

立法會
Legislative Council

LC Paper No. CB(2)458/05-06
(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 Thursday, 30 June 2005 at 9:00 am
in the Chamber of the Legislative Council Building**

- Members present** : Hon James TO Kun-sun (Chairman)
Hon Albert HO Chun-yan
Hon Margaret NG
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon Jasper TSANG Yok-sing, GBS, JP
Hon Miriam LAU Kin-ye, GBS, JP
Hon Emily LAU Wai-hing, JP
Hon CHOY So-yuk
Hon Andrew CHENG Kar-foo
Hon Abraham SHEK Lai-him, JP
Hon Audrey EU Yuet-mee, SC, JP
Hon WONG Kwok-hing, MH
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Hon Patrick LAU Sau-shing, SBS, JP
Hon TAM Heung-man
- Members absent** : Hon Albert CHAN Wai-yip
Hon LI Kwok-ying, MH
- Public Officers attending** : Department of Home Affairs
Mr Isaac CHOW
Deputy Director of Home Affairs (2)

Mrs Angelina CHEUNG
Assistant Director of Home Affairs (4)

Department of Justice

Mr Michael LAM
Senior Government Counsel

Attendance by invitation : The Hong Kong Institute of Housing

Mr Kelvin YAU
President

Mr Clift WANG
Vice President

The Chartered Institute of Housing Asian Pacific Branch

Mr Ricky YUEN
Chairman

Mr Edwin HUI
Chairman of Professional Practice Committee

Hong Kong Institute of Real Estate Administration

Mr Kenneth CHAN Wing-cheong
Council Member

The Hong Kong Institute of Surveyors

Mr Michael R PRICE
Chairman, Property & Facility Committee

Mr Dick KWOK
Member, Property & Facility Committee

Hong Kong Housing Society

Mr WONG Kit-loong
Director (Property Management)

Housing Managers Registration Board

Miss WONG Lai-chun
Chairman

Mr WONG Ka-hing
Member

The Hong Kong Association of Property Management
Companies Limited

Mr SUEN Kwok-lam
President

Mr Raymond Y C CHAN
Hon Secretary

The Hong Kong Institute of Architects

Dr WONG Wah-sang
Chairman, Board of Local Affairs

Mr Dickie LAU Kam-sing
Member

Hong Kong Institute of Certified Public Accountants

Ms Amy YUNG Wing-sheung
Council Member

The Law Society of Hong Kong

Mr Terry YEUNG
Chairman of Working Party on Building Management
(Amendment) Bill 2005 and Member of Property
Committee

**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

Miss Sherman WOO
Legislative Assistant (2)2

Action

I. Meeting with deputations and the Administration

[LC Paper Nos. CB(2)2102/04-05(01) to (04), CB(2)2139/04-05(01) to (02), CB(2)2149/04-05(01) and CB(2)2169/04-05(01)]

The Bills Committee received views from representatives of the following professional bodies in the building management sector –

- (a) the Hong Kong Institute of Housing;
- (b) the Chartered Institute of Housing Asian Pacific Branch;
- (c) the Hong Kong Institute of Real Estate Administration;
- (d) the Hong Kong Institute of Surveyors;
- (e) the Hong Kong Housing Society;
- (f) the Housing Managers Registration Board;
- (g) the Hong Kong Association of Property Management Companies Limited;
- (h) the Hong Kong Institute of Architects;
- (i) the Hong Kong Institute of Certified Public Accountants; and
- (j) the Law Society of Hong Kong.

(Index of proceedings at **Annex**).

2. The Bills Committee noted that there were eight written submissions provided by the above deputations. In addition, the following three organisations which did not send representatives to the meeting had each provided a submission –

- (a) the Hong Kong Federation of Insurers [LC Paper No. CB(2)2139/04-05(03)];

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- (b) the Real Estate Developers Association of Hong Kong [LC Paper No. CB(2)2149/04-05(02)]; and
- (c) the Urban Renewal Authority [LC Paper No. CB(2)2169/04-05(02)].

Clerk

3. Members agreed that the Clerk would prepare a summary of views of these professional bodies for the Administration's response. Members also agreed that the Administration's response, when available, would be provided to the deputations.

[Post-meeting note: the summary of views of professional bodies in the building management sector prepared by the Legislative Council Secretariat was issued vide LC Paper No. CB(2)2559/04-05(01) on 9 September 2005. The Administration's response was issued vide LC Paper No. CB(2)222/05-06(03) on 28 October 2005.]

4. There being no other business, the meeting ended at 12:25 pm.

Council Business Division 2
Legislative Council Secretariat
22 November 2005

**Proceedings of the Bills Committee on
Building Management (Amendment) Bill 2005
on Thursday, 30 June 2005 at 9:00 am
in the Chamber of the Legislative Council Building**

