

## **CHAPTER 5**

**Development Bureau  
Buildings Department**

**Management of minor works  
by the Buildings Department**

**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. 79 of the Director of Audit contains 8 Chapters which are available on our website at <https://www.aud.gov.hk>



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# **MANAGEMENT OF MINOR WORKS BY THE BUILDINGS DEPARTMENT**

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# MANAGEMENT OF MINOR WORKS BY THE BUILDINGS DEPARTMENT

## Executive Summary

1. Under the Buildings Ordinance (Cap. 123), prior to 31 December 2010, all building works, with the exception of exempted works, required the prior approval and consent of the Buildings Department (BD) before commencement. On 31 December 2010, the Minor Works Control System (MWCS) regulated by the Building (Minor Works) Regulation (B(MW)R) (Cap. 123N) came into full operation. With the introduction of MWCS, building owners may carry out minor works (MW) under simplified requirements without the need to obtain prior approval and consent of BD before the commencement of such works. MWCS aims to facilitate building owners and occupants in carrying out small-scale and low-risk building works safely and lawfully through simplified statutory procedures and thereby improve the quality of such building works and building safety in Hong Kong.

2. Under MWCS, MW are classified into three classes (i.e. Classes I, II and III, with degree of control in descending order) according to their scale, complexity and risk to safety. All MW (i.e. Classes I, II and III MW) are required to be carried out by prescribed registered contractors (RCs). If the works involve Class I MW, the owners should engage prescribed building professionals (BPs) to design and supervise the carrying out of the MW. BD is responsible for processing the applications for registration for prescribed BPs and prescribed RCs. The Audit Commission (Audit) has recently conducted a review to examine BD's work in management of MW.

## Processing of minor works submissions

3. *Late submission of some notices of commencement of works and certificates of completion of works.* According to B(MW)R, the prescribed BP or prescribed RC is required to submit MW documents to BD not less than 7 days before the commencement of the works (for Classes I and II MW) and within 14 days after the date of completion of the works (for Classes I, II and III MW). From January 2019 to March 2022, 138,474 notices of commencement of works and

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173,830 certificates of completion of works were processed by BD's Minor Works and Signboard Control Section. Audit noted that there was late submission of some documents: (a) of the 138,474 notices of commencement of works, 9,348 (7%) were submitted to BD less than 7 days before the commencement of works. Of the 9,348 notices, the commencement dates of works for 2,327 (25%) were even earlier than the submission dates of the notices (i.e. the notices were submitted after the works had commenced) by 1 day to 1.9 years (averaging 40 days); and (b) of the 173,830 certificates of completion of works, 4,762 (3%) were submitted to BD more than 14 days and up to 3.2 years (averaging 51 days) after the completion of works (paras. 2.4 and 2.5).

4. ***Long outstanding certificates of completion of works.*** From January 2017 to September 2021, 192,161 notices of commencement of works for Classes I and II MW were processed by the Minor Works and Signboard Control Section. Audit noted that, as of March 2022, certificates of completion of works had not yet been received for 11,336 (6%) notices of commencement of works (including 3,402 (30% of 11,336) notices received more than 3 years but without corresponding certificates of completion of works). According to BD, it had conducted two reviews of Classes I and II MW submissions relating to notices of commencement of works received from 2014 to 2016 and 2017 to 2019 without corresponding certificates of completion of works in May 2018 and March 2022 respectively and issued reminder letters to all relevant prescribed BPs and prescribed RCs. There are different reasons for notices of commencement of works without corresponding certificates of completion of works. Late submission of MW documents would only be identified when submissions were selected for its audit checks. Audit noted that there was scope for making use of Minor Works Management System (MWM System) (a computer system implemented in June 2010 and revamped in January 2020 for recording submission information) to keep track of MW submissions (paras. 2.7 to 2.10).

5. ***Scope for encouraging the use of e-submission.*** In 2016, BD launched the Electronic Forms Submission System to facilitate online submission of forms through BD's website. From January 2017 to December 2021, of some 95,000 to 116,000 MW submissions processed each year by the Minor Works and Signboard Control Section, e-submission accounted for only 8% to 13.7% (paras. 2.11 and 2.12).

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6. ***BD's audit checks of some selected MW submissions not timely completed.*** MW submissions will be selected at random by BD for its audit checks (i.e. audit fundamental check (AFC) and site audit check (SAC)). From January 2019 to March 2022, 20,828 MW submissions were selected for AFC and 2,835 MW submissions were selected for SAC. Audit noted that BD had not met the time target of 60 days for completing its audit checks of some submissions. As of March 2022: (a) AFC for 15,339 (74%) submissions had been completed. Except 372 submissions without completion date of AFC, for 7,405 (49%) of the remaining 14,967 submissions, BD took more than 60 days and up to 3.2 years (averaging 215 days) to complete AFC after the selection dates. AFC for 5,489 (26%) submissions were still in progress, of which 4,629 (84%) submissions had been selected for AFC for more than 60 days and up to 3.2 years (averaging 1.3 years); and (b) SAC for 1,561 (55%) submissions had been completed. Except 648 submissions without completion date of SAC, for 463 (51%) of the remaining 913 submissions, BD took more than 60 days and up to 1.9 years (averaging 191 days) to complete SAC after the selection dates. SAC for 1,274 (45%) submissions were still in progress, of which 1,137 (89%) submissions had been selected for SAC for more than 60 days and up to 3.2 years (averaging 1.4 years) (paras. 2.17 and 2.22).

7. ***Scope for enhancing the monitoring of irregularities found during BD's audit checks of MW submissions.*** Of 15,339 and 1,561 MW submissions selected for AFC and SAC respectively from January 2019 to March 2022, 566 (4%) and 172 (11%) submissions were found not in order in AFC and SAC respectively. Audit noted that there was no readily available information on the follow-up actions on 30 (5% of 566) and 79 (46% of 172) submissions with irregularities found in AFC and SAC respectively. Of these 109 (30+79) submissions, 60 submissions' completion dates of audit checks were recorded by BD. The audit checks for 49 (82%) of these 60 submissions had been completed for more than 6 months and up to 3.2 years (averaging 1.9 years) (para. 2.26).

8. ***Scope for improvement in conducting site inspection.*** Audit noted that, of the 1,561 completed SAC for MW submissions selected from January 2019 to March 2022, the subject premises of 382 (24%) were inaccessible. In Audit's view, there is merit for BD to explore measures to increase the successful rate of site inspection for MW submissions selected for SAC (paras. 2.29 and 2.31).

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9. ***Advisory letters and warning letters.*** According to BD guidelines, for MW submissions with irregularities found during BD's audit checks, BD may issue advisory letters to the prescribed BPs and/or prescribed RCs in accordance with its time targets. If the irregularities identified during BD's audit checks are not or cannot be rectified, or for any major irregularities identified even if they are rectified eventually, a warning letter should be issued in accordance with BD's time targets instead (para. 2.32). Audit noted the following issues:

- (a) ***Some advisory letters not timely issued.*** BD issued advisory letters for 308 MW submissions selected for its audit checks from January 2019 to March 2022 (comprising 191 and 117 letters issued for AFC and SAC respectively). A total of 131 (69%) advisory letters issued for AFC and 58 (50%) advisory letters issued for SAC were not timely issued in accordance with BD's time targets (para. 2.33); and
- (b) ***Some warning letters not timely issued.*** BD issued warning letters for 84 MW submissions selected for its audit checks from January 2019 to March 2022 (comprising 54 and 30 letters issued for AFC and SAC respectively). A total of 36 (67%) warning letters issued for AFC and 23 (77%) warning letters issued for SAC were not timely issued in accordance with BD's time targets (para. 2.33).

10. ***Referral of non-compliant cases for instigating prosecution actions.*** According to BD guidelines, non-compliant MW submissions should be referred to BD's Legal Services Section for instigating prosecution actions within 180 days from the selection date of MW submission for AFC or from the date of discovery of irregularities for SAC. In instigating prosecution actions against non-compliant MW submissions, priority should be given to, for example, submissions involving major irregularities identified (para. 2.36). Audit noted the following issues:

- (a) ***Some non-compliant MW submissions not timely referred for instigating prosecution actions.*** Of the 24 non-compliant MW submissions referred to the Legal Services Section from January 2019 to March 2022 for instigating prosecution actions, 11 (46%) non-compliant submissions identified in AFC were referred to the Section 211 to 348 days (averaging 286 days) after the selection dates of submissions for AFC and 3 (13%) non-compliant submissions identified in SAC were referred to the Section 211 to 289 days (averaging 237 days) after the dates of discovery of irregularities for SAC (para. 2.38); and

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- (b) *Some cases of serious irregularities not yet referred for instigating prosecution actions after a long time.* BD's audit checks identified 33 submissions with serious irregularities from January 2019 to March 2022. As of August 2022, 13 (40%) submissions had not been referred to the Legal Services Section for instigating prosecution actions (including 6 submissions with serious irregularities identified for more than 1 year) (para. 2.38).
11. *Scope for making better use of MWM System for processing MW submissions.* While a revamped MWM System was implemented in January 2020, Audit noted that there was still scope for improvement in recording and monitoring BD's audit checks: (a) according to BD, the progress of its audit checks is recorded in both MWM System and spreadsheets. Audit however noted that completion dates of audit checks for some submissions was not recorded in MWM System or spreadsheets (see para. 6); and (b) some management reports (e.g. management information on progress of BD's audit checks and timeliness of follow-up actions taken) could not be generated from MWM System for monitoring purpose (para. 2.40).

### Management of prescribed registered contractors for minor works

12. *Performance enhancement courses.* Under the Contractor Performance Enhancement Scheme (CPES), when warning letters are issued by BD to registered minor works contractors (RMWCs) for irregularities found, performance points will be accorded to RMWCs. BD will issue notification letters to invite RMWCs to attend performance enhancement courses when the total performance points accorded to the RMWCs reach 15 or above, or the RMWCs have been convicted or disciplined under the Buildings Ordinance arising from their carrying out of MW. BD will further issue reminder letters to the RMWCs if certificates of attendance are not submitted within 1.5 months from the dates of notification letters. Since the commencement of CPES in December 2019 and up to March 2022, 37 RMWCs were invited to attend the performance enhancement courses (paras. 3.13 and 3.14). Of these 37 RMWCs, Audit noted that:

- (a) *Long time taken for issuing notification letters to some RMWCs.* The time taken for issuing notification letters to them ranged from 3 to 451 days (averaging 157 days) after their performance points reached 15 or their

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convicted/disciplined dates. In this connection, BD had not set any time target for issuing notification letters (para. 3.14);

- (b) ***Reminder letters not timely issued to some RMWCs.*** 29 RMWCs had not submitted their certificates of attendance within 1.5 months from the dates of notification letters. Of these 29 RMWCs, reminder letters had not been issued to 7 RMWCs and reminder letters to 9 RMWCs had been issued more than 1.5 months (averaging 53 days) after the dates of notification letters (para. 3.14); and
- (c) ***Low attendance of performance enhancement courses and some RMWCs exceeded the specified timeframe for attending such courses.*** As of March 2022, 16 (43%) RMWCs had not attended the performance enhancement courses and had exceeded the specified timeframe (i.e. 3 months from the dates of notification letters). Of the 21 RMWCs who had attended the performance enhancement courses, 4 (19%) RMWCs had not attended the courses within the specified timeframe (para. 3.14).

13. ***Need to instigate disciplinary proceedings expeditiously.*** According to BD guidelines, administratively, disciplinary proceedings should be commenced within 12 months from the date when the relevant breach/act of default is discovered, except where a valid reason exists. From January 2017 to March 2022, 33 cases were referred to the Legal Services Section for consideration of disciplinary actions against RMWCs. Audit noted two cases which took more than 2 years to refer to the Section for instigating disciplinary proceedings (paras. 3.25 to 3.27).

14. ***Need to make better use of MWM System to keep track of progress of cases with disciplinary proceedings instigated.*** In January 2020, BD revamped its MWM System for more efficient tracking of BD's audit cases under MWCS. Audit noted that warranted cases referred to the Legal Services Section for instigating disciplinary proceedings were only maintained in spreadsheets. In Audit's view, BD needs to take measures to make better use of information technology to keep track of progress of such cases for monitoring purpose (paras. 3.29 and 3.30).

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### Other related issues

15. *Validation schemes relating to specific types of unauthorised building works (UBWs).* As of March 2022, BD implemented three validation schemes relating to specific types of UBWs, namely Household Minor Works Validation Scheme (HMWVS), Signboard Validation Scheme (SVS) and Minor Amenity Feature Validation Scheme (MAFVS) (para. 4.2). Audit noted the following issues:

- (a) *Need to encourage more building owners to validate UBWs through the validation schemes.* In May 2011, BD commissioned a territory-wide stocktaking exercise to capture information on UBWs erected on the exteriors of private buildings and identified about 2.3 million suspected UBWs. About 1.7 million household MW and 86,400 signboards were potential candidates for validation under HMWVS and SVS respectively then. Audit noted that, since the launch of the three validation schemes and up to March 2022, BD had only received 248, 965 and 21 applications for HMWVS, SVS and MAFVS respectively. While MAFVS was newly implemented (for 7 months) in September 2021, HMWVS and SVS had been implemented for over 11 and 8 years respectively. In Audit's view, BD needs to take measures to encourage more building owners to validate UBWs through relevant validation schemes (paras. 4.3, 4.4 and 4.6);
- (b) *Long time taken for processing some applications.* As of March 2022, 16 and 150 applications received under HMWVS and SVS respectively were still being processed by BD. In particular, 1 HMWVS application (received some 4 years ago) and 5 SVS applications (received some 3 years ago) were still being processed by BD (para. 4.7); and
- (c) *Revalidation of some validated signboards under SVS was overdue.* Signboards validated under SVS are subject to revalidation every five years. As of March 2022, there were 234 validated signboards due for revalidation. Revalidation applications had only been received by BD for 14 (6%) signboards. Of the remaining 220 signboards, no follow-up actions had been taken by BD on 218 (99%) cases, for which the revalidation had been overdue for 0.1 to 41.1 months (averaging 18.5 months) (para. 4.7).

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16. *Need to timely update relevant guidelines.* MAFVS was implemented on 1 September 2021. Audit noted that, as of August 2022, some guidelines had not yet been updated for MAFVS accordingly by BD (paras. 4.14 and 4.15).

