# Building Management Ordinance (Cap. 344)

# Proposed Amendments

# Consultation Paper


**Home and Youth Affairs Bureau**

**Home Affairs Department**



**August 2026**

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## CHAPTER 1: INTRODUCTION

1.1 Good building management is an integral part of the improved district governance. Quality building management helps improve the living environment, promote community building and foster social harmony. In the past, the Government's role in building management primarily focused on providing advice and appropriate support to assist owners in fulfilling their building management responsibilities. Driven by a commitment to face challenges head-on while adopting a proactive and results-oriented approach, the current-term Government seeks to deepen building management reform, take a more active role in building management matters, and assist owners in resolving building management issues properly.

1.2 The Building Management Ordinance (Cap. 344) (BMO) provides a legal framework for owners to form and run Owners' Corporations (OCs) to allow joint management of the common parts of their buildings which are co-owned by all owners, and to handle other matters related to building management. As buildings are private properties and circumstances vary among them, the BMO is designed to grant owners an appropriate degree of autonomy in deciding the specific arrangements for the operation of their OCs. The BMO, while providing an effective legal framework to facilitate the orderly operation of OCs, respects owners' autonomy in managing their private properties, and thus has struck a reasonable balance between the two.

1.3 In view of the developments in society and to cater for the evolving needs in building management, the Government has from time to time reviewed and made timely amendments to the BMO, and has published a series of building management guidelines to assist owners in complying with the provisions in the BMO.

1.4 To enhance the transparency and accountability in the operation of OCs, the current-term Government submitted the Building Management (Amendment) Bill 2023 to the Legislative Council (LegCo) in December 2023. Subsequently, the Bill was passed by the LegCo on 4 July 2024 and came into effect on 13 July 2025. The major amendments include setting the definitions for high-value procurement and large-scale maintenance procurement, introducing the corresponding tendering and declaration requirements, adjusting the threshold for auditing financial statements, and introducing criminal responsibility on the failure to keep certain documents concerning building management.

1.5 When the Building Management (Amendment) Ordinance 2024 was passed by the LegCo, the Government indicated that it would continue to follow up on various building management issues. Subsequently, the Chief Executive announced in the 2025 Policy Address that a next-phase review of the BMO would be undertaken, with a view to formulating proposals for further enhancement. The devastating fire broken out at Wang Fuk Court in November 2025 also raised public concern over building management. The Government will deepen institutional reforms to assist owners in enhancing the quality of building management.

1.6 Against this background, the Secretary for Home and Youth Affairs proposed at the meeting of the LegCo Panel on Home Affairs, Culture and Sports on 9 February 2026 that the Government would pursue proactive amendments to the BMO in five major directions, including: (i) imposing a higher attendance requirement and voting thresholds for decisions on large-scale maintenance procurement and high-value procurement; (ii) improving the system for proxy instruments; (iii) optimising the system for declaration of interests; (iv) clarifying meeting procedures; and (v) strengthening the powers of the Authority. Members were invited to offer recommendations on the amendments, and they generally expressed support for the guiding principles and directions underpinning them.

1.7 Subsequently, in March 2026, we conducted a series of consultation exercises involving representatives from the property management sector and LegCo Members. During the consultation process, apart from gathering preliminary views on the proposals set out in the LegCo Panel discussion paper, we also collected alternative amendment suggestions. To this end, we have incorporated both the preliminary views and the newly added amendment proposals into this consultation document.

## CHAPTER 2: FIVE MAJOR DIRECTIONS FOR AMENDMENTS

2.1 Buildings are private properties for which owners are expected to fulfil building management responsibilities. However, individual owners generally participate in the operation of their OCs on a voluntary and unpaid basis. To assist owners in fulfilling their collective responsibilities for building management, the BMO provides a legal framework for owners to form OCs to manage the common parts of their buildings. The Government also offers a range of support services to further help owners handle building management matters properly, thereby enabling them to live and work in peace and contentment and to build a harmonious community together.

2.2 Experience shows that the participation of all owners is essential for effective building management. In particular, when major decisions are to be made (such as those concerning high-value procurement and large-scale maintenance procurement), it is necessary to further enhance owners' awareness and participation, as well as the transparency of the decision-making process, so that owners can have a more comprehensive understanding of the situation and make appropriate decisions. Moreover, disputes at owners' meetings in the past have often arisen from the handling of proxy instruments and the lack of specific rules governing certain meeting procedures. We, therefore, consider it necessary to clarify the handling of proxy instruments and the relevant meeting procedures in order to minimise unnecessary conflicts. Enhancement measures should also be introduced to reduce the risk of bid-rigging by illicit parties in the course of an OC's large-scale maintenance procurement.

2.3 There have also been special circumstances where the management committee (MC) could not function normally or failed to handle the affairs of the OC, yet the Authority was unable to respond in a timely manner owing to restrictions under the existing legislation. To address this issue, we propose to grant the Authority appropriate powers for early intervention to assist in handling such cases, with a view to restoring normal building management.

2.4 In this regard, as a key component of the Government's efforts to deepen building management reform, we have preliminarily identified five major directions for legislative amendments, which are summarised as follows–

(1) **Decisions on large-scale maintenance procurement and high-value procurement:** we propose to consider imposing a higher attendance requirement and voting thresholds for meetings concerning large-scale maintenance procurement and high-value procurement.

(2) **Proxy instruments:** we propose to consider imposing a ceiling on the number of proxy instruments a person may hold and enhancing transparency in handling proxy instruments.

(3) **Declaration of interests:** we propose to consider further improving the mechanism of declaration of interests for large-scale maintenance procurement by requiring declaration by works consultants and contractors.

(4) **Powers of the Authority:** we propose to consider granting the Authority additional powers to intervene and provide assistance in special circumstances where the MC cannot function normally or fails to handle the affairs of the OC, and in circumstances where the OC Chairman refuses to convene a general meeting at the request of 5% of the owners or cancels a meeting without reasonable cause.

(5) **Meeting procedures:** we propose to consider further clarifying the provisions concerning the procedures for holding owners' meetings, the arrangements for agenda setting, and the mechanisms for proposing to adjourn or suspend a meeting during its course, so as to protect the rights of owners and to ensure that OCs act according to the law.

