrative support to the AAB. Headed by the Executive Secretary, the AMO is also tasked to:

- (a) protect and conserve Hong Kong's archaeological and built heritage;
- (b) promote the study of the prehistory and history of Hong Kong through its archaeological and built heritage;
- (c) increase awareness, understanding and appreciation of cultural heritage by facilitating public access to the heritage;
- (d) encourage and promote public participation in heritage preservation;
- (e) foster a sense of belonging and identity and to strengthen Hong Kong's own unique culture;
- (f) enhance co-operation with local and overseas institutions to promote heritage preservation and education; and
- (g) promote tourism through innovative adaptive re-use of Hong Kong's heritage.

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**Note 5:** *The AMO was established under the Urban Services Department (1976 to 1985), the Municipal Services Branch, the Recreation and Culture Branch and the Broadcasting, Culture and Sport Branch of the Government Secretariat (1985 to 1997), the Broadcasting, Culture and Sport Bureau (1997 to 1998), the Home Affairs Bureau (1998 to 1999), and the Leisure and Cultural Services Department (since January 2000).*

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As of February 2013, the AMO had an establishment of 117 staff (comprising 70 permanent staff and 47 contract staff) and its estimated expenditure in 2012-13 was \$98 million.

### *Grading system*

1.6 Since 1980, the AAB has implemented an administrative grading system for classifying historic buildings into the following three grades according to their heritage significance:

- (a) **Grade 1.** Grade-1 buildings are those of outstanding merits, of which every effort should be made for preservation if possible;
- (b) **Grade 2.** Grade-2 buildings are those of special merits, of which efforts should be made for selective preservation; and
- (c) **Grade 3.** Grade-3 buildings are those of some merits, of which preservation in some form would be desirable and alternative means could be considered if preservation is not practicable.

The administrative grading system is not established under any legislation. Therefore, graded buildings are not statutorily protected from demolition. According to the DEVB, the Government has been taking measures to protect and preserve graded buildings in a way which is commensurate with their merits. From 1980 to 1996, 398 buildings had been graded under the system.

### *Assessment of 1,444 historic buildings from 2005*

1.7 Between 1996 and 2000, the AMO conducted a territory-wide survey of buildings built before 1950 and those with historic significance for compiling a comprehensive inventory of historic buildings in Hong Kong. The survey identified some 8,800 buildings, from which the AMO selected 1,444 buildings (16%) with higher heritage value for assessments from 2002 to 2004.

1.8 In December 2004, based on the results of a public consultation on heritage conservation, the AMO formulated six criteria for assessing the heritage value of historic buildings, namely historical interest, architectural merits, group value, social value and local interest, authenticity, and rarity. In March 2005, the AAB formed an Assessment Panel (comprising the Executive Secretary of the AMO and six local experts and historians) to commence in-depth assessments of the heritage value of the 1,444 buildings.

### *Heritage conservation policy in 2007*

1.9 At its meeting in September 2007, the Executive Council advised and the Chief Executive ordered that:

- (a) the following policy statement should be adopted to guide heritage conservation work:

“To protect, conserve and revitalise as appropriate historical and heritage sites and buildings through relevant and sustainable approaches for the benefit and enjoyment of present and future generations. In implementing this policy, due regard should be given to development needs in the public interest, respect for private property rights, budgetary considerations, cross-sector collaboration and active engagement of stakeholders and the general public”; and

- (b) the following package of initiatives should be implemented:
  - (i) the Administration to focus for the time being on administrative means to implement measures on heritage conservation instead of using legislative means;
  - (ii) in the Government domain, the Administration to:
    - introduce an internal mechanism requiring Heritage Impact Assessments to be conducted for new capital works projects where necessary; and

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- introduce a scheme for adaptive re-use of Government historic buildings by engaging non-profit-making organisations (NPOs) for running social enterprises;
- (iii) in the private sector domain, the Administration to:
- accept in principle the need for appropriate incentive schemes to facilitate the conservation of private historic buildings and undertake to actively engage relevant stakeholders in devising appropriate measures, including land exchange and transfer of development rights; and
  - extend the financial assistance to enhance the maintenance of private historic buildings from declared monuments to graded buildings subject to certain conditions;
- (iv) set up a Commissioner for Heritage's Office (CHO) in the DEVB to provide a focal point for the Government's heritage conservation work, and local and overseas networking;
- (v) in the long run, examine the setting up of a heritage trust in Hong Kong to take over heritage conservation work and better mobilise community support; and
- (vi) proactively engage the public to ensure views of stakeholders and concern groups are taken into account in finalising the above initiatives for implementation.

### ***Commissioner for Heritage's Office***

1.10 In April 2008, the CHO, headed by the Commissioner for Heritage, was set up in the DEVB (see para. 1.9(b)(iv)). Its duties include:

- (a) taking forward new initiatives on heritage conservation, including:
  - (i) implementation of the Revitalising Historic Buildings Through Partnership Scheme (Revitalisation Scheme);
  - (ii) implementation of the Heritage Impact Assessment mechanism for new capital works projects;
  - (iii) devising economic incentives for conservation of private historic buildings;
  - (iv) extending financial assistance on maintenance to private graded historic buildings; and
  - (v) implementing heritage conservation and revitalisation projects;
- (b) serving as a focal point of both local and overseas contacts on heritage conservation matters;
- (c) spearheading the engagement of stakeholders and the public in the implementation of heritage conservation initiatives and liaising with concerned organisations;
- (d) providing policy support and guidance to the AMO;
- (e) conducting research on policies, legislation and practices on heritage conservation; and
- (f) overseeing the handling of enquiries, complaints and suggestions from the public and media on heritage conservation matters.

As of February 2013, the CHO had an establishment of 36 staff and its estimated expenditure in 2012-13 was \$45 million.

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### *Conduct of Heritage Impact Assessments*

1.11 Since the formulation of the heritage conservation policy in 2007 (see para. 1.9), as of February 2013, works departments had completed 19 Heritage Impact Assessments for new Government capital works projects. Based on the assessment results, the departments were required to implement some mitigation measures to reduce adverse impacts of works projects on related historic premises.

### *Grading of historic buildings from March 2009 to February 2013*

1.12 Prior to March 2009, there were 86 declared monuments. In March 2009, based on the Assessment Panel's assessment results (see para. 1.8), the AAB announced the following proposed grading of the 1,444 buildings (Note 6):

• Proposed Grade 1:	212 buildings
• Proposed Grade 2:	366 buildings
• Proposed Grade 3:	576 buildings
• Proposed No-grade:	290 buildings
	<hr/>
Total:	1,444 buildings

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**Note 6:** *The 1,444 buildings included 543 buildings which had previously been graded by the AAB.*

From April to July 2009, the AAB conducted a public consultation on the proposed grading. In July 2009, the AMO sent letters (Note 7) to the owners of the private buildings concerned to seek their views on the proposed grading and to invite submissions of further information about the buildings. According to the “step-by-step” approach adopted by the AAB in September 2009, the AAB would firstly confirm the grading of those buildings where the owners did not raise comments during consultation. Thereafter, the AAB would consider the grading of buildings where their owners have raised queries or requests for delisting from grading. For Government buildings, the AMO would inform the Government bureaux or departments (B/Ds) concerned of the proposed grading before submitting the grading proposals to the AAB for confirmation.

1.13 As of February 2013, the AAB had confirmed the grading of most of the 1,444 buildings. Details are shown in Table 1.

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**Note 7:** *In the letters, building owners were informed of the aim of the grading assessment, the definition of each grade and possible implications arising from the grading exercise. The owners were also encouraged to discuss with the AMO and the CHO about options for conservation of their buildings if they had development plans for the buildings.*

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**Table 1**  
**Grading of 1,444 buildings**  
**(March 2009 and February 2013)**

Particulars	Proposed grading as of March 2009 (No.)	Confirmed grading as of February 2013 (No.)
(a) Declared monument	—	53 (15 monuments — Note 1)
(b) Grade 1	212	153
(c) Grade 2	366	322
(d) Grade 3	576	442
(e) No grade	290	276
(f) Building already demolished	—	23 (Note 2)
(g) Proposed grading not yet confirmed by the AAB	—	175 (Note 3)
Total	1,444	1,444

*Source: Audit analysis of records of the AMO and the Buildings Department*

*Note 1: As some buildings in the same location had been grouped as one monument, the 53 buildings had been declared 15 monuments (9 monuments for 44 Government buildings and 6 monuments for 9 private buildings). For example, 22 historic buildings at the Tai Tam Group of Reservoirs had been declared one monument.*

*Note 2: Of these 23 buildings, the AAB had confirmed the grading of 13 (2 Grade-2, 5 Grade-3 and 6 No-grade buildings), but had not confirmed that of the remaining 10 (9 proposed Grade-3 and 1 proposed No-grade buildings). According to the AMO, some facades or architectural features of 5 of the 23 buildings had been preserved.*

*Note 3: According to the AMO, substantial alteration works had been carried out for 8 of the 175 buildings.*

***Monuments and graded buildings as of February 2013***

1.14 As of February 2013, there were 101 declared monuments and 917 graded buildings in Hong Kong (see Table 2). Declared monuments comprise buildings, archaeological sites, rock carvings, kilns and forts.

**Table 2**  
**Monuments and graded buildings**  
**(February 2013)**

<b>Grading</b>	<b>Government (No.)</b>	<b>Private (No.)</b>	<b>Total (No.)</b>
<u>Declared monument</u>			
• As of March 2009	48	38	86
• April 2009 to February 2013	9	6	15 (see (a) in Table 1)
Sub-total	— 57 (Note)	— 44	— 101
<u>Graded building</u>			
• Grade 1	58	95	153
• Grade 2	89	233	322
• Grade 3	56	386	442
Sub-total	— 203	— 714	— 917
Total	260	758	1,018

*Source: Audit analysis of AMO records*

*Note: Of the 57 Government monuments, 39 were buildings and 18 were archaeological sites, rock carvings, kilns and forts.*

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1.15 Government monuments and graded buildings are mainly maintained by the Architectural Services Department (ArchSD). Owners of private monuments and graded buildings are responsible for the premises' maintenance. The AMO will carry out restoration and maintenance for private monuments on the condition that the owners agree to accept arrangements for public access to their buildings.

### ***Significant events on heritage conservation in recent years***

1.16 In recent years, there has been growing public interest over heritage conservation in Hong Kong. The Government formulated the heritage conservation policy in 2007 and set up the CHO in 2008 to strengthen efforts in heritage conservation (see paras. 1.9 and 1.10). Related events in recent years which aroused significant public concern included:

- (a) the demolition of the old Star Ferry Pier in 2006;
- (b) the demolition of the Queen's Pier in 2007;
- (c) the declaration of King Yin Lei as a monument in 2008 (see para. 2.11);
- (d) the intended declaration of Ho Tung Gardens as a monument in 2011 (see para. 2.12); and
- (e) the preservation of West Wing of the Former Central Government Offices in 2012.

### ***Government policy on heritage conservation***

1.17 It is the Government's policy objective to strike a proper balance between respect for private property rights and heritage conservation. The Government recognises that on the premise of respecting private property rights, the Administration needs to offer appropriate economic incentives to encourage private owners to conserve historic buildings in their ownership.

1.18 In his 2013 Policy Address, the Chief Executive has said that the Government needs to review the policy on the conservation of private historic buildings.

### **Audit review**

1.19 In view of the growing public interest in heritage conservation, the Audit Commission (Audit) has recently conducted a review of the Government's actions on conserving monuments and historic buildings, with a view to identifying areas for improvement. The review focuses on the following areas:

- (a) declaration of monuments (PART 2);
- (b) assessment of historic buildings (PART 3);
- (c) Government monuments and graded buildings (PART 4);
- (d) private monuments and graded buildings (PART 5);
- (e) promotion of heritage conservation (PART 6); and
- (f) way forward (PART 7).

In this Audit Report, Audit has identified areas where improvements can be made by the Government in conserving the heritage of Hong Kong, and has made recommendations to address the issues identified.

### **General response from the Administration**

1.20 The Administration agrees with the audit recommendations. The Secretary for Development also thanks Audit for undertaking this audit review.

### Acknowledgement

1.21 Audit would like to acknowledge with gratitude the full co-operation of the staff of the following B/Ds during the course of the audit review:

- the DEVB;
- the LCSD;
- the ArchSD;
- the Buildings Department (BD);
- the Department of Health (DH);
- the Government Property Agency (GPA);
- the Lands Department (Lands D);
- the Planning Department (Plan D); and
- the Water Supplies Department (WSD).

## **PART 2: DECLARATION OF MONUMENTS**

2.1 This PART examines the actions taken by the Antiquities Authority in declaring monuments in recent years with a view to identifying areas for improvement.

### **Declaration of monuments and proposed monuments**

2.2 In 1976, the A&M Ordinance took effect to provide statutory protection to declared monuments (see para. 1.3). In 1982, the Ordinance was revised to include provisions for declaration of proposed monuments. Under the Ordinance, both declared monuments and proposed monuments are protected from excavation, demolition or alteration, unless a permit is granted by the Antiquities Authority. Details of the declarations are as follows:

- (a) *Declaration of monuments.* The Antiquities Authority may, after consultation with the AAB and with the approval of the Chief Executive, by notice in the Gazette, declare any place, building, site or structure, which the Authority considers to be of public interest by reason of its historical, archaeological or palaeontological significance, to be a monument for protection. If a place intended to be declared a monument is within private land, the Antiquities Authority needs to serve a notice of the intended declaration and a plan showing the location of the intended monument on the owner (and any lawful occupier of the private land) of his intention to make such a declaration. In response, the owner or occupier may make an objection by petition to the Chief Executive. The Chief Executive may direct that the intended declaration shall not be made or the objection be referred to the Chief Executive-in-Council. After considering the objection, the Chief Executive-in-Council may direct that a declaration shall be made, or shall be made subject to variations or conditions as he thinks fit, or shall not be made. A direction of the Chief Executive or the Chief Executive-in-Council shall be final; and
- (b) *Declaration of proposed monuments.* Upon noting that a historic building within private land is having a demolition risk, the Antiquities Authority may, after consulting the AAB, declare the building a proposed monument for a period of 12 months. The purpose is to provide the building with immediate protection against demolition, and time for the

## **Declaration of monuments**

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Antiquities Authority to consider whether or not the building shall be declared a monument. The 12-month period cannot be extended. After making the declaration, the Antiquities Authority needs to serve a notice of declaration together with a plan showing the location of the proposed monument on the owner (and any lawful occupier of the private land) of the declaration. In response, the owner or lawful occupier may at any time apply to the Antiquities Authority for withdrawal of the declaration. If the Antiquities Authority does not agree to withdraw the declaration, the owner or occupier may make a petition to the Chief Executive to object to the declaration. Under the circumstance, the Chief Executive may direct that the declaration be withdrawn or the objection be referred to the Chief Executive-in-Council. After considering the objection, the Chief Executive-in-Council may direct that the declaration shall be made, or shall be made subject to variations or conditions as he thinks fit, or shall not be made. A direction of the Chief Executive or the Chief Executive-in-Council shall be final.