### Audit recommendations

17. **Audit recommendations are made in the respective sections of this Audit Report. Only the key ones are highlighted in this Executive Summary. Audit has *recommended* that the Director of Buildings should:**

#### *Processing of minor works submissions*

- (a) **enhance monitoring of MW submissions (e.g. through making better use of MWM System) to identify cases not complying with the statutory submission time limit and take appropriate and timely follow-up actions on these cases (para. 2.15(a));**
- (b) **further enhance promotion of e-submission of MW documents to prescribed BPs and prescribed RCs (para. 2.15(c));**
- (c) **strengthen measures to ensure the timely completion of BD's audit checks of MW submissions and enhance the monitoring of follow-up actions on irregularities found during the audit checks (para. 2.41(a) and (b));**
- (d) **explore measures to increase the successful rate of site inspection for MW submissions selected for SAC (para. 2.41(c));**
- (e) **take measures to ensure that advisory letters and warning letters are timely issued for MW submissions with irregularities found during BD's audit checks (para. 2.41(d));**
- (f) **take measures to ensure that warranted non-compliant MW submissions are timely referred for instigating prosecution actions (para. 2.41(f));**

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- (g) **take measures to ensure that information about BD's audit checks is timely and completely recorded in MWM System and make better use of MWM System for generating management information on MW submissions for monitoring purpose (para. 2.41(g) and (h));**

### ***Management of prescribed registered contractors for minor works***

- (h) **consider setting out a time target for issuing notification letters and take measures to ensure the timely issue of reminder letters to RMWCs who meet the criteria under CPES for attending the performance enhancement courses (para. 3.21(a) and (b));**
- (i) **explore measures to encourage RMWCs to attend the performance enhancement courses within the specified timeframe (para. 3.21(d));**
- (j) **instigate disciplinary proceedings against RMWCs involving malpractice expeditiously and take measures to make better use of information technology to keep track of progress of instigating disciplinary proceedings on cases concerned for monitoring purpose (para. 3.31(a) and (b));**

### ***Other related issues***

- (k) **take measures to encourage more building owners to validate UBWs through relevant validation schemes and ensure that applications under validation schemes are timely processed (para. 4.9(a) and (b));**
- (l) **regarding the revalidation of validated signboards under SVS, take measures to ensure that the signboards due for revalidation are timely followed up (para. 4.9(c)); and**
- (m) **take measures to ensure that relevant guidelines for MAFVS are timely updated to incorporate the latest information (para. 4.17(c)).**

## **Response from the Government**

18. The Director of Buildings agrees with the audit recommendations.



# PART 1: INTRODUCTION

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

## *Background*

1.2 Under the Buildings Ordinance (Cap. 123), prior to 31 December 2010, all building works (Note 1), with the exception of exempted works (Note 2), required the prior approval and consent of the Buildings Department (BD — Note 3) before commencement. Otherwise, regardless of the scale of the works, they would be regarded as unauthorised building works (UBWs) and would be subject to enforcement action by BD according to prevailing policy.

1.3 On 31 December 2010, the Minor Works Control System (MWCS) regulated by the Building (Minor Works) Regulation (B(MW)R) (Cap. 123N) came into full operation (Note 4). MWCS provides an alternative for building owners to

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**Note 1:** *According to BD, the Buildings Ordinance regulates building works in private buildings.*

**Note 2:** *Prior to 31 December 2010, exempted works included building works (other than drainage works, ground investigation in Scheduled Areas stipulated in the Buildings Ordinance or site formation works) carried out in a building that did not involve the structure of the building and such exemption did not permit exempted works to be carried out in contravention of any regulations. Examples included painting, internal plastering or wall-paper works, and removal of non-load bearing partition walls which need not have fire resistance rating. The Buildings Ordinance also specified that drainage works carried out in or for any existing building were exempted on certain conditions (e.g. did not involve the structure of the building).*

**Note 3:** *Under the Buildings Ordinance, the authority to approve a building plan and give consent to commence building works is vested in the Building Authority, who is the Director of Buildings. For simplicity, the Building Authority is referred to as BD in this Audit Report.*

**Note 4:** *Under B(MW)R, certain provisions such as those with regard to operational procedures for registration of minor works contractors and the classification of minor works came into operation on 30 December 2009, while the remaining provisions came into operation on 31 December 2010.*

## Introduction

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carry out small-scale and low-risk building works in a lawful, simple, safe and convenient manner. With the introduction of MWCS, building owners may carry out minor works (MW) under simplified requirements without the need to obtain prior approval and consent of BD before the commencement of such works. MWCS aims to facilitate building owners and occupants in carrying out small-scale and low-risk building works safely and lawfully through simplified statutory procedures and thereby improve the quality of such building works and building safety in Hong Kong.

### *Classification of MW*

1.4 Under MWCS, there are currently a total of 187 items of building works that are MW (Note 5). The size, location and respective criteria of each item of MW are set out in B(MW)R. These MW are classified into three classes (i.e. Classes I, II and III, with degree of control in descending order) according to their scale, complexity and risk to safety, as follows:

- (a) Class I (i.e. high complexity and risk to safety) are relatively more complicated MW (involving a total of 58 items);
- (b) Class II (i.e. medium complexity and risk to safety) are comparatively less complex MW (involving a total of 68 items); and
- (c) Class III (i.e. low complexity and risk to safety) mainly include common household and amenity MW (involving a total of 61 items).

1.5 Under each class of MW, the works are generally categorised into eight types (i.e. Types A to H — Note 6) corresponding to the specialisation of works in the industry, as follows:

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**Note 5:** *When MWCS was fully implemented on 31 December 2010, there were 118 items of MW. The items of MW under B(MW)R were amended in 2012 (8 items added) and 2020 (70 items added, 9 items repealed and 56 items amended). Accordingly, with effect from 1 September 2020, there are a total of 187 items of MW under MWCS.*

**Note 6:** *When MWCS was fully implemented on 31 December 2010, MW were categorised into seven types (i.e. Types A to G). B(MW)R was amended in 2020 and a new type (Type H) was added. Accordingly, with effect from 1 September 2020, MW are categorised into eight types.*

- (a) Type A: alteration and addition works;
- (b) Type B: repair works;
- (c) Type C: works relating to signboards;
- (d) Type D: drainage works;
- (e) Type E: works relating to structures for amenities;
- (f) Type F: finishes works;
- (g) Type G: demolition works; and
- (h) Type H: works relating to ventilation system inside a building.

1.6 According to BD, most of the MW items are related to household MW and amenity features. Typical MW include the following:

- (a) erection, alteration or removal of supporting frames for an air-conditioning unit (see Photograph 1 for an example), light fitting, antenna or transceiver projecting from the external wall of a building (relating to 5 items of MW);
- (b) construction, alteration, repair, removal or replacement of windows or window walls (relating to 5 items of MW);
- (c) erection, repair, alteration or removal of aboveground drains (see Photograph 2 for an example) (relating to 3 items of MW);
- (d) erection, alteration or removal of drying racks projecting from the external wall of a building (relating to 2 items of MW); and
- (e) erection of non-load bearing block walls in a flat and thickening of floor slabs in a flat by laying solid screedings (relating to 6 items of MW).

**Photograph 1**

**Supporting frame for an air-conditioning unit**



*Source: BD records*

**Photograph 2**

**Aboveground drains**



*Source: BD records*

1.7 MWCS has also introduced designated exempted works (Note 7), of which the complexity and risk to safety are lower than that of MW. The designated exempted works may be commenced without obtaining prior approval of plans and consent to commencement of works from BD, and without the need to appoint authorized persons and registered contractors (RCs) for the carrying out of the works. There are currently a total of 30 items of designated exempted works (Note 8).

### ***Requirements for carrying out MW***

1.8 The requirements for carrying out MW under MWCS (see Figure 1) are as follows:

- (a) all MW (i.e. Classes I, II and III MW) are required to be carried out by prescribed RCs (Note 9). If the works involve Class I MW, the owners should engage prescribed building professionals (BPs — Note 10) to design and supervise the carrying out of the MW; and
- (b) prescribed BPs or prescribed RCs are required to make appropriate submissions that contain details of the MW concerned to BD, as follows:

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**Note 7:** *Designated exempted works include, for example: (a) excavation works of a depth of not more than 300 millimetres; and (b) erection, alteration, repair or removal of solid fence walls on-grade if the height of the wall is not more than 1.1 metres and the wall is not used as a protective barrier. Designated exempted works are different from exempted works (see Note 2 to para. 1.2) under the Buildings Ordinance.*

**Note 8:** *When MWCS was fully implemented on 31 December 2010, there were 15 items of designated exempted works. The items of designated exempted works under B(MW)R were amended in 2020 (15 items added and 8 items amended). Accordingly, with effect from 1 September 2020, there are a total of 30 items of designated exempted works under MWCS.*

**Note 9:** *Prescribed RCs refer to registered general building contractors, registered specialist contractors registered to conduct a certain category of specialised works, as well as registered minor works contractors registered to conduct certain class/type/item of MW.*

**Note 10:** *Prescribed BPs refer to authorized persons or registered inspectors and, where applicable, registered structural engineers and registered geotechnical engineers.*

- (i) ***Before commencement of works.*** For Classes I and II MW, not less than 7 days before the commencement of the works, the prescribed BP or prescribed RC appointed for carrying out the MW is required to submit various documents to BD, including a notice of commencement of works (in specified form) confirming the appointment of each appointed person and the date on which the works are to be commenced, photographs showing the physical condition of the premises where the works are to be carried out, and prescribed plans and details of the works; and
- (ii) ***After completion of works.*** For Classes I, II and III MW, within 14 days after the date of completion of the works, the prescribed BP or prescribed RC appointed for carrying out the MW is required to submit various documents to BD, including a certificate of completion of works (in specified form) certifying that the works have been carried out in accordance with the Buildings Ordinance, photographs showing the works as completed, and plans or description of works showing the works as completed.

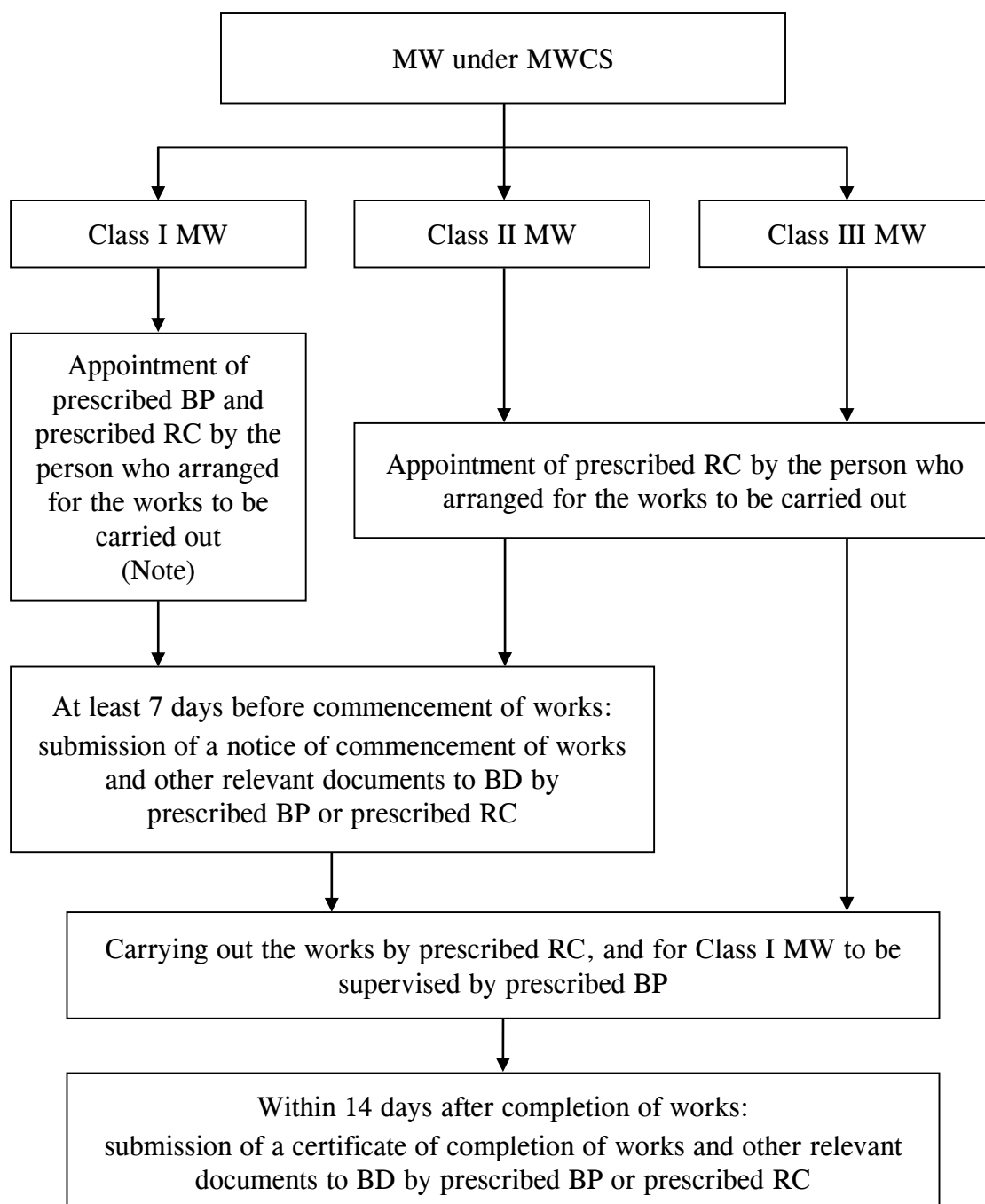
Building works (except those falling under the category of exempted works under the Buildings Ordinance or designated exempted works under B(MW)R) erected without obtaining the prior approval and consent of BD or following the simplified requirements under MWCS are UBWs and may be subject to enforcement actions by BD according to prevailing policy (Note 11).

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**Note 11:** *According to BD, it will carry out enforcement actions against UBWs according to the enforcement policy (including taking priority enforcement actions against UBWs constituting an obvious hazard or imminent danger to life or property, and UBWs that are newly constructed). In general, BD may issue a removal order (under section 24 or section 24AA (for MW commenced under MWCS) of the Buildings Ordinance) requiring the removal or alteration of the UBWs within a specified period. For UBWs constituting a public nuisance or an imminent danger to life or property, BD may apply to the District Court for a priority demolition order (under section 24B of the Buildings Ordinance) for the removal or alteration of the UBWs.*

Figure 1

## Requirements for carrying out MW under MWCS



Source: BD records

Note: The person who arranged for the works to be carried out is responsible for the appointment of prescribed BP and/or prescribed RC for carrying out MW, filling in relevant parts in specified forms under MWCS and signing the forms. The person includes the property owner, occupant, owners' corporation, property management company, etc.