Time marker	Speaker	Subjects	Action required
000000-001219	Chairman Mr SUEN Kwok-lam Ms Miriam LAU Mr Andrew CHENG	Opening remarks and speaking order of the deputations.	
001220 - 001648	The Hong Kong Institute of Housing	Presentation of views [LC Paper No. CB(2)2139/04-05(01)].	
001649 - 002446	The Chartered Institute of Housing Asian Pacific Branch	Presentation of views [LC Paper No. CB(2)2139/04-05(02)].	
002447 - 002748	The Hong Kong Institute of Real Estate Administration	Presentation of views.	
002749 - 003327	The Hong Kong Institute of Surveyors	Presentation of views [LC Paper Nos. CB(2)2102/04-05(01) and. CB(2)2169/04-05(01)].	
003328 - 003549	The Hong Kong Housing Society	Presentation of views [LC Paper No. CB(2)2102/04-05(02)].	
003550 - 004117	The Housing Managers Registration Board	Presentation of views [LC Paper No. CB(2)2102/04-05(03)].	
004118 - 004849	The Hong Kong Association of Property Management Companies Limited	Presentation of views [LC Paper No. CB(2)2102/04-05(04)].	
004850 - 005223	The Hong Kong Institute of Architects	Presentation of views.	
005224 - 010049	The Hong Kong Institute of Certified Public Accountants	Presentation of views.	
010050 - 011656	The Law Society of Hong Kong Chairman	Presentation of views [LC Paper No. CB(2)2149/04-05(01)].	
011657 - 012835	Ms Emily LAU, representatives of the Law Society of Hong Kong, the Chartered Institute of Housing Asian Pacific Branch, the Hong Kong Association of Property Management Companies Limited, the Hong Kong Institute of Real Estate and the Administration	Discussion on the improvements that should be made to the appointment process of a management committee (MC), the mandatory requirement of procuring goods or services with a value exceeding \$200,000 or 20% of the annual budget through tendering, and the mechanism of mediation.	

Time marker	Speaker	Subjects	Action required
012836 - 014104	Mr WONG Kwok-hing, Chairman, representatives of the Law Society of Hong Kong and the Hong Kong Institute of Certified Public Accountants	Discussion on the impact of the above mandatory requirement relating to the procurement of goods and services required by owners' corporations (OCs) on the continuity of building maintenance services, the need for the introduction of a regulatory control of property management companies, the establishment of a Building Affairs Tribunal and the procurement of third party risks insurance.	
014105 - 015249	Miss TAM Heung-man, Chairman, representatives of the Hong Kong Institute of Certified Public Accountants and the Law Society of Hong Kong	Discussion on problems arising from the lack of regulatory control of the financial management of owners' committees and the lack of penalty clauses provided for under the Building Management Ordinance (Cap. 344) (BMO) to deal with cases of non-compliance with certain provisions of BMO.	
015250 - 020309	Ms Audrey EU and representatives of the Hong Kong Institute of Certified Public Accountants, the Housing Managers Registration Board and the Hong Kong Institute of Surveyors	Discussion on the establishment of a Building Affairs Tribunal or a statutory board of appeal as proposed by a deputation and the proposed amendment on the protection for MC members.	
020310 - 021529	Mr Andrew CHENG and representatives of the Law Society of Hong Kong, the Hong Kong Association of Property Management Companies Limited and the Chartered Institute of Housing Asian Pacific Branch	Discussion on the mandatory requirement of procuring goods or services with a value exceeding \$200,000 or 20% of the annual budget through tendering and any flexibility should be allowed in relation to this requirement.	
021530 - 022209	Mr Patrick LAU and representatives of the Housing Managers Registration Board, the Hong Kong Institute of Architects and the Hong Kong Association of Property Management Companies Limited	Discussion on the need for the introduction of a regulatory control of property management companies, the mandatory requirement of procuring goods or services with a value exceeding \$200,000 or 20% of the annual budget through tendering and the need for introducing a scheme on mandatory inspection of buildings.	
022210 - 023724	Ms Miriam LAU and representatives of the Hong Kong Institute of Housing and the Hong Kong Association of Property Management Companies Limited	Discussion on the establishment of a Building Affairs Tribunal, use of proxy forms, qualifications of MC members and whether a classification system should be introduced in implementing the mandatory requirement of procuring goods or services with a value exceeding \$200,000 or 20% of the annual budget through tendering.	

Time marker	Speaker	Subjects	Action required
023725 - 024603	Miss CHOY So-yuk, Chairman, and representatives of the Hong Kong Institute of Real Estate Administration, the Hong Kong Association of Property Management Companies Limited, the Hong Kong Institute of Housing, the Hong Kong Institute of Certified Public Accountants and the Hong Kong Institute of Surveyors	Discussion on problems of rigging the tendering conducted by OCs, the need for introducing an interest declaration system under which an owner would have to declare interests if any company which had submitted tender was his/her subsidiary, and on the protection of MC members.	
024604 - 030424	Mr LEUNG Kwok-hung, Chairman and representative of the Law Society of Hong Kong	Discussion on the need for a mechanism to address problems arising from provisions of old deeds of mutual covenant which were unfair to owners and on enhancing protection of owners' rights.	
030425 - 031224	Chairman and representatives of the Hong Kong Institute of Architects	Discussion on the impact of the mandatory requirement relating to procurement of goods and services on the continuity of building maintenance services.	
031225 - 031629	Ms Emily LAU and representatives of the Hong Kong Institute of Housing, the Hong Kong Institute of Certified Public Accountants and the Hong Kong Institute of Surveyors	Discussion on assistance which could be rendered by management companies to enhance the transparency and impartiality of the appointment process of MC members and the mechanism of mediation.	
031630-031818	Mr WONG Kwok-hing and representatives of the Hong Kong Association of Property Management Companies Limited and the Law Society of Hong Kong	Discussion on striking a balance between the need to ensure openness and impartiality in the selection of suppliers of services and the need to ensure the continuity of the required services, and protection of MC members.	The Clerk to prepare a summary of views (Paragraph 3 of the minutes)