

The Hong Kong Institute of Facility Management

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18 July 2014

Bills Committee on Property Management Services Bill Legislative Council Secretariat Legislative Council Complex 1 Legislative Council Road Central, Hong Kong

Dear Sirs.

Property Management Services Bill

A letter signed by a group of seven professional bodies, including our Institute, incorporating some general concerns and views raised in the Forum on 7 June 2014 is sent to you on 14 July 2014 under separate cover.

This letter would serve to convey our institute's observations, together with our proposals and offers regarding the draft Bill and the Property Management Services Authority establishment. Our focus would be placed on those property management practitioners (PMP) only as those property management companies would not be within the major purview of our institute.

Overall view on the draft Bill

We consider that the draft Bill has been set up with a positive approach, leading to long term benefits to the property management services sector. This is clearly indicated in Section 41 that the principle functions of the Property Management Services Authority (Authority) are "to promote the integrity, competence and professionalism of the profession", and "to maintain and enhance the status of the profession", but not merely only to "regulate and control" the services provisions.

We therefore welcome and support the proposed establishment. Our view is that largely the draft Bill would readily serve the purpose in providing a framework for future legislation, while not all the operational and administrative details are stipulated. We consider that although these details are also important for future implementation of the functions, it would not be necessary to have all of them incorporated in the Bill at this stage as they could be dealt with by the Authority and the practitioners later. This would also allow more flexibility in the implementations and enable higher coherence with the industry requirements in future.

In short, we would prefer to have the Bills be passed as early as possible so that the ultimate benefits would be achieved earlier.

Concerns on the Bill

We note that, however, the adopted mode of implementation, i.e. without specifying the detailed eligibility criteria for PMP licence and the detailed procedures and rules on disciplinary actions, might lead to the feeling of insecurity by some of the practitioners because they could not be certain a) if they would be issued with the PMP licence, b) if issued their licences would be easily or unreasonably suspended, and c) if issued, their licences would not be renewed upon expiry of the terms.

In this regard, the more "flexibility" allowed in the Bill would create more "uncertainty" to them thereby resulting in their resistances to accept the Bill. On the other hand, if the criteria or procedures were comprehensively stated in the Bill, then it would become too rigid, leading to micro-management style of approach and not acceptable by the property management sector. We opine that these have to be dealt with in a balanced, appropriate and acceptable way and the task is difficult. For this, our institute would like to convey our views, proposals and offers below, with the main objective in reducing or eliminating such concerns.

Training Related

Initially, applicants for PMP licences would mainly come from two major sectors:

- existing service providers and
- 2. individuals who want to enter into the property management sector, including new graduates from appropriate disciplines or people not yet working in the field but want to make the change.

As mentioned above, some of the existing services providers, in particular those with doubts on their eligibility, might have great concerns on whether they could be issued with the PMP licence as this would much affect their present employments or future career. We consider that the concerns could be lessened if they are shown that appropriate pathway would be there available in enabling them to have the necessary bridging up to the requirements within the 36 months transition period. In this regard, if such training / bridging arrangements could be announced at an earlier stage, the level or concern and unnecessary resistances from them could be much reduced or eliminated.

Transitional Provisions Related

We agree that the period for the transitional provisions should be well defined, and that the period of 36 month stated in the draft Bill is of a reasonable time span for the purpose. However, for some practitioners who do not possess the adequate qualification would have much concern as they might foresee that they would not be able to achieve the requirements within this period, as they might not be able to spare adequate time to receive training etc due to the daily heavy workload.

Provisional Licence

We note that upon application there may be provisional licence for Tier 1 and Tier 2 to be issued within 36 months after the Bill is enacted. However, after the said period has expired, there would not be any more provisional license to be issued. Our concern is that for the new blood who has interest in the property management sector but does not possess the necessary qualification to become PMP Tier 2, he/she could not have the opportunity to get into this industry.

To this, we suggest a class of Probationary Licence shall be created and issued to them so that it could afford them the opportunity to enter into the industry. The initial period shall be 3 years but can be extendable to maximum another 3 years subject to, of course, the Authority's discretion.

In such a situation, practitioners at the root level could therefore be recruited, making the service provision spectrum into a more complete state. In the long term, the entire property management sector would also be benefited.

Management Related

We could foresee that in providing the required functions for PMP licence, the Authority would need to cater for a lot of managerial and administrative works. In particular we would anticipate that much effort would be required in handling appeals related to PMP licences issues in the first few years, and thereafter in dealing with those regarding PMP disciplinary offences.

In this regard, our institute would offer to share with the Authority the knowledge and experience we have, and to provide advice and other assistance in these works, which might include setting up of procedures, guidelines and work flows etc. for smoothing running of the works, or being engaged in the Appeal panel or tribunal.

We believe that with our member's diversified and extensive knowledge in the field, our substantial involvements in the industry and close relationship with both the practicing organisations and the academic sector, our institute would be able to make significant contribution in the codes of practice, practical guidelines on code of conducts, the Appeal panel, the disciplinary procedures, ... etc.

To this, we also take this opportunity to suggest that if possible the established arrangements for the code of practice and guides should be announced at an early stage so as to let practitioners know the way forward clearly in advance and thus avoiding them from making suspicious predictions.

To conclude, we welcome and support the Bill and Authority establishment and would offer any advice or assistance, within our purview and capability, to facilitate the Authority in the setting up and implementation works regarding PMP licences efficiently and effectively.

In the meantime, please do feel free to contact me should you require any further information or discussion.

Yours faithfully

Low, Hon Wah

President

The Hong Kong Institute of Facility Management

c.c. Ms. Linda Leung, Assistant Director, Home Affairs Department