Application Notes (AN-CAS)



Common Area Repair Works Subsidy

Enguly 3183 1183



1. Eligibility Criteria

A building must meet the following criteria to be eligible for participating in Common Area Repair Works Subsidy ("**the Scheme**"):

- 1.1 Private residential or composite (commercial and residential) building aged 30 years or above Note 1 (according to the Occupation Permit) (including a building held by a Civil Servants' Co-operative Building Society ("CBS")); and
- 1.2 The average annual rateable value limit of all the domestic units in the building must fulfill the requirement of the limit for rateable value. Please refer to item 2(b), Appendix I of Integrated Building Rehabilitation Assistance Scheme ("IBRAS") for the limit; and
- 1.3 Authorised Person ("AP")/Registered inspector ("RI") must be appointed by open tender to carry out condition survey Note 2 and organise the respective repair works for the building. Application must be submitted before tendering for such aforementioned person.
- 1.4 Building has not been within the Urban Renewal Authority (URA) announced redevelopment project Note 3.
- Note 1: Excluding: (a) building in single ownership; (b) building of three storeys or below or New Territories Exempted Houses; and (c) housing estate of Tenant Purchase Scheme under the Hong Kong Housing Authority.
- Note 2: If the building has completed comprehensive repair works in the past five years, and the Applicant only intends to carry out individual repair or improvement works under supervision of a qualified professional, the Applicant may submit relevant documentary proofs to URA to apply for waiver for conducting comprehensive building condition survey.
- Note 3: (i) For building located within URA's announced redevelopment project area but in need of dealing with the statutory order or notice, the owners may refer to "Maintenance Cost Reimbursement Scheme" of URA to apply for ex-gratia allowance for the eligible work items.
 - (ii) For building located within URA's redevelopment project area where owners shall carry out repair works for sake of building safety, e.g. in compliance with the requirements of the Mandatory Building Inspection Scheme or related statutory notice, URA will at discretion consider the application.

2. Submission of Application Form and Supporting Documents

- 2.1 The application may be submitted to URA by any of the following methods:
 - (i) **Online application:**

Website: https://www.brplatform.org.hk/e-application

- (ii) **By post or in person** to the following address:
 Unit 1001, 10/F, Tower 2, Cheung Sha Wan Plaza, 833 Cheung Sha Wan Road,
 Kowloon
- 2.2 If an owners' corporation ("**OC**") has been formed, the OC shall be the Applicant when submitting the application to URA.
- 2.3 For building without an OC (including those held by CBS), all owners collectively or the CBS (if appropriate) shall be the Applicant when submitting the application to URA.

Please refer to the "Application Notes for building without Owners' Corporation" in Annex I to the IBRAS Application Form for the application requirements and details.

- 2.4 The eligible Applicant is required to submit all of the following documents to URA:
 - 2.4.1 A duly completed and signed **IBRAS Application Form** ("**Application Form**"); and
 - 2.4.2 (If an OC has been formed) Copies of the meeting notices and minutes of the owners' meeting passing the following resolutions:
 - (a) To resolve on the application for "Common Area Repair Works Subsidy"; and
 - (b) To authorise the OC to be the Applicant, and at least two Committee members of the Management Committee or the Manager appointed in accordance with the Deed of Mutual Covenant ("**DMC**") as the Applicant's Representatives to sign the Application Form and all other documents related to "Common Area Repair Works Subsidy"; and
 - (c) To carry out comprehensive repair works at the building ("the Works") (For the eligible work items under the Scheme, please refer to the "Scope of Works Covered by the Subsidy" in Paragraph 3 of this Application Notes); and
 - (d) To apportion all costs and expenditure relating to the Works among all owners in accordance with the DMC or the relevant provisions in the Building Management Ordinance (Cap.344); and
 - (e) To resolve on joining the URA's "Smart Tender" Building Rehabilitation Facilitating Services Note 4; and
 - (f) To authorise the Applicant to receive subsidies from URA under "Common Area Repair Works Subsidy".

Note 4: For the resolutions required for joining "Smart Tender" Building Rehabilitation Facilitating Services ("**Smart Tender**"), please refer to Paragraph 4.2.3 of "AN-ST".

The above resolutions must be passed on or before the date of submission of the application in accordance with the Building Management Ordinance (Cap.344) and the DMC. For building without OC or those held by CBS (subject to the scenario), please refer to "Application Notes for building without Owners' Corporation" in Annex I to the IBRAS Application Form for the details of the resolutions required to be passed; and submit the relevant meeting minutes together with the Application Form.