### *Processing of MW submissions*

1.9 Upon receipt of MW submissions, including notices of commencement of works (for Classes I and II MW) and certificates of completion of works (for Classes I, II and III MW), BD will issue acknowledgement letters after preliminary checking of the information submitted. According to BD, it may conduct random audit checks on MW submissions to ascertain compliance with the statutory requirements and ensure the safety standard of the proposed works. BD will require prescribed BPs and prescribed RCs to rectify any irregularities identified. Depending on the seriousness of the irregularities, prescribed BPs and prescribed RCs may be sanctioned under the Buildings Ordinance.

### *Prescribed BPs and RCs for MW*

1.10 According to BD, it maintains separate registers for persons who are qualified to perform their respective statutory duties under the Buildings Ordinance. Applicants for inclusion in the registers must possess the relevant qualifications, experience and competence and may be required to attend interviews before the respective registration committees constituted under the Buildings Ordinance. As of March 2022, there were 2,675 prescribed BPs (Note 12) and 19,385 prescribed RCs (Note 13) holding relevant valid registration status (including those with renewal applications in progress) (Note 14).

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**Note 12:** *The 2,675 prescribed BPs comprised 1,546 authorized persons, 580 registered inspectors, 444 registered structural engineers and 105 registered geotechnical engineers. As prescribed BPs are professionals carrying out a wide range of building works (with MW amid other works), this audit review covers the processing of MW submissions from prescribed BPs and does not cover the registration and management of prescribed BPs.*

**Note 13:** *The 19,385 prescribed RCs comprised 17,904 registered minor works contractors, 776 registered general building contractors and 705 registered specialist contractors.*

**Note 14:** *Prescribed BPs or prescribed RCs may hold more than one type of registration.*

***Validation schemes relating to specific types of UBWs***

1.11 According to BD, before the full implementation of MWCS on 31 December 2010, building works (other than exempted works) of a minor nature carried out without the prior approval and consent of BD are regarded as unauthorised. BD introduced validation schemes to rationalise specific types of UBWs and enable owners to retain them for continued use, as follows:

- (a) ***Household Minor Works Validation Scheme (HMWVS).*** Before the full implementation of MWCS on 31 December 2010, many minor household structures or installations had been built without the approval of BD. HMWVS was implemented on 31 December 2010 to allow validation of 3 types of unauthorised minor structures (involving 4 items of prescribed building or building works — Note 15) erected or carried out before 31 December 2010;
- (b) ***Signboard Validation Scheme (SVS).*** Many of the existing unauthorised signboards in Hong Kong are in active use by business operators and their existence carries considerable value for sustaining local commercial activities and contributing to Hong Kong's prosperity. SVS (formerly known as Validation Scheme for Unauthorised Signboards) was implemented on 2 September 2013, with a view to providing an option for signboard owners to retain unauthorised signboards erected before 2 September 2013 and meeting the prescribed technical specification for MW; and
- (c) ***Minor Amenity Feature Validation Scheme (MAFVS).*** In May 2021, the Legislative Council passed a resolution to amend the Buildings Ordinance to include an additional 11 types of amenity features (involving 21 items of prescribed building or building works — Note 16) into the list of items eligible for validation. MAFVS was implemented on 1 September 2021 to allow validation of these 21 items of unauthorised minor amenity features

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**Note 15:** *They include supporting structures for air-conditioning units or water cooling towers on-grade or on a slab, metal supporting frames for air-conditioning units, drying racks and small canopies.*

**Note 16:** *For example, solid fence wall on-grade or on a roof of a building, pole on-grade or on a roof of a building and trellis on-grade or on a roof of a building.*

## Introduction

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erected or carried out before these types of features designated as MW under MWCS on 1 September 2020.

### *Responsible units of BD*

1.12 Two units (i.e. the Minor Works Unit and the Signboard Control Unit) under the Minor Works and Signboard Control Section of BD are responsible for the management of MW (Note 17). The Minor Works Unit is responsible for processing MW submissions under MWCS (including those relating to signboards — Note 18) and the related follow-up actions, and administration of HMWVS and MAFVS. According to BD, in 2021, the Minor Works Unit processed a total of 116,454 MW submissions. The Signboard Control Unit, among other duties, is responsible for administration of SVS (see also Note 18). The Registration Unit under the Technical Services Section of BD, among other duties, is responsible for processing the applications for registration for prescribed BPs and prescribed RCs. An extract of BD's organisation chart as at 31 March 2022 is shown at Appendix A.

1.13 As of March 2022, the Minor Works Unit had 38 staff (comprising 21 professional and technical staff and 17 supporting staff) and the Unit's total recurrent expenditure for 2021-22 was \$25.7 million. According to BD, it could not provide a breakdown of the staff resources in the Signboard Control Unit and the Registration Unit solely responsible for the management of MW.

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**Note 17:** *According to BD, other divisions of BD (i.e. the Existing Buildings Divisions and the Mandatory Building Inspection Division), among other duties, may come across MW in the course of their work (e.g. processing submissions for building works arising from statutory notices, orders and directions).*

**Note 18:** *According to BD, prior to January 2021, MW submissions relating to signboards were processed by the Signboard Control Unit. Since January 2021, the processing of these submissions had been transferred to the Minor Works Unit.*

### **Audit review**

1.14 In November 2021, the Audit Commission (Audit) commenced a review to examine BD's work in management of MW. The audit review has focused on the following areas:

- (a) processing of MW submissions (PART 2);
- (b) management of prescribed RCs for MW (PART 3); and
- (c) other related issues (PART 4).

Audit has found room for improvement in the above areas and has made a number of recommendations to address the issues.

### **Acknowledgement**

1.15 Audit would like to acknowledge with gratitude the full cooperation of the staff of BD during the course of the audit review.

## **PART 2: PROCESSING OF MINOR WORKS SUBMISSIONS**

2.1 This PART examines BD's work in processing of MW submissions, focusing on:

- (a) submission of MW documents (paras. 2.2 to 2.16); and
- (b) checking of MW submissions (paras. 2.17 to 2.42).

### **Submission of minor works documents**

2.2 Under MWCS, prescribed BPs or prescribed RCs appointed for carrying out MW are required to make appropriate submissions that contain details of the MW concerned to BD, including the specified forms (e.g. notice of commencement of works and certificate of completion of works) and other relevant documents (e.g. photographs and prescribed plans).

2.3 Table 1 shows the number of MW submissions (Note 19) processed by the Minor Works and Signboard Control Section (see Note 18 to para. 1.12) from January 2017 to March 2022.

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**Note 19:** *A MW submission may involve more than one MW item under MWCS. On the other hand, a MW item may involve more than one MW submission (e.g. notice of commencement of works and certificate of completion of works for Classes I and II MW).*

Table 1

**Number of MW submissions processed by the  
Minor Works and Signboard Control Section  
(January 2017 to March 2022)**

<b>Year</b>	<b>Number of MW submissions (Note)</b>
2017	95,085
2018	100,351
2019	98,711
2020	96,934
2021	116,454
2022 (up to March)	22,716

*Source:* BD records

*Note:* Each submission refers to one specified form submitted to BD (see Note 19 to para. 2.3). A small number of MW submissions (around some 400 to 800 each year) processed by the Signboard Control Unit are related to signboards arising from statutory notices or orders. Such submissions, together with other submissions arising from statutory notices, orders or directions handled by other divisions of BD (see Note 17 to para. 1.12), are not included in the Table as BD's focus is to ensure compliance with the statutory notices, orders or directions and such submissions are followed up in accordance with the designated procedures.

2.4 According to B(MW)R, the prescribed BP or prescribed RC is required to submit MW documents to BD by specified timeframes (Note 20), including:

- (a) for Classes I and II MW, a notice of commencement of works and other relevant documents not less than 7 days before the commencement of the works; and

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**Note 20:** According to B(MW)R, any person who, without reasonable excuse, contravenes the requirements in submission of documents commits an offence and is liable on conviction to a fine of \$50,000.

## Processing of minor works submissions

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- (b) for Classes I, II and III MW, a certificate of completion of works and other relevant documents within 14 days after the date of completion of the works.

### *Late submission of some notices of commencement of works and certificates of completion of works*

2.5 From January 2019 to March 2022, 138,474 notices of commencement of works (for Classes I and II MW) and 173,830 certificates of completion of works (for Classes I, II and III MW) were processed by the Minor Works and Signboard Control Section. Audit noted that there was late submission of some documents, as follows:

- (a) of the 138,474 notices of commencement of works, 9,348 (7%) were submitted to BD less than 7 days before the commencement of works (i.e. not meeting the 7-day statutory requirement — see para. 2.4(a)). Of the 9,348 notices, the commencement dates of works for 2,327 (25%) were even earlier than the submission dates of the notices (i.e. the notices were submitted after the works had commenced) by 1 day to 1.9 years (averaging 40 days — Note 21); and
- (b) of the 173,830 certificates of completion of works, 4,762 (3%) were submitted to BD more than 14 days and up to 3.2 years (averaging 51 days — Note 22) after the completion of works (i.e. not meeting the 14-day statutory requirement — see para. 2.4(b)).

According to BD, as some MW submissions may involve data quality issues (e.g. obviously unreasonable dates or typographical errors), it will strengthen the form screening check of MW submissions (see para. 2.17(a)) for early identification of submissions with data quality issues. Furthermore, prescribed BPs or prescribed RCs may resubmit their notices of commencement of works/certificates of completion of works, in order to rectify typographical errors or to provide supplementary

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**Note 21:** *According to BD, excluding 8 notices with commencement dates of works earlier than the submission dates of the notices over 1 year, the average value would be 39 days.*

**Note 22:** *According to BD, excluding 70 certificates which were submitted to BD over 1 year after the completion of works, the average value would be 46 days.*

information in response to BD's comments on the original notices/certificates. Hence, the submission dates for these resubmitted notices/certificates may be less than 7 days before the commencement of works or more than 14 days after the completion of works respectively.

### ***Long outstanding certificates of completion of works***

2.6 According to B(MW)R, for Classes I and II MW, notice of commencement of works and certificate of completion of works are required to be submitted within the specified period (see para. 2.4). According to BD, where the certificates of completion of works are outstanding for more than six months after the notices of commencement of works submitted to BD, letters will be issued to the prescribed BPs or prescribed RCs concerned to remind them to submit the certificates of completion of works. For cases without responses, 10% of these cases will be randomly selected for BD's audit checks (see para. 2.18(b)(i)).

2.7 From January 2017 to September 2021, 192,161 notices of commencement of works for Classes I and II MW were processed by the Minor Works and Signboard Control Section. Audit noted that, as of March 2022, certificates of completion of works had not yet been received for 11,336 (6%) notices of commencement of works. Some certificates of completion of works had not been received long after the receipt of notices of commencement of works. For example, for 3,402 (30% of 11,336) notices of commencement of works, the certificates of completion of works had not been received more than 3 years after the receipt of notices of commencement of works (see Table 2).

**Table 2**

**Notices of commencement of works for Classes I and II MW  
received from January 2017 to September 2021  
without corresponding certificates of completion of works  
(March 2022)**

<b>Time elapsed after receiving notice of commencement of works</b>	<b>Number of notices of commencement of works received without corresponding certificates of completion of works</b>	
1 year or less	2,413	(21 %)
More than 1 year to 2 years	2,939	(26 %)
More than 2 years to 3 years	2,582	(23 %)
More than 3 years to 4 years	1,709	(15 %)
More than 4 years to 5 years	1,383	(12 %)
More than 5 years to 6 years	310	(3 %)
Total	11,336	(100 %)

*Source: BD records*

2.8 According to BD, it had conducted two reviews of Classes I and II MW submissions relating to notices of commencement of works without corresponding certificates of completion of works, as follows:

- (a) for the notices of commencement of works received from 2014 to 2016, BD conducted a review in May 2018 (i.e. about 2 to 4 years after the receipt of notices of commencement of works) and identified 5,477 notices of commencement of works without corresponding certificates of completion of works. BD had taken follow-up actions, as follows:
  - (i) in May and June 2018, BD issued reminder letters to all concerned prescribed BPs and prescribed RCs for clarification;

- (ii) in February 2019, BD selected submissions made by certain prescribed BPs and prescribed RCs for audit checks (Note 23) and issued advisory letters and/or warning letters to the prescribed BPs and prescribed RCs with submissions found not in order (e.g. works had been completed without certificates of completion of works submitted) (Note 24); and
  - (iii) as of March 2022, of the 5,477 notices of commencement of works without corresponding certificates of completion of works, BD had not yet received the certificates of completion of works for 2,685 (49%) notices. Reminder letters to all 81 prescribed BPs and 435 prescribed RCs were issued by batches in June and July 2022 (i.e. about 4 years after the review) and certain submissions would be further selected for audit checks; and
- (b) for the notices of commencement of works received from 2017 to 2019, BD conducted a review in March 2022 (i.e. about 3 to 5 years after the receipt of notices of commencement of works) and identified 5,363 notices of commencement of works without corresponding certificates of completion of works. Reminder letters to all 116 prescribed BPs and 728 prescribed RCs were issued in September 2022.

### 2.9 According to BD:

- (a) there are different reasons for notices of commencement of works without corresponding certificates of completion of works (e.g. the works may be still in progress or already cancelled, or the notice of commencement of works is superseded by another notice). Late submission of MW documents would only be identified when submissions were selected for its audit checks; and

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**Note 23:** *BD selected 17 and 772 submissions made by 5 prescribed BPs and 6 prescribed RCs (i.e. those with the largest number of outstanding submissions at the time of selection for audit checks) respectively for audit checks.*

**Note 24:** *BD issued advisory letters and/or warning letters to all 5 prescribed BPs and 2 of the 6 prescribed RCs (see Note 23 to para. 2.8(a)(ii)) with submissions found not in order during audit checks.*

## **Processing of minor works submissions**

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- (b) actual duration of building works may vary tremendously depending on the circumstances of each case, the actual site conditions, design changes, occupants/owners' phasing requirements, and other unforeseeable factors (e.g. contract disputes). It is the responsibility of the concerned prescribed BP or prescribed RC to report and certify completion. For effective use of resources, it is reasonable for BD to identify those long outstanding cases (i.e. a few years after receiving the notices of commencement of works) and follow up with the concerned prescribed BP or prescribed RC to clarify the status and progress of works.

2.10 Audit noted that there was scope for making use of Minor Works Management System (MWM System) (a computer system implemented in June 2010 and revamped in January 2020 for recording submission information) to keep track of MW submissions. In Audit's view, BD needs to:

- (a) enhance monitoring of MW submissions (e.g. through making better use of MWM System) to identify cases not complying with the statutory submission time limit, particularly those prescribed BPs and prescribed RCs with long outstanding certificates of completion of works, and take appropriate and timely follow-up actions (e.g. issuing advisory letters and warning letters) on these cases; and
- (b) take timely follow-up actions on those cases identified in its two reviews relating to notices of commencement of works without corresponding certificates of completion of works (see para. 2.8).