2.5 Apart from the five major directions for amendments mentioned above, we also take this opportunity to propose several other amendments to optimise the operation and implementation of the BMO.

2.6 In introducing any new legislative requirements, our primary considerations are whether the relevant provisions can help resolve common difficulties faced by OCs or owners in managing their properties, whether they can render the management work more effectively and smoothly, or whether they can better safeguard the collective interest of owners. In any event, the newly added requirements must be pragmatic and viable.

## CHAPTER 3: DECISIONS ON LARGE-SCALE MAINTENANCE PROCUREMENT AND HIGH-VALUE PROCUREMENT

3.1 The existing BMO classifies high-value procurement into three categories based on the nature and value of the procurement, namely type 1 high-value procurement[1], type 2 high-value procurement[2] and large-scale maintenance procurement[3], and sets out corresponding tendering and declaration requirements for each category.

3.2 Regarding the decision threshold, the quorum for an OC meeting is currently 10% of the owners. In addition, for large-scale maintenance procurement, the BMO imposes a voting-in-person threshold, requiring that no less than 5% of the owners, or 100 owners (whichever is the lesser), must attend the owners' meeting concerned and vote in person on the resolution(s).

3.3 To further increase owners' participation in building management, and to enhance OCs' transparency and accountability in procurement, we propose to consider imposing a higher attendance requirement and voting thresholds for meetings concerning large-scale maintenance works and high-value procurement. The specific recommendations are set out below:

### (1) Type 2 High-value Procurement

3.4 The value of type 2 high-value procurement exceeds 20% of the building's average annual expenditure for the last three financial years. Such procurement is therefore regarded as being of relatively higher value. To raise owners' awareness about and participation in this category of procurement, we propose to impose a voting-in-person threshold, requiring at least 5% of the owners, or 100 owners (whichever is the lesser), to attend the owners' meetings concerned and vote in person on the resolution(s).

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1 "Type 1 high-value procurement" refers to the procurement with procurement value exceeds, or is likely to exceed, $200,000, and does not belong to other procurement categories.

2 "Type 2 high-value procurement" refers to the procurement with procurement value exceeds, or is likely to exceed, 20% of the average annual expenditure for the last three financial years.

3 "Large-scale maintenance procurement" refers to the procurement with the average procurement value per flat in the work project exceeds, or is likely to exceed, $30,000, and the maintenance is for repairing, replacing, maintaining or improving any common part of the building.

**Preliminary Views**

3.5 Views in support of this proposal considered that it could enhance the accountability of OCs in the relevant procurement exercises. On the other hand, as type 2 high-value procurement primarily covers regular service contracts, such as lift maintenance, building cleaning services and security services, some are of the view that owners tend to be less concerned about these types of services. Such procurement generally does not require separate contribution from owners. Therefore, imposing a mandatory voting-in-person threshold on the resolution(s) of the concerned owners' meeting may make it more difficult to procure such services and adversely affect daily building operations.

**Views Sought**

3.6 We would like to solicit views on whether it is necessary to impose a voting-in-person threshold for type 2 high-value procurement.

**(2) Large-scale Maintenance Procurement**

3.7 In addition to the current voting-in-person threshold of 5% of the owners, or 100 owners (whichever is the lesser), we propose to consider introducing a tiered system for quorum and voting-in-person thresholds. For projects with higher costs, the required quorum and voting-in-person thresholds will be increased accordingly. While promoting owners' participation in decisions regarding large-scale maintenance procurement, we will also take into account the feasibility of the proposal to ensure that owners' meetings can be conducted smoothly, striving to strike a proper balance between the two.

3.8 Regarding the scope of application of the tiered system, taking into account the Government and the Urban Renewal Authority (URA) are reviewing the "Smart Tender" services, with a view to holistically enhancing support to owners when taking forward building maintenance and repair works, we preliminarily propose that certain procurement procedures of maintenance projects for which tendering is conducted under the aforementioned new support service, e.g. to engage the designated consultant for conducting building inspection, be exempted from the newly proposed procurement value thresholds and the corresponding quorum and in-person voting requirements, so as to avoid duplication of administrative procedures. For other large-scale maintenance procurement, the relevant requirements will apply.

3.9 In determining the procurement values, as well as the corresponding quorum and voting-in-person thresholds for the tiered system, following the meeting of the LegCo Panel on Home Affairs, Culture and Sports in February, we conducted a further study. The study has taken into account the varying characteristics and complexities of different building types and large-scale maintenance works, and made reference to the historical apportionment shared by each household for such works projects across different types of housing estates/buildings. We propose to consider introducing two additional tiers at $80,000 and $120,000, to be applied on top of the existing baseline of $30,000, which represents the average procurement value apportioned per flat in a works project. The details of the additional tiers are set out in the table below:

| Average procurement value apportioned per flat in the works project | Quorum for the meeting | Voting-in-person threshold |
|---|---|---|
| $30,000 | 10% | 5% or 100 owners (whichever is the lesser) |
| $80,000 | 15% | 8% or 150 owners (whichever is the lesser) |
| $120,000 | 20% | 10% or 200 owners (whichever is the lesser) |

**Preliminary Views**

3.10 Views in support of the aforesaid proposal consider that introducing a tiered system for the quorum and voting-in-person thresholds would encourage greater in-person participation by owners in major resolutions of the building, thereby enhancing the legitimacy of such resolutions and reducing the risk of bid-rigging for works projects. Conversely, opposing views suggest that such a system may render it more difficult to convene owners' meetings smoothly for resolutions on works projects, thereby delaying the progress of those projects. In addition, owners holding dissenting views may exploit the higher quorum and voting-in-person thresholds to obstruct resolutions and the passage of related proposal by intentionally discouraging owners from attending owners' meetings, thus adversely affecting the operation of the OC and the management of the building.

**Views Sought**

3.11 We would like to solicit views on whether a procurement value-based tiered system for the quorum and voting-in-person thresholds (i.e. higher thresholds for higher-value procurement) should be introduced and its potential impacts, and suggestions regarding the specific thresholds.

**(3) Briefing Sessions for Large-scale Maintenance Works**

3.12 To enable owners to gain a more comprehensive understanding of the details of large-scale maintenance procurement, we propose to consider requiring that a briefing session be convened at least seven days prior to the date of owners' meeting for resolutions on large-scale maintenance procurement.