- 2.4.3 A copy of the Certificate of Registration of OC/Certificate of Registration of a Society/ Certificate of Registration and by-laws of CBS (if applicable); and
- 2.4.4 A copy of Statutory Notice(s) for Mandatory Building Inspection Scheme, or statutory order or advisory letter on safety improvements for common areas of the building issued by government department (if applicable).
- 2.5 Each building of an OC or CBS or DMC (applicable to building without OC only) **will only be approved the Scheme's subsidy once within a period of 5 years**.
- 2.6 If a building/estate having more than one OC/DMC intends to appoint the same RI/AP/consultant and qualified registered contractor to carry out inspection and repair works, each Applicant may choose to apply jointly by completing and submitting a

- separate Application Form. URA has the right to determine what constitutes "a building/estate" and reserves the right to accept any joint application or not.
- 2.7 Applicant can only submit one Application Form for his building. If an Applicant submits more than one Application Form, URA has the right to reject all applications submitted by such Applicant.
- 2.8 Upon receiving the Application Form, URA will acknowledge receipt thereof in writing.

3. Scope of Works Covered by the Subsidy

The subsidy must be used in the works in common areas relating to building safety, hygiene and environmental friendly works. All works must comply with the statutory requirements, including but not limited to:

- (i) Repair of building structure, e.g. repair loosen, cracked, spalled or defective concrete;
- (ii) Repair of external walls and internal common areas of the building, e.g. repair defective rendering and mosaic tiles;
- (iii) Repair or replacement of defective windows;
- (iv) Repair or improvement of fire safety construction, e.g. improvement of means of escape, means of access for rescue and fire resisting construction;
- (v) Provision, improvement or repair of fire services installations and equipment;
- (vi) Removal of unauthorised building works and illegal rooftop structures;
- (vii) Improvement of building services and sanitary facilities, e.g. repairing, maintaining and replacing lifts, fire services installations and equipment, electrical installations, gas risers, aerial systems, replacing waste pipes, soil pipes, rain water pipes, fresh water pipes, vent pipes and underground drain;
- (viii) Repair of waterproofing membranes on rooftop and flat roofs and works to alleviate water seepage problem;
- (ix) Provision, improvement or repair of common water tanks;
- (x) Repair or replacement works of metal works and carpentry;
- (xi) Provision, improvement or repair of for barrier free access facilities;
- (xii) Provision, improvement or repair of security system, e.g. CCTV system or metal gate at main entrance;
- (xiii) Maintenance works for slopes or retaining walls;
- (xiv) Application of environmental material on repair works or installation of green/environmental friendly works or facilities;
- (xv) Works relating to the above items, including scaffolding, investigation and professional services; and any incidental or consequential works relating to items 3(i) to 3(xiv) above, e.g. touch-up and finishing works arising from repair or remedial works.

4. Amount of Subsidy

4.1 Common Area Repair Works Subsidy

Approved building will enjoy the following subsidies:

4.1.1 General repair works subsidy

The total subsidy amount for each Applicant (whichever is the lower)

- 20 units or below 30% of the approved cost of general repair

works and related consultancy fee, capped at

HK\$150.000

- 21 – 49 units **20%** of the approved cost of general repair

works and related consultancy fee, capped at

HK\$150,000

- 50 units or more **20%** of the approved cost of general repair

works and related consultancy fee; or not more than HK\$3,000 per unit, capped at

HK\$1,200,000

4.1.2 Green Item Subsidy

The total green item subsidy amount for each Applicant (whichever is the lower)

- 20 units or below 30% of the approved cost of green items and

related consultancy fee, capped at HK\$75,000

- 21 – 49 units **20%** of the approved cost of green items and

relevant consultancy fee, capped at HK\$75,000

- 50 units or more **20%** of the approved cost of green items and

related consultancy fee; or not more than HK\$1,500 per unit, capped at HK\$600,000

4.1.3 The subsidies listed in Paragraph 4.1.1 and 4.1.2 above must be used entirely for the repair works. For the eligible work items under the Scheme, please refer to "Scope of Works Covered by the Subsidy" in Paragraph 3 of this Application

Notes.

4.1.4 The subsides listed in Paragraph 4.1.1 and 4.1.2 above are not applicable to repair work items completed in the past 5 years, unless the areas or facilities

relating to such work items have become dilapidated or dangerous again.