### ***Compensation to owners of monuments and proposed monuments***

2.3 Under the A&M Ordinance, any person wishing to carry out works within the boundary of a monument or proposed monument is required to apply for a permit from the Antiquities Authority. If the Antiquities Authority refuses to grant the permit, the owner or lawful occupier of a monument or proposed monument may make a claim for compensation in respect of any financial loss he suffered or will suffer as a result of the refusal to grant the permit. With prior approval of the Chief Executive, the Antiquities Authority may pay compensation to the owner or lawful occupier. The amount of compensation may be agreed between the owner/lawful occupier and the Antiquities Authority and, in the absence of an agreement, may be assessed and awarded by the District Court.

### ***Declaration of monuments in recent years***

2.4 According to the LCSD's Controlling Officer's Report, two to three historic buildings are selected every year for monument declaration. Before proposing to the AAB for support and to the Chief Executive for approval for making any monument declaration, the AMO will seek the consent of the owners (in respect of private buildings) or the B/Ds concerned (in respect of Government buildings).

2.5 In the five years from 2008 to 2012, the Antiquities Authority had declared the following 10 Government buildings (Note 8) and 8 private buildings (Note 9) monuments:

**(I) 10 Government buildings declared as monuments**

- (a) Green Island Lighthouse Compound in 2008
- (b) 3 Historic Structures of Wong Nai Chung Reservoir in 2009
- (c) 4 Historic Structures of Aberdeen Reservoir in 2009
- (d) 5 Historic Structures of Kowloon Reservoir in 2009
- (e) 6 Historic Structures of Pok Fu Lam Reservoir in 2009
- (f) 22 Historic Structures of Tai Tam Group of Reservoirs in 2009
- (g) Memorial Stone of Shing Mun Reservoir in 2009
- (h) Kom Tong Hall in 2010
- (i) Fortified Structure at No. 55 Ha Pak Nai in 2011
- (j) King's College in 2011

**(II) 8 private buildings declared as monuments**

- (k) Maryknoll Convent School in 2008
- (l) King Yin Lei in 2008 (became a Government monument in November 2009 — see para. 2.11)
- (m) Residence of Ip Ting-sz in 2009
- (n) Yan Tun Kong Study Hall in 2009
- (o) Man Mo Temple Compound in 2010
- (p) Tang Kwong U Ancestral Hall in 2010
- (q) Tung Wah Museum in 2010
- (r) School House of St. Stephen's College in 2011

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**Note 8:** *Of the 10 Government buildings, 9 had been previously graded as Grade-1 buildings, and 1 as a Grade-2 building.*

**Note 9:** *Of the 8 private buildings, 4 had been previously graded as Grade-1 buildings, 2 as Grade-2 buildings, 1 as a Grade-3 building and 1 ungraded.*

## **Declaration of monuments**

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2.6 For the 10 Government historic buildings, the Antiquities Authority did not have difficulties in declaring them monuments. Regarding the 8 private historic buildings, with due respect for private property rights, the Government had taken the following measures in declaring them monuments:

- (a) for King Yin Lei (see item (l) in para. 2.5), the Government acquired the building by making a land exchange with the owner after declaring the building a monument in 2008; and
- (b) for the other seven private buildings (see items (k) and (m) to (r) in para. 2.5), subsequent to the Government's persuasion efforts, the owners agreed to the declaration of these buildings as monuments. The Government undertook to finance the restoration and maintenance costs of these buildings. In return, the owners agreed to allow public visits to these buildings on scheduled dates and times.

## **Cases of proposed monuments**

2.7 Between 1982 (when statutory provisions for declaration of proposed monuments were made — see para. 2.2) and 2012, upon noting demolition risks, the Antiquities Authority had declared the following five private buildings as proposed monuments:

- |       |  |
|-------|--|
| (I)   | Ohel Leah Synagogue at Robinson Road in 1987 |
| (II)  | Morrison Building in Tuen Mun in 2003        |
| (III) | Jessville at Pok Fu Lam Road in 2007         |
| (IV)  | King Yin Lei at Stubbs Road in 2007          |
| (V)   | Ho Tung Gardens at Peak Road in 2011         |

After considering their historic merits, the Antiquities Authority subsequently declared Morrison Building and King Yin Lei monuments. Regarding Ohel Leah Synagogue and Jessville, they were subsequently classified as a Grade-1 and a Grade-3 building respectively. For Ho Tung Gardens, although the Antiquities

Authority announced in October 2011 of his intention to declare it a monument, the Chief Executive-in-Council directed in November 2012 that the monument declaration should not be made. The Gardens is at present a Grade-1 building. Details of the five cases are shown in paragraphs 2.8 to 2.12.

**(I) Ohel Leah Synagogue at Robinson Road**

2.8 Ohel Leah Synagogue is an Eastern Jewish style two-storey building constructed in 1901. It was declared a proposed monument in 1987 and was subsequently classified as a Grade-1 building in 1990.

**(I) Ohel Leah Synagogue at Robinson Road  
(Private Grade-1 building)**



1. In 1987, upon noting the owner's intention to redevelop the Synagogue (which was not a graded building at that time), the Antiquities Authority declared it a proposed monument.
2. Subsequently, the owner decided not to redevelop the Synagogue and the Antiquities Authority withdrew the declaration.
3. In 1990, the AAB classified the Synagogue as a Grade-1 building.

*Source: AMO records*

## **Declaration of monuments**

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### **(II) *Morrison Building in Tuen Mun***

2.9 Morrison Building, originally part of a villa built in 1936, was declared a proposed monument in April 2003 and a monument in March 2004. After the declaration, the owner did not seek redevelopment of the monument or financial compensation from the Government. To avoid further deterioration of the monument, the owner subsequently agreed that the Government could carry out minor repair works for the building. However, the owner did not agree to allow public visits to this monument.

**(II) Morrison Building in Tuen Mun  
(Private monument)**



1. In March 2003, the owner applied to the BD (Note 10) for approving a demolition plan for redeveloping the site. In April 2003, upon noting the owner's intention to redevelop the building (which was not a graded building at that time), the Antiquities Authority declared it a proposed monument and the BD disapproved the demolition plan.
2. In October 2003, the Antiquities Authority notified the owner of his intention to declare the building a monument. In November 2003, the owner submitted a petition to the Chief Executive to object to the intended declaration.
3. In March 2004, the Chief Executive-in-Council directed that the petition be dismissed. In the same month, with the support of the AAB and the approval of the Chief Executive, the Antiquities Authority declared the building (including the building area of 480 square metres and the access road area of 770 square metres) a monument.

*Source: AMO records*

**Note 10:** *Under the Buildings Ordinance (Cap. 123), the authority to approve a demolition plan and give consent to commence demolition works is vested in the Building Authority, who is the Director of Buildings. For simplicity, the Building Authority is referred to as the BD in this Audit Report.*

## Declaration of monuments

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### **(III) *Jessville at Pok Fu Lam Road***

2.10 Jessville, a residential building comprising a mansion with an ancillary wing for servant quarters and a garden, was constructed in 1931. It was declared a proposed monument in April 2007, and was subsequently classified as a Grade-3 building in 2008.

#### **(III) Jessville at Pok Fu Lam Road (Private Grade-3 building)**



1. In April 2007, upon noting the owner's intention to redevelop the building (which was not a graded building at that time), the Antiquities Authority declared it a proposed monument. Since then, the Antiquities Authority had discussed with the owner to persuade him not to demolish the building. Subsequently, the Antiquities Authority withdrew the declaration after the AAB had classified it as a Grade-3 building in 2008.

(To be cont'd)

(Cont'd)

2. In April 2009, the owner proposed to preserve Jessville in a preservation-cum-development scheme under which the owner would develop two new residential towers at the site with Jessville preserved as a club house. At its meeting in September 2009, the Executive Council advised and the Chief Executive ordered that the Pokfulam Moratorium be partially uplifted to enable the Lands D to consider an application from the owner for a land lease modification to facilitate the preservation-cum-development proposal. In 2010, the AAB confirmed the Grade-3 status of Jessville.

3. In November 2011, the owner put forward a revised proposal for preserving Jessville under which the owner would only build one new residential tower while Jessville would be converted into four residential units for preservation. In February 2013, the Government informed the Legislative Council (LegCo) Panel on Development that it would consider all relevant factors, including the arrangement for public access to Jessville and the views of the public, in processing the owner's revised proposal.

*Source: AMO records*

#### **(IV) *King Yin Lei at Stubbs Road***

2.11 King Yin Lei, constructed in 1937, is a rare surviving example of Chinese Renaissance style that reflects the design and construction excellence of both Chinese and Western architecture. It was declared a proposed monument in September 2007 and a monument in July 2008.

### (IV) King Yin Lei at Stubbs Road (Government monument)



1. In September 2007, the owner commenced removal works (such as removal of roof tiles, decorative tiles and window frames) on the building (which was not a graded building at that time), which did not require the BD's approval. Shortly after the commencement of the removal works, media reports of the works aroused public concern over the need to conserve the ungraded historic building. In the same month, the Antiquities Authority declared the building and its garden a proposed monument. In July 2008, King Yin Lei was declared a monument.
2. After discussions, the Lands D and the owner entered into an agreement in November 2009 under which the owner would surrender the building to the Government for conservation and the Government would grant an adjacent site of 4,700 square metres (about the same size of the King Yin Lei site) to the owner for private development. The owner also agreed to carry out and finance the restoration works of King Yin Lei to the original condition.
3. Since November 2009, after completing the ownership transfer procedures, the building has become a Government property.

Source: AMO records

**(V) *Ho Tung Gardens at Peak Road***

2.12 Ho Tung Gardens, comprising a two-storey building in Chinese Renaissance style, one ancillary building for servant quarters and some structures such as Chinese pavilions and a Chinese pagoda, was built around 1927. It was declared a proposed monument in January 2011. The Gardens is at present a Grade-1 building.

**(V) Ho Tung Gardens at Peak Road  
(Private Grade-1 building)**



1. ***Declaration as proposed monument.*** In March 2009, the AMO announced that the Gardens was a proposed Grade-1 building. In October 2010, under the Buildings Ordinance (Cap. 123), the BD approved the owner's demolition plans for redevelopment. In January 2011, the AAB confirmed the Gardens as a Grade-1 building, and upon noting the owner's redevelopment plan, the Antiquities Authority, with the support of the AAB, declared the Gardens a proposed monument.

(To be cont'd)

## Declaration of monuments

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(Cont'd)

2. ***Intended declaration as monument.*** In September 2011, the owner submitted a petition to the Chief Executive to object to the proposed-monument declaration. (The Chief Executive-in-Council later directed in January 2012 that the declaration of the Gardens as a proposed monument should stand and the related objection should be rejected.) In October 2011, with the AAB's support, the Antiquities Authority announced to the public of his intention to declare the Gardens a monument.

3. ***Owner's objection and final decision.*** In November 2011, the owner submitted a petition to the Chief Executive to object to the intended declaration of the Gardens as a monument. In December 2012, the Antiquities Authority announced that the Chief Executive-in-Council had directed that the declaration of the Gardens as a monument should not be made. The Antiquities Authority also informed the public that an agreement could not be reached with the owner on the preservation proposals (including proposed redevelopment restrictions and opening of the Gardens for public visits) although economic incentives had been offered to the owner.

*Source: AMO records*

## Challenges encountered

### ***Government measures on heritage conservation***

2.13 The A&M Ordinance, taking effect in 1976, was enacted more than forty years ago in 1971. To protect buildings with high heritage significance from demolition, the Ordinance provides statutory provisions for declaration of monuments and proposed monuments (see para. 2.2). In addition, since 1980, the AAB has implemented an administrative grading system for classifying historic buildings into three grades according to their heritage significance (see para. 1.6). In October 2007, the DEVB informed LegCo that:

- (a) the A&M Ordinance was rather rigid in that it only provided for one form of conservation (i.e. to declare monuments). Under the Ordinance, no person should excavate, carry out building works, plant or fell trees relating to a monument or a proposed monument except with a permit granted by the Antiquities Authority. As a result of the limitations, property owners did not have incentives to give consent for monument declaration;
- (b) the Government accepted in principle the need for appropriate incentive schemes to facilitate the conservation of private historic buildings and undertook to actively engage relevant stakeholders in devising appropriate measures, including land exchange and transfer of development rights (see para. 1.9(b)(iii));
- (c) the grading system had no statutory status. If the owner of a private graded building decided to demolish his building, there was no way the Government could stop this except for the Antiquities Authority to declare the building a monument or a proposed monument; and
- (d) the DEVB had considered the desirability for revamping the A&M Ordinance to provide protection to graded buildings. After detailed deliberations, the DEVB did not recommend to pursue the revamping exercise at that time on the grounds that:
  - (i) the revamping of the A&M Ordinance would be a major and protracted exercise, which would not be conducive to producing early success in heritage conservation work; and
  - (ii) it would be prudent to await the results of the assessment of the 1,444 historic buildings (see para. 1.8) before making a decision on the revamping exercise.

