## Application Notes (AN-MBISS)



# Mandatory Building Inspection Subsidy Scheme



#### 1. Eligibility Criteria

Buildings intended for participation of Mandatory Building Inspection Subsidy Scheme ("**the Scheme**") must meet all of the following requirements:

- 1.1 Private residential (including those owned by Civil Servants' Cooperative Building Society ("CBS")) or composite building (commercial and residential) aged 30 years or above, except domestic buildings of three storeys or less, New Territories Exempted Houses and those in single ownership. The age and use of the building stated on Occupation Permit shall be treated as conclusive;
- 1.2 The average annual rateable value limit of domestic units must not exceed the cap stated in item 2(b), Appendix I of Integrated Building Rehabilitation Assistance Scheme ("IBRAS");
- 1.3 A "Statutory Notice on Mandatory Building Inspection" (for common parts of the building) served by the Buildings Department ("**BD**") / Independent Checking Unit<sup>1</sup> ("**ICU**") to the owners' corporation ("**OC**") or the building has been received; and
- 1.4 An inspector registered under Buildings Ordinance (Registered Inspector ("RI")) must be engaged to be in charge of prescribed inspection and the application must be submitted before tendering for appointment of such aforementioned person.

#### 2. Submission of Application Form and Supporting Documents

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

Website: <a href="https://www.brplatform.org.hk/e-application">https://www.brplatform.org.hk/e-application</a>

- (ii) **Submission by post or in person** to the office of the URA which address can be found in Annex II to the Application Form of the "Integrated Building Rehabilitation Assistance Scheme".
- (iii) If applications for Operation Building Bright 2.0 ("OBB 2.0") and/or Fire Safety Improvement Works Subsidy Scheme and/or Common Area Repair Works Subsidy ("CAS") to be also submitted concurrently, please submit the Application Form according to the methods listed in the Application Notes of the aforementioned schemes.

#### 2.2 If:

- (i) An OC has been formed for the building, the OC shall be the entity submitting the application to the URA.
- (ii) OC has not been formed for the building (including buildings held by CBS), the application must be submitted by all owners collectively or by CBS (if appropriate) being the Applicant. Please refer to the "Application Notes for building without Owners' Corporation" in Annex I to the IBRAS application form for the eligibility criteria and application details.

<sup>&</sup>lt;sup>1</sup> The Independent Checking Unit is affiliated to the Housing Bureau, and under the authorization of the Building Authority (i.e. the Director of Buildings), it conducts inspections of properties developed by the Hong Kong Housing Authority ("HA") that have been sold or divested in accordance with the Buildings Ordinance and the policies and guidelines of the Building Authority. The Independent Checking Unit also supervises the administration of the HA's new development projects and existing buildings with reference to the Buildings Ordinance and the policies and guidelines of the Building Authority.

- 2.3 The eligible Applicant who has met the eligibility criteria must submit all of the following documents to the URA:
  - 2.3.1 A duly completed and signed IBRAS Application Form ("**Application Form**");
  - 2.3.2 (If OC has been formed) Copies of the meeting notice and minutes of the owners' meeting passing the following resolutions:
    - (a) To resolve on the application for Mandatory Building Inspection Subsidy Scheme;
    - (b) To authorise the OC to be the Applicant, and at least two committee members of the Management Committee or the Managers appointed in accordance with the Deed of Mutual Covenant of the building ("DMC") as Applicant's Representative to sign the Application Form and all other documents related to the Scheme;
    - (c) To carry out prescribed inspection for common parts of the building in compliance with the requirements of Mandatory Building Inspection Scheme ("MBIS");
    - (d) To apportion the cost and expenditure related to the prescribed inspection among all owners of the building based on the DMC or related provisions in Building Management Ordinance (Cap. 344); and
    - (e) To authorise the Applicant, on behalf of all eligible owners, to collect subsidies issued by the URA under the Scheme.

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

- 2.3.3 A copy of Certificate of Registration of an OC/Certificate of Registration of a Society/Certificate of Registration and by-laws of CBS (if applicable); and
- 2.3.4 A copy of "Statutory Notice on Mandatory Building Inspection" for common parts of the building served by BD/ICU.
- 2.4 In the case where there are more than one OC/DMC for the same building/housing estate with the intention to engage the same RI to carry out the prescribed inspection, each of the Applicant may opt for a joint application by filling in separate Application Form and submitting collectively. The subsidy amount for each application will be determined individually and the cap will not be affected for such jointly submitted application. The URA has the right to determine the definition of "a building/housing estate" and reserves the right to accept or not any joint application.

