

**Information Paper  
For Legislative Council Panel on Housing**

**Landlord and Tenant  
(Consolidation) (Amendment) Ordinance 2002  
Commencement of enacted provisions**

**Purpose**

This paper informs Members of the commencement of certain provisions enacted in the Landlord and Tenant (Consolidation) (Amendment) Ordinance 2002 (“2002 Ordinance”).

**Background**

2. The 2002 Ordinance has, among other things, streamlined statutory tenancy renewal and repossession procedures. It has also enacted the fee to be charged for some tenancy-related services provided by the Rating and Valuation Department (RVD), and has empowered the Financial Secretary (FS) to determine the fee payable for late submission of tenancy notice for RVD’s endorsement.

3. All but six of the provisions took effect on 27 December 2002 when the 2002 Ordinance was gazetted. These six provisions, which involve the determination of fees to be charged by RVD for the provision of certain services, did not commence operation at that time as they could potentially be affected by the ensuing legislative exercise to remove the security of tenure regime. The commencement dates for these remaining provisions are to be appointed by the Secretary for Housing, Planning and Lands (SHPL) by notice in the Gazette. Details of these remaining provisions are set out in **Appendix A**.

4. At a Bills Committee meeting for the 2002 Ordinance held on 31 July 2002, the Administration undertook to notify the Panel on Housing of the commencement of the provisions.

## **Present position**

5. The Landlord and Tenant (Consolidation) (Amendment) Ordinance 2004 (“2004 Ordinance”) came into effect on 9 July 2004 repealing, among other things, security of tenure provisions for domestic tenancies. With the abolition of security of tenure, some of the provisions affected by the aforementioned remaining provisions were repealed.

6. As the 2004 Ordinance has been operating smoothly since its enactment eight months ago, it is considered appropriate to bring into effect now the remaining valid provisions from the 2002 Ordinance along with relevant fee items.

7. The fee levels for these items, computed on a cost recovery basis, are set out in **Appendix B**.

## **Commencement date**

8. The Commencement Notice for the relevant provisions will be published in the Gazette on 1 April 2005 and tabled at the Legislative Council on 6 April 2005, with the commencement date set for 1 June 2005.

**Housing, Planning and Lands Bureau**  
**March 2005**

**Landlord and Tenant  
(Consolidation) (Amendment) Ordinance 2002  
Enacted provisions not brought into operation**

The enacted provisions in the captioned Ordinance not brought into operation are listed out below:

- (a) Sections 3 and 34 stipulate that certificates of rateable value, required for court procedures in recovery of possession of premises, are to be issued by Rating and Valuation Department (RVD) at a charge determined by the Financial Secretary (FS).
- (b) Under the former security of tenure regime, a landlord or tenant could apply to RVD for tenancy information to assist them in tenancy renewal cases in the Lands Tribunal. Section 14 expressly provided the statutory basis for RVD to collect a fee determined by FS to be charged for the supply of such information.
- (c) To assist landlords and tenants in redevelopment cases under the former security of tenure regime, section 19 empowered RVD to issue a Certificate of rateable value at a fee.
- (d) In the event of a new tenancy or tenancy renewal, the landlord may submit a notice of letting to RVD for endorsement within one month from the agreement date at no charge. Section 21 specifies that the amount of late submission charge is to be determined by FS.

- (e) Certain parts of section 39 provided for the issuance of certificates of rateable value by RVD at a charge for cases where Part II of the Landlord and Tenant (Consolidation) Ordinance (LTO) (Cap.7)<sup>1</sup> is applicable at a fee to be determined by FS.

2. The affected provisions relating to security of tenure under items (b) and (c) above were subsequently repealed by the Landlord and Tenant (Consolidation) (Amendment) Ordinance 2004. Consequently, only items (a), (d) and (e) are required to be brought into operation.

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<sup>1</sup> Part II of LTO applies to tenancies created before 1983 in post-war domestic premises built before 1981 and with a 1983 rateable value of less than \$30,000.

**Appendix B**

**Landlord and Tenant  
(Consolidation) (Amendment) Ordinance 2002  
Cost computation for fee items**

The fee levels determined by the Financial Secretary for the provisions which are still valid and need to be brought into operation are set out below:

<b>Item</b>	<b>Service provided by RVD</b>	<b>Fee level</b>	<b>Estimated annual number of cases</b>
(i)	Issuance of a certificate of rateable value	\$190	30
(ii)	Endorsement of a notice of letting submitted out of time	\$310	800

2. Cost computations for these fee items are attached in the following pages.

## COST COMPUTATION

### Rating & Valuation Department

#### Application fee for Certificate of Rateable Value of Premises under s.75A, s.128A & s.144(1)-(3) of the Landlord and Tenant (Consolidation) Ordinance, Cap. 7

#### Cost at 2005/2006 Prices

	\$
Staff Costs	150
Departmental Expenses	4
Accommodation Costs	8
Depreciation	1
Central Administrative Overhead	<u>27</u>
<b>Total Costs</b>	<u><u>190</u></u>
Estimated number of caseload for financial year 2005-06	30
Unit cost at 2005-06 prices (\$)	190
Proposed fee with effect from 01/06/05 (\$)	<b>190</b>

## COST COMPUTATION

### Rating & Valuation Department

#### Endorsement of Agreement under Section 119L(1A)(b) of the Landlord and Tenant (Consolidation) Ordinance, Cap. 7 (Costs in processing a typical case)

#### Cost at 2005/2006 Prices

	\$
Staff Costs	241
Departmental Expenses	11
Accommodation Costs	13
Depreciation	1
Central Administrative Overhead	<u>44</u>
<b>Total Costs</b>	<u><u>310</u></u>
Estimated number of caseload for financial year 2005-06	800
Unit cost at 2005-06 prices (\$)	310
Proposed fee with effect from 01/06/05 (\$)	<b>310</b>