



中華人民共和國香港特別行政區政府總部食物及衛生局

Food and Health Bureau, Government Secretariat
The Government of the Hong Kong Special Administrative Region
The People's Republic of China

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23 April 2018

Ms Anita SIT
Clerk to Finance Committee
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong
(Fax No.: 2869 6794)

Dear Ms SIT

FCR(2017-18)66

Remuneration package for
the Private Columbaria Appeal Board

During the discussion of the captioned topic at the Finance Committee meeting on 13 April 2018, members requested information from the Government on the justifications for the measures (including those relating to the land premium and traffic impact assessment (TIA)) for eligible private columbaria and the relevant statistics (including the number of private columbaria and niches waived, the floor area of these columbaria, and the land premium forgone as a result) (*requested by Hon Tanya CHAN; time of meeting: 17:12:26*). Our reply is set out below.

2. The Government announced in November 2017 two policy initiatives to address the land premium and TIA issues of pre-cut-off columbaria seeking a

licence. On the waiving of regularization payments, a pre-cut-off columbarium confirmed to be eligible for a licence in all other respects may apply for administratively regularising, in respect of the pre-cut-off sold niches, breaches of relevant lease conditions and/or unlawful occupation of unleased land by way of a waiver and/or a short term tenancy (STT), and waiving the relevant waiver fees, STT rentals and administrative fees before and during the licence period. However, each application will be considered on a case-by-case basis having regard to its circumstances and merits. As to TIA, taking into account the overall interests of the community, the Government has decided that for the operation of a pre-cut-off columbarium, if it only concerns the number of niches sold before 30 June 2017 (the enactment date of the Private Columbaria Ordinance), an empirical evidence approach will be adopted as the basis for assessing traffic impacts when the Government departments process its licence application concerned.

3. The Government has repeatedly emphasized that we need to address properly the historic problems which have accumulated over the years. Quite a number of people had purchased niches from these columbaria or even interred the ashes of their deceased relatives therein before they knew that the Government would introduce a regulatory regime. Given this, we need to adopt a **pragmatic and sensitive** approach towards the consumers who have purchased these niches, and the dedicated persons, to minimise their losses and any social disruption arising from massive displacement of interred ashes. In contemplating these policy initiatives, the Government mainly takes into account the overall interests of the community so as to avoid affecting the descendants, in particular their wish not to disturb the interred ashes of the deceased as far as practicable.

4. On the waiving of regularization payments, only those pre-cut-off columbaria eligible for a licence in all other respects can apply. In other words, the prerequisites are that the operator: 1) must be a pre-cut-off columbarium; 2) must fulfil the licensing criteria for a licence in all other respects, which include more than 10 relevant requirements on planning, building and fire safety, etc.

5. The Government will impose a series of safeguards on pre-cut-off sold niches covered by the waiving of regularization payments, including that the operators are not allowed to impose extra charges beyond what was provided in the original agreements with the consumers concerned. For the number of niches where agreement between the operator and the consumers cannot be reached, or in the absence of other equally effective means to ensure compliance with the above safeguards, land premium at full market value will be payable.

6. As to TIA, the Government has studied this issue in depth and has the following three observations. Firstly, the columbaria concerned are not brand-new establishments but have already been in existence and operation in the community for a long time. Secondly, the traffic and pedestrian flow problem mainly surface during the grave-sweeping seasons (Ching Ming Festival and Chung Yeung Festival) and the situation outside the grave-sweeping seasons is usually not a major concern. Thirdly, an applicant for a licence would have to submit a management plan covering the traffic and crowd control measures for prior approval by the Private Columbaria Licensing Board (Licensing Board), and is required to comply with the licensing conditions relating to the traffic and pedestrian flow management measures imposed by the Licensing Board.

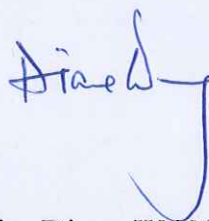
7. According to on-site observation, traffic and pedestrian flow management arrangements are already implemented by the Government departments in some of the areas where a number of columbaria are located together. The Government departments concerned have prepared contingency plans in areas with needs to cater for ad hoc situations. The Government has also noticed that some columbaria also actively make some traffic arrangements during Ching Ming Festival and Chung Yeung Festival, such as providing dedicated coach services to pick up and drop off grave-sweepers. If only niches sold as at 30 June 2017 of pre-cut-off columbaria are counted, the traffic level in those areas during the peak hours is, overall speaking, still at an acceptable level. On the part of individual columbaria, operators have the responsibility to provide practicable mitigation measures within their capability. The Government departments will reflect to the Licensing Board their views on suitable mitigation measures that should be followed up by individual cases. We believe that the Licensing Board will, having regard to the situation, vet the management plan of the operators and impose appropriate licensing conditions.

8. If a pre-cut-off columbarium would like to sell or newly let out niches after 30 June 2017, or any post-cut-off columbarium would like to submit planning or licence applications for their development, the TIA mechanism is applicable to them.

9. As to the relevant statistics, it is difficult for us to assess at present the actual number of columbaria and niches that can benefit from the above arrangement, because we do not know at this stage the number of columbaria eligible for the pre-cut-off columbarium status or fulfilling other requirements for licences, let alone the number of columbaria whose application would finally be approved under the waiving arrangement.

10. Furthermore, the means for regularization and the terms may vary for individual applications. Taking lease modification as an example, the land premium will be assessed according to the full market value of the site at the time of its application, and may vary due to the original use stated in the land lease, the location of the private columbaria and the number of their niches involved, etc. Therefore, it is not possible for us to estimate the amount of land premium in question for this measure.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Diane Wong", with a large, stylized flourish extending from the end of the name.

(Miss Diane WONG)
for Secretary for Food and Health