## ***Scope for encouraging the use of e-submission***

2.11 In June 2016, BD launched the Electronic Forms Submission System to facilitate online submission of forms (including the specified forms under MWCS) through BD's website. According to BD, online submission of e-forms has the following built-in functions which can give prompt response to the user:

- (a) to ensure the completeness and correctness of e-forms, most e-forms have validations to check the inputted data against validation rules and check if mandatory fields are already filled before the form is electronically submitted; and

## Processing of minor works submissions

- (b) some e-forms have auto-complete feature for faster input of the address of a subject building. When users input the name of a street or an estate, the form will be connected to BD's server and the other parts of address will be automatically filled.

2.12 From January 2017 to December 2021, of some 95,000 to 116,000 MW submissions processed each year by the Minor Works and Signboard Control Section, e-submission accounted for only 8% to 13.7% (see Table 3). From January to March 2022 (more than 5 years after the launch of the Electronic Forms Submission System in June 2016), only 16.4% of MW submissions were made by e-submission.

**Table 3**

**MW submissions by e-submission  
(January 2017 to March 2022)**

<b>Year</b>	<b>Number of MW submissions by e-submission (a)</b>	<b>Total number of MW submissions (b)</b>	<b>Percentage of e-submission (c) = (a) ÷ (b) × 100%</b>
2017	7,615	95,085	8.0%
2018	11,074	100,351	11.0%
2019	12,071	98,711	12.2%
2020	11,197	96,934	11.6%
2021	15,996	116,454	13.7%
2022 (up to March)	3,732	22,716	16.4%

*Source: BD records*

## Processing of minor works submissions

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2.13 According to BD:

- (a) in handling forms submitted in person or by mail, relevant information of the MW submission would be input into MWM System by a designated team (Note 25) under the Minor Works Unit;
- (b) it had taken the opportunities to promote e-submission to prescribed BPs and prescribed RCs through its talks, seminars and workshops, and letters issued to them;
- (c) to promote the use of e-submission by the public, a series of quick guides (including system requirements, major features of e-forms, instructions on how to attach files to e-forms, etc.) had been provided side-by-side to the e-forms on BD's website to facilitate the users. E-forms are in fillable file format that facilitates online/offline form filling and record purposes; and
- (d) users could complete the online applications by filling in e-forms and attaching the supporting documents, where applicable, to the e-forms via their computers. Mobile version of e-forms is also available to enable the users to complete part of the forms via their mobile devices.

2.14 In view of the low usage of e-submission of MW documents, there is scope for BD to further enhance promotion of e-submission of MW documents to prescribed BPs and prescribed RCs.

## Audit recommendations

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

- (a) **enhance monitoring of MW submissions (e.g. through making better use of MWM System) to identify cases not complying with the statutory submission time limit, particularly those prescribed BPs and prescribed**

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**Note 25:** *According to BD, as of August 2022, the input team had 17 staff. Among other duties, the team is responsible for scanning the documents received and inputting the relevant information into MWM System.*

**RCs with long outstanding certificates of completion of works, and take appropriate and timely follow-up actions (e.g. issuing advisory letters and warning letters) on these cases;**

- (b) take timely follow-up actions on those cases identified in BD's two reviews relating to notices of commencement of works without corresponding certificates of completion of works; and**
- (c) further enhance promotion of e-submission of MW documents to prescribed BPs and prescribed RCs.**

## **Response from the Government**

2.16 The Director of Buildings agrees with the audit recommendations. She has said that:

- (a) BD will explore measures to enhance the monitoring of MW submissions through better use of MWM System;
- (b) follow-up actions on those cases identified in BD's two reviews relating to notices of commencement of works without corresponding certificates of completion of works are being expedited; and
- (c) the publicity work on the use of e-submission of MW documents will be further enhanced. Recently, promotion materials of e-submission have been published in social media platform.

## **Checking of minor works submissions**

2.17 Under MWCS, prescribed BPs and prescribed RCs are vested with legal responsibilities to supervise, carry out and certify the structural safety of all MW. According to BD, upon receipt of MW submissions, it will conduct the following checking:

## Processing of minor works submissions

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- (a) **Initial screening.** Form screening check of MW submissions will be conducted to ensure their completeness, relevant information will be recorded in MWM System and an acknowledgement letter will be issued. A preliminary check on MW submissions will also be conducted to verify the registration status of the prescribed BP and/or prescribed RC against BD's registration records; and
  - (b) **Audit checks.** According to BD, to ensure compliance with the provisions of the Buildings Ordinance and its subsidiary regulations and deter abuse of MWCS by prescribed BPs or prescribed RCs, MW submissions will be selected at random for audit checks. BD's audit checks comprise audit fundamental check (AFC) (i.e. desktop audit) and site audit check (SAC), as follows:
    - (i) **AFC.** AFC focuses on procedural compliance with B(MW)R, which includes checking the completeness and consistency of submitted information, and whether the works specified in the submissions are in compliance with statutory requirements; and
    - (ii) **SAC.** SAC aims at ensuring that the MW specified in the submissions comply generally with the Buildings Ordinance and its subsidiary regulations and are in general the same as that shown in the prescribed plans. According to BD, a certain number of submissions selected for AFC may be selected for SAC. Besides, pre-commencement site audit check (PSAC) is a kind of SAC which focuses on the statutory requirement of "7-day notification" before commencement of any Classes I and II MW (i.e. to check whether the works have been commenced within 7 days from the date of receipt of MW submissions — see para. 2.4(a)).
- 2.18 **Selection of MW submissions for BD's audit checks.** According to BD guidelines:
- (a) all submitted notices of commencement of works for Classes I and II MW and certificates of completion of works for Class III MW will be randomly selected for BD's audit checks by MWM System upon receipt. For Classes I and II MW, once the notices of commencement of works are selected for BD's audit checks, their corresponding certificates of completion of works will also be assigned as audit cases automatically; and

- (b) other MW submissions will also be selected for BD's audit checks, as follows:
  - (i) for long outstanding certificates of completion of works for Classes I and II MW, if the prescribed BPs or prescribed RCs do not respond to BD's reminder for submission of the certificates, 10% of these cases will be randomly selected for audit checks (see para. 2.6);
  - (ii) for Classes I and II MW, certain percentage of notices of commencement of works will be selected for PSAC; and
  - (iii) if situation requires (e.g. public reports or complaints), the corresponding MW submissions may be manually selected for audit checks.

2.19 According to BD, from 2017 to 2021, 7,063 to 7,260 MW submissions were selected annually for its audit checks (see Table 4). Of the 7,207 MW submissions selected for audit checks in 2021, 6,383 (89%) were selected for AFC and 824 (11%) were selected for SAC.

**Table 4****MW submissions selected for BD's audit checks  
(2017 to 2021)**

<b>Year</b>	<b>Number of MW submissions selected for</b>		<b>Total (Note 2) (c) = (a) + (b)</b>
	<b>AFC (a)</b>	<b>SAC (Note 1) (b)</b>	
2017	6,303	957	7,260
2018	6,230	863	7,093
2019	6,250	813	7,063
2020	6,308	837	7,145
2021	6,383	824	7,207

*Source: BD records*

*Note 1: It includes the MW submissions selected for PSAC.*

*Note 2: A MW submission may be selected for either AFC only or both AFC and SAC.*

**2.20 Follow-up actions on irregularities identified.** According to BD, for irregularities found during AFC and SAC, the following actions may be taken against the prescribed BPs and/or prescribed RCs concerned:

- (a) issue advisory letters requesting clarifications or rectification of the irregularities;
- (b) issue warning letters if the irregularities are not or cannot be rectified (Note 26); and
- (c) instigate prosecution and/or disciplinary actions.

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**Note 26:** *According to BD, some irregularities cannot be rectified, for example, late submission of MW documents and MW carried out by prescribed RCs not registered for the class, type or item of the MW.*

***BD's audit checks of some selected MW submissions not timely completed***

2.21 According to BD, for its audit checks of MW submissions selected since 2019, AFC and SAC should be completed within 60 days from the selection date of MW submission for its audit checks. For PSAC, it should be completed within 7 days from the date of receipt of MW submission (see para. 2.17(b)(ii)).

2.22 According to BD, from January 2019 to March 2022, a total of 23,663 MW submissions were selected for its audit checks, of which 20,828 (88%) were AFC and 2,835 (12%) were SAC (including 304 MW submissions selected for PSAC). Audit noted that BD had not met the time target of 60 days (see para. 2.21) for completing its audit checks of some submissions, as follows:

- (a) **AFC.** As of March 2022, of 20,828 submissions:
  - (i) **AFC completed.** AFC for 15,339 (74%) submissions had been completed. Except 372 submissions without completion date of AFC (see also para. 2.40(a)), for 7,405 (49%) of the remaining 14,967 submissions, BD took more than 60 days and up to 3.2 years (averaging 215 days) to complete AFC after the selection dates; and
  - (ii) **AFC in progress.** AFC for 5,489 (26%) submissions were still in progress, of which 4,629 (84%) submissions had been selected for AFC for more than 60 days and up to 3.2 years (averaging 1.3 years); and
- (b) **SAC.** As of March 2022, of 2,835 submissions:
  - (i) **SAC completed.** SAC for 1,561 (55%) submissions (including 304 submissions selected for PSAC — Note 27 ) had been completed. Except 648 submissions without completion date of SAC (see also para. 2.40(a)), for 463 (51%) of the remaining

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**Note 27:** *Audit noted that all 304 MW submissions selected for PSAC from January 2019 to March 2022 were completed within 7 days from the date of receipt of submission.*

## Processing of minor works submissions

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913 submissions, BD took more than 60 days and up to 1.9 years (averaging 191 days) to complete SAC after the selection dates; and

- (ii) ***SAC in progress.*** SAC for 1,274 (45%) submissions were still in progress, of which 1,137 (89%) submissions had been selected for SAC for more than 60 days and up to 3.2 years (averaging 1.4 years).

### 2.23 According to BD:

- (a) due to COVID-19 epidemic, BD had implemented intermittent special work arrangement during the period from early February 2020 to late April 2022. Hence, its services had been affected to a certain extent, including the need to follow up the submissions received during this period in a systematic and orderly manner; and
- (b) the progress of AFC and SAC, which sometimes required contacting the prescribed BPs and/or prescribed RCs for supplementary information/clarification of the submissions, as well as entry into private premises for inspections, was also affected.

2.24 BD's audit checks of MW submissions are to ensure compliance with the statutory requirements and to deter abuse of MWCS (see para. 2.17(b)). In Audit's view, BD needs to strengthen measures to ensure the timely completion of its audit checks of MW submissions.

### ***Scope for enhancing the monitoring of irregularities found during BD's audit checks of MW submissions***

2.25 For MW submissions selected for BD's audit checks from January 2019 to March 2022, as of March 2022, BD completed AFC for 15,339 submissions (see para. 2.22(a)(i)) and SAC for 1,561 submissions (see para. 2.22(b)(i)). The results of AFC and SAC for these submissions are shown in Table 5.

Table 5

**Results of BD's audit checks of MW submissions selected  
from January 2019 to March 2022  
(March 2022)**

Result	Number of MW submissions selected (Note 1) for:	
	AFC	SAC (Note 2)
In order	13,689 (89%)	952 (61%)
Not in order (see para. 2.26)	566 (4%)	172 (11%)
Premises inaccessible (see para. 2.29)	N/A (0%)	382 (24%)
Submission withdrawn (Note 3)	1,084 (7%)	55 (4%)
Total	15,339 (100%)	1,561 (100%)

Source: BD records

Note 1: A MW submission may be selected for either AFC only or both AFC and SAC.

Note 2: It includes the MW submissions selected for PSAC.

Note 3: According to BD, withdrawal of MW submissions will not be accepted if the case is selected for its audit checks and irregularities are noted, unless it is confirmed that the works have not commenced.

2.26 According to BD, of 15,339 and 1,561 MW submissions selected for AFC and SAC respectively from January 2019 to March 2022, 566 (4%) and 172 (11%) submissions were found not in order in AFC and SAC respectively (see Table 5 in para. 2.25). Audit noted that:

- (a) there was no readily available information on the follow-up actions on 30 (5% of 566) and 79 (46% of 172) submissions with irregularities found in AFC and SAC respectively; and
- (b) of these 109 (30+79) submissions:
  - (i) 60 submissions' completion dates of audit checks were recorded by BD. The audit checks for 49 (82%) of these 60 submissions had

## Processing of minor works submissions

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been completed for more than 6 months and up to 3.2 years (averaging 1.9 years); and

- (ii) 49 submissions' completion dates of audit checks were not recorded by BD (i.e. in MWM System or spreadsheets) (see also para. 2.40(a)).

2.27 In Audit's view, BD needs to enhance the monitoring of follow-up actions on irregularities found during its audit checks of MW submissions.

### *Scope for improvement in conducting site inspection*

2.28 According to BD guidelines, for difficulties encountered in gaining access to the subject premises for SAC:

- (a) if observing from outside the premises that there are no reasonable grounds for suspecting MW are not in compliance with the standard of structural stability, public health or fire safety under the Buildings Ordinance, BD staff should seek the cooperation of the building owner/occupier (Note 28). If no response is received from the owner/occupier in one week, SAC can be dispensed with; and
- (b) if there is reasonable ground to suspect that MW are not in compliance with the standard of structural stability, public health or fire safety under the Buildings Ordinance, BD may apply for court warrants (under the Buildings Ordinance) to enter the premises for inspection.

2.29 Audit noted that, of the 1,561 completed SAC for MW submissions selected from January 2019 to March 2022, the subject premises of 382 (24%) were inaccessible (see Table 5 in para. 2.25).

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**Note 28:** *According to BD guidelines, BD staff would leave a contact slip in the letter box and/or tuck it underneath the door of the premises requesting the building owner/occupier to contact BD. Record photograph of serving contact slip should be taken.*

2.30 According to BD, for MW carried out within private premises, access is required for conducting SAC. In most of the inaccessible cases, entry to the subject premises by BD staff was refused by the building owner/occupier, which might be due to COVID-19 epidemic. Building owners/occupiers may be more willing to allow entry upon receding of COVID-19 epidemic.

2.31 According to BD, the purpose of site inspection for submissions selected for SAC is to ensure that the works specified in MW submissions comply with the Buildings Ordinance and its subsidiary regulations and are in general the same as that shown in the prescribed plans (see para. 2.17(b)(ii)). In Audit's view, there is merit for BD to explore measures to increase the successful rate of site inspection for MW submissions selected for SAC.

