

FOCUS ON GLOBAL ISSUES

Building Conservation

BY NICHOLAS BROOKE, FRICS



THE CONSERVATION OF PROPERTIES IN PRIVATE OWNERSHIP is a topic which frequently provokes both frustration and emotion as Government policies usually fail to address the complexities of the challenge.

In Hong Kong “architectural significance” is the only test under the law when considering legal protection for our old buildings no matter what unique, historical, social or cultural value may be attached to a particular property, group of properties or even a neighbourhood. This means that many of our more interesting buildings and neighbourhoods may simply disappear merely because there is no policy or process to facilitate their protection. Until recently many Hong Kong people would not have been unduly concerned as what is “new” is generally valued above what is “old,” but now an appreciation is slowly growing that a city without any evidence of its heritage, in the form of old buildings and long established neighbourhoods, loses context and depth. The lack of a robust and coherent Government policy in this area is no excuse for allowing such buildings and neighbourhoods to be demolished without further thought—once they have gone, there is no going back and all we will be left with is an unbroken sea of concrete and glass.

About our Featured Columnist

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One of the key issues is that many such buildings are in the hands of private owners and most people in Hong Kong consider that it is not equitable simply to designate the properties for conservation purposes without adequately compensating their owners for the loss of resale or redevelopment value, no matter how strongly the community may wish to preserve the buildings for future generations. At present there is no dedicated source of funding for the purchase or upkeep of buildings considered worthy of preservation, although there have been more frequent calls in recent years for this to be addressed and a growing acceptance that this is, and should be, a cost borne by the community as a whole.

In some countries, buildings and areas are “listed” as being of particular heritage value or historic interest and this listing imposes restrictions on what can and cannot be done by way of demolition, alteration, or future usage. The owner has little say in the listing process and is not compensated for any loss in value as he retains actual ownership, even though his control over the property has to some extent been compromised. However, the imposition of restrictions is recognised as having imposed an additional financial burden on the owner and grants are made available to assist with repairs and upkeep as these are frequently more expensive than in the case of modern buildings.

In other jurisdictions, it is the Government that takes the lead, setting aside funds to buy, maintain and manage buildings recommended for conservation by specialist statutory boards, such as the Antiquities Advisory Board

in Hong Kong. Whilst this resolves most of the issues, it is an expensive option and one that, for example, the Hong Kong Government is understandably reluctant to assume, given the current state of its budget deficit.

How else could such funds be raised? A "heritage" lottery has been suggested, perhaps once a month or so, so that contributions are made on a voluntary basis but with the burden spread widely across the community at large. Similarly, the creation of a body akin to the National Trust in UK has been mooted, initially seeded by Government but thereafter funded by donations, bequests, etc., which would acquire, manage, and maintain the best of our remaining heritage assets.

Another suggestion has been the allocation of a percentage of revenues from land sales but this again is a direct subsidy from Government and as such may not be acceptable. A more innovative proposal is that vouchers could be issued by Government to the value of any diminution in value suffered by the owner due to a conservation order being placed on his building, i.e., effectively the value of any latent development potential which could no longer

be realised due to the classification of the property. This voucher could then either be used to purchase or part-purchase another property to that value, i.e., the vouchers could be traded and would have a recognised financial value. Alternatively, legislation could be introduced under which transfer of an owner's development rights in a "listed" property could be made to another less significant site of the owner's choice.

Finally, the owners of buildings of historic or social significance could perhaps be persuaded to preserve them voluntarily if Government was more flexible in its attitude to adaptation and reuse-sensible interpretation of building regulations, or even the introduction of a special code together with more sympathetic internal layout requirements could go a long way to extending the economic life of many buildings.

Exchange of ideas as to best practice and workable solutions is urgently required and perhaps this is an area where the members of CRE and RICS might consider working together to produce a guide to options and alternatives. ■