

Application Notes

(AN-CAS)



Common Area Repair Works Subsidy

Enquiry
3188 1188



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1. Type of Application

There are two types of eligible applications under Common Area Repair Works Subsidy (“the Scheme”):

Type (I): Applicants (buildings) of the Scheme that are also eligible to apply for Operation Building Bright 2.0 (OBB2.0) subsidy. The Scheme subsidy covers this deficiency and provides non-owner occupiers of the building, who do not receive any subsidy from OBB2.0 scheme to carry out building repair works in common area; and

Type (II): Eligible applications other than Type (I), applicants (buildings) that are eligible for the Scheme will receive subsidy to carry out building repair works in common area according to this “AN-CAS”.

2. Eligibility Criteria

2.1 A building must meet all of the following criteria to be eligible for participating in the Scheme:

- a. Building aged 30 years or above, building age shall be referred to the Occupation Permit of the building;
- b. Building usage shall be private residential or composite (commercial and residential) building (including a building held by a Civil Servants’ Co-operative Building Society (“CBS”)). Building usage shall be referred to the Occupation Permit of the building;
- c. The average annual rateable value of all the domestic units in the building must fulfill the requirement of the average rateable value for all domestic units. Please refer to Paragraph 2(b) of Appendix I: Income & Asset Limits and Rateable Value Limit Table of Integrated Building Rehabilitation Assistance Scheme (“IBRAS”) for the Rateable Value Limit; and
- d. Building has not been included as redevelopment project by the Urban Renewal Authority (“URA”). For building located within URA’s announced redevelopment project area, the owners may refer to “Maintenance Cost Reimbursement Scheme” of URA to apply for ex-gratia allowance for the eligible work items.

2.2 The following buildings are not eligible for participating in the Scheme:

- a. Building in single ownership;
- b. Building of three storeys or below (storeys shall be referred to the Occupation Permit of the building).

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- 2.3 Type (I) building and Applicant shall comply with OBB2.0 application and subsidy requirements:
- a. If the Applicant has already commenced tendering procedures and / or appointed a Consultant or Contractor before submission of the application form of the Scheme ("Application Form"), the Applicant shall provide with proof of that commencement / completion of tendering procedures complies with the relevant provision of Building Management Ordinance, Chapter 344 ("**BMO**") or Deed of Mutual Covenant ("**DMC**") of the building. URA has the absolute rights to determine if the commenced / completed tendering procedures comply with the requirements of the Scheme.
- 2.4 Type (II) building and Applicant shall comply with all of the following criteria:
- a. Have not received any subsidy of the Scheme;
 - b. Have not commenced tendering procedures of Consultant or Contractor related to the Scheme when submitting the Application Form.

3. Arrangement for processing of Applications

Building safety is always the main concern of URA. Eligible applications of Type I and Type II will be processed under the following arrangement:

- 3.1 **Type (I) :** Priority is first given to Type (I) eligible applications.
- 3.2 **Type (II):** In view of the annual financial limit, the URA's "Assessment Panel" will use the following criteria in the scoring system to assess and prioritise eligible Type (II) applications each quarter:
- a. Building age;
 - b. Whether Government Department(s) has issued any advisory letter / instruction / statutory order to applicant's building for improvement of building safety and hygiene in building common areas;
 - c. Whether an Owners' Corporation ("**OC**") has been formed;
 - d. Total number of units of the building; and
 - e. Conditions of building common areas.
- 3.3 Applicants approved to join the Scheme will receive an "Approval-in-principle" ("AIP Letter") issued by URA. Eligible applications that have not been approved will automatically participate in the priority assessment of the next quarter (up to three times), and the applicant can provide the latest supplementary documents to the "Assessment panel" at any time for reference. If the applicant has not received the "AIP Letter" within 12 months after the month of submission, the application will automatically expire at the

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end of the 12-month period. If the applicant still wishes to apply for the scheme, they must submit a new application.