**Preliminary Views**

3.13 This proposal has received broad support, with views indicating that a briefing session in advance would help owners better comprehend the complexity and relevant details of the works at an early stage, thereby reducing the potential for disputes. Nevertheless, some views suggest that the seven-day timeframe should be reviewed for its adequacy. For example, consideration should be given as to whether the briefing session should be scheduled more than seven days prior to the owners' meeting. Other views propose that clear guidelines be established regarding the content, format and related requirements of the briefing session to ensure that it fulfils its intended purpose.

**Views Sought**

3.14 We would like to solicit views on whether briefing sessions be convened prior to the date of owners' meetings for resolutions on large-scale maintenance procurement, and suggestions regarding the timeframe and format of these briefing sessions.

## CHAPTER 4: PROXY INSTRUMENTS

4.1 Under the existing BMO, an owner who is unable to attend an OC meeting in person may appoint a proxy to attend and vote on his/her behalf. Such appointment must be made by way of a proxy instrument in the format prescribed in Schedule 1A.

4.2 According to the current requirements, the proxy instrument must be lodged with the secretary of the MC (MC Secretary) at least 48 hours before the time for the holding of the meeting, and the chairman of the MC (MC Chairman) or, if he is absent, the person who presides at the meeting, is responsible for verifying the proxy instrument received and confirming its validity. The MC Secretary is required to acknowledge receipt of the instrument by leaving a receipt at the flat of the owner who made the instrument, or depositing the receipt in the letter box for that flat, before the time for the holding of the meeting. The MC Secretary is required to prepare a list setting out all the flats for which proxy instruments have been lodged for the meeting concerned. The list must be displayed in the place of the meeting before the commencement of the meeting, and must remain so displayed until the conclusion of the meeting. The MC is required to keep all the proxy instruments submitted to the MC Secretary for a period of 12 months after the conclusion of that OC's general meeting, irrespective of whether those proxy instruments are valid.

4.3 The use and handling of proxy instruments have always been a matter of public concern. Disputes have also arisen during the collection and verification of proxy instruments by the MC, undermining the fairness of OC meetings and eroding owners' confidence in the OC. To enhance transparency in the handling of proxy instruments, further protect owners' rights and address public concerns, we preliminarily propose to introduce the following four reform measures:

### (1) Imposing a Ceiling on the Number of Proxy Instruments a Person May Hold

4.4 Currently, the BMO does not impose any limit on the number of proxy instruments that an authorised person may obtain. To prevent individuals from manipulating voting outcomes at an owners' meeting in a coordinated manner through the accumulation of an excessive number of proxy instruments, we propose to consider imposing a ceiling on the number of proxy instruments a person may hold. Specifically, for buildings where the number of units is 50 or less, a person may hold one proxy instrument signed by an owner; for those where the number of units is more than 50, the number of such proxy instruments that a person may hold shall not exceed 2% of the total number of units or 20 instruments (whichever is the lesser).

**Preliminary Views**

4.5 Some suggest that this proposal seeks to strike a balance between respecting the owners' freedom to give authorisations and preventing an excessive concentration of voting power. Others, however, suggest that the ceiling may be too restrictive, making it more difficult to convene an owners' meeting smoothly. This concern is particularly acute for meetings that deal with only routine service contracts, such as those for security or cleansing, which do not involve any additional contribution from owners. In such cases, owners are less likely to attend these meetings in person and typically rely on the proxy system to authorise others to attend on their behalf. Those who are concerned about the proposal therefore argue that a higher ceiling may be considered, possibly based on the number of units, or alternatively that the restriction should apply only to meetings at which large-scale maintenance procurement are to be discussed. Furthermore, practical difficulties in enforcing such a ceiling have been noted. For instance, it remains unclear how proxy instruments that exceed the authorised limit will be treated, and how the voting rights of affected owners can be properly safeguarded in that event. On the other hand, some have also suggested that the process for verifying proxy instruments should be strengthened, for example through the introduction of spot checks and a verification mechanism, rather than imposing a cap on the number of proxy instruments.

**Views Sought**

4.6 We would like to solicit views on the following specific issues:

(a) whether to introduce a ceiling on the number of proxy instruments a person may hold, and suggestions on how to set this ceiling; if not, what alternative measures might be considered; and

(b) suggestions on how to handle any excess proxy instruments.

**(2) Public Disclosure of Proxy Instruments**

4.7 To further enhance transparency, we propose to consider requiring that a list of the units whose owners have submitted proxy instruments be publicly displayed in a prominent area of the building 48 hours before the time for the holding of the owners' meeting, and that all proxy instruments be made available for inspection by owners at the meeting itself. To allow sufficient time, we propose to consider correspondingly that proxy instruments be submitted to the MC Secretary at least 96 hours before the time for the holding of the meeting (as opposed to the current 48 hours).

**Preliminary Views**

4.8 Some take the view that these proposals will enable owners to monitor proxy authorisations, thereby preventing abuse of proxy instruments. However, others express concerns about the potential leakage of owners' personal data and authorisation details if proxy instruments are made available for inspection by all owners, thus increasing the risk of data misuse. In addition, the meeting may be disrupted if inspection of these instruments is allowed during the meeting.

**Views Sought**

4.9 We would like to solicit views on the following specific issues:

(a) With a view to enhancing the transparency of proxy instruments, whether it should be required that a list of the units whose owners have submitted proxy instruments be publicly displayed in a prominent place of the building 48 hours before the time for the holding of the owners' meeting, and that all proxy instruments be made available for owners' inspection at the meeting; and

(b) whether proxy instruments should be required to be submitted to the MC Secretary at least 96 hours before the time for the holding of the meeting.

## (3) Optimising the Format of Proxy Instruments

### Providing Voting Instructions

4.10 For owners' meetings that involve major resolutions, such as those relating to large-scale maintenance procurement, we propose to consider adding a section to the form of proxy instrument. This will allow owners to voluntarily specify their voting instructions to their proxies, for instance by indicating the items they wish the proxy to vote for. The proposal aims to ensure that the authorised representative votes in accordance with the owner's preference, and to prevent the proxy from making his/her own voting decision in the absence of clear instructions.