5. Other Relevant Subsidies

To encourage the building owners to form OC to carry out building repair works, the Applicant of this Scheme will be granted a subsidy of HK\$3,000 for forming an OC on condition that the date of issue of the Certificate of Registration of OC falls within 12 months before the submission date of the Application Form of the Scheme, and an "Approval-in-Principle Letter" has been granted to the application for the Scheme.

- Owner-occupiers in the building may apply for "Building Maintenance Grant Scheme for Needy Owners" provided by the URA if they need financial support. Nonetheless, the total amount of subsidy received under the Scheme and "Building Maintenance Grant Scheme for Needy Owners" shall not exceed the actual costs paid for the works. Please refer to "AN-BMGSNO" for details.
- 5.3 If the Applicant has been approved for the subsidies under 1st Round or 2nd Round "Operation Building Bright 2.0" ("**OBB 2.0**"), owner-occupiers of domestic units in the building who have benefited from OBB 2.0 will not be subsidised under the Scheme. The subsidy amount/ subsidy cap for a building under the Scheme will be accordingly reduced in proportion to the number of owner-occupiers being subsidised by OBB 2.0. Please refer to the relevant application notes for details.
- 5.4 To ensure no double subsidies are granted to the Applicant for each work item, URA will withdraw or deduct the subsidies of the same repair item under the Scheme which has been successfully granted with subsidies / grant under other incentive schemes, e.g. "Fire Safety Improvement Works Subsidy Scheme", "Lift Modernisation Subsidy Scheme", "Buildings Energy Efficiency Funding Scheme", "CLP Eco Building Fund" and "Smart Power Building Fund" etc.

6. Procedures and Requirements for Approval

- 6.1 The successful Applicant for the Scheme will receive an Approval-in-Principle Letter ("AIP Letter") issued by URA.
- 6.2 The Applicant must within the specified timeframe to appoint AP/professional consultant/RI (or a consultancy firm which can provide relevant services) via Smart Tender to organise repair works; and appoint qualified registered contractors to complete the relevant works. All tendering procedures shall comply with the requirements of Smart Tender, Building Management Ordinance (Cap.344) and the Scheme. For details of Smart Tender, please refer to "AN-ST".
- 6.3 Except prior approval obtained from the URA, the Applicant must carry out comprehensive maintenance works for the building, in particular the work items in concern of public or building safety, including but not limited to the structural repair and the paint works to the external wall finish.
- 6.4 If the Applicant has already appointed a RI or consultancy firm for carrying out the prescribed inspection and organising prescribed repair works for the common parts of the building before submission of the Application Form for complying with the requirements of Statutory Notice for Mandatory Inspection Scheme, such RI or consultancy firm shall sign a "Letter of Undertaking" acknowledging its agreement to observe URA's requirements for the application.
- 6.5 If the Applicant has already completed the procurement for the repair works referred to in Paragraph 3 above before submission of the Application Form under the condition mentioned in Paragraph 6.4, and such procurement procedure has failed to comply with the requirements of the Building Management Ordinance (Cap.344) and DMC (if applicable) and the Applicant fails to arrange rectification of such procurement procedure,

the Applicant shall not be eligible to apply for "Common Area Repair Works Subsidy". Any additional expenses or losses resulted from the rectification of the procurement procedure, including but not limited to compensation for the termination of existing services, shall not be subsidised by the Scheme and the Applicant shall be responsible for the same.