#### 3. Usage and Level of Subsidy

3.1 To subsidise each of the eligible Applicant for the engagement of one RI to carry out the prescribed inspection for common parts of the building in compliance with provisions of the law and "Code of Practice for the Mandatory Building Inspection Scheme and the Mandatory

Window Inspection Scheme". The subsidy must first be used to cover the cost of prescribed inspection for common parts of the building. If the actual cost of inspection for common parts of the building under the MBIS has not exceeded the cap, while "Statutory Notice on Mandatory Window Inspection" has been received and the same RI or a RI/Qualified Person ("QP") under the same company is engaged, then the remaining balance of the subsidy can be used to cover the cost of prescribed inspection for windows at common parts of the building. Other cost items covered by the subsidy include publishing of tender notices on newspapers for the procurement of RI, copying of tender documentation and prescribed inspection of external walls (non-common parts). The Applicant must submit documentary proofs for the costs of the relevant items according to the requirements of this Scheme in order to apply for the subsidy. Costs not covered by the subsidy include detailed inspection and prescribed repair works for the building, as well as inspection and repair of windows in private units, etc.

- 3.2 The Scheme does not accept individual application for subsidy solely for inspection on items of Mandatory Window Inspection Scheme or non-common parts of the building.
- 3.3 The cap of the amount of subsidy will be determined based on the total number of all residential and commercial units identified in the same DMC. In the case where BD/ICU does not allow all the buildings under one DMC into the same batch of the MBIS target building list, the cap will be determined by the number of units of all buildings covered under the subject "Statutory Notice on Mandatory Building Inspection" served by BD/ICU.
- 3.4 The maximum subsidy amount to each eligible application is as follows:

Number of units in the building	Сар
20 or less	HK\$25,000
21 – 49	HK\$35,000
50 – 200	HK\$60,000
201 or above	HK\$100,000

- 3.5 The release of subsidy is in reimbursement basis. If the actual cost of prescribed inspection is lower than the cap of the amount of subsidy listed in item 3.4, the lower amount shall be released. The Applicant must use the subsidy entirely for paying the cost of the inspection concerned.
- 3.6 If the application for OBB 2.0 of the building has also been approved, owners who enjoy the subsidy under OBB 2.0 will not be subsidised under this Scheme. The subsidy amount/cap under this Scheme will be adjusted downward in proportion to the number of approved owner-occupiers of the building for OBB 2.0.

#### 4. Procedures and Requirements for Approval

4.1 The successful Applicant for the Scheme will receive an AIP Letter issued by the URA. The Applicant must complete the prescribed inspection within 12 months from the date of the AIP Letter, and submit the claim form together with other relevant documents, including the compliance letter issued by the Building Authority ("BA") to the URA to prove the completion of the prescribed inspection for the concerned building. The URA will request the Applicant

- to submit relevant prescribed inspection report when necessary (please refer to part 5 of this Application Notes).
- 4.2 The URA will provide the Applicant with Standard Tender Document ("**Tender Document**") as blueprint for use. The Tender Document will be issued together with the AIP Letter.
- 4.3 The URA reserves the right to reject the application at any stage without disclosure of reasons or liabilities of any nature to any person. The URA reserves the right of final decision on the interpretation of all application terms.

#### 5. Release of Subsidy

- 5.1 Upon completion of the prescribed inspection, the Applicant must submit the following documents to the URA office in person or by post:
  - Claim form:
  - Copies of meeting notice and minutes of Owners' Meeting/CBS General Meeting where the resolution of the engagement of the RI has been passed;
  - Copies of notices on the appointment of RI and QP (if applicable) submitting to BA;
  - A copy of the service agreement signed with the RI or his company, where the scope of service provided shall be clearly stated, and the cost of prescribed inspection for common parts of the building as well as the cost of prescribed inspection for windows in common areas (if applicable) shall be itemised;
  - Copies of "Declaration Form for Ethical Commitment Clauses" and "Non-Collusive Tendering Certificate" signed by the RI or his company;
  - Copies of certificate of inspection for common parts of the building and windows for common areas (if applicable) submitting to BA, and compliance letter issued by BA;
  - Copies of invoice requesting for payment of the prescribed inspection fee issued by the RI or his company and official payment slip;
  - Copies of payment slip for tender notices for the procurement of RI published on newspapers and relevant advertisement, as well as receipt of copying fee of tender documentation (if applicable);
  - Information of bank account/payee; and
  - Other information or documentary proof provided upon request by the URA.
- 5.2 Upon receipt of the claim application, the URA shall verify the inclusion of each cost item in the scope of subsidy before the release of subsidy to the Applicant. The Applicant shall not receive double subsidies for any same inspection work; the URA will withdraw the subsidy appropriated for the same inspection work subsidised by other incentive scheme under the name of the Applicant. The URA holds absolute discretion in determining the subsidy amount and whether the costs submitted for application by the Applicant are within the scope of subsidy. The Applicant shall not hold any objection thereto.

#### 6. Note

6.1 The URA reserves the right to modify the above contents without prior notice and the online version shall prevail after all. For the latest version, please visit the website of "Building Rehabilitation Platform" (<a href="https://www.brplatform.org.hk">www.brplatform.org.hk</a>).

Enquiry Hotline: 3188 1188

#### **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(OO)	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