### Introduction of New Signing and Declaration Requirements*

4.11 As there were instances where owners have claimed that they never granted any authorisation, we propose to consider requiring both the owner and the proxy to sign the form of proxy instrument and to provide part of their identification document numbers. This will facilitate identity verification and ensure that both parties are aware of, and consent to, the authorisation. If the relevant information is not duly filled in, the proxy instrument shall be invalid.

4.12 We also propose to consider adding a "declaration" section to the form of proxy instrument currently in use. The signing owner will be required to confirm that the meeting agenda has been noted. The form will further expressly state that providing a false instrument constitutes a criminal offence and set out the relevant penalties.

### Preliminary Views

4.13 Regarding voting instructions, some are of the view that the proposal helps strengthen owners' control over their proxies. However, since OC meetings now adopt voting by secret ballot, verifying whether a proxy has voted in accordance with instructions will present substantial difficulties in practical operation.

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* The proposal was put forward following the Panel meeting held in February 2026.

4.14 For the introduction of new signing and declaration requirements, those who support these proposals believe that they will help ensure owners and their proxies are well-informed at the time of signing the proxy instrument. They further argue that explicitly setting out the legal consequences serves to improve the authenticity of proxy instruments and enhance owners' understanding of legal liability, thereby reducing forgery or abuse of proxy instrument. On the other hand, some are concerned that the new measures may impede the acquisition of proxy instruments and disrupt the smooth conduct of meetings.

**Views Sought**

4.15 We would like to solicit views on the following specific issues:

(a) whether a section should be added to the form of proxy instrument to allow owners to voluntarily specify their voting instructions to their proxies;

(b) whether both the owner and the proxy are required to sign the form of proxy instrument; and

(c) whether a section should be added to the form of proxy instrument to require owners to confirm that they have noted the meeting agenda and appointed a proxy, and to expressly state that providing a false instrument constitutes a criminal offence and set out the relevant penalties.

**(4) Imposing Restrictions on the Identity of Authorised Persons*** 

4.16 For the purposes of further protecting the rights of housing estate owners and minimising the risk of external interference in estate management matters (especially decisions concerning large-scale maintenance procurement) through the proxy appointment system, we propose to consider imposing restrictions on the identity of persons who may be authorised to attend and vote at owners' meetings. Only specific persons, such as relatives of an owner or other owners of the same housing estate, will be allowed to act as authorised representatives.

[*] The proposal was put forward following the Panel meeting held in February 2026.

## Preliminary Views

4.17 Some take the view that this proposal will effectively thwart illicit parties' attempts to manipulate the meetings, thus strengthening the representativeness of OC meetings. However, others point out that verifying the familial relationship between an owner and his/her authorised representative will be difficult in practice. Moreover, this restriction may cause inconvenience to owners who live overseas or do not reside in the housing estate on a regular basis, potentially impacting the exercise of their voting rights.

## Views Sought

4.18 We would like to solicit views on whether restrictions should be imposed on the identity of persons who may be authorised to attend owners' meetings. For example, only specific persons, such as relatives of an owner or other owners of the same housing estate, will be allowed to act as authorised representatives.

## CHAPTER 5: DECLARATION OF INTERESTS

5.1 Under the BMO, where a procurement falls under the categories of high-value procurement or large-scale maintenance procurement, the participants of an MC and the responsible person for the procurement (i.e. the manager, or a person who acts in accordance with the directions of the manager in respect of the procurement) must, before entering into a procurement contract, comply with the requirements set out in Schedule 6B. They are required to declare any pecuniary or personal interests in a tender submitted as well as any connection with a person who has submitted a tender. In addition, the responsible person for the procurement must declare any pecuniary or personal dealings, or connections with members of an MC.

5.2 To strengthen the monitoring of large-scale maintenance procurement, participants of an MC and responsible persons who have made declarations for such procurement must declare that they have no other interests, dealings or connections, except for those already declared, before the first tender acceptance meeting is held. As for participants of an MC and responsible persons who have not made any declaration of interests for large-scale maintenance procurement, they are also required to declare that they have no such interests, dealings or connections that need to be declared before the first tender acceptance meeting is held. This arrangement aims to ensure that all relevant persons have fully disclosed their interests before any major decision is made, with a view to enhancing the transparency of the procurement process.

5.3 Under the existing mechanism, specific persons involved in the works, such as registered inspectors, works consultants and contractors, are not mandatorily required to publicly disclose their interests before the commencement of large-scale maintenance works. The absence of such a mandatory requirement often impedes owners from identifying potential conflict of interest among these parties. This may enable illicit parties to exploit opportunities for bid-rigging, thereby undermining the fairness of the procurement process and eroding owners’ confidence in it.

5.4 To further enhance the declaration of interests mechanism for large-scale maintenance procurement and to ensure fair, impartial and transparent procurement procedures, we propose to introduce the following measures:

### (1) Requiring the Mandatory Declaration of Interests by Persons Involved in the Works

5.5 OCs must provide persons involved in the works with a declaration form in a specified format, requiring all parties to disclose any form of interests among themselves, including shareholdings, business co-operation, family relationships, and other connections that may affect independent judgement. A declaration confirming no interest is also required even where no interest exists between the parties concerned.

### (2) Requiring the Disclosure of Information on Declared Interests

5.6 All declared information submitted must be disclosed to all owners, enabling them to monitor and examine whether any potential conflict of interest exists among the persons involved in the works. If any party refuses to make a declaration, the OC concerned must truthfully disclose to all owners the fact of such refusal and the relevant circumstances, so as to ensure information transparency.

### (3) Setting out the Legal Consequences of Making False Declarations

5.7 The specified declaration form must expressly state that making a false declaration constitutes a criminal offence and set out the relevant penalties. This is meant to enhance the veracity of the information declared and to deter potential misconduct.

### Preliminary Views

5.8 The proposal has garnered broad support and is seen as a way to help close loopholes in the existing system and mitigate the risk of bid-rigging. However, some argue that the connections between contracts are often highly concealed, making it difficult for even law enforcement agencies to prove the illegal links and successfully prosecute. Therefore, it is suggested that other complementary measures must be introduced to combat illicit bid-rigging activities.

**Views Sought**

5.9 We would like to solicit views on the following specific issues:

(a) whether the Government should enhance the declaration mechanism for large-scale maintenance procurement by requiring specific persons involved in the works to disclose any form of interests among themselves, and to make the declared information publicly known to all owners; and

(b) whether the declaration form should expressly state that a false instrument constitutes a criminal offence and indicate the relevant penalties.