4. Submission of Application Form and Supporting Documents

- 4.1 The completed Application Form of the Scheme shall be submitted to URA by any of the following methods:
- a. **On-line application:** <https://www.brplatform.org.hk/e-application> (subject to the time the Application Form being received by the website)
 - b. **By post or in person** to the office of the URA (subject to the date on which the Application Form is received and receipt signed by URA)
URA office address : Unit B, G/F, 777-783 Yu Chau West Street, Kowloon
- 4.2 If an OC has been formed, the OC shall be the Applicant when submitting the application to URA.
- 4.3 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 of the Application Form for the application requirements and details.
- 4.4 The eligible Applicant is required to submit all of the following documents to URA:
- a. A duly completed and signed Application Form; and
 - b. If building with an OC formed, copies of the meeting notices and minutes of the owners’ meeting convening and passing the following resolutions in accordance with the relevant provisions of BMO:
 - i. To resolve on the application for the Scheme;
 - ii. To authorise the OC to be the Applicant;
 - iii. To authorise at least two Committee members of the OC and / or the Manager appointed in accordance with the Deed of Mutual Covenant (“**DMC**”) or as the Applicant’s Representatives to sign the Application Form and all other documents related to the Scheme;
 - iv. To carry out eligible work items under the Scheme for comprehensive repair works at common area of the building (“**the Works**”);
 - v. To apportion all costs and expenditure relating to the Works among all owners in accordance with the DMC or the relevant provisions in the BMO;
 - vi. To resolve on joining the URA’s “Smart Tender” Building Rehabilitation Facilitating Services, please refer to “AN-ST”; and

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vii. To authorise the Applicant to receive subsidies from URA under the Scheme.

- c. The cost for “Smart Tender” has been subsidised by the government. The URA will act as an agent to arrange for independent professional to provide the Smart Tender services. The service fee of “Smart Tender” are tabulated below:

Average Annual Rateable Value of the Domestic Units in Subject Building	Total number of domestic and non-domestic units of the building			
	≤ 400 units	401 – 800 units	801 - 1200 units	>1200 units
Less than \$187,001 (Urban) or \$143,001 (N.T.)	≤ 400 units \$1,250	\$2,250	\$3,000	\$3,750

- d. In addition, URA will also act as an agent of the Applicant in the procurement of the following persons or companies for provision of relevant services by using the E-Tendering Platform:

(1) The tendering procedures for the procurement of AP/RI (or the consultancy firms that can provide relevant services) and qualified registered contractor;

(2) Tender opening administrative services for item d(1) above by independent professional or professional accountant.

- e. For building without an 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 Application Form for the details of the resolutions required to be passed, and submit a copy of the relevant meeting minutes together with completed Application Form.

- f. 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

- g. 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).

- 4.5 If a building / estate has more than one OC / DMC, URA has the right to determine what constitutes “a building / estate” and reserves the right to accept or reject any joint application.

5. Scope of Works Covered by the Subsidy

- 5.1 Except for prior approval obtained from the URA, the Applicant must carry out the Works for the building, in particular the work items concerning public or building safety. The subsidy provided must be utilised in the Works relating to building safety,

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hygiene and environmental-friendly works. All works items must comply with the statutory requirements in Hong Kong, including but not limited to:

- a. Repair of building structure, e.g. repair loosen, cracked, spalled or defective concrete;
- b. Repair of external walls and internal common areas of the building, e.g. repair defective rendering and mosaic tiles;
- c. Repair or replacement of defective windows;
- d. Repair or improvement of fire safety construction, e.g. improvement of means of escape, means of access for rescue and fire resisting construction;
- e. Provision, improvement or repair of fire services installations and equipment;
- f. Removal of unauthorised building works and illegal rooftop structures;
- g. 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;
- h. Repair of waterproofing membranes on rooftop and flat roofs and works to alleviate water seepage problem in common area;
- i. Provision, improvement or repair of common water tanks;
- j. Repair or replacement works of metal works and carpentry;
- k. Provision, improvement or repair of for barrier free access facilities;
- l. Provision, improvement or repair of security system, e.g. CCTV system or metal gate at main entrance;
- m. Maintenance works for slopes or retaining walls;
- n. Application of environmental material on repair works or installation of green / environmental-friendly works or facilities;
- o. Works relating to the above items, including scaffolding, investigation and professional services; and any incidental or consequential works relating to items a. to n. above, e.g. touch-up and finishing works arising from repair or remedial works.