2.14 In the five years 2008 to 2012, the Antiquities Authority had successfully obtained the owners' consent for declaring eight private buildings to be monuments (see para. 2.5), including King Yin Lei. The owners also agreed to allow public visits to the monuments. From 1982 to 2012, the Antiquities Authority had also declared five private buildings to be proposed monuments (see para. 2.7). Of these five buildings, with the exception of Ho Tung Gardens, the Authority eventually declared two private buildings meeting the high heritage threshold to be monuments,

## **Declaration of monuments**

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and the AAB classified the other two buildings as a Grade-1 building and a Grade-3 building respectively.

2.15 It appears that the implementation of the Government measures as mentioned in paragraph 2.14 has been generally effective in the declaration of private buildings as monuments and proposed monuments, in particular the King Yin Lei case. However, the Government encountered challenges in the Ho Tung Gardens case, as elaborated below.

### ***Experience drawn from the Ho Tung Gardens case***

2.16 In the Ho Tung Gardens case, with the AAB's support, the Antiquities Authority announced in October 2011 to the public of his intention to declare the Gardens a monument. In announcing the intention, the Antiquities Authority must be of the view that the Gardens had reached the high heritage threshold of a monument notwithstanding a potential need to pay financial compensation to the owner. However, having considered the objection made by the owner and all the relevant information, the Chief Executive-in-Council later directed that the monument declaration should not be made. According to the DEVB, the Government could not reach agreement with the owner over the financial compensation and opening of the Gardens for public visits.

2.17 The A&M Ordinance provides a mechanism for the owner or lawful occupier of a proposed monument or monument to claim for compensation in respect of financial loss suffered or likely to be suffered by him as a result of the refusal by the Antiquities Authority to grant a permit for related demolition or alteration works (or the exercise of the Authority's specified powers under the Ordinance). Therefore, if the Antiquities Authority declares a private building a monument and refuses to grant a permit for demolition or alteration works for the monument, and without reaching an agreement with its owner on a preservation package, the owner may make a claim for compensation in respect of any financial loss he suffered or would suffer as a result of the refusal to grant the permit. Under the circumstances, the owner may receive financial compensation and retain ownership of the monument, and he will have full discretion to decide whether or not to open the monument for public visits.

*Need for review of existing mechanism*

2.18 In Audit’s view, the DEVB needs to conduct a review of the existing mechanism for heritage conservation, particularly that relating to private historic buildings. In its review, the DEVB needs to, among other things, draw experience from the Ho Tung Gardens case, take into account the audit findings and recommendations in this Audit Report, and make reference to overseas practices. Audit research has revealed that the United Kingdom and the State of Western Australia have statutory provisions to help the governments acquire private historic buildings for conservation, as follows:

**United Kingdom**

- (a) In the United Kingdom, the Ancient Monuments and Archaeological Areas Act 1979 provides that the Secretary of State may acquire compulsorily any ancient monument for securing its preservation. The Land Compensation Act 1961 provides the basic principle for assessing the compensation for a compulsory acquisition that the price payable is the value of the land “as if sold in the open market by a willing seller”.

**State of Western Australia**

- (b) In the State of Western Australia, the Land Administration Act 1997 provides compulsory acquisition of land that any interest in land held by a person may be taken for preserving places of historical interest. The Act also states that the compensation amount is the purchase price agreed between the acquiring authority and the claimant, or an amount determined by the Court.

*Recent developments*

2.19 At the AAB’s meeting on 20 February 2013, the DEVB invited the AAB to assist the Government with the policy review of the preservation of private historic buildings, including offering suggestions on the scope of the review, and advising on the review methodology and the related timetable.

## **PART 3: ASSESSMENT OF HISTORIC BUILDINGS**

3.1 This PART examines the actions taken by the CHO and the AMO in the grading assessment of historic buildings for conservation purposes, focusing on:

- (a) assessment of proposed graded buildings (paras. 3.2 to 3.5); and
- (b) assessment of buildings referred by public (paras. 3.6 to 3.12).

### **Assessment of proposed graded buildings**

3.2 In March 2009, based on the Assessment Panel's assessment results, the 1,444 historic buildings were classified into 212 proposed Grade-1, 366 proposed Grade-2, 576 proposed Grade-3 and 290 proposed No-grade buildings (see para. 1.12). Since 2009, the AMO has contacted the building owners to seek their agreement to the proposed grading before confirming the grading by the AAB. As of February 2013, of these 1,444 buildings, 970 had been confirmed as monuments or graded buildings and 276 as No-grade buildings while 23 had been demolished and the grading of the remaining 175 buildings had not been confirmed (see Table 1 in para. 1.13). Details of the proposed grading of the 1,444 buildings and the confirmed grading of the 970 buildings are published on AMO website (<http://www.amo.gov.hk>).

### ***Grading of 1,444 historic buildings not yet completed***

3.3 In March 2010, the DEVB informed the LegCo Panel on Development that the AAB had targeted to complete the grading of all the 1,444 historic buildings in 2010 and would assess about 100 newly-referred historic premises from the public in the year. In November 2010, July 2011 and February 2012, the DEVB reported to the Panel on Development the progress of the grading exercise and the number of buildings with confirmed grading.

3.4 As of February 2013, more than two years after the target completion date of end 2010, the grading of 175 of the total 1,444 historic buildings had not yet been confirmed. According to the AMO, of the 175 historic buildings:

- (a) 58 historic buildings (13 proposed Grade-1, 37 proposed Grade-2 and 8 proposed Grade-3 buildings) are military sites and structures managed by the People's Liberation Army. The CHO and the AMO have to arrange discussions with the Army through the Security Bureau on grading the buildings;
- (b) 116 historic buildings (12 proposed Grade-1, 20 proposed Grade-2, 81 proposed Grade-3 and 3 proposed No-grade buildings) are privately-owned. The AMO has made efforts to negotiate with the owners on the grading process. However, most of these owners have objected to or raised queries on the proposed grading. Based on its "step-by-step" approach, the AAB will firstly confirm the grading of buildings where no adverse comments have been received, and subsequently confirm the grading of buildings where queries or requests for delisting from grading or upgrading have been received. The confirmation of the grading of these 116 private buildings requires the consent of the owners, and it will be difficult to set a timeframe for completing the grading exercise; and
- (c) the remaining building is the Government-owned Central Market in Central (a proposed Grade-3 building) which will soon be put into use through a revitalisation project of the Urban Renewal Authority. The AAB will consider confirming the grading of the Central Market after the implementation of the revitalisation project.

3.5 In the light of the challenges involved and the long time taken in confirming the grading of the outstanding 175 historic buildings, Audit considers that the AMO needs to formulate a plan for confirming the grading of these buildings.

### Assessment of buildings referred by public

3.6 From time to time, members of the public may refer potential historic premises (mainly buildings) other than the 1,444 historic buildings to the AMO for historic-value assessments and grading consideration. Upon receipt of such a referral from the public, the AMO will make a reply and keep the referral in file in the same manner as handling a general enquiry. The AMO will also arrange a preliminary assessment of the historic significance of the premises concerned, including the conduct of Internet research and site visits. The AMO will then submit the referral to the AAB's Assessment Panel for further assessment if it considers that the premises have some heritage value.

3.7 At a meeting in September 2009, the AAB decided that any newly-referred premises for grading assessment would be considered in a separate exercise after completion of the assessment of the 1,444 buildings, except that those having cogent need (e.g. demolition risks) would be flexibly advanced for consideration.

3.8 As of February 2013, other than the 1,444 historic buildings, the AMO had received public referrals for historic-value assessments of 202 buildings (Note 11). Of these 202 potential historic buildings, upon noting the demolition risk of 18 buildings, the AMO had made preliminary assessments and classified them as proposed graded buildings before submitting them to the AAB for assessment. As of February 2013, of the 18 buildings, the AAB had confirmed the grading of 15 buildings (6 Grade-1, 3 Grade-2, 4 Grade-3 and 2 No-grade buildings) while 3 buildings (2 with grading confirmed by the AAB and 1 pending the AAB's confirmation — Note 12) had been demolished.

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**Note 11:** *Of the 202 buildings, 115 were Government owned, 78 were privately owned, and the remaining 9 were located partly on Government land and partly on private land.*

**Note 12:** *According to the AMO, some facades or architectural features of 2 of the 3 buildings have been preserved.*

*Slow progress in assessing newly-referred historic buildings*

3.9 The AMO has periodically informed the AAB about the number of newly-referred buildings. In February 2011, the AMO provided a list of 147 such buildings to the BD, the Lands D and the Plan D, based on which they could notify the AMO should they receive any demolition or alteration plans of these buildings. After noting such plans, the AMO will consider whether a Heritage Impact Assessment should be conducted for Government buildings. For private buildings, the AMO will approach the owners in an attempt to persuade them to conserve the buildings (see para. 5.4). However, as of January 2013, the AMO had not updated the list to include the remaining 55 (202 less 147) newly-referred buildings (Note 13).

3.10 As mentioned in Table 1 in paragraph 1.13, 23 historic buildings had been demolished. With a view to minimising the risk of demolition of historic buildings without its knowledge, the AMO needs to update the list of potential historic buildings and distribute the list to the BD, the Lands D and the Plan D in a timely manner.

3.11 In view of the fact that it would take some time to confirm the grading of the outstanding 175 of the 1,444 historic buildings (see para. 3.5), in Audit's view, the AMO needs to, in consultation with the AAB, consider assessing newly-referred buildings by the public while confirming the grading of the outstanding historic buildings.

*Recent developments*

3.12 At its meeting on 20 February 2013, the AAB agreed to proceed to examine newly-referred premises alongside the remaining buildings from the list of 1,444 buildings. This arrangement was reported to the LegCo Panel on Development on 26 February 2013. The AMO had also updated the list of newly-referred premises and submitted it to the AAB. On 28 February 2013, the AMO distributed the updated list to the BD, the Lands D and the Plan D.

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**Note 13:** *Of these 55 buildings, 1 had been reclassified as 4 buildings. As a result, these 55 buildings had become 58 buildings. Of the 58 buildings, 31 were Government owned, 23 were privately owned and 4 were located partly on Government land and partly on private land.*

## **PART 4: GOVERNMENT MONUMENTS AND GRADED BUILDINGS**

4.1 This PART examines the conservation of Government monuments and graded buildings by the related B/Ds, focusing on:

- (a) conservation of Government monuments and graded buildings (paras. 4.2 to 4.19); and
- (b) revitalisation of historic buildings (paras. 4.20 to 4.26).

### **Conservation of Government monuments and graded buildings**

4.2 The DEVB has adopted an adaptive re-use strategy for preserving and using Government historic buildings. Under the strategy, Government historic buildings will be preserved and at the same time made available for gainful use.

4.3 As of February 2013, there were 57 Government monuments and 203 Government graded buildings (see Table 2 in para. 1.14) managed by different B/Ds and non-governmental organisations (NGOs). For example, the declared monument at the Tai Tam Group of Reservoirs was managed by the WSD. Of the 57 Government monuments, 39 were buildings and the remaining 18 were archaeological sites, rock carvings, kilns and forts. Regarding the 203 Government graded buildings, 193 had been allocated for use by various B/Ds or NGOs and the remaining 10 were unallocated ones (see Table 3).

**Government monuments and graded buildings**

**Table 3**

**Government monuments and graded buildings  
(February 2013)**

<b>Managing B/D or NGO</b>	<b>Declared monument (No.)</b>	<b>Graded building (No.)</b>
LCSD	30	34
WSD	6	33
GPA	4	22
DEVB	4	18
Other 20 B/Ds	13	81
3 NGOs	0	5
Unallocated premises	0	10
<b>Total</b>	<b>57</b>	<b>203</b>

*Source: Records of the AMO, the ArchSD, the CHO, the GPA, the Lands D and the WSD*

4.4 The maintenance services of most of the Government historic buildings are provided by the Property Services Branch of the ArchSD (Note 14), and the estimated expenditure of these refurbishment and maintenance works in 2012-13 amounted to \$31.1 million.

***Cause of concern for 16 Government historic buildings being left unattended or idle***

4.5 While most of the 57 Government monuments and 203 graded buildings had been put into gainful use by the responsible B/Ds, Audit noted that 16 of them had been left unattended or idle for a long time, as follows:

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**Note 14:** *Some of these buildings are maintained by the relevant B/Ds. For example, waterworks related buildings and facilities are maintained by the WSD; and country-park facilities by the Agriculture, Fisheries and Conservation Department. According to the ArchSD, buildings on unallocated or unleased government land fall outside its maintenance responsibility.*

## Government monuments and graded buildings

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- (a) 10 Government graded buildings had not been allocated to any B/Ds (see paras. 4.6 to 4.8); and
- (b) one Government monument and five graded buildings, which had been allocated to various B/Ds, had been left unused for a long period of time (see paras. 4.9 to 4.12).

### *Lack of conservation of 10 unallocated Government graded buildings*

4.6 As of February 2013, there were 10 unallocated Government graded buildings (see Table 4).

**Table 4**

**10 unallocated Government graded buildings  
(February 2013)**

<b>Building</b>	<b>Grade</b>
(a) Old Dairy Farm Senior Staff Quarters at Pok Fu Lam (see Case 1)	1
(b) Observation Post at Tiu Keng Leng (see Case 2)	1
(c) Fortifications at Devil's Peak in Sai Kung	2
(d) Pinewood Battery at Lung Fu Shan	2
(e) Shing Mun Redoubt, South of Shing Mun Jubilee Reservoir	2
(f) Cape Collinson Lighthouse	3
(g) Hung Leng Station at Sha Tau Kok Road	3
(h) Lee Tat Bridge at Pat Heung	3
(i) Magazine Building on Magazine Island near Ap Lei Chau	3
(j) Wui Sin Bridge in Yuen Long	3

*Source: Records of the AMO and the Lands D*

### Case 1

#### Old Dairy Farm Senior Staff Quarters at Pok Fu Lam (Government Grade-1 building)



1. In 1886, Sir Patrick Manson founded The Dairy Farm Company Limited using a site at Pok Fu Lam for dairy farmland.
2. The Senior Staff Quarters, a two-storey building of about 232 square metres, was built in 1887 and is the oldest of the remaining Dairy Farm buildings in Hong Kong. According to the AMO, the building serves as a reminder of the success story of a Hong Kong enterprise.
3. In December 2009, the AAB confirmed the Old Dairy Farm Senior Staff Quarters as a Grade-1 building.