## CHAPTER 6: POWERS OF THE AUTHORITY

### Incapacity of the MC to Function Normally

6.1 Under the current regime, the number of members of an MC (MC members) shall meet the following prescribed requirements: where the building contains not more than 50 flats, the number of members shall be not less than three; where the building contains more than 50 flats but not more than 100 flats, the number of members shall be not less than seven; where the building contains more than 100 flats, the number of members shall be not less than nine.

6.2 In circumstances where only one member (who is not the Chairman) remains on the MC, or where all positions on the MC are vacant, or when all MC members cannot be contacted within a reasonable period, an owner or the Authority may make an application to the Lands Tribunal pursuant to section 31 of the BMO seeking a court order to dissolve the MC and to appoint an administrator. However, the lodgement of such an application with the Lands Tribunal initiates judicial proceedings, which necessarily entail a considerable duration. As a result, the prompt resolution of urgent building management matters is rendered impracticable.

6.3 By contrast, under section 40B of the BMO, where the Authority is of the opinion that (a) no person is managing a building, (b) the MC of the building has failed substantially to perform the duties under section 18 of the BMO, and by reason of the circumstances set out in (a) and (b) above, there exists a danger, or a risk of danger, to the occupiers or owners of the building, the MC may be ordered to appoint a building management agent for the purposes of managing the building.

6.4 However, section 40B above imposes a higher threshold for enforcement, as it requires that the owners be in or at risk of danger.

### MC Chairman's Refusal to Convene an Owners' Meeting or Cancellation of an Owners' Meeting without Cause

6.5 Under the provisions of the existing BMO, the MC Chairman shall convene an OC's general meeting at the written request of not less than 5% of the owners for the purposes specified by such owners within 14 days of receiving such request, and hold the meeting within 45 days of receiving such request, in order to comply with the requirements prescribed under Schedule 3.

6.6 Schedule 3 to the BMO provides that the MC Secretary shall, at least 14 days before the date of the OC meeting, give notice of the meeting to each owner and the tenants' representative. The notice must specify the date, time and place of the meeting, the agenda and the relevant resolutions. In the past, circumstances have occurred in which the MC Chairman, subsequent to the issuance of the said notice and without cause, proceeded to cancel the meeting. Such cancellation precluded the owners from deliberating upon the items set out on the agenda and impeded their rights.

6.7 Under the aforementioned circumstances, the District Office will issue advisory letters to the Chairman as necessary, requesting him/her to act in accordance with the requirements of the BMO. In addition, the District Office will maintain close communication with the Chairman for follow-up, and will render assistance to the OC when required. Owners may also make an application to the Lands Tribunal for a ruling with respect to the matters concerned.

**(1) Assisting with the Re-election of a New MC when Vacancies Arise**

6.8 In circumstances where only one member (who is not the Chairman) remains on the MC, we propose to consider amending section 6A of Schedule 2 to the BMO, so as to entitle the remaining member to convene an owners' meeting for the purpose of filling the vacancies subsisting on the MC.

6.9 In circumstances where all positions on the MC are vacant, or when all MC members cannot be contacted within a reasonable period, among other similar situations, we propose to consider conferring upon the Authority additional powers to intervene and render such assistance as may be requisite. Specifically, upon a written application made by not less than 10% of the owners, the Authority shall be empowered to appoint a specified person (e.g. an owner, a licensed PMC or a licensed PMP) to assist in convening an owners' meeting for the purpose of re-electing a new MC, thereby enabling the OC to resume its normal functions.

### (2) Intervening in Cases where the MC Chairman Refuses to Convene an Owners' Meeting at the Request of 5% of the Owners

6.10 In circumstances where the MC Chairman refuses to convene an owners' meeting at the request of 5% of the owners, we are of the view that if the MC refuses to convene an owners' meeting without reasonable cause, the Authority may be empowered to intervene more proactively by offering appropriate support to the owners. In this connection, we propose to consider permitting an application to be made to the Authority by not less than 10% of the owners. Upon consideration of all relevant circumstances, should the Authority deem it fit to appoint a specified person (e.g. an owner, a licensed PMC or a licensed PMP) to convene an owners' meeting on behalf of the owners, such an appointment may be made to enable the owners to deliberate upon and vote on related matters.

### (3) Intervening in Cases where the MC Chairman Cancels an Owners' Meeting without Reasonable Cause

6.11 We propose to stipulate a provision to the effect that the MC Chairman shall not cancel an owners' meeting without reasonable cause. In the event that the MC Chairman persists in cancelling an owners' meeting without reasonable cause, an application may be made to the Authority by not less than 10% of the owners. Upon consideration of all relevant circumstances, should the Authority deem it fit to appoint a specified person (e.g. an owner, a licensed PMC or a licensed PMP), such an appointment may be made to enable the specified person to convene and preside over the meeting on an alternative date, following the original agenda and within the powers conferred by the BMO, thereby allowing owners to vote on relevant matters.

**Preliminary Views**

6.12 The three proposals outlined above have received broad support. Proponents contend that enhanced proactive intervention by the Authority would assist owners in resolving disputes with expedition and restoring normal order to building management, thereby rendering this approach both pragmatic and desirable.

**Views Sought**

6.13 We would like to solicit views on the following issues:

(a) whether it is agreed that, under special circumstances where the MC is incapable of functioning normally or fails to handle OC affairs, the Authority should be vested with enhanced powers to intervene and render assistance, as and when necessary, by appointing a specified person to assist in convening an owners' meeting for the purpose of re-electing a new MC, thereby enabling the OC to resume its normal functions;

(b) with respect to the convening of meetings, in the event that the MC Chairman refuses to convene an owners' meeting at the request of 5% of the owners without reasonable cause, whether it is agreed that 10% of the owners should be allowed to apply to the Authority for the appointment of a specified person to convene the meeting on their behalf; and

(c) if the MC Chairman cancels an owners' meeting without reasonable cause, whether it is agreed that 10% of the owners should be permitted to apply to the Authority for the appointment of a specified person to convene and preside over the meeting on an alternative date.

