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30 June 2005

Clerk to Bills Committee
LegCo Secretariat
Legislative Council Building
8 Jackson Road
Hong Kong

Attn: Ms Flora Tai

Dear Ms Tai

Building Management (Amendment) Bill 2005

We refer to your letter dated 6 June 2005 regarding the Bills Committee for the above Bill.

We note that the provisions of the Bill are largely technical in nature and designed to facilitate the formation and operation of Owners' Corporations (OC) and Management Committees (MC) and to clarify relevant requirements, liabilities and procedures. As such, we do not feel that the proposed amendments will impact directly the work of the URA, although we are supportive of the proposals. It is the experience of the URA, in implementing its Building Rehabilitation Strategy, that the existence of properly established and committed OCs and MCs is absolutely essential to the proper maintenance and care of buildings in multiple ownership. We therefore welcome any measures to facilitate and support these bodies.

We also welcome the provisions to clarify the appointment and termination of service of building managers and the procurement of goods and services by OCs and managers. We are particularly supportive of the requirement that building owners should have third-party liability insurance, although we note that the amendments in this Bill related to

this matter are largely consequential. We would like to see the Building Management (Third Party Risks Insurance) Regulation enacted as soon as possible.

On the other issues related to building management not covered by the Bill but mentioned in the Legislative Council Brief, we believe that the introduction of mandatory management and maintenance of buildings is necessary and desirable. We look forward to proposals on this regard at an early date.

Yours sincerely

(Trevor Keen)
Coordinator
Corporate Strategy