

**Extract of minutes of the LegCo Members' meeting with
Kwun Tong District Council members on 1 February 2001**

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Action

III. Assistance to owners' corporations to help them avoid legal pitfalls

14. KTDC members said that the Government's regulation of building management was rather rigid. For example, a certain percentage of residents and owners were required to be present at the meetings of an Owners' Corporation (OC) and to endorse its decisions. In respect of the funds managed by OCs for maintenance and repairs, the same financial limit i.e. \$500,000 for tendering exercises was applied across the board, irrespective of the size of the buildings. They proposed that the Administration should refer to the rates collection system for establishing a better system for the management of commercial and private buildings.

15. While it was the Government's policy to encourage owners of private buildings to form OCs to ensure effective building management, KTDC members were worried about the adequacy of support provided by the District Office (DO) to OCs. Most office bearers had limited legal knowledge and lacked experience in OCs' operation. They were unaware of the potential loopholes in building management and could easily incur legal liabilities. KTDC members suggested that the Administration should invest more resources and give effective support to OCs by providing them with legal advice, administrative and technical assistance.

16. KTDC members also expressed concern about the number, experience and ability of DO staff in dealing with OC matters and handling disputes. For instance, in Kwun Tong town centre, one Liaison Officer had to cover an area with some 100 private buildings and community organisers were only deployed on a part-time basis to attend OCs' meetings. They opined that unless the situation improved, OCs' office bearers might lose their enthusiasm in getting involved in building management.

17. The Convenor pointed out that the issue under consideration was discussed at the last meeting in June 1999 and subsequently at the meeting of the Panel on Home Affairs on 29 June 1999. Concerns had been conveyed to the Administration, but no recommendation had so far been made. Upon a recent enquiry by the LegCo Secretariat, the Administration indicated that they were prepared to co-ordinate the work of government departments concerned to facilitate the operation of OCs and any conflict resolution. The Convenor informed KTDC members that the Administration had taken the following measures:

- (a) setting up of 15 Building Management Co-ordination Teams (BMCTs) in various districts since 1985 to help OCs to bring improvements in building management;

- (b) establishment of two Building Management Resources Centres (BMRCs) in Kowloon and on Hong Kong island to provide general information and advice on building management and to offer free professional advice on a number of matters, such as legal, engineering and managerial matters; and
- (c) organising training courses, workshops, seminars and experience-sharing sessions for OCs to enhance their awareness and knowledge of building management.

Other initiatives planned by the Administration included providing additional DO staff to advise and liaise with OCs, organising more training courses for DO staff and OCs on legislation relating to building management, setting up a new division specialising in building management and launching a relevant web-site.

18. One KTDC member commented that DOs only played a minimal role in advising OCs. In case of legal disputes, OCs were asked to seek their own legal advice or to go direct to the Lands Tribunal. He also pointed out that the building management courses organised merely provided basic knowledge and did not carry much practical value. He urged the Administration to review the current approach.

19. Another KTDC member proposed that in order to increase public awareness on building management and scrutiny of the work of OCs, both topics should be incorporated into the relevant civic education programmes. Such measures could also safeguard against any OC office bearers from abusing their positions for personal gain.

20. In response to KTDC members' concern about the limited support provided by DOs on OC matters, Miss CHAN Yuen-han said that the Head, Task Force on Building Safety and Preventive Maintenance was aware of the need to strengthen the support for OCs and proposals for improvement were being considered by the Administration.

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21. The Convenor suggested, and Members agreed, that the issue should be followed up by the Panel on Home Affairs, in particular on the resources allocated by the Administration on OC matters, DOs' staffing support, professional training required, and the co-ordination role and authority of DOs' over the matter. In respect of KTDB members' enquiry on building inspection, the Convenor proposed that the Panel should review whether the work could be undertaken by the government instead of the flat owners themselves with the cost to be recovered in some form, for example, through rates.

(Post-meeting note: KTDC members' concerns were referred to the Panel on Home Affairs on 28 February 2001 for follow-up actions.)

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