

立法會
Legislative Council

LC Paper No. CB(2)2744/05-06
(These minutes have been
seen by the Administration)

Ref : CB2/BC/8/04

**Bills Committee on
Building Management (Amendment) Bill 2005**

**Minutes of meeting
held on Tuesday, 6 June 2006 at 4:30 pm
in Conference Room A of the Legislative Council Building**

- Members present** : Hon James TO Kun-sun (Chairman)
Hon Jasper TSANG Yok-sing, GBS, JP
Hon Miriam LAU Kin-yea, GBS, JP
Hon CHOY So-yuk, JP
Hon Andrew CHENG Kar-foo
Hon Albert CHAN Wai-yip
Hon WONG Kwok-hing, MH
Hon LI Kwok-ying, MH
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Hon Patrick LAU Sau-shing, SBS, JP
- Members absent** : Hon Albert HO Chun-yan
Hon Margaret NG
Hon Mrs Selina CHOW LIANG Shuk-yea, GBS, JP
Hon Emily LAU Wai-hing, JP
Hon Abraham SHEK Lai-him, JP
Hon Audrey EU Yuet-mee, SC, JP
Hon TAM Heung-man
- Public Officers attending** : Home Affairs Department
Mr Isaac CHOW
Acting Director for Home Affairs
Mrs Angelina CHEUNG
Assistant Director of Home Affairs (4)

Department of Justice

Mr Michael LAM
Senior Government Counsel

Clerk in attendance : Miss Flora TAI
Chief Council Secretary (2)2

Staff in attendance : Mr Stephen LAM
Assistant Legal Adviser 4

Ms Joanne MAK
Senior Council Secretary (2)2

Action

I. Confirmation of minutes
[LC Paper No. CB(2)2252/05-06]

The minutes of the meeting held on 2 May 2006 were confirmed.

II. Meeting with the Administration
[LC Paper No. CB(2)222/05-06(03)]

2. The Bills Committee discussed issues relating to termination of managers, procurement by owners' corporations (OCs) and managers, accounts of corporations, meeting and procedure of corporation, financial arrangements for OCs and managers, mandatory terms in deed of mutual covenants (DMCs), delegation of powers and duties by the Secretary for Home Affairs, and voting rights of non-paying owners in the paper entitled "The Administration's response to views of the professional bodies in the building management sector". (Index of proceedings is at **Annex**).

Applicability of the Seventh and the Eighth Schedules to the Building Management Ordinance (BMO) to sub-deeds of mutual covenant (sub-DMCs)

Admin

3. The Administration was requested to –

- (a) provide relevant documents to support that all sub-DMCs were required to be endorsed by the Lands Department (LD) in accordance with the LD's guidelines on DMCs;

Action

- (b) confirm whether all sub-DMCs were subject to the LD's endorsement even though a Certificate of Compliance had been issued to the building/development concerned; and
- (c) explain the termination mechanism of building managers appointed under those sub-DMCs which had been made before the issue of the LD's guidelines on DMC and did not stipulate such a mechanism.

4. Mr Albert CHAN suggested that to facilitate members' consideration of the issue, the Administration should provide information setting out the various types of sub-DMCs and the respective termination mechanisms of sub-DMC building managers.

Accounts of corporations

Admin

5. The Administration was requested to consider the following suggestions –

- (a) owners should be allowed under BMO to inspect all bills, invoices, vouchers, receipts and other documents kept by a management committee (MC) as required by paragraph 1 in the Sixth Schedule to BMO; and
- (b) MCs should be required under BMO to display summaries of the income and expenditure of the corporation in a prominent place in the building for one week.

Procurement of third party risks insurance

Clerk

6. At the suggestion of the Chairman, members agreed that the Bills Committee should discuss issues relating to the procurement of third party risks insurance for OCs at a future meeting and members should be notified in advance.

Voting rights of non-paying owners

7. The Chairman and Ms Miriam LAU were of the view that non-paying owners should be disallowed to vote at any meetings of OCs or of owners by incorporating appropriate provisions in BMO, or by passing a resolution at an owners' meeting to such effect. Miss CHOY So-yuk considered that a credit period should be allowed, and non-paying owners' right of voting for appointment of members of MC should not be affected. Mr Jasper TSANG, however, expressed reservations about the proposal as it might infringe property rights of the owners concerned. The Administration was requested to consider the views expressed by members.

Admin

Action

III. Any other business

8. Members noted that the next meeting would be held on Tuesday, 13 June 2006 at 10:45 am.
9. There being no other business, the meeting ended at 6:35 pm.

Council Business Division 2
Legislative Council Secretariat
13 July 2006

**Proceedings of the Bills Committee on
Building Management (Amendment) Bill 2005
on Tuesday, 6 June 2006 at 4:30 pm
in Conference Room A of the Legislative Council Building**

Time marker	Speaker	Subject	Action required
000000 - 000458	Chairman	<u>Confirmation of minutes of meeting on 2 May 2006</u> [LC Paper No. CB(2)2252/05-06(01)]	
000459 - 015517	Chairman Admin Miss CHOY So-yuk Mr Albert CHAN Ms Miriam LAU Mr LEUNG Kwok-hung Mr WONG Kwok-hing Mr Jasper TSANG	<u>The Administration's response to views of the professional bodies in the building management sector</u> [LC Paper No. CB(2)222/05-06(03)] Discussion on issues relating to – – termination of managers; – procurement by owners' corporations (OCs) and managers; – accounts of corporations; – meeting and procedure of corporation; – financial arrangements for OCs and managers; – mandatory terms in deed of mutual covenants (DMCs); – delegation of powers and duties by the Secretary for Home Affairs; and – voting rights of non-paying owners.	Admin to consider members' views and suggestions and to provide requisite information (paras. 3, 5 &7 of the minutes)
015518 - 015524	Chairman	Date of next meeting	