**(4) Establishing an Appeal Board (Building Management)**

6.14 With regard to the various proposed amendments mentioned above that seek to augment the powers of the Authority, we propose to establish a statutory appeal board (building management) concurrently for the purposes of safeguarding the interests of owners. In the event that the owners object to a decision made by the Authority, they may lodge an appeal with the appeal board under the mechanism. To ensure that disputes can be resolved effectively and that protracted litigation can be obviated, it is proposed that any final decision made by the appeal board shall be binding and conclusive. Nevertheless, section 45 of, and Schedule 10 to, the existing BMO confer upon the Lands Tribunal jurisdiction to interpret and enforce the provisions. The question of how best to delineate the respective jurisdictions of the appeal board and the Lands Tribunal is a matter that we are currently examining in greater depth.

**Views Sought**

6.15 We would like to solicit views on whether it is agreed that an appeal board (building management) should be established, so that applications for appeal lodged by owners who object to a decision of the Authority can be processed.

## CHAPTER 7: MEETING PROCEDURES

7.1 An examination of past disputes relating to owners' meetings and OCs discloses that the existing BMO contains areas where procedural arrangements for owners' meeting are not explicitly regulated. As a result, when faced with uncommon circumstances, owners or OCs undertake their own interpretation of the provisions, a situation which may engender disputes and adversely affect the normal administration of building management.

7.2 In this connection, we propose to amend the BMO to provide greater clarity in respect of the relevant provisions governing the procedures for holding an owners' meeting, including the relevant arrangements for handling agenda items and for proposing a postponement or suspension of a meeting subsequent to its commencement. The objective is to afford enhanced support to owners, to safeguard their interests, and to ensure that OCs act in conformity with the law. The specific proposals are set out below:

### (1) Addressing Repeated Issues

7.3 Under the existing BMO, as long as 5% of the owners make a request, they may repeatedly request the convening of an owners' meeting to deliberate upon the same issue, and the MC Chairman is often required to expend resources in processing such requests. To avoid the depletion of resources and the disruption to the normal functioning of OCs, we **propose to consider imposing reasonable restrictions**[*]. If an issue has been discussed and resolved, and a further owners' meeting on the same issue is sought for a resolution within a period of six months, the support of 10% of the owners will be required before the Chairman may be compelled to process the request and to convene the meeting. Should the owners concerned dispute the MC Chairman's classification of an issue as a "repeated request", they may seek directions from the Lands Tribunal.

### Preliminary Views

7.4 Those in support of the proposal consider that it will assist in curbing the "abuse" by owners of the existing provision which mandates the convening of a meeting at the request of 5% of the owners. Nevertheless, concerns have

[*] The proposal was put forward following the Panel meeting held in February 2026.

been raised as to how the term “repeated requests” should be clearly defined, and which person should determine whether an issue constitutes a “repeated request”. It is feared that the proposal may be difficult to implement in practice and may even give rise to further disputes.

**Views Sought**

7.5 With respect to repeated requests made by not less than 5% of the owners to convene an owners’ meeting on the same issue, we would like to gather views on whether reasonable restrictions should be imposed on such “repeated requests”, and whether any suggestions are offered regarding the definition of “repeated requests”.

**(2) Altering the Meeting Agenda**

7.6 Currently, MCs are required to act in conformity with the duties and powers vested in OCs pursuant to section 18 of the BMO. Should any agenda item (particularly in circumstances where the meeting is convened at the request of not less than 5% of the owners) fall outside the ambit of the powers conferred by the BMO, the Chairman shall be entitled to remove it. In the event that owners object to a decision made by the MC Chairman, they may make an application to the Lands Tribunal for a ruling.

7.7 Past cases have come to light in which the MC Chairman agreed to convene a meeting at the request of not less than 5% of the owners for the purpose of discussing issues of their common interest, yet deliberately accorded priority to other agenda items over those specified by the owners during the course of the meeting. In such cases, the Chairman, by manipulating the meeting procedures so as to delay and even negate the original agenda, prevented the owners from deliberating upon and voting on the issues they had originally raised, thereby impeding their right to participate in building management.

7.8 In view of this, we propose to consider inserting a provision stipulating that, where an agenda item requested by 5% of the owners falls within the ambit of the powers conferred by the BMO, the Chairman should, without reasonable cause, be prohibited from making alterations to the agenda item, or from precluding discussion thereof through the moving of a motion.

**Preliminary Views**

7.9 While the proposal has received broad support, it is imperative to ensure that the arrangements are practical, so as to obviate disputes over the question of whether "an alteration was made without reasonable cause".

**Views Sought**

7.10 We would like to gather views on whether it is agreed that, where the agenda item falls within the scope of authority under the BMO, the MC Chairman should, without reasonable cause, be prohibited from making alterations to the agenda item requested by 5% of the owners or from excluding discussion thereof.

**(3) Postponing or Suspending a Meeting**

7.11 Pursuant to the provisions of Schedule 3 to the BMO, in the absence of both the MC Chairman and the Vice-chairman (if any), the OC meeting shall be presided over by a person elected by the owners present at the meeting from amongst themselves. Past cases have come to light in which the MC Chairman unilaterally declared the adjournment or postponement of an owners' meeting after its commencement, refused to preside over the meeting and departed from the venue; whereupon the owners present, invoking the said provision, proceeded to elect a representative from amongst themselves to continue presiding over the meeting.

7.12 With a view to clarifying the application of the relevant provision, we propose to consider inserting a stipulation to the effect that, unless there is reasonable cause, the MC Chairman shall not unilaterally decide to postpone or suspend an owners' meeting after it has commenced; if the Chairman leaves the meeting without a reasonable cause and the owners wish to continue with the meeting, the owners present at the meeting may resolve to elect a person from amongst themselves to continue presiding over and conducting the meeting..

**Preliminary Views**

7.13 This proposal has received broad support on the ground that it would enhance the clarity of the procedures.

**Views Sought**

7.14 We would like to gather views on whether it is agreed that the provision should be clarified to the effect that, unless there is a reasonable cause, the MC Chairman shall not unilaterally decide to postpone or suspend an owners' meeting after it has commenced; and if the Chairman leaves the meeting without a reasonable cause and the owners wish to continue with the meeting, the owners present at the meeting may resolve to elect a person from amongst themselves to continue presiding over and conducting the meeting.

