

Bills Committee on Bankruptcy (Amendment) Bill 2004
First meeting on 3 November 2004

List of follow-up actions to be taken by the Administration

1. To facilitate members' understanding of the tendering scheme for outsourcing summary bankruptcy cases to private-sector insolvency practitioners (PIPs), the Administration is requested to provide a paper on the scheme, including the following information:
 - (a) Policy, design and operation of the tendering scheme;
 - (b) Qualification criteria for PIPs to participate in the tendering scheme; and
 - (c) Copies of the tender document and contract used in the existing tendering scheme for outsourcing liquidation cases.

2. To facilitate members' understanding of the financial arrangements involved in the handling of bankruptcy cases by PIPs, the Administration is requested to provide the following information:
 - (a) Different purposes for which the bankruptcy petition deposit may be used (such as remuneration for PIPs) and the handling the balance of the deposit, if any;
 - (b) The means available for creditors to review the remuneration of PIPs; and
 - (c) How PIPs could recover the investigation costs involved.

3. Given the need to monitor the performance of PIPs in handling bankruptcy cases so as to ensure that they would exercise their powers in a reasonable and consistent manner, the Administration is requested to provide a paper on the subject, including the following information:
 - (a) Duties and obligations of PIPs in handling bankruptcy cases, and the performance pledge applicable to them;
 - (b) Powers conferred upon PIPs for handling bankruptcy cases;
 - (c) Statutory and non-statutory means to ensure that PIPs would exercise their powers in a reasonable and consistent manner;
 - (d) Existing guidelines provided to PIPs for handling liquidation cases and future guideline(s) to be provided to PIPs for handling bankruptcy cases, including the guidelines on the interpretation of "reasonable domestic needs" of the bankrupt and his family; and
 - (e) The interpretation of "reasonable domestic needs" by the court in bankruptcy cases.

4. To address members' concerns about the staffing implications of the outsourcing proposal, the Administration is requested to provide the following information -
 - (a) Impact of the outsourcing proposal on the manpower requirement of the Official Receiver's Office;
 - (b) Re-deployment plans for the existing staff involved in administering summary bankruptcy cases after implementation of the outsourcing exercise; and
 - (c) Outcome of staff consultation on the outsourcing proposal.

Council Business Division 1
Legislative Council Secretariat
5 November 2004