

# Government enhances four subsidy schemes on building safety and rehabilitation (with photo/video)

The Government announced today (October 11) its plan to enhance four subsidy schemes related to building safety and rehabilitation. It is proposed that a total of \$10.5 billion will be injected into these four schemes to assist more needy owners to properly maintain and repair their buildings so as to improve their living environment, uphold building safety and eliminate safety hazards for the public.

The four subsidy schemes to be enhanced are Operation Building Bright 2.0, the Lift Modernisation Subsidy Scheme, the Fire Safety Improvement Works Subsidy Scheme and the Building Maintenance Grant Scheme for Elderly Owners.

"It is the primary responsibility of owners to timely and properly maintain and repair their buildings. However, the Government recognises that some owners lack financial means or technical knowledge and hence have a practical difficulty in fulfilling their responsibility," the Secretary for Development, Mr Michael Wong, said.

"The objectives of the four subsidy schemes are not entirely the same; yet they have all been generally welcomed by the beneficiaries. Given the positive responses from the public and that the schemes have been effective in achieving their respective objectives, the Government proposes that new resources of \$10.5 billion be injected for enhancement of the four schemes," he said.

Mr Wong said the public had provided some feedback on details of the four schemes. Upon review, the Government will take the opportunity to enhance the schemes to better assist owners in need.

## Operation Building Bright 2.0 (OBB 2.0)

The original funding of \$3 billion for OBB 2.0 is expected to assist 2 500 private domestic buildings to comply with the prescribed inspection and repair works under the Mandatory Building Inspection Scheme (MBIS). It is expected that in the first round, about 1 000 buildings will start the prescribed inspection and repair works by end of 2020. The Government plans to inject an additional \$3 billion into the scheme, increasing the total funding to \$6 billion. Depending on the condition of participating buildings and the number of beneficiaries, it is expected that the enhanced OBB 2.0 could benefit a total of 5 000 old and dilapidated buildings.

Having considered public views, the Government also plans to relax the eligibility criteria of target buildings in the second round application for

OBB 2.0. Applications from eligible domestic buildings aged 40 to 49 years that have received but not yet complied with MBIS notice(s) for the common parts of the building, as well as all eligible domestic buildings aged 50 years or above, irrespective of whether they have any outstanding MBIS notice(s), will be accepted.

To avoid creating an overwhelming workload to the building maintenance market, the Government will gradually increase the number of prescribed inspection or repair works to commence yearly, with an aim to commencing all prescribed inspection and repair works within seven years. The enhanced measures will be put in place in the second round application for OBB 2.0 scheduled for the third quarter next year.

#### Lift Modernisation Subsidy Scheme (LIMSS)

The first round application of the LIMSS was closed on August 1 this year. The response was very encouraging, with about 1 200 applications received involving about 5 000 eligible lifts. The Government plans to inject an additional \$2 billion into the original funding of \$2.5 billion of the scheme so that the number of lifts to be subsidised will be increased to 8 000.

The Government will continue to roll out the LIMSS in an orderly manner by granting subsidies in batches over seven years starting from the current financial year. The Government will also collaborate with the Construction Industry Council to arrange appropriate training courses to meet the workforce demand of the lift modernisation works. In addition, for buildings with a single lift or with floors served by one lift only, the Government proposes that the LIMSS be enhanced by providing outreach services to the needy residents of these buildings, such as the aged and the disabled, in order to minimise the inconvenience caused by the lift modernisation works.

#### Fire Safety Improvement Works Subsidy Scheme (FSWS)

The original funding of \$2 billion for the FSWS is expected to benefit around 2 000 old composite buildings to enhance their fire safety level for compliance with the requirements under the Fire Safety (Buildings) Ordinance (Cap. 572). During the application period, about 2 430 applications which met the basic eligibility criteria (involving about 2 600 buildings) were received. Since the \$2 billion funding may not be sufficient to cover all accepted applications, about 500 applications meeting the basic eligibility criteria (involving about 600 buildings) are currently placed on the waiting list.

The Government proposes to allocate an additional \$3.5 billion to the FSWS, increasing the total funding to \$5.5 billion. The additional funding of \$3.5 billion is expected to benefit over 3 500 buildings. The next round of applications is expected to be launched in mid-2020.

## Building Maintenance Grant Scheme for Elderly Owners (BMGSE0)

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The Government proposes to inject \$2 billion into the current funding of \$1 billion for BMGSE0. It is initially proposed that the scheme will be enhanced by expanding the scope of beneficiaries to include those under the age of 60 years who are Comprehensive Social Security Assistance Scheme recipients, as well as those receiving Disability Allowance subject to income and asset tests. It is also proposed that the subsidy cap will be increased from the current \$40 000 to \$80 000, and the asset limit for elderly owner-occupiers will be raised from the current two times to three times of the asset limit of the Normal Old Age Living Allowance.

Mr Wong said that the Government would consult the relevant panels of the Legislative Council on details of the enhancements for the four subsidy schemes by end of this year or early next year. The Government will strive to obtain funding in the first half of 2020 and proceed with accepting new or processing existing applications afterwards. It is expected that the application results will be released gradually within the next year to assist needy owners as soon as practicable.

Details of the four enhanced subsidy schemes are in the Annex.

