

Information Paper

Legislative Council Panel on Security

Proposed Revision of Fees and Charges under the purview of the Hong Kong Police Force

Purpose

This paper briefs Members on the proposals to revise a number of fees and charges for services provided by the Hong Kong Police Force (HKPF).

Background

2. It is the Government's established policy that fees for services charged by the Government should be set at levels adequate to recover the full cost of providing the goods or services. The Government has also established guidelines for fee increases for gradually and steadily bringing fees that are recovering at a rate below the full-cost level to the full-cost recovery level as follows –

- (a) to achieve full-cost recovery within seven years for those fees with an existing cost recovery rate of less than 40% of target, through a 20% increase each year;
- (b) to achieve full-cost recovery within three to seven years for those fees with an existing cost recovery rate of between 40% and 70% of target, through a 15% increase each year; and
- (c) to achieve full-cost recovery within one to three years for those fees with existing cost recovery rate of over 70% of target, through a 10% (or lower) increase each year.

3. Based on the outcome of the latest costing review and with reference to the Government guidelines set out in paragraph 2 above, we propose adjusting 17 fees under the purview of the HKPF, including nine fees under the Firearms and Ammunition Regulations (Cap. 238A), four fees under the Firearms and Ammunition (Storage Fees) Order (Cap. 238B), one fee under the Dutiable Commodities Regulations (Cap. 109A), one fee under the Pawnbrokers Regulations (Cap. 166A) and two fees under the Massage Establishments Regulations (Cap. 266A).

4. Details of the fee revision proposals are at the **Annex**. The proposals have little impact on the daily life of most people and only very limited impact on the running cost of the relevant trades.

Financial implications

5. If the proposed revisions are implemented, there will be an increase of about \$0.6 million in revenue a year.

Efficiency Initiative

6. HKPF regularly reviews their day-to-day management and procedures with a view to reducing the cost of their services through implementing efficiency initiatives and streamlining procedures. Efficiency savings from these efforts have been factored into the calculation of the fees to be charged by HKPF for the provision of their services.

Way forward

7. Subject to Members' views, if any, on our fee revision proposals, we shall proceed with the necessary amendments to the legislation mentioned in paragraph 3 above to implement the proposed revisions.

Security Bureau
Hong Kong Police Force

March 2012

Fee revision proposals under the purview of the Hong Kong Police Force

Item no.	Department / Description of Fee	Last revision	Existing fee level (\$)	Cost recovery level at 2012-13 price level	Proposed fee level (\$)	Proposed amount of increase (\$) (proposed percentage increase)	Cost recovery level after the proposed increase
Hong Kong Police Force							
1	1. <u>Dutiable Commodities Regulations</u> 1.1 Temporary liquor licence (per day)	Jul 2008	\$385	50%	\$445	\$60 (16%)	58%
2	2. <u>Pawnbrokers Regulations</u> 2.1 Pawnbroker licence (per licence)	Jul 2008	\$3,810	83%	\$4,190	\$380 (10%)	91%
3	3. <u>Firearms and Ammunition Regulations</u> 3.1 Fee for an exemption under section 4(3) of the Ordinance (per permit)	Jul 2008	\$470	66%	\$540	\$70 (15%)	76%
4	3.2 Fee for the issue or renewal of a licence for possession - granted to a security guard (per annum)	Jul 2008	\$190	22%	\$230	\$40 (21%)	27%
5	3.3 Fee for the issue or renewal of a licence for possession - in any other case (per annum)	Jul 2008	\$1,790	42%	\$2,060	\$270 (15%)	48%
6	3.4 Fee for the issue of a licence for possession or a dealer's licence granted for a limited purpose under section 30(1) of the Ordinance (per licence)	Jul 2008	\$72	15%	\$86	\$14 (19%)	18%
7	3.5 Fee for the issue or renewal of a dealer's licence - restricted to a prescribed class or description of arms or ammunition or both (per annum)	Jul 2008	\$4,470	69%	\$5,140	\$670 (15%)	79%
8	3.6 Fee for the issue or renewal of a dealer's licence - restricted to used cartridge cases, used shot, used bullets, used missiles or parts of any of those articles (per annum)	Jul 2008	\$4,510	85%	\$4,960	\$450 (10%)	93%

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9	3.7 Fee for the issue or renewal of a dealer's licence - in any other case (per annum)	Jul 2008	\$10,650	86%	\$11,700	\$1,050 (10%)	94%
10	3.8 Fee for the amendment of a licence or a condition thereof (per case)	Jul 2008	\$72	28%	\$86	\$14 (19%)	34%
11	3.9 Fee for the replacement of a licence or an exemption (per case)	Jul 2008	\$72	40%	\$83	\$11 (15%)	46%
	4. <u>Firearms and Ammunition (Storage Fees) Order</u>						
12	4.1 Fee for storing arms (for each article for each month or part thereof)	Jul 2008	\$120	63%	\$140	\$20 (17%)	73%
13	4.2 Fee for storing imitation firearms (for each article for each month or part thereof)	Jul 2008	\$120	63%	\$140	\$20 (17%)	73%
14	4.3 Fee for storing ammunition (for each 100 rounds or part thereof, for each month or part thereof)	Jul 2008	\$120	63%	\$140	\$20 (17%)	73%
15	4.4 Fee for storage of arms and ammunition awaiting transshipment where the arms and ammunition are stored in a box, crate or similar container (for each 50 kg gross weight or part thereof, for each month or part thereof)	Jul 2008	\$93	49%	\$105	\$12 (13%)	55%
	5. <u>Massage Establishments Regulations</u>						
16	5.1 Massage Establishment licence	Jul 2008	\$7,370	44%	\$8,480	\$1,110 (15%)	51%
17	5.2 Renewal of a licence (whether for a period of 12 or 24 months)	Jul 2008	\$3,000	86%	\$3,300	\$300 (10%)	95%