6. Amount of Subsidy

6.1 Common Area Repair Works Subsidy

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The successful Applicant approved by URA will enjoy the following level of general repair works and green item subsidies from URA:

a. 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

b. Green Item Subsidy

The total 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

c. The subsidies listed in Paragraphs 6.1.a and 6.1.b 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 5 of this Application Notes.

7. Other Relevant Subsidies

- 7.1 Owner-occupiers of domestic units in the building applying for the Scheme may additionally 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 by the owner-occupier of domestic units in the building under the Scheme and “Building Maintenance Grant Scheme for Needy Owners” (“**BMGSNO**”) shall not exceed the actual costs paid for the repair works. Please refer to “AN-BMGSNO” for details.
- 7.2 If the Applicant has been approved for the subsidies under 1st Round, 2nd Round or 3rd Round (for Category 1 Buildings only) “Operation Building Bright 2.0” (“**OBB2.0**”), owners-occupiers of domestic units in the building who have benefited from OBB 2.0 will not be subsidised under the Scheme. The subsidy amount for a building under the Scheme will be proportionately reduced based on the number of owner-occupiers who

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have been subsidised by OBB 2.0. Please refer to the relevant Application Notes of OBB2.0 for details.

- 7.3 To ensure no double subsidies are granted to the Applicant for the same repair works item, URA will withdraw or deduct the equivalent amount from the subsidies under the Scheme which has been successfully granted with subsidies / grant under other incentive / subsidy 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.
- 7.4 URA reserves the right not to accept an application under the following situations:
- the Applicant has engaged or is engaging in (or URA has reason to believe that the Applicant has engaged or is engaging in) any act or activity that is likely to constitute or cause the occurrence of any offence endangering national security or which would otherwise be contrary to the interest of national security; or
 - such non-acceptance is in URA’s opinion necessary for safeguarding national security, or protecting public interest, public morals, public order or public safety.

8. Procedures and Requirements for Approval

- 8.1 URA will issue a written acknowledge to the Applicant upon receiving an application from the Applicant.
- 8.2 The successful Applicant for the Scheme will receive an AIP Letter issue by URA.
- 8.3 After staff members or representatives of URA conducted on-site verification and assessment of the completed eligible repair works items and after received cost estimates from independent consultant, URA will then issue a notification letter of Subsidy Approval to the Applicant which will state the actual eligible subsidy amount to be received by the Applicant upon compliance of all conditions and completion of the Works.
- 8.4 The Applicant shall fulfill all of the following conditions for receiving subsidy of the Scheme:
- The Applicant shall apply “Smart Tender” Building Rehabilitation Facilitating Services (“**Smart Tender**”) and within the specified timeframe to appoint:
 - Authorised Person / Professional Consultant / Registered Inspector (or a consultancy firm which can provide relevant services) (“**Consultant**”) via Smart Tender to organise repair works; and
 - Qualified registered contractors to carry out and complete the relevant repair works.
 - All tendering procedures shall be proceeded in accordance with the requirements of Smart Tender, provisions of BMO and requirements of the Scheme. For details of Smart Tender, please refer to “AN-ST”.