**(4) Dealing with Emergencies**

7.15 Under the existing mechanism, as prescribed in Schedule 6A to the BMO, the requirement to obtain the minimum number of tenders may be waived by a resolution of the MC or by a resolution of the OC, depending on the procurement type and value.

7.16 However, in the event of an emergency, the MC remains obliged to comply with the notice requirements for convening an MC meeting or an owners' meeting when undertaking procurement. This hinders the MC from responding promptly to emergencies, such as power outages, lift breakdowns or water main bursts, thus compromising the safety of residents.

7.17 To enable the MC to respond more effectively to emergencies, we propose to consider shortening the notice period for convening an MC meeting or an owners' meeting, provided the situation satisfies the definition of "emergency" (for example, where the emergency poses an immediate or potential danger to owners, or affects their interests, etc.). Specifically, the proposed notice period will be at least 2 hours (for MC meetings concerning type 1 high-value procurement) or 6 hours (for owners' meetings concerning type 2 high-value procurement and large-scale maintenance procurement), in each case prior to the meeting. This will allow MC members and owners to deliberate upon and resolve matters relating to emergency works expeditiously.

7.18 However, the shortening of the notice period necessitates the introduction of additional supporting arrangements. Even in emergency situations, the MC is required to conduct tendering in accordance with the BMO before convening the relevant MC meeting or owners' meeting. At the subsequent MC meeting or owners' meeting, we propose that the first agenda item be to resolve whether the situation constitutes an emergency, so that the corresponding emergency procedures may be invoked. Should that resolution be passed, the meeting would proceed to the next agenda item to resolve whether to waive the requirement on the minimum number of tenders. Should that waiver resolution be passed, the meeting would then proceed to resolve on the adoption of an emergency works proposal from among the tenders received, with a view to resolving the emergency as soon as possible. In addition, to ensure the legitimacy of the meeting, MC members and owners are required to attend in person to satisfy the quorum and vote-in-person threshold requirements (where applicable to resolutions on large-scale maintenance procurement), and proxy instruments will not be accepted. As regards declaration of interests, we propose to allow MC participants and responsible persons (where applicable) to make their declarations on the spot at the relevant meeting (rather than before the meeting), provided that the details of such declarations are recorded in the minutes of the meeting. Persons who have made such declarations may attend the meeting but shall not vote on the adoption of the relevant procurement decision.

**Preliminary Views**

7.19 This proposal has received broad support on the ground that it would facilitate the effective handling of emergencies and provide greater flexibility. However, the scope of what constitutes an "emergency" requires clear definition.

**Views Sought**

7.20 We would like to gather views on whether it is agreed that the notice period for convening an MC meeting or an owners' meeting should be shortened for the handling of emergencies, and that the same be accompanied by additional supporting arrangements.

## CHAPTER 8: OTHER PROPOSED AMENDMENTS

8.1 We also recommend taking this opportunity to propose the following amendments, with a view to optimising the overall operation and effective enforcement of the BMO.

### (1) Extending the Existing MC Member Eligibility Criteria to Offices (namely, the Positions of Secretary and Treasurer) Held by Persons Who Are Not MC Members

8.2 Under Schedule 2 to the BMO, a person is not eligible to be appointed as an MC member if, inter alia, he is an undischarged bankrupt or has, within the previous five years, been convicted of an offence in Hong Kong or any other place for which he has been sentenced to imprisonment for a term exceeding three months without the option of a fine. The aforesaid eligibility criteria serve as institutional safeguards intended to ensure the impartiality and stability of, as well as compliance with the relevant requirements in, building management, thereby enhancing owners' confidence in their OC and securing the integrity and financial reliability of persons exercising decision-making authority over common property.

8.3 Currently, the said eligibility criteria apply exclusively to MC members and do not extend to the offices of Secretary and Treasurer where such offices may be held by persons who are not MC members. In practice, the Secretary and the Treasurer are also responsible for handling tender documents, procurement contracts and bank account records of the OC. These duties pertain to core building management functions and directly affect the financial soundness and decision-making impartiality of the OC. In the absence of eligibility criteria applicable to persons holding such offices, owners' interests may be put at risk. Accordingly, we propose to consider extending the existing eligibility criteria applicable to MC members to the offices of Secretary and Treasurer when held by persons who are not MC members, so as to ensure that no person serving within the MC structure is subject to bankruptcy or has committed related offences, and that the declaration form clearly states that a false instrument constitutes a criminal offence along with its relevant penalties.

**Preliminary Views**

8.4 This proposal has received broad support, with some noting that it will address a lacuna in the current regime and further enhance the integrity and accountability of OCs.

**Views Sought**

8.5 We would like to solicit views on the following specific issues:

(a) whether the eligibility criteria for positions that can be held by non-members within the MC, such as the Secretary and the Treasurer, should align with those for existing MC members; and

(b) whether the declaration form should clearly state that a false instrument constitutes a criminal offence along with its relevant penalties.

**(2) Jurisdiction of the Lands Tribunal***

8.6 Currently, the Lands Tribunal has jurisdiction to hear and determine proceedings relating to the interpretation and enforcement of the provisions of the BMO.

8.7 To improve the operation and enforcement of the BMO, particularly in addressing exceptional circumstances, we propose to consider expressly empowering the Lands Tribunal, upon application by the OC, the MC and/or owners, to make exceptions in relation to meetings of the OC, such as extending time limits, imposing alternative notification and meeting procedures, and making any other alternative arrangements as the Lands Tribunal thinks fit, notwithstanding the provisions of the BMO.

**Views Sought**

8.8 We would like to solicit views on whether the Lands Tribunal should be expressly empowered to deal with arrangements for OC meetings in exceptional circumstances.

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* The proposal was put forward following the Panel meeting held in February 2026.

## CHAPTER 9: OVERVIEW OF CONSULTATION QUESTIONS

9.1 The consultation questions raised in each chapter are summarized below. Views from the public are welcomed.

### (1) DECISIONS ON LARGE-SCALE MAINTENANCE PROCUREMENT AND HIGH-VALUE PROCUREMENT

(a) whether it is necessary to impose a voting-in-person threshold for type 2 high-value procurement;

(b) whether a procurement value-based tiered system for the quorum and voting-in-person thresholds (i.e. higher thresholds for higher-value procurement) should be introduced and its potential impacts, and suggestions regarding the specific thresholds; and

(c) whether briefing sessions for large-scale maintenance works should be held, and suggestions regarding the timeframe and format of these briefing sessions.

