

香港特別行政區政府
The Government of the Hong Kong Special Administrative Region

規劃地政局的信頭
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13 June 2000

Miss Odelia Leung
Clerk to Bills Committee on the
Urban Renewal Authority Bill
Legislative Council Secretariat
Legislative Council Building
8 Jackson Road
Central
Hong Kong

Dear Miss Leung,

**Bills Committee on the
Urban Renewal Authority Bill**

Thank you for your letter of 12 June 2000.

Our response to the points raised by Members is as follows:

(a) **Independent audit team**

We would recommend to the Urban Renewal Authority (URA) that it should set up an independent audit team within the URA and should consider making available the annual report prepared by this audit team to the Legislative Council for information.

(b) Liability

It is our policy intention that non-executive directors of the URA Board should not be held personally liable for any decision made collectively by the URA Board in the name of the URA. Should there be any lawsuit concerning such decision, the URA should meet the legal costs of such proceedings.

(c) Clause 6(1)

We are prepared to move a Committee Stage Amendment (CSA) to delete the words “by way of development” in clause 6(1) of the Urban Renewal Authority Bill (the Bill).

(d) Clause 6(2)(e)

We are prepared to move a CSA to amend clause 6(2)(e) to read:

“(e) alter, construct, demolish, maintain, repair, preserve or restore any building, premises or structure ancillary thereto;”.

The words “preserve or restore” have been added in line with section 5 of the Antiquities and Monuments Ordinance (Cap. 53).

(e) Clause 6(2)(k)

We will examine whether it is necessary to make reference to “section 25” in clause 6(2)(k) of the Bill to clarify that prior approval has to be granted by the Chief Executive in Council before the URA could sell or dispose of any land resumed under the Lands Resumption Ordinance (Cap. 124). Our preliminary view is that this is not necessary.

(f) **Clause 6(2)(k)**

We are prepared to move a CSA to delete the words “let, transfer” and substitute “let, license, transfer” in clause 6(2)(k) of the Bill.

(g) **Clause 7(3) and (4)**

The URA would enter the particulars contained in any declaration of interest in the register of declared interests as soon as practicable. We do not consider it necessary to specify a time limit within which the URA should do so.

(h) **Register of Declared Interests**

We would put to the URA when it is formed Members’ suggestion that the register of declared interests and the record of directors’ attendance at URA Board meetings be uploaded onto the Internet.

(i) **Clause 7(5)**

We are prepared to move a CSA to amend clause 7(5) along the following lines:

“(5) A member of the Board of the Authority, including the Chairman and the Managing Director, who is in any way directly or indirectly interested in a contract made or proposed to be made by the Authority, or in a contract made or proposed to be made by a servant or agent or a partner of the Authority or, by a body corporate established by the Authority which is brought up for consideration by the Board, shall disclose the nature of his interest at a meeting of the Board; and the disclosure shall be recorded in the minutes of the meeting of the Board, and the member shall not without the permission of the Chairman (and in the case of the Chairman, the permission of the majority of the other members present at the meeting) take any part in any

deliberation of the Board with respect to that contract and shall not in any event vote on any question concerning it.”

This formulation is modelled on paragraph 6(1) of the First Schedule to the Land Development Corporation Ordinance (Cap. 15).

(j) Clause 7(7)

Clause 7(7) provides that:

“(7) The validity of any proceedings of the Authority shall not be affected by the failure by a member of the Board of the Authority to comply with this section.”

A similar provision is found in the Airport Authority Ordinance (Cap. 483), the Hong Kong Industrial Technology Centre Corporation Ordinance (Cap. 431) and the Estate Agents Ordinance (Cap. 511). The purpose of this provision is to prevent a person (or company) who feels aggrieved by a decision of the URA Board from challenging the validity of that decision on a technicality (eg, a director of the URA Board has forgotten to declare an indirect interest which is not material to the decision-making process).

Yours sincerely,

(Stephen Fisher)
for Secretary for Planning and Lands

c.c. Department of Justice
(Attn: Mr J D Scott and Ms R Chai)

Director of Planning
(Attn: Mr T K Lee)