- 6.6 The successful Applicant for the Scheme shall complete the repair works in accordance with the schedule stipulated in the AIP Letter issued by URA. Under normal circumstances, the Applicant shall appoint a contractor and commence the works within 24 months from the date of issue of the AIP Letter.
- 6.7 The Applicant shall submit the required documents on time to allow URA to examine the progress and determine whether the works have been carried out in compliance with the relevant guidelines and requirements. If the Applicant fails to comply with Paragraph 6.6 above and/or the requirements under the Scheme without any reasonable explanation, the AIP Letter granted to the building may be revoked.
- 6.8 The Applicant shall prepare the service contract for AP/RI/consultant and the contract for repair works in accordance with the guidelines issued by URA and shall submit supporting documents as required by URA at different stages, failing which the process of verification and appropriation of funds could be affected. For the requirements on supporting documents, those stipulated in the AIP Letter and DIY tool-kit of Smart Tender shall prevail.
- 6.9 The Applicant shall insert "Ethical Commitment Clauses" and "Non-collusive Tendering Certificate" including provisions relating to prohibition of acceptance of advantage and declaration of conflict of interest etc. in the tender documents and consultancy/works contracts.
- 6.10 Staff members or representatives of URA will assess the intended work items and the cost estimates, the quotations and the progress of works before and during the works. The Applicant shall assist and facilitate the staff members or representatives of URA to carry out site inspection of common areas of the building.
- 6.11 For the calculation of the subsidy amount for the repair work items, if the contract sum of the subsidised work items is greater than the estimate made by the independent consultant engaged by URA, URA shall determine the subsidy amount based on such estimate by its independent consultant.
- 6.12 If works have been commenced/completed/concealed prior to the submission of the application such that on-site verification of completion of the works is impossible, the Applicant shall submit all documentary proofs for such works to URA for checking, or otherwise the subsidy related to such repair items shall be deducted accordingly.
- 6.13 In case of any material variation to the contract terms or repair costs (whether it is an addition or a reduction), the Applicant shall notify URA as soon as possible in writing and submit relevant documents for approval, otherwise the subsidy amount will be affected. Material variation refers to any changes in sum that is likely to exceed HK\$200,000 or 20% of the OC's annual management budget, which require a resolution passed in an owners' meeting convened under the Building Management Ordinance (Cap.344).

- 6.14 In case of any disputes relating to the eligibility for application or release of subsidy, the decision of URA shall be final and conclusive.
- 6.15 Notwithstanding any contrary provision contained in this Application Notes, and whether or not the AIP Letter has been issued, URA has the right to reject the application, to stop payment of subsidies, to recover any subsidies released or to adjust the subsidy amount at any stage on reasonable grounds or in reasonable circumstances and the Applicant shall raise no objection.

7. Release of Subsidy

- 7.1 Upon completion of all work items and issuance of the Certificate of Practical Completion, the Applicant shall submit copies of the Certificate of Practical Completion, the latest interim payment certificate and all required documents, together with the claim form to the designated office of URA by hand or by post.
- 7.2 Upon receipt of the claim form, URA will only release the subsidy subject to verification of all the expenses are within the ambit of the Scheme. URA shall have the absolute discretion in assessment of the subsidy amount and determine whether the expenses are covered by the Scheme.

8. Notes

- 8.1 URA reserves the right to modify the contents of the Scheme at any time without prior notice. The web version shall prevail should there be any changes. Please refer to "Building Rehabilitation Platform" (www.brplatform.org.hk) for the latest version.
- 8.2 This application notes does not construe as a commitment by URA to the Applicant. The terms and conditions of the Scheme stipulated in approval documents of URA shall prevail.
- 8.3 URA reserves the right to reject the application at any stage without disclosure of reasons and shall not be liable to anyone.
- 8.4 This document is an English version translation of the Chinese version of the Application Notes and is for reference purpose only. In the event of conflict or inconsistencies, the Chinese version prevails.

List of Abbreviations

Application Notes for Building (Applicable to Owners' Corporation / Owners' Organisation / Representatives of all owners)

Abbreviation	Application Notes
AN-CAS	Application Notes for Common Area Repair Works Subsidy
AN-LIMSS(2)	Application Notes for Second Round Lift Modernisation Subsidy Scheme
AN-OBB2.0(Bldg)2	Application Notes for Second Round Operation Building Bright 2.0 (Applicable to Owners' Organisation of Category 1 Building)
AN-FSWS	Application Notes for New Round Fire Safety Improvement Works Subsidy Scheme
AN-ST	Application Notes for Smart Tender Building Rehabilitation Facilitating Services
AN-MBISS	Application Notes for Mandatory Building Inspection Subsidy Scheme

Application Notes for Individual Flat Owner

Abbreviation	Application Notes
AN- OBB2.0(00)	Application Notes for Operation Building Bright 2.0 (Applicable to Owner- Occupier)
AN-LIMSS (2) (EOO)	Application Notes for Second Round Lift Modernisation Subsidy Scheme (Applicable to Elderly Owner- Occupier)
AN-HRIL	Application Notes for Home Renovation Interest-free Loan
AN-BSLS	Application Notes for Building Safety Loan Scheme
AN-BMGSNO	Application Notes for Building Maintenance Grant Scheme for Needy Owners