### (2) PROXY INSTRUMENTS

(a) whether to introduce a ceiling on the number of proxy instruments a person may hold, and suggestions on how to set this ceiling and handle any excess proxy instruments; if not, what alternative measures might be considered;

(b) how the OC should handle any excess proxy instruments;

(c) whether proxy instruments should be required to be submitted to the MC Secretary at least 96 hours before the time for the holding of the meeting;

(d) with a view to enhancing the transparency of proxy instruments, whether it should be required that a list of the units whose owners have submitted proxy instruments be publicly displayed in a prominent place of the building 48 hours before the time for the holding of the owners' meeting, and that all proxy instruments be made available for owners' inspection at the meeting;

(e) whether a section should be added to the form of proxy instrument to allow owners to voluntarily specify their voting instructions to their proxies;

(f) whether both the owner and the proxy are required to sign the form of proxy instrument;

(g) whether a section should be added to the form of proxy instrument to require owners to confirm that they have noted the meeting agenda and appointed a proxy, and to expressly state that providing a false instrument constitutes a criminal offence and set out the relevant penalties; and

(h) whether restrictions should be imposed on the identity of persons who may be authorised to attend owners' meetings. For example, only specific persons, such as relatives of an owner or other owners of the same housing estate, will be allowed to act as authorised representatives.

**(3) DECLARATION OF INTERESTS**

(a) whether the Government should enhance the declaration mechanism for large-scale maintenance procurement by requiring specific persons involved in the works to disclose any form of interests among themselves, and to make the declared information publicly known to all owners; and

(b) whether the declaration form should expressly state that a false instrument constitutes a criminal offence and indicate the relevant penalties.

**(4) POWERS OF THE AUTHORITY**

(a) whether it is agreed that, under special circumstances where the MC is incapable of functioning normally or fails to handle OC affairs, the

Authority should be vested with enhanced powers to intervene and render assistance, as and when necessary, by appointing a specified person (e.g. an owner, a licensed PMC or a licensed PMP) to assist in convening an owners' meeting for the purpose of re-electing a new MC, thereby enabling the OC to resume its normal functions;

(b) with respect to the convening of meetings, in the event that the MC Chairman refuses to convene an owners' meeting at the request of 5% of the owners without reasonable cause, whether it is agreed that 10% of the owners should be allowed to apply to the Authority for the appointment of a specified person to convene the meeting on their behalf;

(c) if the MC Chairman cancels an owners' meeting without reasonable cause, whether it is agreed that 10% of the owners should be permitted to apply to the Authority for the appointment of a specified person to convene and preside over the meeting on an alternative date; and

(d) whether it is agreed that an appeal board (building management) should be established, so that applications for appeal lodged by owners who object to a decision of the Authority can be processed.

**(5) MEETING PROCEDURES**

(a) with respect to repeated requests made by not less than 5% of the owners to convene an owners' meeting on the same issue, we would like to gather views on whether reasonable restrictions should be imposed on such "repeated requests", and whether any suggestions are offered regarding the definition of "repeated requests";

(b) whether it is agreed that where the agenda item falls within the scope of authority under the BMO, the MC Chairman should, without reasonable cause, be prohibited from making alterations to the agenda item requested by 5% of the owners or from excluding discussion thereof;

(c) whether it is agreed that the provision should be clarified to the effect that, unless there is a reasonable cause, the MC Chairman shall not unilaterally decide to postpone or suspend an owners' meeting after it has commenced; and if the Chairman leaves the meeting without a reasonable cause and the owners wish to continue with the meeting, the owners present at the meeting may resolve to elect a person from amongst themselves to continue presiding over and conducting the meeting; and

(d) whether it is agreed that the notice period for convening an MC meeting or an owners' meeting should be shortened for the handling of emergencies, and that the same be accompanied by additional supporting arrangements.

## (6) OTHER PROPOSED AMENDMENTS

(a) whether the eligibility criteria for positions that can be held by non-members within the MC, such as the Secretary and the Treasurer, should align with those for existing MC members;

(b) whether the declaration form for MC members should clearly state that a false instrument constitutes a criminal offence along with its relevant penalties; and

(c) whether the Lands Tribunal should be expressly empowered to deal with arrangements for OC meetings in exceptional circumstances.

## CHAPTER 10: OFFER YOUR VIEWS

10.1 We welcome views from the public on the proposals set out in the chapters of this consultation paper. Views received will assist us in amending the BMO to formulate a legal framework for building management that meets the needs of OCs, owners and the property management sector, and to further improve it. We will consider the views collected and refine our proposals, with a view to introducing the legislative proposals to the Legislative Council as soon as possible.

10.2 Members of the public are invited to submit their views in writing by email or by post on or before 11 September 2026. The email and postal addresses are as follows:

| | |
|---|---|
| Email: | bm_consultation@had.gov.hk |
| Postal Address: | 31/F, Southorn Centre,<br>130 Hennessy Road,<br>Wan Chai, Hong Kong<br>Home Affairs Department<br>Division V |

10.3 It is optional for members of the public to supply their personal data when providing views on this consultation paper. The submissions and personal data collected may be transferred to the relevant Government bureaux and departments for purposes directly related to this consultation exercise. The Government bureaux and departments receiving the data may only use the data for such purposes.

10.4 The names and views of individuals and organisations who/which put forth submissions in response to this consultation paper (senders) may be published for public viewing. We may, either in public or private discussions, or in any subsequent report, cite comments submitted in response to this consultation paper.

10.5 To safeguard senders' personal data privacy, we will remove senders' relevant data, such as contact details, identification numbers, and signatures when publishing their submissions.

10.6 We will respect the wish of senders to remain anonymous and/or keep the views confidential in part or in whole. For senders who request anonymity in the submissions, their names will be removed when publishing their views. For senders who request confidentiality, their submissions will not be published.

10.7 For senders who do not request anonymity or confidentiality in the submissions, it will be assumed that they can be named and the views can be published in their entirety.

10.8 Any sender providing personal data to the Government in the submission will have rights of access and correction with respect to such personal data. Requests for data access and correction of personal data should be made in writing to the same correspondence address as set out in paragraph 10.2 above.