

Government welcomes passage of Building Management (Amendment) Bill 2023

The Government welcomed the passage of the Building Management (Amendment) Bill 2023 by the Legislative Council today (July 4). The Bill seeks to improve the transparency and accountability of the operation of owners' corporations (OCs), and to enhance deterrence against non-compliance with the Building Management Ordinance (Cap. 344) (BMO).

The Bill seeks to amend the BMO with the following objectives:

1. to impose certain requirements in relation to the procurement of supplies, goods or services required for large-scale building maintenance and other high-value procurement required for building management. Among others, procurement for any maintenance project will be considered as large-scale maintenance procurement if the average project cost per building flat exceeds \$30,000. A resolution for large-scale maintenance procurement can only be passed if at least 5 per cent of the owners or 100 owners (whichever is the lesser) have voted in person;
2. to provide for a mechanism under which natural persons authorised by corporate flat owners may act for the latter at general meetings of OCs, etc;
3. to impose or adjust certain requirements in relation to financial statements and other accounting documents of OCs, etc, and in relation to the procedures of meetings concerning building management;
4. to criminalise the failure to keep certain documents concerning building management; and
5. to make related and miscellaneous amendments.

A Government spokesman said, "The proposals in the Bill have consolidated the outcome of public consultation and stakeholders' views over the years. The Government has first dealt with proposals which are of considerable public concern but are relatively less controversial in the Bill, and will continue to follow up on other building management issues in consultation with stakeholders."

The amended Ordinance will be published in the Gazette on July 12, 2024, and will come into operation one year after it is gazetted (i.e. July 13, 2025). The Home Affairs Department will launch various education and publicity activities and update a series of guidelines to help owners and OCs understand the amendments.