### *Scope for improvement in issuing advisory letters and warning letters*

2.32 According to BD guidelines, for MW submissions with irregularities found during BD's audit checks, BD may issue advisory letters to the prescribed BPs and/or prescribed RCs. If the irregularities identified during BD's audit checks are not or cannot be rectified (Note 29), or for any major irregularities identified (Note 30) even if they are rectified eventually, a warning letter should be issued instead. BD's time targets (Note 31) for issuing these letters are as follows:

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**Note 29:** *According to BD, a warning letter can be issued directly without the need to issue an advisory letter if the irregularities cannot be rectified obviously.*

**Note 30:** *According to BD guidelines, major irregularities are those requiring site rectification or serious procedural irregularities that cannot be resolved, for example: (a) completed MW resulting in serious contravention of regulations under the Buildings Ordinance such as blockage of means of escape or erection of sub-divided flats inside industrial buildings; (b) building works requiring prior approval and consent but carried out as MW under the simplified requirements; (c) MW carried out or certified by prescribed RC not registered for the class, type or item of the MW; (d) MW will cause or likely cause personal injury or property damage; and (e) MW carried out with material deviation from the prescribed plans.*

**Note 31:** *The time targets were revised by BD in April 2021.*

## Processing of minor works submissions

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- (a) ***Advisory letters.*** An advisory letter should be issued within 60 days from the selection date of MW submission for AFC or within 60 days (has been revised to 120 days for submissions selected for BD's audit checks since April 2021) from the date of discovery of the irregularities for SAC; and
- (b) ***Warning letters.*** A warning letter should be issued within 120 days from the selection date of MW submission for AFC or within 60 days (has been revised to 120 days for submissions selected for BD's audit checks since April 2021) from the date of discovery of the irregularities for SAC.

### 2.33 Audit noted that:

- (a) ***Some advisory letters not timely issued.*** According to BD, it issued advisory letters for 308 MW submissions selected for its audit checks from January 2019 to March 2022 (comprising 191 and 117 (i.e. 93 + 24) letters issued for AFC and SAC respectively — Note 32). Audit noted that 131 (69%) advisory letters issued for AFC and 58 (i.e. 54+4) (50%) advisory letters issued for SAC were not timely issued in accordance with BD's time targets as mentioned in paragraph 2.32(a) (see Table 6);

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**Note 32:** *According to BD, it may issue more than one advisory letter for a MW submission. Only the first advisory letter issued for each submission was selected for audit analysis.*

Table 6

**Time taken for issuing advisory letters after  
BD's audit checks on MW submissions  
(January 2019 to March 2022)**

Date of selection for BD's audit checks	Number of advisory letters issued	Time taken by BD for issuing advisory letters (Note)
<b>AFC</b>		
January 2019 to March 2022	60 (31 %)	60 days or less
	131 (69 %)	More than 60 days and up to 2.5 years (averaging 198 days) (i.e. not meeting BD's time target)
Total	191 (100 %)	
<b>SAC</b>		
January 2019 to March 2021	39 (42 %)	60 days or less
	54 (58 %)	More than 60 days and up to 2 years (averaging 199 days) (i.e. not meeting BD's time target)
Total	93 (100 %)	
April 2021 to March 2022	20 (83 %)	120 days or less
	4 (17 %)	More than 120 days and up to 182 days (averaging 150 days) (i.e. not meeting BD's time target)
Total	24 (100 %)	

Source: BD records

Note: Time taken by BD was calculated from the selection date of MW submission for AFC or the date of discovery of the irregularities for SAC. The time target for issuing advisory letters has been revised since April 2021 (see para. 2.32(a)).

- (b) **Some warning letters not timely issued.** According to BD, it issued warning letters for 84 MW submissions selected for its audit checks from January 2019 to March 2022 (comprising 54 and 30 (i.e. 23 + 7) letters issued for AFC and SAC respectively — Note 33 ). Audit noted

**Note 33:** According to BD, it may issue more than one warning letter for a MW submission. Only the first warning letter issued for each submission was selected for audit analysis.

## Processing of minor works submissions

that 36 (67%) warning letters issued for AFC and 23 (i.e. 20+3) (77%) warning letters issued for SAC were not timely issued in accordance with BD's time targets as mentioned in paragraph 2.32(b) (see Table 7); and

**Table 7**

**Time taken for issuing warning letters after  
BD's audit checks on MW submissions  
(January 2019 to March 2022)**

Date of selection for BD's audit checks	Number of warning letters issued	Time taken by BD for issuing warning letters (Note)
<b>AFC</b>		
January 2019 to March 2022	18 (33 %)	120 days or less
	36 (67 %)	More than 120 days and up to 2 years (averaging 276 days) (i.e. not meeting BD's time target)
Total	54 (100 %)	
<b>SAC</b>		
January 2019 to March 2021	3 (13 %)	60 days or less
	20 (87 %)	More than 60 days and up to 2.4 years (averaging 294 days) (i.e. not meeting BD's time target)
Total	23 (100 %)	
April 2021 to March 2022	4 (57 %)	120 days or less
	3 (43 %)	More than 120 days and up to 1 year (averaging 238 days) (i.e. not meeting BD's time target)
Total	7 (100 %)	

Source: BD records

Note: Time taken by BD was calculated from the selection date of MW submission for AFC or the date of discovery of the irregularities for SAC. The time target for issuing warning letters has been revised since April 2021 (see para. 2.32(b)).

- (c) **Warning letters not issued for MW submissions with major irregularities identified.** According to BD, from January 2019 to March 2022, it issued advisory letters for 146 MW submissions identified with suspected major

irregularities. As of March 2022, Audit noted that warning letters had not been issued for 108 (74%) submissions (Note 34). In response to Audit's enquiry on the need for issuing warning letters for these 108 submissions, BD informed Audit that, as of August 2022, warning letters had been issued for 6 submissions with major irregularities identified, while suspected irregularities found in 9 submissions had been resolved or clarified and hence did not warrant the issue of warning letters. The remaining 93 submissions were being reviewed in a systematic manner for issuance of warning letters.

2.34 According to BD:

- (a) the Minor Works Unit will usually liaise with the prescribed BPs or prescribed RCs to seek their clarification/explanation on the suspected irregularities identified in AFC and SAC;
- (b) many irregularities have been clarified or resolved via telephone or face-to-face communication with the prescribed BPs or prescribed RCs before issuance of advisory/warning letters;
- (c) progress of clarifying and resolving the irregularities by the prescribed BPs or prescribed RCs, as well as obtaining occupants/owners' consent for conducting internal inspection, was affected by COVID-19 epidemic; and
- (d) most of the warning letters with longer processing time involved submissions selected for audit checks during the implementation of intermittent special work arrangement due to COVID-19 epidemic.

2.35 In Audit's view, BD needs to take measures to ensure that:

- (a) advisory letters and warning letters are timely issued for MW submissions with irregularities found during its audit checks; and

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**Note 34:** *For these 108 submissions, as of March 2022, the last advisory letters had been issued for more than 1.4 months to 3.2 years (averaging 1.7 years).*

## **Processing of minor works submissions**

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- (b) warning letters are issued for submissions with major irregularities identified during its audit checks of MW submissions.

### ***Scope for stepping up referral of non-compliant cases for instigating prosecution actions***

2.36 According to BD guidelines:

- (a) to ensure the proper implementation of MWCS and avoid abuse of the system, as well as providing a strong deterrent against non-compliance of the building law and building safety requirements, non-compliant MW submissions may be referred to BD's Legal Services Section (under the Corporate Services Division) for instigating prosecution actions;
- (b) non-compliant MW submissions should be referred to the Legal Services Section for instigating prosecution actions within 180 days from the selection date of MW submission for AFC or from the date of discovery of irregularities for SAC; and
- (c) in instigating prosecution actions against non-compliant MW submissions, priority should be given to, for example, submissions involving major irregularities identified (see Note 30 to para. 2.32).

2.37 According to BD, from January 2019 to March 2022, 24 non-compliant MW submissions had been referred to the Legal Services Section for instigating prosecution actions. As of March 2022, the relevant parties involved in 8 convicted cases had been fined from \$3,000 to \$40,500.

2.38 Audit noted that:

- (a) ***Some non-compliant MW submissions not timely referred for instigating prosecution actions.*** Of the 24 non-compliant MW submissions referred to the Legal Services Section from January 2019 to March 2022 for instigating prosecution actions:

- (i) 11 (46%) non-compliant submissions identified in AFC were referred to the Legal Services Section 211 to 348 days (averaging 286 days) after the selection dates of submissions for AFC (i.e. not meeting the 180-day time target for AFC); and
  - (ii) 3 (13%) non-compliant submissions identified in SAC were referred to the Legal Services Section 211 to 289 days (averaging 237 days) after the dates of discovery of irregularities for SAC (i.e. not meeting the 180-day time target for SAC);
- (b) *Some cases of serious irregularities not yet referred for instigating prosecution actions after a long time.* BD's audit checks identified 33 submissions with serious irregularities (i.e. irregularities resulting in serious contravention of regulations under the Buildings Ordinance and serious procedural irregularities under the simplified requirements) from January 2019 to March 2022. In response to Audit's enquiry on the follow-up actions on these 33 submissions, in September 2022, BD informed Audit that:
- (i) contravention of the Buildings Ordinance is a criminal offence, and hence BD should collect sufficient evidence before instigating prosecution actions. In certain cases, it took more than the target of 180 days to collect sufficient evidence;
  - (ii) 12 (36%) submissions had been referred to the Legal Services Section for instigating prosecution actions (Note 35);
  - (iii) 5 (15%) submissions involved only minor irregularities with rectification works carried out;
  - (iv) 3 (9%) submissions had been investigated and concluded as having insufficient evidence for instigating prosecution (Note 36); and

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**Note 35:** *According to BD, as of August 2022, in addition to instigating prosecution actions, 4 of the 12 submissions had been reviewed and no disciplinary actions would be instigated. The remaining 8 submissions were being reviewed for consideration of instigating subsequent disciplinary actions.*

**Note 36:** *According to BD, as of August 2022, these submissions were being reviewed for consideration of instigating disciplinary actions.*

## Processing of minor works submissions

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- (v) 13 (40%) submissions had not been referred to the Legal Services Section for instigating prosecution actions. As of August 2022, serious irregularities of these submissions were identified 254 days to 1.8 years ago, of which, 6 submissions had been identified for more than 1 year (Note 37); and
- (c) *Prosecution action discontinued in some cases due to being time-barred.* According to the Buildings Ordinance, prosecution may be commenced within 12 months of the commission of the offence or coming to the notice of BD. According to BD, of the 24 non-compliant MW submissions referred to the Legal Services Section from January 2019 to March 2022, upon obtaining further legal advice, the time of discovery of the offence for 3 (13%) submissions should be brought forward. By then, the 12-month statutory time bar period for these 3 submissions had already lapsed and therefore the prosecution actions had to be discontinued. BD had conducted relevant briefing to its staff and reminded them to refer cases for instigating prosecution actions as soon as possible.

2.39 In Audit's view, to ensure the proper implementation of MWCS and provide a strong deterrent against non-compliance of the building law and building safety requirements (see para. 2.36(a)), BD needs to take measures to ensure that warranted non-compliant MW submissions are timely referred for instigating prosecution actions and within the statutory time bar period for prosecution.

### *Scope for making better use of MWM System for processing MW submissions*

2.40 According to BD, following the implementation of a revamped MWM System in January 2020 (see para. 2.10), it could monitor the follow-up actions and effectiveness of MWCS more efficiently, and information of AFC and SAC could be recorded in a more detailed and accurate manner. Audit noted that there was still scope for improvement in recording and monitoring BD's audit checks, as follows:

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**Note 37:** *According to BD, as of August 2022, these 13 submissions were being reviewed for consideration of instigating prosecution actions and disciplinary actions.*

- (a) ***Need to enhance the timeliness and completeness of information about BD's audit checks in MWM System.*** According to BD, the progress of its audit checks is recorded in both MWM System and spreadsheets. Audit however noted that completion dates of audit checks for some submissions was not recorded in MWM System or spreadsheets (see paras. 2.22(a)(i) and (b)(i) and 2.26(b)(ii)). In January 2022, BD informed Audit that some information before the implementation of the revamped MWM System in January 2020 was not readily available, and extra effort would be required by examining the individual records of each MW submission for the related information. However, Audit noted that some information of the audit checks for MW submissions selected in or after 2020 was also not recorded (Note 38). In Audit's view, BD needs to take measures to ensure that information about its audit checks is timely and completely recorded in MWM System; and
- (b) ***Scope for making better use of MWM System for generating management information on MW submissions for monitoring purpose.*** Audit noted that:
  - (i) while there are different timeframes for taking follow-up actions on irregularities identified by AFC and SAC (see paras. 2.32 and 2.36(b)), there was no readily available information showing whether the follow-up actions taken (i.e. issuance of advisory letters and warning letters and referral of the non-compliant cases for instigating prosecution actions) were due to irregularities identified during AFC or SAC (see paras. 2.33(a) and (b) and 2.38(a)). As a result, extra effort would be required to ascertain whether the processing of MW submissions comply with the specified time limits by examining the individual case records; and
  - (ii) some management reports could not be generated from MWM System for monitoring purpose. For example, management information on progress of BD's audit checks, and timeliness of follow-up actions taken (e.g. issue of advisory letters and warning letters) and referral of non-compliant cases for instigating

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**Note 38:** *According to BD records, of the 372 (see para. 2.22(a)(i)) and 648 submissions (see para. 2.22(b)(i)) without completion dates of AFC and SAC respectively, 131 (35% of 372) and 189 (29% of 648) submissions were selected for AFC and SAC respectively in or after 2020.*

## **Processing of minor works submissions**

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prosecution actions. According to BD, upon issuance of advisory letters and/or warning letters, the relevant information would be recorded in spreadsheets for monitoring purpose. Audit considers it desirable to use MWM System to record all relevant information on MW submissions.

In Audit's view, BD needs to make better use of MWM System for generating management information (e.g. progress of its audit checks) on MW submissions for monitoring purpose.