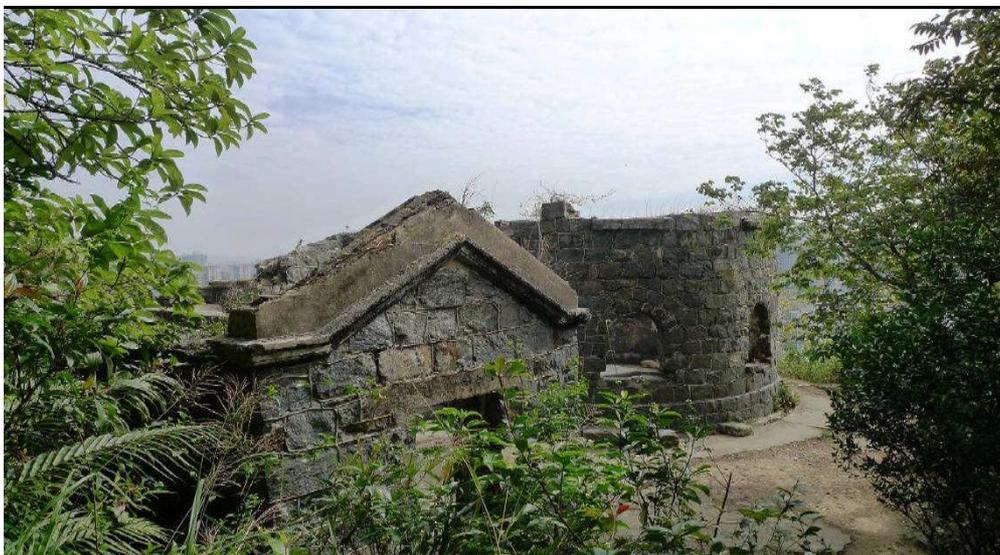
#### *Audit comments*

4. As of February 2013, this Grade-1 building had been left unattended for a long period of time. Owing to the lack of proper maintenance, it had become dilapidated. Furthermore, the building had been fenced off and left unused, and no arrangement had been made for public visits to this historic building.

*Source: AMO records and photograph taken by Audit in December 2012*

### Case 2

#### Observation Post at Tiu Keng Leng (Government Grade-1 building)



1. The building is located at the upper hill slope of Mau Wu Shan at Tiu Keng Leng. It was an observation post built before 1898 for stationing of Chinese troops.
2. In 1905, the land lot was leased to the Hong Kong Milling Company. The Company ceased business in 1908 and there was a legend that the owner hanged himself in the area which was subsequently renamed Tiu Keng Leng. Subsequently, the area had been occupied by cottages which were later cleared in the late 1990s.
3. In December 2009, the AAB confirmed the Observation Post as a Grade-1 building. It was not fenced off and was accessible via a footpath at Po Lam Road South.

#### *Audit comments*

4. As of February 2013, this Grade-1 building had been left unattended for a long period of time. Owing to the lack of proper maintenance, it had become dilapidated. Furthermore, as the dilapidated building was not fenced off, it might pose safety risks to visitors.

#### *Recent developments*

5. In March 2013, the Lands D informed Audit that, as a transitional measure and before the Administration had drawn up plans for gainful use of the building, the Lands D would liaise with the AMO to fence off the building for safety reasons.

*Source: AMO records and photograph taken by Audit in January 2013*

## **Government monuments and graded buildings**

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4.7 In October 2011, the CHO reminded all B/Ds to properly maintain their graded buildings and proposed graded buildings and that the AMO and the ArchSD could provide necessary technical advice. According to the ArchSD, as these Government graded buildings had not been allocated to any B/Ds, the ArchSD could only provide emergency maintenance service to address imminent building defects and danger. In September 2012, with a view to ensuring that Government graded buildings were not left unattended, the CHO requested the Lands D to take up the management and maintenance role of unallocated Government graded buildings. In February 2013, the Lands D informed Audit that:

- (a) when a Government building was no longer required by a B/D or an NGO, the relevant B/D or NGO would normally be required to demolish the building in accordance with the relevant allocation or tenancy conditions before returning the vacant site to the Lands D for protection against unauthorised occupation and excavation. The Lands D would not normally accept the return of a site together with a building, unless the site was subject to imminent land sale or the site together with the building thereon would likely to be allocated to another B/D for use and maintenance;
  
- (b) since February 2011, it had conveyed to the CHO that the management and maintenance of Government graded buildings on unallocated land were outside the Lands D's purview. Its role over the management of unleased and unallocated government land was mainly to protect such land from unauthorised occupation and excavation in accordance with the Land (Miscellaneous Provisions) Ordinance (Cap. 28); and
  
- (c) it had no expertise in the management and maintenance of graded historic buildings, and had proposed to the CHO that the maintenance should better be taken up by professionals with expertise in the area.

4.8 Given the historic values of the sites, Audit considers it unsatisfactory that 10 unallocated Government graded buildings had been left unattended for a long period of time and, owing to the lack of proper maintenance, some had become dilapidated. Therefore, the DEVB, as the policy bureau responsible for heritage conservation, needs to take measures to ensure that all unallocated Government graded buildings are properly maintained and gainfully used.

## Government monuments and graded buildings

### *Government monument and graded buildings left unused*

4.9 Audit examination revealed that, among the 250 allocated Government historic premises (57 monuments and 193 graded buildings — see Table 3 in para. 4.3), one Government monument and five Government graded buildings had been left unused for a long period of time, ranging from 6 to 20 years (see Table 5).

**Table 5**

**Government monument and graded buildings left unused for long time  
(December 2012)**

<b>Building</b>	<b>Monument/ graded building</b>	<b>Responsible B/D</b>	<b>Number of years the building left unused</b>
(a) Old House at Wong Chuk Hang San Wai (see Case 3)	Grade 2	LCSD	20 years from 1992
(b) Tai Tam Tuk Raw Water Pumping Station No. 2 Staff Quarters Building (see Case 4)	Monument	WSD	6 to 10 years from 2002 to 2006 (Note 1)
(c) Victoria Road Detention Centre	Grade 3	GPA	10 years from 2002
(d) Peak Depot on Old Peak Road	Grade 2	WSD	8 years from 2004
(e) Main Block at Lady Ho Tung Welfare Centre in Sheung Shui	Grade 2	DH (Note 2)	7 years from 2005
(f) Bungalow at Lady Ho Tung Welfare Centre in Sheung Shui	Grade 2	DH	7 years from 2005

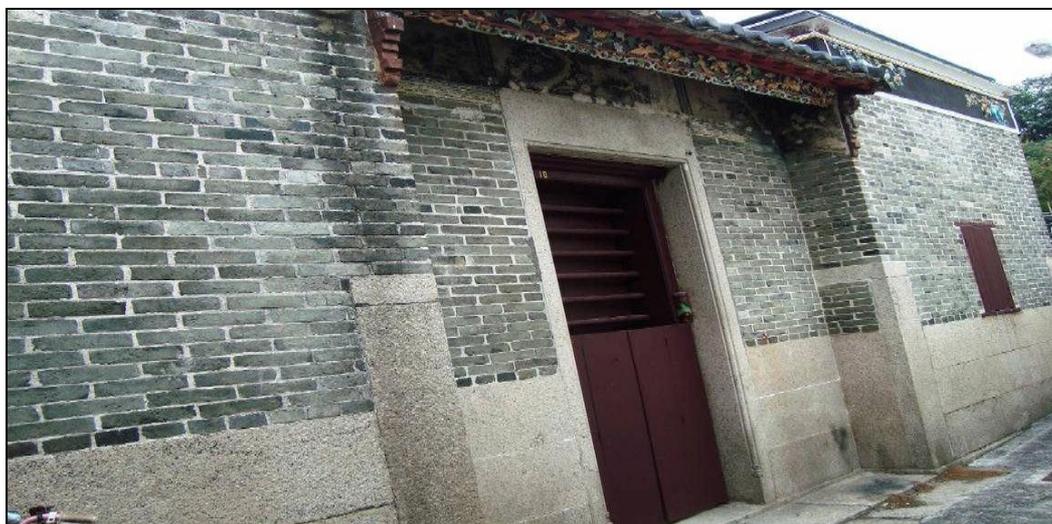
*Source: Audit analysis of records of the LCSD, the WSD, the GPA and the DH*

*Note 1: The four units of the Staff Quarters Building had been left unused since 2002, 2003, 2005 and 2006 respectively.*

*Note 2: According to the DH, upon the transfer of the management of all the General-Out-Patient Clinics from the DH to the Hospital Authority (HA) in July 2003, the Main Block of the Lady Ho Tung Welfare Centre in Sheung Shui has been under the HA's management.*

### Case 3

#### Old House at Wong Chuk Hang San Wai (Government Grade-2 building)



1. The Old House, built in 1890, is one of the two remaining Chinese traditional folk houses on Hong Kong Island. In 1981, the AAB confirmed it as a Grade-2 building. In August 1992, the Government acquired the house at a cost of \$3.5 million. The House was intended for use as a folk museum for incorporation into the then Wong Chuk Hang Park development project. Since 1993, the AMO has been responsible for its management. The development project was subsequently shelved in 1999. Up to 2012, \$1.5 million had been incurred on refurbishing and maintaining the Old House.

#### *Audit comments*

2. In the past 20 years from 1992 to 2012, this Grade-2 building had been left unused and no arrangement had been made for public visits to this historic building.

#### *Recent developments*

3. Since 19 January 2013, the Old House has been opened to the public during Saturdays, Sundays and Public Holidays on a trial basis, subject to a review of the effectiveness of the arrangement in due course. In March 2013, the LCS D informed Audit that a suitable use of the Old House could not be easily found as it was an isolated building located within a traditional village without any ancillary facilities.

*Source: AMO records and photograph taken by Audit in December 2012*

### Case 4

#### **Tai Tam Tuk Raw Water Pumping Station No. 2 Staff Quarters Building (Part of a Government monument)**



1. The Tai Tam Tuk Raw Water Pumping Station No. 2 Staff Quarters Building located within the Tai Tam Reservoir area was built in 1936.
2. The four units of the Building had been left unused since 2002, 2003, 2005 and 2006 respectively.
3. In March 2009, the AMO announced that the Building was a proposed Grade-1 building.
4. In September 2009, on the AAB's recommendation, the Antiquities Authority declared the 22 historic structures (including this Staff Quarters Building) in the Tai Tam Group of Reservoirs a monument.
5. Since 2009, this building has been included in the Tai Tam Waterworks Heritage Trail for public visits. More than 50 guided tours have been organised for the Trail.

#### ***Audit comments***

6. From 2006 to 2012, this Staff Quarters Building had been fenced off, but left unused.

*Source: AMO records and photograph taken by Audit in January 2013*

## **Government monuments and graded buildings**

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4.10 Regarding the Victoria Road Detention Centre (see item (c) of Table 5 in para. 4.9):

- (a) it was originally included in the Land Sale Programme for 2001-02, but the land disposal was subsequently deferred to 2004-05. In 2010, the Lands D confirmed that the site was no longer on the Land Sale Programme. In the same year, the building was confirmed as a Grade-3 building. According to the GPA, its attempts to identify a suitable user for the premises had failed due to the poor condition and restricted layout of the building, and the lack of adequate car-parking facilities. Moreover, the GPA has leased out the property for location-film shooting on some occasions since December 2002; and
- (b) as advised by the ArchSD in early 2011, the Centre was in a dilapidated state and was not suitable for use or visit by outsiders for safety reasons. In February 2013, the Education Bureau issued an invitation for Expression of Interest to use the property for educational purposes.

4.11 Regarding the Main Block and the Bungalow at the Lady Ho Tung Welfare Centre in Sheung Shui (see items (e) and (f) of Table 5 in para. 4.9), in July 2005, the HA informed the DH that the General-Out-Patient Clinic located at the Main Block had been temporarily closed due to recent collapse of the roof tiles. It was agreed in January 2013 that the HA would return the Main Block to the DH for disposal.

4.12 In Audit's view, it is unsatisfactory that six Government historic buildings had been left unused for a long period of time. The four Government departments which have been allocated with these monument and graded buildings (namely the LCSD, the WSD, the GPA and the DH) need to take action to ensure that the buildings are properly utilised.

## Government monuments and graded buildings

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### *Guided tours not organised for many Government historic premises*

4.13 Although some Government historic buildings were found unattended and/or unused (see Tables 4 and 5 in paras. 4.6 and 4.9), Audit noted that most of the Government monuments and graded buildings had been put into use by the responsible B/Ds, and arrangements had been made for public visits to some of them. The following are some examples:

- Some historic premises and sites are located in open/public areas which are accessible to the public (e.g. archaeological sites).
- Some historic buildings are accessible by the public for appreciation of their exterior parts (e.g. Government offices and revitalised buildings) while free guided tours are organised occasionally.
- Some are designated for public visits with free guided tours organised (e.g. museums).
- In December 2011 and 2012, the CHO and the AMO organised the Heritage Fiesta for public appreciation of some heritage sites (guided tour services were provided for selected sites).
- In 2012, the CHO organised a series of public education programmes and activities to encourage wider participation by different community groups in heritage conservation. For instance, the “Heritage Discovery” Roving Exhibition was held at eight heritage routes or sites from June to December 2012.

4.14 Provision of guided tours to historic premises is an effective means for promoting heritage conservation and enhancing public appreciation of their historic value. However, based on the information provided by the CHO and the AMO, Audit found that, from 2009 to 2012, no guided tours had been organised for 36 (63%) of the 57 Government monuments (see Appendix A) and 152 (75%) of the 203 Government graded buildings (see Table 6).