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- c. The Applicant shall prepare the service contract for Consultant and the contract for the Works in accordance with the guidelines issued by URA.
- d. The Applicant shall incorporate “Ethical Commitment Clauses” and “Non-collusive Tendering Certificate” into the tender documents and consultancy / works contracts. These clauses should include provisions relating to prohibition of acceptance of advantage and declaration of conflict of interest etc, established by URA, will be included in the sample documents submitted by URA at time of issuing the AIP letter.
- e. Staff members or representatives of URA will assess the intended repair works items and the cost estimates, the quotations and the progress of repair works before and during the repair works. The Applicant shall be responsible for assisting and facilitating the staff members or representatives of URA to check all relevant documents and data in relation to the Works and to carry out site inspection of works progress of common areas of the building.
- f. If the Applicant has already appointed Consultant for carrying out the prescribed inspection and organising prescribed repair works for the common area of the building, in accordance with BMO and COP, and prior to the submission of the Application Form for complying with the requirements of Statutory Notice for Mandatory Inspection Scheme, the Applicant shall provide with a duly signed “Letter of Undertaking” by such Consultant acknowledging their agreement by such Consultant to comply with URA’s requirements for the application.

8.5 For the calculation of the subsidy amount for the Works, the Applicant shall pay attention to the following situation which may lead to stop payment of subsidies or to adjust the subsidy amount by URA.

- a. If the contract sum of the eligible work items is greater than the estimates assessed by the independent consultant engaged by URA, URA shall determine the approved subsidy amount based on such estimates by its independent consultant.
- b. If the repair works have been commenced / completed / concealed before the submission of the application, making it impossible for on-site verification of works completion, the Applicant shall submit all documentary proofs for such works to URA for checking, otherwise the subsidy related to such repair works items shall not be released accordingly.
- c. If the Applicant fails to arrange rectification of such procurement procedures in accordance with the BMO or DMC, if applicable, 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.
- d. After the issuance of AIP Letter by URA, in case of any variation to the contract terms and provisions, quantity, specification or repair works costs (either an addition or a reduction with costs upward or downward), the Applicant shall notify URA as soon as possible in writing and submit relevant documents for approval,

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otherwise the subsidy amount will be affected / deducted. In addition, if there is any changes in sum, the Applicant should refer these changes to pass a resolution in an Owners' Meeting under the BMO.

- e. The Applicant shall comply with the requirements stipulating in the AIP Letter and DIY Tool-kit of Smart Tender to submit supporting documents as required by URA at different stages, failing which the process of verification and appropriation of subsidy could be affected.

- 8.6 The Applicant for the Scheme shall adhere to the work progress and complete the repair works items in accordance with the schedule stipulated in the AIP Letter issued by URA. If the Applicant fails to comply with schedule or the terms under the Scheme without any reasonable explanation to the URA, the AIP Letter granted to the Applicant may be revoked by URA. In such circumstance, the Applicant will not be eligible to receive any subsidy. In case of any disputes relating to the eligibility for application or release of subsidy, the decision of URA shall be final and conclusive. Notwithstanding any contrary provision contained in this Application Notes, and whether an AIP Letter has been issued to the Applicant, URA reserves the right to reject the application, to halt payment of subsidies, to recover any subsidies released or to adjust the subsidy amount at any stage if it has valid grounds or reasonable circumstances and the Applicant shall raise no objection.
- 8.7 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 (to be prepared by repair works contractor) and all required documents, together with the completed Payment Claim Form to the designated office of URA as listed in the Application Form or Paragraph 4.1b of this AN-CAS in person or by post.

9. Notes

- 9.1 URA reserves the right to modify the contents of the Scheme at any time without prior notice, and the web version shall prevail. Please refer to "Building Rehabilitation Platform" (www.brplatform.org.hk) for the latest version.
- 9.2 For application from estates of "Tenant Purchase Scheme" ("TPS"), Hong Kong Housing Authority ("HA") as landlord of unsold flats under TPS, does not possess owner-occupier capacity and therefore is not eligible to receive any subsidies of the Scheme. URA shall exclude all those unsold flats of TPS under HA's ownership when calculating the amount of subsidy.
- 9.3 This application notes do not constitute as a commitment by URA to the Applicant. The terms and conditions of the Scheme stipulated in approval documents of URA shall prevail.
- 9.4 URA reserves the right to reject the application at any stage without disclosure of reasons for such rejection and shall not be liable to anyone involved.



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- 9.5 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.

Integrated Building Maintenance Assistance Schemes Hotline: 3188 1188