## **Audit recommendations**

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

- (a) **strengthen measures to ensure the timely completion of BD's audit checks of MW submissions;**
- (b) **enhance the monitoring of follow-up actions on irregularities found during BD's audit checks of MW submissions;**
- (c) **explore measures to increase the successful rate of site inspection for MW submissions selected for SAC;**
- (d) **take measures to ensure that advisory letters and warning letters are timely issued for MW submissions with irregularities found during BD's audit checks;**
- (e) **take measures to ensure that warning letters are issued for submissions with major irregularities identified during BD's audit checks of MW submissions;**
- (f) **take measures to ensure that warranted non-compliant MW submissions are timely referred for instigating prosecution actions and within the statutory time bar period for prosecution;**
- (g) **take measures to ensure that information about BD's audit checks is timely and completely recorded in MWM System; and**

- (h) **make better use of MWM System for generating management information (e.g. progress of BD's audit checks) on MW submissions for monitoring purpose.**

### Response from the Government

2.42 The Director of Buildings agrees with the audit recommendations. She has said that:

- (a) BD will explore measures to enhance the monitoring of MW submissions through better use of MWM System (e.g. by generating the management information from MWM System to replace the current practice of using spreadsheets for enhancing the effectiveness of monitoring of audit checks);
- (b) in most of the inaccessible cases, entry to the subject premises by BD staff was refused by the building owner/occupier, which might be due to COVID-19 epidemic (see para. 2.30). Nevertheless, BD will explore measures to enhance the successful rate of entry into selected premises (e.g. by issuing letters to the building owners/occupiers of the premises or the persons who arranged for the works to be carried out to explain the purpose of audit checks for ensuring compliance with the Buildings Ordinance and building safety); and
- (c) BD will provide more guidelines and briefing to staff on inputting results of audit checks into MWM System. Some crucial information in MWM System will be set as mandatory field in order to ensure the accuracy and completeness of the records.

## **PART 3: MANAGEMENT OF PRESCRIBED REGISTERED CONTRACTORS FOR MINOR WORKS**

3.1 This PART examines BD's work in managing the prescribed RCs for MW, focusing on registered minor works contractors (RMWCs) which accounted for most of the prescribed RCs (see para. 3.2), involving:

- (a) processing of applications for registration (paras. 3.3 to 3.12);
- (b) performance enhancement courses and other training courses (paras. 3.13 to 3.22); and
- (c) disciplinary actions against RMWCs (paras. 3.23 to 3.32).

### **Prescribed registered contractors for minor works**

3.2 Under MWCS, prescribed RCs refer to registered general building contractors, registered specialist contractors of respective registered category of specialised works, and RMWCs of respective registered classes/types/items of MW. As of March 2022, there were 19,385 prescribed RCs, comprising 17,904 (92%) RMWCs (which accounted for most of the prescribed RCs), 776 (4%) registered general building contractors and 705 (4%) registered specialist contractors (Note 39). They are regulated under the Buildings Ordinance and its subsidiary legislation.

### **Processing of applications for registration**

3.3 **Registration of RMWCs.** Under B(MW)R, MW practitioners may apply for registration for the relevant classes, types or items of MW according to their qualifications and experience. RMWCs include:

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**Note 39:** *According to BD, registered general building contractors and registered specialist contractors do not need to register separately as an RMWC for carrying out MW.*

## Management of prescribed registered contractors for minor works

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- (a) **RMWC (company).** Contractor companies, including corporations, sole proprietorships and partnerships, may apply for registration as RMWCs (company) and register by virtue of their working experience, qualifications and competence in each class in one or more of the types of MW. As of March 2022, there were 9,960 RMWCs (company); and
- (b) **RMWC (individual).** Individual practitioners may apply for registration as RMWCs (individual) (i.e. registered in the name of an individual self-employed worker) of the respective Class III MW items (see para. 1.4(c)) by virtue of their qualifications and experience. As of March 2022, there were 7,944 RMWCs (individual).

3.4 According to B(MW)R, in handling applications for registration as RMWC (company) and RMWC (individual) received by BD:

- (a) ***Applications referred to the Minor Works Contractors Registration Committee (MWCRC) for consideration.*** BD must within 3 months from receiving the application, refer the application to MWCRC (Note 40) for consideration. Besides, BD must within 3 months from the meeting of MWCRC either allow the application, allow the application in part, refuse the application or defer the determination of the application for a period not exceeding 6 months; and
- (b) ***Applications assessed by BD.*** BD must within 3 months from receiving the application either allow the application, allow the application in part or refuse the application.

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**Note 40:** *MWCRC is a statutory committee established under B(MW)R to assist BD in considering applications relating to registration matters of MW contractors. According to B(MW)R, MWCRC shall consist of 3 persons, including 1 person nominated by BD who has knowledge and experience in MW, 1 authorized person or registered structural engineer selected by BD from among persons nominated by the Architects Registration Board, the Engineers Registration Board or the Surveyors Registration Board, and 1 person selected by BD from among persons nominated by such bodies as BD thinks fit. Besides, the MWCRC Panel is established by BD to appoint members of MWCRC. As of March 2022, the MWCRC Panel comprised 31 non-official members and 1 ex-officio member (i.e. a senior professional officer of BD or the Housing Department).*

## **Management of prescribed registered contractors for minor works**

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3.5 According to BD guidelines, in general:

- (a) ***Applications for registration as RMWC (company) of Class I MW.***
  - (i) these applications would be referred to MWCRC for consideration. MWCRC will conduct interviews with the applicants (Note 41) to ascertain whether they possess the required qualifications, experience and competence; and
  - (ii) BD should notify the applicants the application results within 6 months from receiving the applications (i.e. 3 months from the MWCRC meetings which should be convened within 3 months from receiving the applications);
- (b) ***Applications for registration as RMWC (company) of Classes II and III MW or RMWC (individual).***
  - (i) these applications would generally be assessed by BD (i.e. not referred to MWCRC); and
  - (ii) BD should notify the applicants the application results within 3 months from receiving the applications; and
- (c) ***Applications with outstanding information.*** BD will notify the applicants the application results within 3 months from receiving the outstanding documents or the due date of submission of the outstanding items when no such outstanding items have been received (Note 42).

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**Note 41:** *According to BD guidelines, if the applicant is a company, the authorized signatory nominated by the applicant in the application, or where necessary, the technical director, would represent the applicant to attend the interview with MWCRC.*

**Note 42:** *According to BD, upon the receipt of applications with outstanding documents, BD would request the applicants to submit the outstanding documents by either making verbal request or issuing letters for outstanding information within 3 months from receiving the applications, requiring the submission of all outstanding items within 3 months, where necessary.*

3.6 ***Renewal/restoration of registration as RMWCs.*** According to B(MW)R, registration as RMWC is valid for 3 years and is renewable subject to acceptance by BD. RMWC may apply to BD for renewal of registration not more than 4 months but not less than 28 days prior to the date of expiry of registration. A person whose name is removed from the register may apply to BD for restoration of the person's name to the register within 2 years from the expiry of the registration concerned. Applications for renewal/restoration of registration as RMWCs will generally be assessed by BD (Note 43). According to BD guidelines, it will not allow an application for renewal of registration and restoration of name unless it is satisfied that the applicant complies with the relevant requirements for registration.

### ***Scope for improvement in processing applications for registration***

3.7 Audit noted that the procedures of submission of outstanding documents (see para. 3.5(c)) and the relevant timeframe for processing these applications was not promulgated in the information pamphlets of BD nor stipulated in the performance pledge published on BD's website respectively for public information.

3.8 From January 2019 to March 2022, BD completed the processing of a total of 2,201 applications, comprising 1,059 applications for registration as RMWC (individual) (i.e. assessed by BD) and 1,142 applications for registration as RMWC (company) (i.e. 989 applications assessed by BD and 153 applications referred to MWCRC for consideration). Audit noted that the time taken for processing these 2,201 applications (i.e. counting from the dates of applications to the dates of result notifications) were, as follows:

- (a) of the 2,048 (i.e. 1,059+989) applications assessed by BD, the durations for processing 458 (22%) applications were more than 3 to 8.7 months (averaging about 5 months). According to BD, for these 458 applications:
  - (i) the applicants of 227 applications submitted the required supplementary information in 42 to 176 days (averaging 104 days) after their first submission of applications for registration;

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**Note 43:** *According to BD guidelines, applicants are required to submit, for example, conviction/disciplinary records (see para. 3.24) and a certificate of attendance for the performance enhancement course (if applicable).*

## **Management of prescribed registered contractors for minor works**

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- (ii) the applicants of 231 applications had not submitted any supplementary information, despite BD informing the applicants of insufficient information to process their applications; and
  - (iii) it took 1 to 89 days from the date of receipt of the supplementary information to issue the application results. Where no supplementary information was received, BD took 1 to 54 days from the due date of submission of the supplementary information to issue the application results; and
- (b) of the 153 applications referred to MWCRC for consideration, the durations for processing 71 (46%) applications were more than 6 to 12.5 months (averaging about 8 months). According to BD, for these 71 applications:
  - (i) the applicants of 44 applications submitted the supplementary information in 90 to 234 days (averaging 149 days) after their first submission of applications for registration;
  - (ii) the applicants of 27 applications had not submitted any supplementary information, despite BD informing the applicants of insufficient information to process their applications; and
  - (iii) after receiving the supplementary information, it took 44 to 85 days from the dates of receipt of the supplementary information to refer the applications to MWCRC, and 14 to 81 days to issue the application results after the dates of the MWCRC meetings. Where no supplementary information was received, BD took 1 to 51 days from the due date of submission of the supplementary information to issue the application results.

3.9 According to BD, the applicants of all 2,201 applications were notified of the application results within the required timeframes (see paras. 3.4 and 3.5). The long time taken for some cases were due to outstanding information from applicants. Audit noted that there was outstanding information in 579 (26%) applications. In the event, outstanding documents for 316 applications had been subsequently received by BD, of which 191 (60%) were received by BD more than 3 months after the corresponding dates of applications (averaging 4.2 months).

3.10 According to BD, long time taken to process some applications for registration as RMWC was due to outstanding information from applicants (see para. 3.9). In many cases, the applicants would request for extra time to prepare the supplementary information (e.g. applicant's job reference from past employers/clients). In Audit's view, as such applications accounted for 26% of the applications, it indicates that quite a number of applicants may not fully understand RMWC registration requirements. There is scope for exploring measures to further enhance applicants' understanding on the RMWC registration requirements (e.g. information required) with a view to assisting them to early complete the application process.

### **Audit recommendations**

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

- (a) **update the information pamphlets of BD by including the submission procedures of RMWC registration applications with outstanding information and include the relevant timeframe for processing these applications in the performance pledge published on BD's website; and**
- (b) **explore measures to further enhance applicants' understanding on the RMWC registration requirements (e.g. information required) with a view to assisting them to early complete the application process.**

### **Response from the Government**

3.12 The Director of Buildings agrees with the audit recommendations. She has said that BD will:

- (a) suitably update the information pamphlets. In addition, BD is in the process of revamping the Registration Guides on BD's website to enhance its user friendliness, and will consider including the performance pledge for processing RMWC registration applications with outstanding information; and
- (b) explore measures to further enhance applicants' understanding on the RMWC registration requirements. Apart from revamping the Registration

Guides on BD's website, BD will enhance the publicity on the available facilitation measures.

### Performance enhancement courses and other training courses

#### *Performance enhancement courses*

3.13 ***Contractor Performance Enhancement Scheme (CPES).*** According to BD, with a view to enhancing the performance of RMWCs and assisting them to better understand the requirements and purposes of the building laws, it has set up CPES in December 2019 that makes reference to warning letters issued to RMWCs (Note 44). The operation of CPES is as follows:

- (a) ***Performance points.*** When warning letters are issued by BD to RMWCs for irregularities found (e.g. during audit checks and site inspections upon receiving submissions under MWCS and Mandatory Window Inspection Scheme), performance points (ranging from 2 to 7 points) will be accorded to RMWCs according to the nature and severity of irregularities identified; and
- (b) ***Performance enhancement courses.*** According to BD, it will issue notification letters to invite RMWCs (Note 45) to attend performance enhancement courses organised by recognised institute (Note 46 ). According to BD guidelines, an RMWC needs to attend the performance

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**Note 44:** *CPES is applicable to all RCs, including RMWCs (who would carry out works under both MWCS and Mandatory Window Inspection Scheme) and registered general building contractors. Since the commencement of CPES in December 2019 and up to March 2022, BD had issued 254 and 11 warning letters to 184 RMWCs and 10 registered general building contractors respectively for irregularities found in their submissions under MWCS and Mandatory Window Inspection Scheme.*

**Note 45:** *For RMWC (company), it should nominate a responsible authorized signatory to attend the performance enhancement course and submit the certificate of attendance to BD.*

**Note 46:** *As of March 2022, the performance enhancement courses were provided by one training provider and the course duration was 3 hours.*

## **Management of prescribed registered contractors for minor works**

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enhancement course within 3 months from the date of notification letter when:

- (i) the total performance points accorded to the RMWC reach 15 or above (Note 47). If the RMWC has satisfactorily completed the course within the specified period (i.e. 3 months from the date of notification letter) and submitted the certificate of attendance to BD, 15 performance points will be remitted; or
- (ii) the RMWC has been convicted or disciplined under the Buildings Ordinance arising from its carrying out of MW or prescribed window inspection/repair.

BD will further issue a reminder letter to the RMWC if a certificate of attendance is not submitted within 1.5 months from the date of notification letter.

### ***Scope for enhancing performance enhancement courses***

3.14 Since the commencement of CPES in December 2019 and up to March 2022, 37 RMWCs were invited to attend the performance enhancement courses, comprising 5 RMWCs (i.e. 3 RMWCs (individual) and 2 RMWCs (company)) who were accorded with 15 to 27 performance points and 32 RMWCs (i.e. 8 RMWCs (individual) and 24 RMWCs (company)) who were convicted/disciplined under the Buildings Ordinance. Of these 37 RMWCs, Audit noted that:

- (a) ***Long time taken for issuing notification letters to some RMWCs.*** The time taken for issuing notification letters to them ranged from 3 to 451 days (averaging 157 days) after their performance points reached 15 or their

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**Note 47:** *According to BD, if an RMWC has been accorded with 15 or more performance points at time of submission of an application for renewal/restoration of registration, it will be invited to attend an interview with MWCRC for processing its application. Upon successful application for renewal/restoration of registration, the performance points accorded to an RMWC would generally become zero again at the beginning of the renewed/restored registration period.*

## **Management of prescribed registered contractors for minor works**

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convicted/disciplined dates. In this connection, BD had not set any time target for issuing notification letters;

- (b) ***Reminder letters not timely issued to some RMWCs.*** 29 RMWCs had not submitted their certificates of attendance within 1.5 months from the dates of notification letters. Of these 29 RMWCs:
  - (i) reminder letters had not been issued to 7 RMWCs; and
  - (ii) for the remaining 22 RMWCs with reminder letters issued, reminder letters to 9 (41%) RMWCs had been issued more than 1.5 months (ranging from 46 to 69 days, averaging 53 days) after the dates of notification letters.

