

CONTROLLING OFFICER'S REPLY

DEVB(W)071

(Question Serial No. 2298)

Head: (42) Electrical and Mechanical Services Department
Subhead (No. & title): (700) General non-recurrent
Programme: (2) Mechanical Installations Safety
Controlling Officer: Director of Electrical and Mechanical Services (PANG Yiu-hung)
Director of Bureau: Secretary for Development

Question:

Since March 2019, the Government, in collaboration with the Urban Renewal Authority (URA), has launched two rounds of the Lift Modernisation Subsidy Scheme (LIMSS), with a funding of \$4.5 billion and additional resources allocated thereafter, to provide financial incentive and appropriate professional support to needy owners of private residential or composite buildings with lower average rateable values, with a view to encouraging them to carry out lift modernisation works, thereby enhancing the safety of aged lifts. While the two rounds of applications were closed, please advise this Committee of the following:

1. Please provide a breakdown of the number of applications received, the number of applications approved, the number of lifts involved in the approved applications, the number of modernisation works in progress and the number of modernisation works completed by district for the first-round applications.
2. The second-round application of the LIMSS ended on 30 June 2020. Due to the impact of the epidemic on the building owners or operation of owners' corporations, the deadlines for application and submission of documents were extended to 30 September 2020 and 31 March 2021 respectively. Please provide a breakdown of the number of applications received, the number of applications approved, the number of lifts involved in the approved applications, the number of modernisation works in progress and the number of modernisation works completed by district for the second-round applications.
3. At the initial stage of the LIMSS, there was concern that the implementation of numerous lift modernisation works at the same time might push up the costs in the market. In view of this, the Steering Committee set up by the Development Bureau, the URA and the Electrical and Mechanical Services Department (EMSD) would prioritise the approved cases on the basis of risk assessment. Please advise if there have been cost changes since the launch of the LIMSS, and list out the highest and lowest costs or average costs of lift modernisation works in the past three years.
4. Please provide the number of applications involving the so-called "three-nil" buildings received and approved in the two rounds of applications.

Asked by: Hon CHENG Wing-shun, Vincent (LegCo internal reference no.: 50)

Reply:

1. The number of applications received, the number of applications approved and the number of lifts involved in the first-round application of the Lift Modernisation Subsidy Scheme (LIMSS) by district are tabulated below:

District	Number of valid applications in the first round (Number of lifts involved)	Number of approved applications in the first round * (Number of lifts involved)
Central and Western	93 (189)	57 (98)
Wan Chai	99 (166)	49 (79)
Eastern	95 (358)	48 (119)
Southern	26 (82)	7 (16)
Yau Tsim Mong	258 (543)	155 (291)
Sham Shui Po	157 (309)	118 (187)
Kowloon City	105 (356)	50 (173)
Wong Tai Sin	33 (346)	10 (50)
Kwun Tong	49 (405)	25 (138)
Kwai Tsing	40 (222)	14 (34)
Tsuen Wan	33 (182)	9 (19)
Tuen Mun	50 (455)	19 (63)
Yuen Long	64 (312)	28 (59)
North	16 (211)	2 (9)
Tai Po	18 (223)	4 (5)
Sha Tin	25 (461)	5 (39)
Sai Kung	9 (150)	1 (4)
Islands	1 (1)	1 (1)
Total :	1 171 (4 971)	602 (1 384)

* excluding cases withdrawn by applicants following approval and cases rejected due to failure to provide the required documents (18 cases)

The LIMSS commenced in end March 2019. Hampered by the epidemic, many building owners of the approved applications were unable to hold owners' meetings in the past year or so, and hence the progress of lift modernisation works has been greatly affected. Up to end February 2021, the modernisation works of 45 cases involving 102 lifts were completed. We will continue to closely liaise with the URA to provide support to the owners in need with a view to facilitating the implementation of lift modernisation works under the scheme as scheduled.

2. The number of applications received, the number of applications approved and the number of lifts involved in the second-round application of the LIMSS by district are tabulated below:

District	Number of valid applications in the second round (Number of lifts involved)	Number of approved applications in the second round [#] (Number of lifts involved)
Central and Western	82 (167)	88 (181)
Wan Chai	50 (87)	72 (125)
Eastern	98 (319)	108 (294)
Southern	17 (106)	26 (90)
Yau Tsim Mong	180 (345)	232 (454)
Sham Shui Po	118 (223)	124 (245)
Kowloon City	82 (187)	104 (230)
Wong Tai Sin	15 (107)	23 (184)
Kwun Tong	34 (214)	39 (235)
Kwai Tsing	26 (196)	33 (215)
Tsuen Wan	31 (162)	35 (180)
Tuen Mun	30 (345)	41 (442)
Yuen Long	37 (152)	51 (156)
North	15 (205)	16 (187)
Tai Po	21 (85)	22 (120)
Sha Tin	14(181)	23 (319)
Sai Kung	8 (168)	4 (46)
Islands	6 (36)	3 (7)
Total :	864 (3 285)	1 044 (3 710)

The approved cases were selected by prioritisation among the second-round applications and the unsuccessful applications of the first round on the basis of risk assessment.

Overall speaking, a total of 2 035 valid applications involving 8 256 lifts were received in the two rounds of applications. In view of the large number of buildings in application for the subsidies under the scheme as well as the capacity of the industry, the applications would be processed in batches according to their priorities. So far, a total of 1 646 applications have been approved, involving 5 094 lifts of higher priority. The remaining valid applications accorded lower priorities would be placed on the waiting list. We will review the priorities of applications on the waiting list in end 2023, and announce the results of the remaining quota of the LIMSS in due course.

3. In general, the total cost of modernisation works varies depending on factors such as the design and conditions of the existing lifts, component compatibility, scope of the modernisation works, and on-site conditions. According to the awarded contracts of those approved applications in the first round, the cost of lift modernisation works for each lift ranges from about \$0.1 million to about \$0.6 million with the average cost of approximately \$0.4 million if the works involve retrofitting of safety devices. If the works involve replacement of the whole lift, the cost for each lift ranges from about \$0.7 million to about \$1.5 million with the average cost of approximately \$1 million. There have been no abnormal cost fluctuations observed since the launch of the LIMSS.

4. In the two rounds of applications, we received a total of two applications from the “three-nil” buildings, involving two lifts in total. Both applications were approved.

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