## Government monuments and graded buildings

**Table 6**

**Guided tours for Government historic premises  
(2009 to 2012)**

Particulars	Total (No.)	Guided tour organised (No.)	No guided tour organised (No.)
<b>Monument</b>			
Archaeological site	18	1	17
Buildings and structures including office, old house, park, prison, revitalised building, school and waterworks structure	27	12	15
Museum	7	7	0
Lighthouse	4	0	4
Vacant (see Case 4 in para. 4.9)	1	1	0
Total	57	21	36
<b>Graded building</b>			
Buildings and structures including bridge, office, prison, quarters, revitalised building, school, street and waterworks structure	186	49	137
Museum	2	2	0
Unallocated premises (see para. 4.6)	10	0	10
Vacant (see Table 5 in para. 4.9)	5	0	5
Total	203	51	152

*Source: Audit analysis of records of the CHO and the AMO*

## **Government monuments and graded buildings**

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4.15 According to the CHO, it may not be cost-effective to arrange guided tours to all Government monuments and graded buildings on a year round on-going basis, because not all of them are appropriate for guided tours due to remoteness of the sites, and security and public safety reasons.

4.16 Organisation of guided tours to historic sites helps enhance promotion of public awareness, understanding and appreciation of cultural heritage (see para. 1.5(c)). Therefore, the CHO needs to, in collaboration with the AMO, relevant B/Ds and NGOs, periodically organise guided tours or promotional events for Government monuments and graded buildings as far as practicable.

### ***Lack of guidelines on inspection of Government historic premises***

4.17 The AMO adopted a practice of inspecting Government archaeological sites, rock carvings, kilns and forts at least once a year, and Government monument buildings four times a year. Audit examination revealed that 4 and 3 of the 39 Government monument buildings (see para. 4.3) had not been inspected by the AMO in 2011 and 2012 respectively. In March 2013, the AMO informed Audit that:

- (a) the ArchSD had periodically inspected Government buildings and promulgated a handbook to guide B/Ds for identifying common building defects; and
- (b) the 4 and 3 Government monument buildings not having been inspected by the AMO in 2011 and 2012 respectively were either waterworks structures or lighthouses which were under good care of the B/Ds concerned.

4.18 According to the AMO, having regard to its resources availability and the increasing number of Government monuments in recent years, it has since 2013 adopted the following risk-based approach to inspection of Government monument buildings:

## **Government monuments and graded buildings**

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- (a) Government monuments with proposed works are accorded top priority for inspections;
- (b) Government monuments that are managed by the AMO and open for public visits are accorded high priority for inspections; and
- (c) for Government monuments managed and maintained by other B/Ds, the AMO will provide the B/Ds with maintenance advice upon identifying building defects.

4.19 However, Audit noted that the AMO had not formulated any guidelines for inspection of Government monuments and graded buildings. In Audit's view, the AMO needs to formulate and issue guidelines for regular inspections of Government historic premises. The guidelines should include inspection checklists and frequencies of inspections. Such guidelines should also be disseminated to responsible B/Ds for conducting regular inspections of these historic premises. This will help the timely identification of building defects in monuments and graded buildings.

### Revitalisation of historic buildings

4.20 In February 2008, the DEVB launched the Revitalisation Scheme for adaptive re-use of Government historic buildings. The objectives of the Revitalisation Scheme are to:

- (a) preserve and put historic buildings into good and innovative use;
- (b) transform historic buildings into unique cultural landmarks;
- (c) promote active public participation in the conservation of historic buildings; and
- (d) create job opportunities in particular at the district level.

Under the Scheme, NPOs (Note 15 — see para. 1.9(b)(ii)) are invited to submit applications for using selected Government historic buildings to provide services or run business in the form of social enterprises. In their applications, NPOs are required to provide detailed plans on conserving the historical significance of the buildings, and the operation of the social enterprises for achieving financial viability and providing benefits to the local community. The Advisory Committee on Revitalisation of Historic Buildings (Note 16) is responsible for assessing the applications and monitoring the performance of selected operators.

4.21 Under the Revitalisation Scheme, the CHO may provide financial support to a successful applicant, including:

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**Note 15:** *Under the Scheme, NPOs are organisations granted with charitable status under section 88 of the Inland Revenue Ordinance (Cap. 112).*

**Note 16:** *The Committee, set up in 2008 and chaired by an unofficial member, comprises 3 members from the CHO, the ArchSD and the LCSD and 9 members from various sectors of the community.*

## Government monuments and graded buildings

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- (a) an annual nominal rental of one dollar for a revitalised building;
- (b) a one-off grant to cover the cost of major renovation to a building, in part or in full; and
- (c) a one-off grant to meet the starting costs and operating deficits of a social enterprise for a maximum of the first two years of operation at a ceiling of \$5 million, on the prerequisite that it is projected to become self-sustainable after the two-year period.

From February 2008 to February 2013, funding of \$2,000 million had been earmarked for the capital works of the Revitalisation Scheme and similar projects. Up to February 2013, \$549 million had been incurred for the purposes.

4.22 As of February 2013, three batches comprising 14 historic buildings had been identified for inclusion under the Revitalisation Scheme. The progress of implementing the Revitalisation Scheme is as follows (see Appendix B for details):

- ***Batch I (comprising six historic buildings) launched in February 2008.*** The CHO had entered into tenancy agreements with six NPOs for operating businesses at six buildings, four of which had been open for public use (see items (a) to (d) in Appendix B).
- ***Batch II (comprising five historic buildings) launched in August 2009.*** The CHO had announced the names of the selected NPOs for revitalising three of the five buildings. Up to February 2013, tenancy agreements had not been entered into with the NPOs. For the remaining two buildings, one had been withdrawn from the Scheme and the other had been re-launched for application in Batch III.
- ***Batch III (comprising four historic buildings, including one re-launched from Batch II) launched in October 2011.*** Applications were invited in October 2011. In February 2013, the CHO announced the names of the selected NPOs for revitalising three of the four buildings. The remaining building will be re-launched for application in future.

### *No tenancy requirement for reporting visitor information*

4.23 Provision of guided tours is an effective means of promoting heritage conservation and enhancing public appreciation of the historic value of the heritage sites. According to the CHO, to maintain a social enterprise as a financially viable business, a tenant under the Revitalisation Scheme needs to strike a balance between the provision of quality services for the operation of its business and the provision of free guided tours for public visitors.

4.24 Visitor information such as the number of visitors, types of visitors (e.g. local ones or visitors from outside Hong Kong), visitor feedback, etc. is useful for monitoring the effectiveness of the Revitalisation Scheme and enhancing pertinent strategies. Audit examination of the tenancy agreements of the six revitalised buildings under Batch I (see Appendix B) revealed that although the tenants were required under the tenancy agreements to organise public guided tours for visitors, they were not required to submit to the CHO periodical returns providing details of the guided tours organised and related visitor information. As such, the CHO cannot assess the popularity of the revitalised buildings and the extent to which the public is satisfied with the related arrangements. Audit considers that such return requirements should be included in the tenancy agreements under the Revitalisation Scheme.

4.25 Audit examination of the six tenancy agreements also revealed different guided-tour requirements among them (see Table 7).

## Government monuments and graded buildings

Table 7

### Guided-tour requirements in tenancy agreements (February 2013)

Batch I Building	Frequency requirement
Former North Kowloon Magistracy	A minimum of 1 guided tour per day during weekdays and 2 open days per year
Old Tai O Police Station	A minimum of 3 guided tours per day during weekdays and 2 open days per year
Lui Seng Chun	A maximum of 2 guided tours per day
Former Lai Chi Kok Hospital	A minimum of 1 guided tour per day during weekdays, 3 guided tours per day during weekends and holidays, and 2 open days per year
Fong Yuen Study Hall	A minimum of 5 guided tours per week
Mei Ho House	A minimum of 1 guided tour per day (at least six days per week) and 2 open days per year

Source: CHO records

4.26 As shown in Table 7, some tenancy agreements specified more guided-tour requirements than others. In particular, there were no requirements for the minimum number of guided tours and open days specified in the tenancy agreement of Lui Seng Chun Building. Furthermore, with the exception of Former Lai Chi Kok Hospital and Mei Ho House, the tenancy agreements of the other four buildings did not specify the minimum number of guided tours during weekends and holidays. While noting that arrangements for guided tours for buildings under the Revitalisation Scheme were determined on a case-by-case basis on operational grounds, Audit considers that the CHO needs to specify in the tenancy agreements the minimum number of guided tours per day during weekdays and during weekends and holidays, and of open days per year as far as practicable.

## **PART 5: PRIVATE MONUMENTS AND GRADED BUILDINGS**

5.1 This PART examines the actions taken by related B/Ds in conserving private monuments and graded buildings, focusing on:

- (a) Government efforts to minimise incidence of demolition or alteration of private historic buildings (paras. 5.3 to 5.11); and
- (b) inspection and maintenance of private monuments and graded buildings to minimise dilapidation due to lack of maintenance (paras. 5.12 to 5.25).

5.2 As of February 2013, there were 44 private monuments and 714 private graded buildings (see Table 2 in para. 1.14), including 65 owned by three statutory bodies (namely the Chinese Temples Committee, the HA and the Urban Renewal Authority). In October 2007, the DEVB informed LegCo that private historic buildings faced two major problems, namely threats of demolition and lack of maintenance leading to dilapidation, and the Government would take measures to address them.

### **Government efforts to minimise incidence of demolition or alteration of private historic buildings**

#### ***Relevant legislation***

5.3 The Buildings Ordinance (Cap. 123), the Buildings Ordinance (Application to the New Territories) Ordinance (Cap. 121) and the Town Planning Ordinance (Cap. 131) have laid down provisions for controlling demolition or alteration works for private buildings, as follows:

- (a) Under the Buildings Ordinance, a person for whom building works (such as demolition or alteration works) in a private building are to be carried out shall appoint an Authorised Person (AP — Note 17) to prepare and submit plans for approval by the BD, unless the works fall within the scope of minor works or such works are exempted works. After the plans have been approved, the AP must obtain the BD's consent before commencement of works. Under the Ordinance, any person who demolishes or alters a building without having first obtained the BD's approval or consent may be subject to prosecution.
- (b) Under the Buildings Ordinance (Application to the New Territories) Ordinance, after obtaining a Certificate of Exemption in respect of building works (including construction, demolition and alteration) issued by the Lands D, such works on a small house in the New Territories meeting the exemption criteria (a small house — Note 18) are exempted from specific provisions of the Buildings Ordinance, including the need to appoint an AP and obtain approval and consent from the BD.
- (c) Under the Town Planning Ordinance, if a private-land owner wishes to change the land use which is not permitted under the relevant statutory town plans, he needs to apply to the Town Planning Board for permission. The Plan D provides secretariat support to the Town Planning Board.

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**Note 17:** *An AP is an architect, engineer or surveyor, whose name is included in the AP's Register kept by the BD.*

**Note 18:** *According to the Lands D, it has been issuing Certificates of Exemption in respect of building works for constructing small houses in the New Territories, but no specific reference has been made to demolition works in the Certificates of Exemption issued by the Lands D.*

### *Mechanism to minimise the demolition of private historic buildings*

5.4 Since October 2009, in order to conserve private historic buildings, the DEVB has tasked the BD, the Lands D and the Plan D to notify the CHO and the AMO of any applications for demolishing or altering monuments, proposed monuments, graded buildings, and proposed graded buildings, or developing land on which such buildings are constructed. In March 2010, the DEVB issued a memorandum to the BD, the Lands D, the Plan D, the LCSD, the Home Affairs Department and all District Offices setting out the above-mentioned administrative monitoring mechanism. The DEVB has also tasked the CHO and the AMO, upon receiving notifications from the B/Ds, to take the following courses of action:

- (a) ***Declared monument and proposed monument.*** The AMO should issue a letter informing the owner of the statutory requirement that any demolition or alteration works for a private declared monument or proposed monument are prohibited unless a permit is granted by the Antiquities Authority. For a proposed monument, the CHO should discuss with the owner on the possible economic incentives for conserving the building;
- (b) ***Grade-1 building.*** The AMO should inform the owner of the historical significance of a Grade-1 building and the possible Government intervention (e.g. declaring the building to be a proposed monument under the A&M Ordinance). The CHO should discuss with the owner on possible economic incentives for conserving the building;
- (c) ***Grade-2 and Grade-3 buildings.*** The AMO should issue a letter advising the owner of a Grade-2 or Grade-3 building to explore the possibility of “preservation-cum-development” option to incorporate the building into future development instead of total demolition. The AMO should also discuss with the owner on the possible economic incentives for conserving the building; and
- (d) if on-site preservation of a graded or proposed graded building is eventually found infeasible, the AMO should issue a letter requesting the owner to provide photographic and drawing records to the AMO for record purposes, and to salvage building fabrics with heritage value.

*BD's consent not obtained for some building demolition works*

5.5 Audit noted that, based on site inspection results of the AMO and the Lands D, from March 2009 (when the AAB announced the proposed grading of 1,444 historic buildings — see para. 1.12) to February 2013, of the 23 buildings having been demolished (see Table 1 in para. 1.13), the owners of five buildings in the New Territories had not obtained consent from the BD for demolition works or a Certificate of Exemption in respect of building works from the Lands D (Note 19). In addition, a newly-referred historic building (Building A) pending assessment by the AAB had also been demolished without obtaining the BD's consent or the Lands D's exemption in respect of building works on site. Details of the six cases are shown in Table 8.

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**Note 19:** *For the other 18 of the 23 demolished buildings (see Table 1 in para. 1.13), 6 were No-grade buildings and the owners of the remaining 12 buildings had sought consent from the BD or exemption from the Lands D for the demolition works.*

## Private monuments and graded buildings

Table 8

**Demolition of six private historic buildings  
without BD's consent or Lands D's exemption  
(July 2009 to December 2011)**

<b>Building</b>	<b>District</b>	<b>Grading</b>	<b>Date of noting the demolition (Note)</b>
A (see Case 5)	Yuen Long	Proposed Grade 3	December 2011
B	Sha Tin	Grade 3	September 2011
C	Yuen Long	Proposed Grade 3	November 2010
D	Yuen Long	Proposed Grade 3	December 2009
E	Sha Tin	Proposed Grade 3	November 2009
F	Lantau Island	Proposed Grade 3	July 2009

*Source:* Records of the AMO, the BD and the Lands D

*Note:* These were the dates when the AMO or the Lands D found that the buildings had been demolished.