In this connection, BD guidelines only set out the issuance of reminder letters to RMWCs accorded with the total performance points of 15 or over. It is only BD's practice to issue such reminder letters to convicted/disciplined RMWCs; and

- (c) ***Low attendance of performance enhancement courses and some RMWCs exceeded the specified timeframe for attending such courses.*** As of March 2022, 16 (43%) RMWCs had not attended the performance enhancement courses and had exceeded the specified timeframe (i.e. 3 months from the dates of notification letters). Of the 21 RMWCs who had attended the performance enhancement courses, 4 (19%) RMWCs had not attended the courses within the specified timeframe (i.e. 3 months from the dates of notification letters) (see para. 3.13(b)).

3.15 In Audit's view, with a view to enhancing the overall performance of RMWCs and assisting them to better understand the requirements and purposes of the buildings law (see para. 3.13), BD needs to:

- (a) consider setting out a time target for issuing notification letters to RMWCs who meet the criteria under CPES for attending the performance enhancement courses;

## **Management of prescribed registered contractors for minor works**

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- (b) take measures to ensure the timely issue of reminder letters to RMWCs who meet the criteria under CPES for attending the performance enhancement courses;
- (c) include in BD guidelines its practice of issuing reminder letters to convicted/disciplined RMWCs who have not submitted their certificates of attendance within 1.5 months from the dates of notification letters; and
- (d) ascertain the reasons for the low attendance of performance enhancement courses by RMWCs and explore measures to encourage them to attend the courses within the specified timeframe.

### ***Other training courses***

3.16 According to BD, in order to register as an RMWC, the applicant or key personnel of the applicant must satisfy BD on several aspects, including appropriate qualifications, experience and ability. Besides, the applicant also needs to complete a recognised training course on Class III MW in order to register as an RMWC (individual).

3.17 Apart from the performance enhancement courses (see para. 3.13(b)), as of March 2022, five other training courses were provided by three external training providers (Note 48) to MW contractors, including RMWCs and RMWC applicants. According to BD, each course serves different specific purpose and the completion of any of these training courses may be one of the requisites or criteria for registration, or exemption from certain requirements for renewal/restoration of registration as RMWC (Note 49).

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**Note 48:** *As of March 2022, each of the five courses was provided by 1 to 3 training providers and the course duration ranged from 6 to 27 hours.*

**Note 49:** *For example: (a) RMWC (individual) completed the “Refresher Course for RMWC (individual) Class III MW” can exempt from providing the job reference upon application for renewal/restoration of their registration; and (b) the completion of the course “RMWC (individual) Class III MW” is one of the requisites for the registration of RMWC (individual) for Class III MW.*

### ***Scope for improving other training courses***

3.18 According to BD, since the introduction of MWCS under the Buildings (Amendment) Ordinance 2008 passed by the Legislative Council in 2008, it had invited external training providers to submit course proposals for organising training courses for MW contractors (see para. 3.17), as follows:

- (a) course proposals received had been vetted by BD based on BD's course outlines and the training providers meeting BD's requirements would be selected;
- (b) class sizes, class frequencies and fees of the training courses had been liaised with the training providers and course contents would be enriched in accordance with the update of relevant statutory requirements; and
- (c) MW contractors were informed of the courses available and the respective course contents (e.g. training institutes, course outlines and training duration) through letters from BD or BD's website to ensure the consistency of course contents provided by different institutes. MW contractors can choose the most suitable course according to their preferences.

3.19 Audit noted that:

- (a) ***Selection of training providers.*** Since 2008, BD had conducted various exercises for inviting external training providers to organise training courses for MW contractors. In general, the training courses will be provided by the selected training providers on a continuous basis unless they inform BD of their ceasing to do so. For example, for the course "RMWC (individual) Class III MW" (launched in November 2009), 4 training providers were selected to provide the training course in the invitation exercise in November 2008. As of March 2022, 2 training providers remained to provide the course and 2 had discontinued to provide the course (Note 50). As far as could be ascertained, there was no documentation showing the reasons for ceasing the provision of training

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**Note 50:** *No record was available by BD showing the date of discontinuation of services provided by these 2 training providers.*

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courses by the training providers and whether and what actions had been taken to assess the need for inviting training providers to replace the outgoing ones; and

- (b) ***Monitoring of training courses.*** According to BD:
- (i) the training providers are recognised teaching institutions. BD relies on the training providers' own monitoring systems to ensure/monitor the quality of courses including the quality of teaching notes and qualifications of tutors;
  - (ii) in case a complaint related to the training course is received, BD may take appropriate follow-up actions as necessary (Note 51);
  - (iii) for training courses provided on a continuous basis (e.g. the course "RMWC (individual) Class III MW"), BD had not regularly obtained relevant information from the training providers (e.g. number of applications received, enrolment figures, attendance rates and satisfaction survey results of participants); and
  - (iv) for training courses provided with validity periods for meeting the actual need of the building industry to satisfy the registration requirement (e.g. the "Top-up Course for Authorized Signatory of RMWC (company) for Type H MW"), BD would work in collaboration with the training providers in reviewing the need to extend the courses to meet the demand of the building industry.

3.20 In Audit's view, BD needs to:

- (a) document the reasons for ceasing the provision of training courses for MW contractors by the training providers and the assessment results on the need for inviting training providers to replace the outgoing ones for planning and monitoring purposes;

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**Note 51:** *According to BD, since the introduction of MWCS in 2008 and up to March 2022, it had not received any complaint in relation to training courses provided to MW contractors.*

## **Management of prescribed registered contractors for minor works**

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- (b) consider obtaining information (e.g. number of applications received, enrolment figures, attendance rates and satisfaction survey results of participants) from training providers for planning and monitoring purposes; and
- (c) keep under review the provision of training courses for MW contractors by training providers with a view to enhancing the training courses.

## **Audit recommendations**

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

- (a) **consider setting out a time target for issuing notification letters to RMWCs who meet the criteria under CPES for attending the performance enhancement courses;**
- (b) **take measures to ensure the timely issue of reminder letters to RMWCs who meet the criteria under CPES for attending the performance enhancement courses;**
- (c) **include in BD guidelines BD's practice of issuing reminder letters to convicted/disciplined RMWCs who have not submitted their certificates of attendance within 1.5 months from the dates of notification letters;**
- (d) **ascertain the reasons for the low attendance of performance enhancement courses by RMWCs and explore measures to encourage them to attend the courses within the specified timeframe;**
- (e) **document the reasons for ceasing the provision of training courses for MW contractors by the training providers and the assessment results on the need for inviting training providers to replace the outgoing ones for planning and monitoring purposes;**
- (f) **consider obtaining information (e.g. number of applications received, enrolment figures, attendance rates and satisfaction survey results of participants) from training providers for planning and monitoring purposes; and**

- (g) **keep under review the provision of training courses for MW contractors by training providers with a view to enhancing the training courses.**

## **Response from the Government**

3.22 The Director of Buildings agrees with the audit recommendations. She has said that:

- (a) the timeframes for issuance of notification letters and reminder letters to RMWCs who meet the criteria under CPES for attending the performance enhancement courses will be set and the practice of issuing reminder letters to such RMWCs will be included in BD guidelines;
- (b) BD will collect the views and feedback from the relevant trades and associations and the RMWCs concerned to ascertain the reasons for the low attendance rate of performance enhancement courses by RMWCs and explore the follow-up actions considered necessary;
- (c) BD will coordinate with the training providers for the documentation of reasons for ceasing the provision of training courses for MW contractors by the training providers, and assess the need for inviting replacement of training providers, as appropriate;
- (d) BD will consider obtaining relevant information from the training providers on a regular basis for planning and monitoring purposes; and
- (e) BD will liaise with the training providers for a mechanism to keep under review the provision of training courses for MW contractors with a view to enhancing the training courses.

### Disciplinary actions against registered minor works contractors

3.23 Under the Buildings Ordinance, if an RMWC is found to be involved in any malpractice in building works or street works (Note 52), disciplinary actions may be taken and BD may bring such matters to the notice of the Registered Contractors' Disciplinary Board (RCDB — Note 53).

3.24 According to BD guidelines, the decision to initiate disciplinary proceedings should be based on sufficiency of evidence and public interest considerations. Pursuant to RCDB's decision, orders issued include removal of the name of an RMWC from the relevant register either temporarily or permanently, prohibition from certifying or carrying out any MW under the simplified requirements either temporarily or permanently, a reprimand or a fine (Note 54). Besides, RMWCs applying for renewal/restoration of registration should declare and submit conviction/disciplinary records for a period of three years preceding the date of application.

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**Note 52:** *Examples of malpractices include: (a) conviction by court of an offence; (b) negligence or misconduct; (c) material deviation from a supervision plan; and (d) certify MW in contravention of the Buildings Ordinance.*

**Note 53:** *RCDB was appointed under the Buildings Ordinance to hear and determine any proceedings against an RC. In particular, for RCDB appointed to hear and determine any proceedings against an RMWC, it shall consist of 5 persons, including: (a) 2 persons who are members of the RCDB Panel appointed under the Buildings Ordinance; (b) 2 persons who are members of the Authorized Persons', Registered Structural Engineers' and Registered Geotechnical Engineers' Disciplinary Board Panel appointed under the Buildings Ordinance; and (c) 1 person selected by BD from among persons nominated by such bodies as BD thinks fit. Members of the RCDB Panel shall hold office for 3 years but shall be eligible for reappointment.*

**Note 54:** *According to BD, if the person concerned is no longer on the relevant register, disciplinary action cannot be taken. However, relevant information of the person would be provided to the Registration Unit of BD for record. If the person concerned subsequently applies for the restoration of his name in the relevant register, the Legal Services Section will be alerted to review the case to determine if disciplinary action should be considered again.*

3.25 According to BD, from January 2017 to March 2022, 33 cases were referred to the Legal Services Section for consideration of disciplinary actions against RMWCs. As of March 2022, disciplinary proceedings had been instigated against 9 RMWCs and the respective RCDBs were satisfied with the charges laid for all cases. In the event, 2 (22%) RMWCs had been prohibited from certifying certain scope of works for a specified period, 4 (45%) RMWCs had been fined and prohibited from certifying certain scope of works for a specified period, 1 (11%) RMWC had been fined and 2 (22%) RMWC had been fined and removed from the register of MW contractors for a specified period.

### ***Need to instigate disciplinary proceedings expeditiously***

3.26 According to BD guidelines:

- (a) the decision to initiate disciplinary proceedings should be based on sufficiency of evidence and public interest considerations. If it is satisfied that the matters can justify disciplinary proceedings, the cases would be referred to the Legal Services Section; and
- (b) although disciplinary proceedings are not subject to statutory limitation period, it is desirable that the cases should be dealt with expeditiously (Note 55). Administratively, disciplinary proceedings should be commenced within 12 months from the date when the relevant breach/act of default is discovered, except where a valid reason exists, such as awaiting the outcome of a prosecution makes it impossible for this to be adhered to.

3.27 Audit noted two cases which took more than 2 years to refer to the Legal Services Section for instigating disciplinary proceedings (i.e. exceeding the 12-month timeframe — see para. 3.26(b)). The salient points of the two cases are as follows:

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**Note 55:** *According to BD, possible legal consequences of delay in commencing disciplinary proceedings can give rise to a defence of abuse of process in extreme cases, and those facing disciplinary charges may seek to strike out/stay the proceedings on grounds including prejudice arising from inability to gather evidence due to delay.*

## **Management of prescribed registered contractors for minor works**

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- (a) **Case 1.** In December 2014, an RMWC (Contractor A) submitted a MW submission for carrying out Class II MW. However, it was revealed by BD during its audit check in January 2015 that the works should belong to Class I and Contractor A had no capacity to carry out such works. In June 2016, Contractor A was convicted of an offence under the Buildings Ordinance. According to BD, Contractor A did not plead guilty and insisted that the works were not carried out by it. Audit noted that the Minor Works Unit only referred the case to the Legal Services Section for instigating disciplinary proceedings against Contractor A in January 2019 (i.e. about 2.5 years after Contractor A was convicted). The hearing of the disciplinary board was held in August 2021, and the Gazette Notice of the disciplinary result was published in March 2022; and
- (b) **Case 2.** In May 2015, an RMWC (Contractor B) submitted a MW submission for carrying out Class III MW. However, it was revealed by BD during its audit check in June and July 2015 that the works should not be classified as MW items and prior approval and consent from BD was thus required. In July 2016, Contractor B was convicted of an offence under the Buildings Ordinance. Audit noted that the Minor Works Unit only referred the case to the Legal Services Section for instigating disciplinary proceedings in November 2018 (i.e. about 2.3 years after Contractor B was convicted). As of March 2022, the disciplinary proceeding was on-going.

3.28 According to BD guidelines, it is desirable that disciplinary proceedings should be dealt with expeditiously (see para. 3.26(b)). In Audit's view, BD needs to instigate disciplinary proceedings against RMWCs involving malpractice expeditiously, including making timely referral of the cases to the Legal Services Section.

### ***Need to make better use of MWM System to keep track of progress of cases with disciplinary proceedings instigated***

3.29 In January 2020, BD revamped its MWM System for more efficient tracking of BD's audit cases under MWCS as well as monitoring and reviewing the operation and effectiveness of MWCS. According to BD, the revamp would improve efficiency in conducting its audit checks by using the workflow in the system to replace the system in paper form.

3.30 Audit noted that warranted cases referred to the Legal Services Section for instigating disciplinary proceedings were only maintained in spreadsheets. In Audit's view, BD needs to take measures to make better use of information technology (e.g. MWM System) to keep track of progress of such cases for monitoring purpose.

### **Audit recommendations**

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

- (a) **instigate disciplinary proceedings against RMWCs involving malpractice expeditiously, including making timely referral of the cases to the Legal Services Section; and**
- (b) **take measures to make better use of information technology (e.g. MWM System) to keep track of progress of instigating disciplinary proceedings on cases concerned for monitoring purpose.**

### **Response from the Government**

3.32 The Director of Buildings agrees with the audit recommendations. She has said that BD will explore measures to enhance the monitoring of MW submissions through better use of MWM System (e.g. generation of monitoring reports). In practice, the Legal Services Section would proactively remind the initiating section to instigate disciplinary action upon the completion of the prosecution action.

## PART 4: OTHER RELATED ISSUES

4.1 This PART examines other issues related to management of MW by BD, focusing on:

- (a) validation schemes relating to specific types of UBWs (paras. 4.2 to 4.10); and
- (b) other administrative issues (paras. 4.11 to 4.18).

