

Information Paper

Legislative Council Panel on Security

Proposed Revision of Fees for Services under the Purview of the Hong Kong Police Force

Purpose

This paper briefs Members on the proposals to revise the fees for services provided by the Hong Kong Police Force (“HKPF”).

Background

2. It is the Government’s policy that fees charged by the Government should in general be set at levels adequate to recover the full cost of providing the goods or services. In order to achieve full-cost recovery gradually and to avoid a steep fee increase, the Government has adopted the following principles when proposing the fee revision –

- (a) achieve full-cost recovery for those fees with existing cost recovery rate of less than 40% of target through fee increases of 20% or more;
- (b) achieve full-cost recovery for those fees with existing cost recovery rate of 40% to 70% of target through fee increases of 15%; and
- (c) achieve full-cost recovery for those fees with existing cost recovery rate of over 70% of target through fee increases of 10% or less.

3. Based on the outcome of the latest cost review and with reference to the principles set out in paragraph 2 above, we propose adjusting 17 fees under the purview of HKPF, including one fee under the Dutiable Commodities Regulations (Cap. 109A), one fee under the Pawnbrokers Regulations (Cap. 166A), nine fees under the Firearms and Ammunition Regulations (Cap. 238A), four fees under the Firearms and Ammunition (Storage Fees) Order (Cap. 238B) and two fees under the Massage Establishments Regulations (Cap. 266A). The fees were last revised in November 2014.

4. With various factors taken into account, the proposed fee levels and their details are at **Annex**. The fees after the proposed revision are unable to achieve full-cost recovery. In future fee revisions, full-cost recovery will continue to be our objective. The fees have little impact on the daily life of most people and limited impact on the operating cost of the relevant trades.

Financial implications

5. If the fee revision proposals are implemented, there will be an increase of about \$840,000 in government revenue per year.

Efficiency initiatives

6. HKPF regularly reviews its day-to-day management and procedures, and controls its cost of 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 relevant services.

Way forward

7. Subject to the Panel's views on the above fee revision proposals, we will proceed with the necessary amendments to the legislation mentioned in paragraph 3 above to implement the fee revisions.

Security Bureau
Hong Kong Police Force

October 2018

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

Item no.	Description of Fee	Existing fee level (\$)	Cost recovery level before the proposed increase	Proposed fee level (\$)	Proposed amount of increase (\$) (proposed percentage increase)	Cost recovery level after the proposed increase
<u>Dutiable Commodities Regulations (Cap. 109A)</u>						
1	Fee for a temporary liquor licence (per diem)	\$510	55%	\$585	\$75 (15%)	63%
<u>Pawnbrokers Regulations (Cap. 166A)</u>						
2	Fee for the grant or renewal of a licence for pawnbroker (per annum)	\$4,610	80%	\$5,070	\$460 (10%)	88%
<u>Firearms and Ammunition Regulations (Cap. 238A)</u>						
3	Fee for an exemption under section 4(3) of the Ordinance (per permit)	\$620	67%	\$715	\$95 (15%)	77%
4	Fee for the issue or the renewal of a licence for possession - granted to a security guard (per licence)	\$275	32%	\$340	\$65 (24%)	40%
5	Fee for the issue or the renewal of a licence for possession – subject to Item no. 6, in any other case (per licence)	\$2,370	42%	\$2,730	\$360 (15%)	49%
6	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)	\$105	17%	\$160	\$55 (52%)	26%
7	Fee for the issue or the renewal of a dealer's licence - restricted to a prescribed class or description of arms or ammunition or both (if not falling within Item no. 8) (per licence)	\$5,650	70%	\$6,500	\$850 (15%)	80%
8	Fee for the issue or the 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 licence)	\$5,460	72%	\$6,010	\$550 (10%)	80%
9	Fee for the issue or the renewal of a dealer's licence – subject to Item no. 6, in	\$12,850	73%	\$14,150	\$1,300	80%

Item no.	Description of Fee	Existing fee level (\$)	Cost recovery level before the proposed increase	Proposed fee level (\$)	Proposed amount of increase (\$) (proposed percentage increase)	Cost recovery level after the proposed increase
	any other case (per licence)				(10%)	
10	Fee for the amendment of a licence or a condition thereof (per case)	\$105	30%	\$140	\$35 (33%)	41%
11	Fee for the replacement of a licence or an exemption (per case)	\$95	39%	\$115	\$20 (21%)	47%

Firearms and Ammunition (Storage Fees) Order (Cap. 238B)

12	Fee for storing arms (for each article for each month or part thereof)	\$160	58%	\$185	\$25 (16%)	67%
13	Fee for storing imitation firearms (for each article for each month or part thereof)	\$160	58%	\$185	\$25 (16%)	67%
14	Fee for storing ammunition (for each 100 rounds of ammunition or part thereof, for each month or part thereof)	\$160	58%	\$185	\$25 (16%)	67%
15	Fee for the 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)	\$120	43%	\$140	\$20 (17%)	50%

Massage Establishments Regulations (Cap. 266A)

16	Fee for the issue of a licence for massage establishment (per 12 months)	\$9,750	57%	\$11,200	\$1,450 (15%)	65%
17	Fee for the renewal of a licence for massage establishment (per licence, whether for a period of 12 or 24 months)	\$3,800	64%	\$4,370	\$570 (15%)	74%