Case 5

**Demolition of Building A**

1. Located in Yuen Long, Building A was a two-storey residential building constructed in 1939. In March 2008, the BD approved a demolition plan submitted by the AP of the building owner (a limited company) with the AMO's requirement that the photographic and drawing records of the building should be submitted before seeking its consent for commencing the demolition works.

2. In June 2011, upon receiving a public referral, the AMO classified the building as a proposed Grade-3 building. In December 2011, upon receiving a public complaint, AMO's site inspection found that the building had been demolished. However, the BD had not received any application for its consent before commencing the works, and no photographic and drawing records had been provided to the Government.

3. In February 2012, the BD requested the AP to submit an investigation report of the demolition works, who subsequently claimed in March 2012 that he had no knowledge of the works. In April 2012, the BD requested the owner to provide information on its knowledge and involvement in the works. In December 2012, the BD sent reminders to the owner company and its four directors to urge for response to the BD's enquiry in April 2012, and in January 2013 one of the directors claimed no knowledge of the works. In February 2013, after the expiry of the 12-month prosecution time limit under the Buildings Ordinance (Note), the BD decided to terminate its investigation due to insufficient evidence.

4. According to the AMO, the entrance gateway of the building has remained on site.

***Audit comments***

5. A proposed Grade-3 building has been demolished without the consent of the BD, not complying with the requirement under the Buildings Ordinance. Furthermore, no photographic and drawing records of the historic building have been provided to the Government.

*Source: Records of the AMO and the BD*

*Note: Under the Buildings Ordinance, prosecution of a related offence may be commenced within 12 months of discovery by the BD. In this case, the 12-month prosecution time limit expired in December 2012.*

## **Private monuments and graded buildings**

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5.6 Regarding Buildings B to F (see Table 8 in para. 5.5) where demolition works had been undertaken without first obtaining consent from the BD or a Certificate of Exemption in respect of building works from the Lands D, Audit noted that the BD had not taken any enforcement action against the building owners concerned.

5.7 In February and March 2013, the BD and the Lands D informed Audit that:

### ***BD***

- (a) upon receipt of a report of unauthorised demolition of a small house (see para. 5.3(b)) in the New Territories, the BD would carry out investigation and take enforcement action under the Buildings Ordinance in accordance with the prevailing enforcement policy against unauthorised building works with the primary consideration of whether building safety was compromised and whether there was imminent danger to lives or properties. The BD's enforcement action would include issuing statutory orders and instigating prosecution against relevant parties, having due regard to the prosecution time limit under the Buildings Ordinance. The BD would also take action against works-in-progress cases;
- (b) for Building A in Case 5 of paragraph 5.5, the investigation was terminated because there was insufficient evidence indicating who had been involved in the demolition works. For Buildings B to F (see Table 8 in para. 5.5), the BD would not take further enforcement action for the demolition works as there was no safety concern in these cases;

### ***Lands D***

- (c) under the established practice, owners were not required to approach the Lands D on demolition works of small houses in the New Territories. The demolition of existing structures on site, if any, was incidental to the construction works; and
- (d) the Lands D might become aware of such demolition works only when owners applied for a Certificate of Exemption in respect of the building works carried out after the demolition works.

5.8 With a view to enhancing public awareness of the requirements under the Buildings Ordinance on demolition of buildings, the AMO needs to conduct promotion campaigns on the requirements, particularly on historic buildings.

***CHO and AMO not being notified of  
the demolition of some private historic buildings***

5.9 Among the 23 demolished buildings indicated in Table 1 in paragraph 1.13, Audit also found that, for two of the historic buildings in Yuen Long (Buildings G and H), the Lands D had not informed the CHO and the AMO of the related demolition plan before issuing Certificates of Exemption in respect of building works. The buildings were subsequently demolished (see Case 6).

### Case 6

#### Demolition of Buildings G and H

1. Located in a village in Yuen Long, two adjoining one-storey historic buildings (Buildings G and H) with the same owner were built in 1884. In August 2009, the AMO informed the owner that it had classified the two buildings as proposed Grade-3 buildings, as they were the best preserved houses in the village.

2. In March 2010, in response to the owner's application but without notifying the CHO and the AMO, the Lands D issued Certificates of Exemption to the owner for redeveloping the buildings.

3. In August 2011, the Lands D's site inspection revealed that the buildings remained intact. One month later, the AAB confirmed Building G as a Grade-3 building.

4. In November 2011, the AMO's site inspection revealed that the buildings had been demolished.

#### *Audit comments*

5. The Lands D had not notified the CHO and the AMO of the demolition plan which had come to its knowledge before issuing Certificates of Exemption in respect of building works to the owner, at variance with the DEVB's requirement. As a result, the CHO and the AMO had not obtained photographic and drawing records of the buildings before their demolition.

*Source: Records of the AMO and the Lands D*

5.10 According to the DEVB, it has been a standing practice of the AMO to arrange photographic records of private historic buildings if the AMO is notified of any demolition plans of such buildings, and in some cases where the owners' consent cannot be obtained, photographic and drawing records for the interiors of the private historic buildings cannot be arranged. In Audit's view, the DEVB needs to remind the relevant B/Ds of the requirement for them to notify the CHO and the AMO of any demolition plans of monuments, proposed monuments, graded buildings or proposed graded buildings, so that the two offices can take necessary action with a view to conserving the buildings as far as possible, or preparing photographic and drawing records of the buildings before their demolition.

### ***Recent developments***

5.11 On 4 March 2013, the DEVB issued a memorandum to the BD, the Lands D, the Plan D, the LCSD, the Home Affairs Department and all District Offices to remind them of the monitoring mechanism to minimise the demolition risk of private historic buildings, and ask them to re-circulate the DEVB's memorandum dated March 2010 (see para. 5.4) to their staff concerned on a half-yearly basis.

## **Inspection and maintenance of private monuments and graded buildings**

5.12 The AMO adopted a practice of inspecting all Government monument buildings (see para. 4.17) and private monuments four times a year. If repairs or maintenance were required for private monuments, the AMO would carry out the required works on the condition that the owners agreed to allow public visits to the buildings for appreciating their historic value.

5.13 For private graded buildings, the AMO conducted inspections on various occasions, such as:

- (a) in response to public enquiries or complaints;
- (b) before the AAB's endorsement of the proposed grading of buildings;
- (c) upon being notified of any demolition risks of buildings; and
- (d) during processing of applications under the Financial Assistance Scheme (FAS — see para. 5.22).

### ***Lack of guidelines on inspection of private historic buildings***

5.14 Audit examination of AMO records revealed that 6 (14%) of the 44 private monuments had been inspected by the AMO for less than four times in both 2011 and 2012. Furthermore, Audit noted that, similar to the inspection of Government monuments (see para. 4.19), the AMO had not formulated any guidelines for inspection of private monuments.

5.15 Audit also found that, of the 714 private graded buildings, the AMO had only conducted inspections of 243 (34%) in 2011 and 240 (34%) in 2012. The AMO also had not formulated any guidelines for inspecting private graded buildings. In response to Audit enquiries, the AMO said that:

## **Private monuments and graded buildings**

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- (a) maintenance of private buildings was the responsibility of their owners. At times, site access to private graded buildings might not be given because some building owners and villagers did not welcome unsolicited visits by the AMO. The AMO had difficulties to identify defects inside these buildings; and
- (b) for effective use of resources, the AMO accorded priority to inspecting private graded buildings after noting their demolition or redevelopment proposals.

5.16 In Audit's view, the AMO needs to formulate and issue guidelines for inspecting private monuments and graded buildings, in particular for those which have obtained Government subsidy for maintenance and those which are open for public visits (such as temples and ancestral halls) on a cyclical basis for identifying the following:

- (a) urgent building defects in particular those with safety risks, such as serious wall cracking;
- (b) buildings with demolition or alteration risks (e.g. signs indicating that they will be demolished or altered in the near future); and
- (c) buildings that have already been demolished.

Regular inspections of private historic buildings, at times only restricted to the exterior parts of private historic buildings, will provide useful information to the AMO for planning and taking effective action to conserve them, and help the AMO update its records on the number and condition of these buildings.

## **Private monuments and graded buildings**

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### ***Less than effective preventive maintenance surveys on private monuments***

5.17 From November 2009 to January 2011, the AMO conducted preventive maintenance surveys on private monuments to identify possible maintenance problems and propose remedial actions. In January 2010, the AMO formulated a five-year programme for preventive maintenance surveys covering all the 40 private monuments at that time. However, the survey programme ceased in February 2011, under which only 19 of 40 monuments had been surveyed. In January 2013, the AMO informed Audit that the conduct of the surveys was a pilot scheme for compiling a database about the general condition of the selected monuments.

5.18 In Audit's view, the AMO needs to conduct preventive maintenance surveys of the remaining 21 private monuments and the 4 private monuments declared since 2010. The surveys will provide useful information on formulating strategies for conserving these monuments.

5.19 Audit also noted that AMO staff took a long time to complete the preventive maintenance survey reports in some cases. For example, they took more than six months in completing the survey reports for 10 of the 19 surveys conducted. Furthermore, the AMO did not provide the survey reports to the private owners concerned for information. In Audit's view, the AMO needs to set time targets for completing survey reports and remind its staff of the need to complete the reports in a timely manner, as some survey findings may need urgent attention and action. The AMO also needs to provide the survey reports to the building owners concerned.

5.20 During the surveys from November 2009 to January 2011, AMO staff identified a total of 773 building defects and classified them into those requiring urgent attention (134 urgent defects — such as those involving serious wall cracking) and those requiring normal attention (639 normal defects — such as those involving peeling off of paints). Audit examination revealed that the AMO had not taken prompt action to rectify building defects identified in the preventive maintenance surveys. For instance, Audit noted that, as of January 2013, the following defects had not been rectified after their identification more than 24 months ago:

- |  |
|--|
| <p>(a) 94 urgent defects (70% of the total 134 urgent defects identified); and</p> <p>(b) 530 normal defects (83% of the total 639 normal defects identified).</p> |
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5.21 In February 2013, the AMO informed Audit that:

- (a) when prioritising the maintenance works for the 40 monuments, the AMO had adopted a pragmatic approach by firstly addressing the most urgent cases, followed by the relatively less urgent ones (such as those not posing safety risks); and
- (b) the defects not yet rectified would not pose immediate safety risks and could therefore be dealt with later.

In Audit's view, the AMO needs to formulate an action plan, set time targets and take prompt action to rectify building defects of private monuments identified during surveys, particularly those requiring urgent attention.

### *Low participation in Financial Assistance Scheme*

5.22 In October 2007, the DEVB informed LegCo that the condition of private graded buildings might deteriorate over years, as their owners might be unwilling or did not have the financial ability to maintain them. To assist owners of private graded buildings to conserve their buildings, since August 2008, the CHO has implemented the FAS to provide financial assistance (with a ceiling of \$1 million for each application) to the owners for carrying out maintenance works. The FAS is funded from a block vote (Note 20) under the control of the LCSD.

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**Note 20:** *From 2008-09 to 2012-13, \$41 million had been approved under the block vote for restoration of historic buildings.*

## **Private monuments and graded buildings**

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5.23 Under the FAS, private owners are required to employ qualified consultants and specialist contractors with heritage expertise to carry out the maintenance works, and within ten years after completion of the maintenance works:

- (a) undertake not to demolish their buildings or transfer the ownership of their buildings; and
- (b) allow reasonable public access to their buildings.

5.24 Audit examination revealed that, from August 2008 to February 2013, the CHO had received 44 FAS applications involving 37 private graded buildings (6% of all the 649 eligible buildings — Note 21). As of February 2013, the CHO had approved 27 applications involving 22 buildings with a total grant of \$24 million. In February 2013, the CHO informed Audit that:

- (a) as a new Government initiative, the FAS was expected to be launched in a modest scale; and
- (b) the FAS did not aim to cover 100% of private graded buildings since some owners had the financial ability to maintain their buildings.

5.25 The FAS has been implemented for more than four years. It is an opportune time for the CHO to conduct a review of the FAS with a view to ascertaining the reasons for the low participation and whether the scheme is effective in providing incentives for owners to maintain their private graded buildings.

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**Note 21:** *Of the 714 private graded buildings, 65 buildings were owned by three statutory bodies (see para. 5.2) which were not eligible for financial assistance under the FAS.*

## **PART 6: PROMOTION OF HERITAGE CONSERVATION**

6.1 This PART examines the actions taken by the CHO and the AMO in promoting heritage conservation, focusing on:

- (a) public information on monuments and graded buildings (paras. 6.2 to 6.6); and
- (b) heritage education and publicity (paras. 6.7 to 6.12).

### **Public information on monuments and graded buildings**

6.2 Public enjoyment and active engagement of stakeholders are important principles of the heritage conservation policy (see para. 1.9(a)). The erection of information signs (see paras. 6.3 to 6.5) facilitates public access to information relating to historic premises.

#### ***Information signs not erected outside many monuments and graded buildings***

6.3 The AMO has erected information signs (see Figure 1 for example) outside some monuments and graded buildings.

Figure 1

## An information sign erected outside a monument

**DECLARED MONUMENT  
OLD DISTRICT OFFICE (NORTH)**

Build in around 1907, the Old District Office (North) was the earliest seat of the civil administration of the New Territories after its lease to the British.

District Office (North) was the then authority for administration, arbitration and land registration of the area that lies to the north of Tsuen Wan in the New Territories. Early infrastructures for the New Territories, including development of roads and electricity and water supplies, were planned in this building. The District Office was also responsible for land registration and held certain judicial powers. Until 1961, the building had housed a magistrate's court. It ceased to be the District Office in 1983. From 1988 to 2000, the Old District Office (North) had been allocated to the Environmental Protection Department as its Tai Po Branch Office. It has become the New Territories East Regional Headquarter of the Scout Association of Hong Kong since 2002.