### Validation schemes relating to specific types of unauthorised building works

4.2 According to BD, the validation schemes aim to allow the continued use of lower risk features by owners after safety inspection and necessary strengthening by prescribed BPs and/or prescribed RCs so as to meet the genuine needs of building occupants, minimise the burden of owners or occupants in seeking rectification and avoid waste. As of March 2022, BD implemented three validation schemes (see para. 1.11), as follows:

- (a) **HMWVS.** It was implemented by the Minor Works Unit (see para. 1.12) in December 2010 and covers some unauthorised minor household installations which existed or were completed before 31 December 2010. As of March 2022 (i.e. about 11.3 years after commencement of the scheme), 248 applications had been received by BD;
- (b) **SVS.** It was implemented by the Signboard Control Unit (see para. 1.12) in September 2013 and covers some unauthorised signboards erected before 2 September 2013. As of March 2022 (i.e. about 8.6 years after commencement of the scheme), 965 applications had been received by BD; and
- (c) **MAFVS.** It was implemented by the Minor Works Unit (see para. 1.12) in September 2021 and covers some unauthorised minor amenity features which existed before 1 September 2020. As of March 2022 (i.e. 7 months

after commencement of the scheme), 21 applications had been received by BD.

Table 8 shows the number of applications received under the validation schemes from January 2011 to March 2022.

**Table 8**

**Number of applications received under the validation schemes  
(January 2011 to March 2022)**

Year	Number of applications			
	HMWVS	SVS	MAFVS	
2011	25	N/A	N/A (Note 2)	
2012	18	(Note 1)		
2013	18	10		
2014	22	166		
2015	43	224		
2016	20	135		
2017	54	110		
2018	14	53		
2019	10	57		102 430
2020	22	92		
2021	2	95		13
2022 (up to March)	—	23		8
Total	248	965		21

Source: BD records

Note 1: SVS has been implemented since 2 September 2013.

Note 2: MAFVS has been implemented since 1 September 2021.

### ***Need to encourage more building owners to validate UBWs through the validation schemes***

4.3 In May 2011, BD commissioned a territory-wide stocktaking exercise to capture information on UBWs erected on the exteriors of private buildings. According to the survey results, about 2.3 million suspected UBWs were found, including about 1.8 million household MW and 120,000 signboards. According to BD, of these suspected UBWs identified in 2011, about 1.7 million household MW and 86,400 signboards were potential candidates for validation under HMWVS and SVS respectively then.

4.4 Audit noted that, since the launch of the three validation schemes and up to March 2022, BD had only received 248, 965 and 21 applications for HMWVS, SVS and MAFVS respectively (see para. 4.2). While MAFVS was newly implemented (for 7 months) in September 2021, HMWVS and SVS had been implemented for over 11 and 8 years respectively. Of the 248, 965 and 21 applications received under HMWVS, SVS and MAFVS respectively, 148 (60%), 399 (41%) and 1 (5%) applications were accepted by BD respectively.

4.5 According to BD, its assessment is that some household MW and signboards found in the 2011 survey (see para. 4.3) may have been removed by owners of their own volition and thus no applications for validation were received for such UBWs by BD.

4.6 In Audit's view, BD needs to take measures to encourage more building owners to validate UBWs through relevant validation schemes.

### ***Scope for improvement in implementing the validation schemes***

4.7 There is scope for improvement in implementation of the validation schemes as follows:

- (a) ***Long time taken for processing some applications.*** Of the 248 and 965 applications received under HMWVS and SVS respectively (see para. 4.2), 16 (6%) and 150 (16%) applications received under HMWVS and SVS respectively were still being processed by BD as of March 2022.

In particular, 1 (0.4% of 248) application of HMWVS was received in 2017 (i.e. some 4 years ago) and 5 (0.5% of 965) applications of SVS were received in 2018 (i.e. some 3 years ago);

- (b) ***Revalidation of some validated signboards under SVS was overdue.*** According to BD, signboards validated under SVS are subject to revalidation every five years, under which owners of the signboards should conduct safety check (Note 56) of the validated signboards, or the signboards should be removed. According to BD records, as of March 2022, there were 234 validated signboards due for revalidation. Revalidation applications had only been received by BD for 14 (6%) signboards. Of the remaining 220 signboards, Audit noted that:

- (i) follow-up actions (i.e. issuing reminder letters to owners) had only been taken by BD in 2 (1%) cases; and
- (ii) no follow-up actions had been taken by BD on the remaining 218 (99%) cases, for which the revalidation had been overdue for 0.1 to 41.1 months (averaging 18.5 months).

Besides, there were no specific guidelines on the follow-up actions on signboards due for revalidation under SVS (e.g. when to issue reminder letters to signboard owners); and

- (c) ***Need to maintain the records under SVS in MWM System.*** While the records relating to applications received under HMWVS and MAFVS are maintained in MWM System, the records relating to applications received under SVS (e.g. audit checks conducted by BD) were mainly maintained by BD in spreadsheets instead of using MWM System.

4.8 In Audit's view, BD needs to:

- (a) take measures to ensure that applications under validation schemes are timely processed and ascertain the reasons for the long outstanding cases;

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**Note 56:** *Signboard owners should appoint the prescribed BPs and/or prescribed RCs to inspect, strengthen (if required) and certify the structural safety of the signboards.*

## Other related issues

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- (b) regarding the revalidation of validated signboards under SVS, take measures to ensure that the signboards due for revalidation are timely followed up, and provide guidelines for the follow-up actions on such signboards (e.g. when to issue reminder letters to signboard owners); and
- (c) consider making use of MWM System for maintaining records on applications received under SVS.

## Audit recommendations

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

- (a) **take measures to encourage more building owners to validate UBWs through relevant validation schemes;**
- (b) **take measures to ensure that applications under validation schemes are timely processed and ascertain the reasons for the long outstanding cases;**
- (c) **regarding the revalidation of validated signboards under SVS, take measures to ensure that the signboards due for revalidation are timely followed up, and provide guidelines for the follow-up actions on such signboards (e.g. when to issue reminder letters to signboard owners); and**
- (d) **consider making use of MWM System for maintaining records on applications received under SVS.**

## Response from the Government

4.10      The Director of Buildings agrees with the audit recommendations. She has said that:

- (a) the publicity work on encouragement of validating UBWs under the validation schemes will be further enhanced. Since the implementation of MAFVS, pamphlets have been published/distributed to the public.

Consideration on publishing promotion materials in social media platform will be made; and

- (b) BD will explore measures to enhance the monitoring mechanism in MWM System (e.g. generation of monitoring reports) and make use of the System for maintaining records on applications received under SVS.

## Other administrative issues

### *Scope for improvement in providing signboards' information to the public*

4.11 In May and October 2021, BD informed the Legislative Council that:

- (a) it had engaged a consultant in September 2020 to establish a database of all legal or validated signboards. The first batch of signboards' information would be available for inspection by the public in the third quarter of 2021;
- (b) the information of the first batch of legal or validated signboards in Central and Western District had been uploaded onto the Government's GeoInfo Map (Note 57) for BD's staff and public's reference in September 2021; and
- (c) the remaining information would be uploaded progressively by districts for completion in September 2022, and the database would be updated regularly. BD informed Audit in September 2022 that, due to COVID-19 epidemic, the progress of uploading the information had been adversely affected. The target on completion of the exercise was revised to November 2022.

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**Note 57:** *The GeoInfo Map is a public web map service which was launched by the Lands Department in May 2010. It provides free and convenient public access to accurate maps of Hong Kong, as well as providing the location and related information about various public facilities and services. It enables government departments to release to the public their latest geospatial data with satisfactory system performance and user experience. The public can conveniently access digital maps using various platforms, including tablet computers and smartphones, as well as integrate various geospatial data for different applications.*

## Other related issues

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4.12 Audit noted that as of March 2022, information of 4,832 signboards related to MW (comprising 4,830 legal signboards and 2 validated signboards) in five Districts (i.e. Central and Western, Wanchai, Yau Tsim Mong, Eastern and Sham Shui Po) had been uploaded onto the GeoInfo Map (Note 58). There were discrepancies between the GeoInfo Map and BD records that 49 signboards in the five Districts shown as validated in BD records were not shown in the GeoInfo Map. According to BD, as the validation records had to be verified prior to upload onto the GeoInfo Map, the records were uploaded progressively.

4.13 In Audit's view, BD needs to:

- (a) take measures to ensure that accurate and complete information about legal or validated signboards are uploaded onto the GeoInfo Map; and
- (b) upload information of all legal or validated signboards onto the GeoInfo Map as scheduled.

### *Need to timely update relevant guidelines*

4.14 According to BD, with the implementation of MAFVS on 1 September 2021, it would update the relevant guidelines on MWCS in respect of the relevant amendments to the Buildings Ordinance and its subsidiary regulations.

4.15 According to BD, all relevant information relating to MAFVS had been made available at BD's website since the implementation of MAFVS on 1 September 2021. However, Audit noted that, as of August 2022, some guidelines (i.e. the General Guidelines on MWCS and the Technical Guidelines on MWCS) had not yet been updated for MAFVS accordingly by BD.

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**Note 58:** *According to BD, as of March 2022, in addition to the 4,832 signboards related to MW, 1,139 signboards with prior approval and consent of BD for their building works (e.g. large-scale signboards with works not falling within MW) in the five Districts (i.e. Central and Western, Wanchai, Yau Tsim Mong, Eastern and Sham Shui Po) had been uploaded onto the GeoInfo Map.*

4.16 In Audit's view, BD needs to take measures to ensure that relevant guidelines for MAFVS are timely updated to incorporate the latest information.

## **Audit recommendations**

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

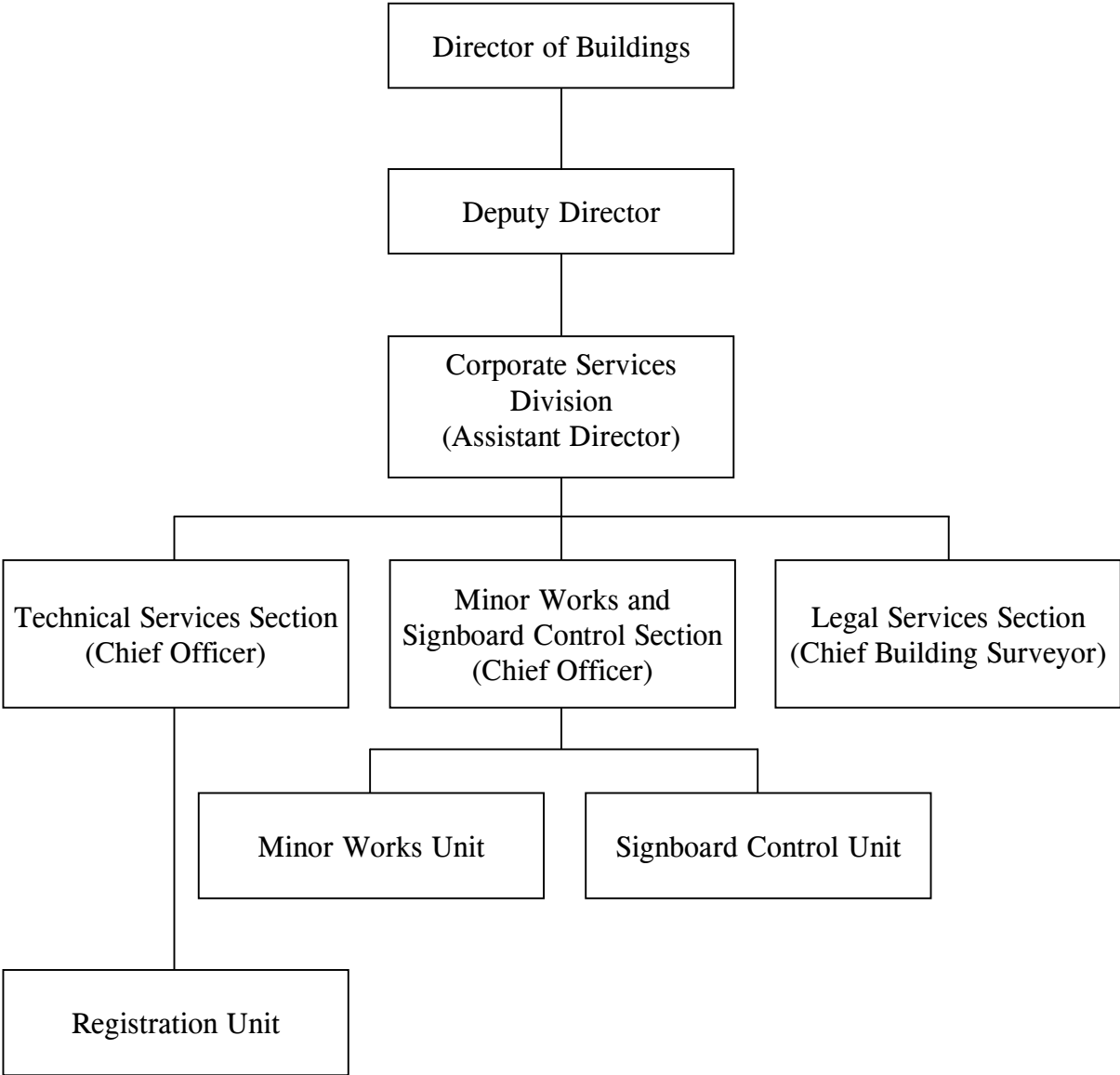
- (a) **take measures to ensure that accurate and complete information about legal or validated signboards are uploaded onto the GeoInfo Map;**
- (b) **upload information of all legal or validated signboards onto the GeoInfo Map as scheduled; and**
- (c) **take measures to ensure that relevant guidelines for MAFVS are timely updated to incorporate the latest information.**

## **Response from the Government**

4.18 The Director of Buildings agrees with the audit recommendations. She has said that:

- (a) BD would take measures to ensure that the information about legal or validated signboards to be uploaded onto the GeoInfo Map is accurate and complete; and
- (b) due to COVID-19 epidemic, the progress of uploading the information of all legal or validated signboards onto the GeoInfo Map has been affected. BD is confident that the uploading exercise could be completed by November 2022 as scheduled.

**Buildings Department:  
Organisation chart (extract)  
(31 March 2022)**



*Source: BD records*

**Acronyms and abbreviations**

AFC	Audit fundamental check
Audit	Audit Commission
BD	Buildings Department
BP	Building professional
B(MW)R	Building (Minor Works) Regulation
CPES	Contractor Performance Enhancement Scheme
HMWVS	Household Minor Works Validation Scheme
MAFVS	Minor Amenity Feature Validation Scheme
MW	Minor works
MWCRC	Minor Works Contractors Registration Committee
MWCS	Minor Works Control System
MWM System	Minor Works Management System
PSAC	Pre-commencement site audit check
RC	Registered contractor
RCDB	Registered Contractors' Disciplinary Board
RMWC	Registered minor works contractor
SAC	Site audit check
SVS	Signboard Validation Scheme
UBWs	Unauthorised building works