Situated on the crest of a mound, the Old District Office (North) is a typical colonial-style structure of the early twentieth century. Finished in fine red bricks, with open verandahs and horizontal brick lintels along the east and west elevations, it is both dignifying and elegant in appearance. Except for the inevitable internal alterations to enable it to cope with expanding staff and functions, the building has not been significantly altered. Antique fireplaces in the rooms are still well-preserved, which bring out the historical character of the building.

The declaration of Old District Office (North) and the adjacent land as a monument was gazetted on 13 November 1981. Old District Office (North) is protected under the Antiquities and Monuments Ordinance.

**ANTIQUITIES AUTHORITY**

**法定古蹟 舊北區理民府**

舊北區理民府約建於一九〇七年，為英國租借新界後興建的首座民政大樓。

北區理民府當時主要管轄荃灣以北的新界地區，負責處理地方上的行政、仲裁及田土註冊等事宜。新界早期的道路發展，以至水電供應等基礎建設，均在該建築物內進行規劃。理民官的職責還包括管理田土註冊和審理地方案件，直至一九六一年，建築物內仍設有裁判司法庭。該建築物於一九八三年停止用作理民府的辦公大樓。一九八八至二〇〇〇年間，舊北區理民府曾撥給環境保護署用作該署的大埔區分處，二〇〇二年始改為香港童軍總會新界東地域總部。

舊北區理民府高踞山丘之上，為二十世紀初典型的殖民地建築。大樓以紅磚築砌，東西立面均為磚柱遊廊，外形優雅堂皇。建築物的內部除因員工及功能日增而曾作必要的改動外，整體上未經重大改建。房間內的古典壁爐仍保存良好，保留了建築物的特色。

舊北區理民府及毗鄰土地於一九八一年十一月十三日藉憲報公告宣布為法定古蹟，受《古物及古蹟條例》保護。

古物事務監督

Source: AMO records

6.4 Information signs erected outside monuments and graded buildings help the general public locate these premises, provide information on their historic significance and sometimes prompt the reporting of demolition risks and maintenance problems to the Government. However, Audit noted that, as of February 2013, information signs had not been erected outside many Government and private monuments and almost all the Government and private graded buildings, as follows:

- (a) 15 Government monuments (26% of the total of 57) and 5 private monuments (11% of the total of 44); and
- (b) 202 Government graded buildings (99% of the total of 203) and 708 private graded buildings (99% of the total of 714).

6.5 In Audit's view, the AMO needs to take action to erect information signs outside all Government monuments and graded buildings to provide information to highlight their historic interest and significance. It also needs to persuade the owners of private monuments and graded buildings to allow the erection of information signs outside their buildings as far as possible, particularly those owners who have received Government subsidy for maintaining their buildings.

### ***Guided-tour information not fully published in bi-lingual***

6.6 The websites of the four revitalised buildings which have commenced operation (see items (a) to (d) in Appendix B) are hyperlinked with the CHO website. As of February 2013, the websites generally provided guided-tour schedules and related information in both Chinese and English, except the Former North Kowloon Magistracy which only provided the information in English. In Audit's view, the CHO should require all tenants under the Revitalisation Scheme to provide information in both Chinese and English on their websites, which will facilitate wider public access to the information.

### Heritage education and publicity

6.7 The AMO is responsible for organising education and publicity activities (e.g. guided tours, lectures, workshops and exhibitions) to promote heritage conservation. Over the past three years from 2010 to 2012, the AMO had organised 1,200 to 1,500 education and publicity activities each year. After organising each activity, the AMO conducted a questionnaire survey to gauge the participants' views on the activity.

6.8 At its meeting in December 2004, the AAB said that it was important to bring the concept of heritage conservation closer to people through a sustained effort in heritage education and publicity. In February 2005, the AAB endorsed a heritage education and publicity strategy based on which the AMO should plan its programmes and activities. The strategy included:

- (a) adopting sustainability of efforts, partnership with non-government sectors, community involvement and capacity building as principles in promoting heritage education and publicity;
- (b) establishing a systematic mechanism with annual goals and performance indicators and conducting regular surveys to identify the needs of stakeholders, and monitor and evaluate the effectiveness of the AMO's programmes; and
- (c) formulating a plan with themes, tasks, targets and measurements of extent of achievements every two years. In addition, at the end of each year, the AMO should submit to the AAB an annual heritage education and publicity plan for the coming year.

In November 2005, the AMO informed the AAB that the above strategy would serve as a guiding principle for the AMO's heritage education and publicity work.

### *Lack of a territory-wide survey on heritage conservation work*

6.9 As part of the AAB's heritage education and publicity strategy, the AMO has been tasked to conduct regular surveys to identify the needs of stakeholders (see para. 6.8(b)). In 2009, a consultant engaged by the CHO completed a survey on the views of 795 secondary-school students on the Government's efforts on promoting heritage conservation. The results revealed that:

- (a) 62% of respondents considered the Government's efforts in this aspect inadequate, 7% considered adequate and 31% had no comments;
- (b) 58% of respondents considered schools' efforts in this aspect inadequate, 11% considered adequate and 31% had no comments; and
- (c) 23% of respondents were dissatisfied with the Government's heritage conservation work, 10% satisfied, 57% were neutral about the work and 10% had no comments.

From 2009 to 2012, the CHO had organised 23 heritage education and publicity events to supplement the work of the AMO, such as organising guided tours for secondary-school students and distributing teaching kits to secondary schools.

6.10 In October 2007, the DEVB informed LegCo that the public would be consulted in a more in-depth and comprehensive manner in formulating the heritage conservation policy. Audit however noted that the AMO had not conducted any territory-wide survey to identify the needs of the general public on heritage conservation, gauge their views on the effectiveness of the Government's actions in this aspect, and seek their opinions on improvement areas. Audit considers that the AMO needs to conduct such a survey.

## **Promotion of heritage conservation**

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### ***Some heritage education and publicity plans not submitted to the AAB***

6.11 As part of the AAB's heritage education and publicity strategy set in 2005, the AMO needs to formulate a plan with themes, tasks, targets and measurements of extent of achievements every two years (biennial plan), and at the end of each year, submit to the AAB an annual heritage education and publicity plan (annual plan) for the coming year (see para. 6.8(c)).

6.12 However, Audit noted that, apart from submitting the annual plans for 2006 and 2009 to the AAB in November 2005 and February 2009 respectively, the AMO had not compiled and submitted any biennial plans from 2006 to 2012, and the annual plans for 2007, 2008 and 2010 to 2012. In Audit's view, the AMO needs to compile and submit such plans to the AAB for monitoring the effectiveness of the heritage education and publicity work in the future.

## **PART 7: WAY FORWARD**

7.1 This PART examines the way forward for heritage conservation in Hong Kong and suggests further areas for improvement.

### **Achievements**

7.2 Since the enactment of the A&M Ordinance in 1971 and its operation from 1976, through the continuous efforts of members of the AAB and staff of the CHO and the AMO, up to February 2013, 101 monuments had been declared and 917 graded buildings confirmed.

7.3 In declaring private buildings to be monuments or classifying them as graded buildings, the CHO and the AMO have succeeded in obtaining the agreement of many private owners for the purposes, some through the persuasion efforts of the CHO and the AMO and the willingness of the owners to contribute to society, and some through providing economic incentives to the owners (e.g. King Yin Lei case — see para. 2.11). The CHO has also launched the FAS to provide financial assistance to owners of private graded buildings for maintenance of the pertinent buildings. In conserving Government historic premises, the CHO has recently implemented the Revitalisation Scheme to put the buildings into gainful use.

### **Challenges ahead**

#### ***Conservation of private historic buildings***

7.4 It is the Government's policy to strike a proper balance between respect for private property rights and heritage conservation. The Government recognises that on the premise of respecting private property rights, the Administration needs to offer appropriate economic incentives to encourage or in exchange for private owners to conserve historic buildings in their ownership.

## Way forward

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7.5 Apart from selecting one to two private buildings for declaring them as monuments every year, the DEVB has also implemented a mechanism to identify and take appropriate actions (such as declaration of monuments or proposed monuments and provision of economic incentives) to conserve private graded buildings and proposed graded buildings having demolition or alteration risks. For the 714 graded and 116 proposed graded/No-grade private buildings (see paras. 1.14 and 3.4(b)), the DEVB will only approach the owners to persuade them to conserve the buildings upon noting any demolition or alteration plans from the BD, the Lands D and the Plan D. As the grading system is an administrative one without any statutory backing, this approach seems to be a pragmatic way in conserving graded and proposed graded private buildings.

7.6 In recent years, there has been growing public interest over the Government's practices and strategies on heritage conservation, as shown in some public demonstrations and media reports. In particular, the Ho Tung Gardens case has revealed the challenges encountered by the Antiquities Authority in his plan to declare a private building with high historic significance a monument. Although the Antiquities Authority had once announced his intention to declare the Gardens a monument, the declaration was eventually not made. Accordingly, there may be a need for the DEVB to review the statutory provisions in conserving private buildings with high historic significance (see paras. 2.13 to 2.18). In conducting the review, the DEVB needs to critically consider the best means to conserve private buildings of high historic value, taking into account the challenges encountered in the Ho Tung Gardens case, stakeholders' views, public opinions and overseas practices (see para. 2.18).

7.7 This audit review has also identified that some private graded or proposed graded buildings have been demolished without the knowledge of the CHO or the AMO (see paras. 5.9 and 5.10). The DEVB also needs to enhance efforts in this area.

### ***Conservation of Government historic buildings***

7.8 As of February 2013, there were 57 Government monuments and 203 Government graded buildings managed by various B/Ds and NGOs. While most of them had been put into gainful use, 16 historic buildings (one monument and 15 graded buildings) had been left unattended or idle for a long time (see para. 4.5). In particular, 10 graded buildings not having been allocated to any B/Ds had been left unattended and some had become dilapidated owing to the lack of maintenance. The DEVB needs to ensure that these premises are properly maintained for conservation purposes. Furthermore, to enhance public enjoyment and appreciation of these Government premises, there is scope for organising more guided tours for the public as far as possible (see paras. 4.14 to 4.16).

### **Issues for attention**

7.9 In this review, Audit has identified the following major issues:

#### ***PART 2: Declaration of monuments***

- (a) the Government encountered challenges when intending to declare a private historic building a monument (paras. 2.13 to 2.18);

#### ***PART 3: Assessment of historic buildings***

- (b) the grading of 175 of the 1,444 historic buildings were not confirmed after a long time (paras. 3.3 to 3.5);
- (c) 202 historic buildings newly referred by the public would only be assessed after confirmation of the grading of the 1,444 historic buildings (paras. 3.6 to 3.11);

### ***PART 4: Government monuments and graded buildings***

- (d) one Government monument and 15 Government graded buildings had been left unattended or unused for a long time, some of which were in dilapidated condition (paras. 4.5 to 4.12);
- (e) guided tours were not organised for many Government monuments and graded buildings to enhance public appreciation of their heritage value (paras. 4.13 to 4.16);
- (f) the AMO did not formulate inspection guidelines for Government monuments and graded buildings (paras. 4.17 to 4.19);
- (g) tenants under Batch I of the Revitalisation Scheme were not required under the tenancy agreements to provide visitor information to the CHO (para. 4.24);

### ***PART 5: Private monuments and graded buildings***

- (h) the CHO and the AMO were not notified of the demolition of some private historic buildings (paras. 5.9 and 5.10);
- (i) the AMO did not formulate inspection guidelines for private monuments and graded buildings (paras. 5.14 to 5.16);
- (j) the AMO did not conduct any preventive maintenance surveys on the outstanding 25 private monuments from February 2011 to February 2013 (paras. 5.17 and 5.18);
- (k) the majority of defects identified during the AMO's preventive maintenance surveys had not been rectified more than two years after their identification (paras. 5.20 and 5.21);
- (l) the participation of private graded buildings in the FAS was low (paras. 5.22 to 5.25);

***PART 6: Promotion of heritage conservation***

- (m) information signs were not erected outside many Government and private monuments and outside almost all Government and private graded buildings (paras. 6.3 to 6.5);
- (n) a tenant under the Revitalisation Scheme did not provide guided-tour information in Chinese on its website (para. 6.6);
- (o) the AMO did not conduct a territory-wide survey on heritage conservation (paras. 6.9 and 6.10); and
- (p) the AMO did not fully comply with a requirement to submit annual and biennial plans to the AAB (paras. 6.11 and 6.12).

**Review of heritage conservation policy**

7.10 The Secretary for Development announced at a press conference in December 2012 that the DEVB would commence reviewing its policy on the preservation of private historic buildings. In his 2013 Policy Address of January 2013, the Chief Executive also said that there was a need for reviewing the policy in light of experiences in the past few years. In the same month, the DEVB informed the LegCo Panel on Development that:

- (a) it would review the present policy on the conservation of private historic buildings so as to better meet the public's expectations; and
- (b) the review would cover areas such as the extent and ways to use public resources to conserve these buildings, the need to set up standardised mechanism and criteria for providing economic incentives to owners, and whether conservation of these buildings should be advanced through town planning. The Government would also examine whether the setting up of a heritage trust would help in the conservation of the buildings and the feasibility of setting up such a trust in Hong Kong.

## Way forward

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7.11 Audit welcomes the Administration's initiatives to conduct a review of the Government's heritage conservation policy. In this connection, Audit notes that, as part of the package of initiatives endorsed by the Chief Executive-in-Council in September 2007, the Administration will examine, in the long run, the setting up of a heritage trust in Hong Kong to take over the heritage conservation work and better mobilise community support (see para. 1.9(b)(v)). In November 2011, the DEVB commissioned a consultancy study to examine the feasibility, framework and implementation plan for setting up a statutory heritage trust in Hong Kong. In the forthcoming review, the DEVB needs to take into account the results of the consultancy study and the audit observations and recommendations in this Audit Report.

## Audit recommendations

7.12 Audit has *recommended* that the Secretary for Development should:

### *PART 2: Declaration of monuments*

- (a) **conduct a review of the existing mechanism for heritage conservation, particularly that relating to private historic buildings, drawing experience from the Ho Tung Gardens case and making reference to overseas practices;**

### *PART 3: Assessment of historic buildings*

- (b) **task the Executive Secretary of the AMO to:**
  - (i) **formulate a plan for confirming the grading of the outstanding 175 historic buildings;**
  - (ii) **update the list of potential historic buildings and distribute it to the BD, the Lands D and the Plan D on a timely basis; and**
  - (iii) **in consultation with the AAB, consider assessing newly-referred historic buildings by the public while confirming the grading of the outstanding historic buildings mentioned in (i) above;**

*PART 4: Government monuments and graded buildings*

- (c) **take measures to ensure that all unallocated Government graded buildings (particularly the 10 unallocated buildings identified by Audit) are properly maintained and gainfully used;**
- (d) **task the Executive Secretary of the AMO to formulate and issue guidelines for regular inspections of Government monuments and graded buildings, and disseminate the guidelines to responsible B/Ds for conducting regular inspections of these premises;**
- (e) **task the Commissioner for Heritage to:**
  - (i) **in collaboration with the AMO, the responsible B/Ds and NGOs, periodically organise guided tours to Government monuments and graded buildings as far as practicable; and**
  - (ii) **require tenants under the Revitalisation Scheme to submit to the CHO periodical returns on visitor information, and specify guided-tour requirements in the related tenancy agreements;**

*PART 5: Private monuments and graded buildings*

- (f) **task the Executive Secretary of the AMO to:**
  - (i) **conduct promotion campaigns on the requirements for building owners to seek the BD's consent before demolition of historic buildings or obtain the Lands D's Certificate of Exemption in respect of building works before redevelopment of historic buildings;**
  - (ii) **take proactive action to prepare photographic and drawing records of private historic buildings when the AMO is notified of any demolition plans of such buildings;**
  - (iii) **formulate and issue guidelines for regular inspections of private monuments and graded buildings;**

## Way forward

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- (iv) **conduct preventive maintenance surveys of the outstanding 25 private monuments;**
- (v) **set time targets for completing monument survey reports, remind AMO staff of the need to complete the reports in a timely manner, and provide the survey reports to the owners concerned; and**
- (vi) **formulate an action plan, set time targets and take prompt action to rectify building defects identified during monument surveys, particularly those requiring urgent attention;**
- (g) **remind the related B/Ds of the requirement to notify the CHO and the AMO of any demolition or alteration plans of private historic buildings;**
- (h) **task the Commissioner for Heritage to conduct a review of the FAS with a view to ascertaining the reasons for the low participation and whether the scheme is effective;**

### *PART 6: Promotion of heritage conservation*

- (i) **task the Executive Secretary of the AMO to:**
  - (i) **take action to erect information signs outside all Government monuments and graded buildings;**
  - (ii) **persuade the owners of private monuments and graded buildings to allow the erection of information signs outside their buildings as far as possible;**
  - (iii) **conduct a territory-wide survey to identify the needs of the general public on heritage conservation, gauge their views on the effectiveness of the Government's actions in this aspect, and seek their opinions on improvement areas; and**

- (iv) **compile and submit to the AAB annual and biennial plans required under the AAB's heritage education and publicity strategy; and**
  
- (j) **task the Commissioner for Heritage to require all tenants under the Revitalisation Scheme to provide information in both Chinese and English on their websites.**

7.13 **Audit has also *recommended* that, regarding the six Government historic buildings that have been left unused for a long period of time, the Director of Leisure and Cultural Services, the Director of Water Supplies, the Government Property Administrator and the Director of Health should take action to ensure that the buildings are properly utilised.**

## **Response from the Administration**

7.14 The Secretary for Development agrees with the audit recommendations in paragraph 7.12. He has said that:

### ***PART 2: Declaration of monuments***

- (a) the AAB, supported by the AMO, will compile a consultation paper by end 2013, and will collaborate with the DEVB in collating public views on the policy review of the preservation of private historic buildings;

### ***PART 3: Assessment of historic buildings***

- (b) the ways to tackle the difficulties encountered in the grading of private historic buildings will be addressed in the policy review of the preservation of private historic buildings. The AMO will continue to update the list of newly-referred premises and distribute it to the BD, the Lands D and the Plan D on a bi-monthly basis;

### *PART 4: Government monuments and graded buildings*

- (c) he has tasked the Lands D to seek the assistance of the GPA in identifying users for the unallocated Government graded buildings, and to appoint the ArchSD or other appropriate parties to carry out the maintenance works;
- (d) the AMO will conduct inspections of Government monuments at least once a year to ensure that they are properly maintained and used. For Government graded buildings, the AMO will conduct inspections at least once every three years to ascertain whether they are properly maintained by the users. The AMO will issue guidelines for the inspections;
- (e) the DEVB has been selecting and will continue to select suitable historic buildings for provision of guided tours under publicity events such as the Heritage Fiesta. The DEVB encourages B/Ds which are managing monuments and graded buildings to arrange guided tours to their buildings where appropriate. Sufficient publicity is essential for making guided tours to historic buildings successful;
- (f) under Batch III of the Revitalisation Scheme, the NPOs are required to conduct visitor satisfaction surveys and submit the results to the CHO on a half-yearly basis. The CHO will specify a requirement of submitting results of visitor satisfaction surveys to the CHO on a half-yearly basis in all related tenancy agreements in future;
- (g) regarding guided-tour requirements in the tenancy agreements, subject to the business nature of the revitalisation projects and site constraints, the CHO has been working and will continue to work with the NPOs to design and specify in the tenancy agreements a minimum number of guided tours per day during weekdays and during weekends/holidays, and of open days per year as appropriate;

***PART 5: Private monuments and graded buildings***

- (h) when informing historic buildings' owners of the proposed grading of their buildings in future, the AMO will remind them of the need to comply with the relevant Ordinances and regulations in carrying out works to their buildings. The Lands D will continue to publicise as necessary the requirements of the Ordinances and regulations under its purview. As part of the efforts to foster a building safety culture, the BD will continue to launch publicity initiatives to enhance public awareness of the statutory requirements for carrying out building works;
- (i) the AMO will conduct inspections of private monuments at least once a year to ensure that the buildings are properly maintained and used. For private graded buildings, the AMO will conduct inspections of the exterior of the buildings once every two years for record updating purposes. The AMO will issue guidelines for the inspections;
- (j) the AMO has recently taken action to engage a consultancy to conduct preventive maintenance surveys of the outstanding 25 private monuments;
- (k) on 26 February 2013, the DEVB reported to the LegCo Panel on Development that it had invited the AAB to assist the Government in the policy review on the preservation of private historic buildings. The preliminary scope of the review will cover formulating a set of more detailed mechanism and criteria for determining the extent and the use of public resources in this area, including the FAS;

***PART 6: Promotion of heritage conservation***

- (l) the AMO will liaise with the relevant B/Ds to erect information signs outside Government monuments and graded buildings, subject to site conditions. Erection of information signs outside private graded buildings needs to take into account private owners' consent, site constraints, public safety requirements and stakeholders' views; and
- (m) under Batch III of the Revitalisation Scheme, the NPOs are required to provide information in both Chinese and English on their websites. The CHO will specify a requirement of providing information in both Chinese and English on NPOs' websites in related tenancy agreements in future.

## Way forward

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7.15 The Director of Leisure and Cultural Services also agrees with the audit recommendations in paragraph 7.12(b), (d), (f) and (i).

7.16 The Director of Leisure and Cultural Services, the Director of Water Supplies, the Government Property Administrator and the Director of Health agree with the audit recommendation in paragraph 7.13. They have said that:

### *Director of Water Supplies*

- (a) regarding the Peak Depot on Old Peak Road (see item (d) of Table 5 in para. 4.9), the WSD has made attempts to make use of the depot;

### *Government Property Administrator*

- (b) regarding the Victoria Road Detention Centre (see item (c) of Table 5 in para. 4.9), the GPA has recently worked with the Education Bureau and the AMO with a view to putting the property into gainful use; and

### *Director of Health*

- (c) regarding the Main Block and the Bungalow at the Lady Ho Tung Welfare Centre (see items (e) and (f) of Table 5 in para. 4.9), the DH has a concern over the physical conditions of the building and it may not be appropriate for visits by guided tours. The DH has been liaising with relevant B/Ds (e.g. the GPA and the CHO) and the HA to make appropriate use of the Main Block and the Bungalow at the Centre. The DH will continue its efforts to liaise with the relevant parties to follow up on the use of these premises.

7.17 The Director of Lands has said that the Lands D will enhance its current instructions and procedures with a view to ensuring that its District Lands Offices will notify the CHO and the AMO of any redevelopment or lease modification applications that will affect historic buildings.

**Guided tours organised for Government monuments  
(2009 to 2012)**

**A. 21 Government monuments with guided tours organised**

**I. Archaeological site**

1. Pottery Kilns at Wun Yiu Village

**II. Buildings and structures**

2. 6 Historic Structures of Pok Fu Lam Reservoir
3. Former French Mission Building
4. Former Kowloon British School
5. Fortified Structure at No. 55 Ha Pak Nai
6. Government House
7. Hong Kong Observatory
8. Island House
9. King Yin Lei
10. King's College
11. Old District Office North
12. Tai Fu Tai Mansion
13. The Exterior of the Old Supreme Court

**III. Museums**

14. Flagstaff House
15. Kom Tong Hall
16. Law Uk Hakka House
17. Old Pathological Institute
18. Old Tai Po Market Railway Station
19. Sheung Yiu Village
20. Sam Tung Uk Village

**IV. Vacant**

21. 22 Historic Structures of Tai Tam Group of Reservoirs, most of them are in operation or occupied except the vacant Tai Tam Tuk Raw Water Pumping Station No. 2 Staff Quarters Building

**B. 36 Government monuments without guided tours organised**

**I. Archaeological sites**

1. Fan Lau Fort
2. Lei Cheng Uk Han Tomb
3. Remnants of the South Gate of Kowloon Walled City
4. Rock Carving at Big Wave Bay
5. Rock Carving at Lung Ha Wan
6. Rock Carving at Shek Pik
7. Rock Carvings at Wong Chuk Hang
8. Rock Carvings on Cheung Chau
9. Rock Carving on Kau Sai Chau
10. Rock Carvings on Po Toi
11. Rock Carving on Tung Lung Chau
12. Rock Inscription at Joss House Bay
13. Site of Chinese Customs Station, Fat Tau Chau
14. Stone Circle at Fan Lau
15. Tung Chung Battery
16. Tung Chung Fort
17. Tung Lung Fort

**II. Buildings and structures**

18. 3 Historic Structures of Wong Nai Chung Reservoir
19. 4 Historic Structures of Aberdeen Reservoir
20. 5 Historic Structures of Kowloon Reservoir
21. Central Police Station Compound
22. Duddell Street Steps and Gas Lamps
23. Former Central Magistracy
24. Former Kowloon-Canton Railway Clock Tower

**II. Buildings and structures (cont'd)**

25. Former Yamen Building of Kowloon Walled City
26. Gate Lodge of the Former Mountain Lodge
27. Memorial Stone of Shing Mun Reservoir
28. Old House, Hoi Pa Village, Tsuen Wan
29. Old House, Wong Uk Village, Sha Tin
30. Old Stanley Police Station
31. Old Wan Chai Post Office
32. Victoria Prison Compound

**III. Lighthouses**

33. Cape D' Aguilar Lighthouse
34. Green Island Lighthouse Compound
35. Tang Lung Chau Lighthouse
36. Waglan Lighthouse

*Source: AMO records*

**Appendix B**  
(paras. 4.22, 4.24  
and 6.6 refer)

**Historic buildings under the Revitalisation Scheme  
(February 2013)**

Building	Social enterprise under the Scheme	Actual/target opening date
<b>Batch I building (launched in February 2008)</b>		
(a) Former North Kowloon Magistracy in Sham Shui Po (Grade-2 building)	Art college	September 2010
(b) Old Tai O Police Station (Grade-2 building)	Hotel	March 2012
(c) Lui Seng Chun in Mong Kok (Grade-1 building)	Chinese medicine and healthcare centre	April 2012
(d) Former Lai Chi Kok Hospital (Grade-3 building)	Cultural centre	June 2012
(e) Fong Yuen Study Hall on Ma Wan (Grade-3 building)	Cultural centre cum museum	First quarter of 2013
(f) Mei Ho House in Shek Kip Mei (Grade-2 building)	Hostel	Second quarter of 2013
<b>Batch II building (launched in August 2009)</b>		
(g) Stone Houses in Kowloon City (Grade-3 building)	Theme cafeteria	Third quarter of 2014
(h) Old Tai Po Police Station (Grade-1 building)	Centre for promoting sustainable living	Fourth quarter of 2014
(i) The Blue House Cluster in Wan Chai (one Grade-1 and one Grade-3 buildings)	Multi-functional service complex	Third quarter of 2015
(j) Former Fanling Magistracy (Grade-3 building)	(Re-launched in Batch III)	Not yet determined
(k) Old House at Wong Uk Village in Sha Tin (Monument)	(Withdrawn)	Not applicable
<b>Batch III building (launched in October 2011)</b>		
(l) King Yin Lei (Monument)	(To be re-launched in future)	Not yet determined
(m) Haw Par Mansion in Causeway Bay (Grade-1 building)	Music school	
(n) Bridges Street Market in Central (Grade-3 building)	News museum	
(o) Former Fanling Magistracy (Grade-3 building)	Youth leadership development centre	

Source: CHO records

## Acronyms and abbreviations

AAB	Antiquities Advisory Board
A&M Ordinance	Antiquities and Monuments Ordinance
AMO	Antiquities and Monuments Office
AP	Authorised Person
ArchSD	Architectural Services Department
Audit	Audit Commission
BD	Buildings Department
B/Ds	Bureaux or departments
CHO	Commissioner for Heritage's Office
DEVB	Development Bureau
DH	Department of Health
FAS	Financial Assistance Scheme
GPA	Government Property Agency
HA	Hospital Authority
Lands D	Lands Department
LCSD	Leisure and Cultural Services Department
LegCo	Legislative Council
NGOs	Non-governmental organisations
NPOs	Non-profit-making organisations
Plan D	Planning Department
WSD	Water Supplies Department