

立法會
Legislative Council

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seen by the Administration)

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**Subcommittee on Property Management Services Ordinance
(Commencement) Notice 2020 and Property Management Services
(Licensing and Related Matters) Regulation**

**Minutes of the meeting
held on Monday, 15 June 2020, at 4:30 pm
in Conference Room 3 of the Legislative Council Complex**

Members present : Hon Holden CHOW Ho-ding (Chairman)
Hon CHAN Han-pan, BBS, JP
Hon KWOK Wai-keung, JP
Hon SHIU Ka-fai, JP

Members absent : Hon Abraham SHEK Lai-him, GBS, JP
Hon Paul TSE Wai-chun, JP

Public Officers attending : Miss Grace LI Wai-ting, JP
Assistant Director of Home Affairs (4)
Home Affairs Department

Property Management Services Authority

Hon Tony TSE Wai-chuen, BBS
Chairperson

Mr Alan SIU Yu-bun
Chief Executive Officer

Mr Kevin CHEUNG Ka-yin
General Manager (Regulatory)

Ms Eva LAU Suk-fun
Legal Counsel

Clerk in attendance : Ms Wendy JAN
Chief Council Secretary (2) 4

Staff in attendance : Ms Clara TAM
Assistant Legal Adviser 9

Ms Catherina YU
Senior Council Secretary (2) 4

Miss Alison HUI
Legislative Assistant (2) 4

Action

I. Election of Chairman

Mr KWOK Wai-keung, member who had the highest precedence among members of the Subcommittee present, presided over the election of Chairman of the Subcommittee. Mr KWOK called for nominations for the chairmanship of the Subcommittee. Mr Holden CHOW was nominated by Mr SHIU Ka-fai and the nomination was seconded by Mr CHAN Han-pan. Mr CHOW accepted the nomination.

2. As there was no other nomination, Mr KWOK Wai-keung declared Mr Holden CHOW elected as Chairman of the Subcommittee. Mr CHOW then took the chair.

II. Meeting with the Administration

[L.N. 86 of 2020, L.N. 87 of 2020, Legislative Council Brief issued by the Home Affairs Bureau, the Home Affairs Department and the Property Management Services Authority in May 2020 (File Ref.: HAD HQ CR/20/3/7(C) Pt. 40), LC Paper Nos. LS83/19-20 and CB(2)1204/19-20(01)]

3. The Subcommittee deliberated (index of proceedings attached at **Annex**).

III. Any other business

Extension of scrutiny period

4. Members agreed that the Chairman would move a resolution at the Council meeting of 24 June 2020 to extend the scrutiny period of the Property Management Services Ordinance (Commencement) Notice 2020 ("the Commencement Notice") and the Property Management Services (Licensing and Related Matters) Regulation ("the Regulation") to the Council meeting of 15 July 2020. Members noted that subject to the extension of the scrutiny period, the deadline for giving notice of amendments, if any, to the Commencement Notice and the Regulation would be 8 July 2020. Members also noted that the Chairman would report the Subcommittee's deliberations to the House Committee on 3 July 2020.

(Post-meeting note: The proposed resolution to extend the scrutiny period of the Commencement Notice and the Regulation was not dealt with at the Council meeting of 24 June 2020; hence, the scrutiny period of the Commencement Notice and the Regulation had expired at the said Council meeting.)

5. There being no other business, the meeting ended at 6:15 pm.

Council Business Division 2
Legislative Council Secretariat
18 August 2020

**Proceedings of the meeting of the
Subcommittee on Property Management Services Ordinance
(Commencement) Notice 2020 and Property Management Services
(Licensing and Related Matters) Regulation
on Monday, 15 June 2020, at 4:30 pm
in Conference Room 3 of the Legislative Council Complex**

Time marker	Speaker(s)	Subject(s)	Action required
<i>Agenda item I – Election of Chairman</i>			
000816-001013	Mr KWOK Wai-keung Mr SHIU Ka-fai Mr CHAN Han-pan Mr Holden CHOW	Election of Chairman	
<i>Agenda item II – Meeting with the Administration</i>			
001014-001547	Chairman Administration Property Management Services Authority ("PMSA")	Briefing by the Administration on the Property Management Services Ordinance (Commencement) Notice 2020 ("the Commencement Notice") (File Ref.: HAD HQ CR/20/3/7(C) Pt. 40)). Briefing by PMSA on the Property Management Services (Licensing and Related Matters) Regulation ("the Regulation") with the aid of a Powerpoint presentation.	
001548-001804	Chairman Mr SHIU Ka-fai	Mr SHIU Ka-fai's expression of support for the Commencement Notice and the Regulation.	
001805-002149	Chairman PMSA	Continuation of the briefing and Powerpoint presentation by PMSA.	
002150-003403	Chairman Mr KWOK Wai-keung PMSA	Mr KWOK Wai-keung's enquiry and the Chairman's response regarding the proposed schedule of meetings of the Subcommittee. Mr KWOK's views and enquiry that: (a) PMSA should draw up more guidelines and codes of conduct for the property management sector ("the sector") so as to enhance the quality of property management services ("PMSs"); (b) under the licensing regime, licensed property management companies ("PMCs") which only had experience in the provision of PMSs under Categories 2 to 7 as set out in Schedule 1 to the Property Management Services Ordinance (Cap. 626) ("PMSO") could also provide PMSs under Category 1 and serve as deed of mutual covenant ("DMC") managers although they might not have the relevant	

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		<p>qualifications or expertise. The sector was worried that such an arrangement might have an adverse impact on the quality of PMSs under Category 1; and</p> <p>(c) whether PMCs must provide PMSs under "Category 1: General management services relating to a property" in order to obtain a licence.</p> <p>PMSA's response that:</p> <p>(a) PMSA had drawn up guidelines and code of conduct for the sector and would handle complaints about PMSs. After the licensing regime had come into force, if a licensee failed to comply with the requirements set out in the Regulation, he/she might commit a disciplinary offence. PMSA might investigate into complaints involving disciplinary offences, and take disciplinary actions against non-compliant PMCs and property management practitioners ("PMPs"); and</p> <p>(b) under the licensing regime, a PMC that was engaged in more than one of the seven categories of PMSs was required to obtain a PMC licence, which did not necessarily include any PMS under Category 1. To ensure the quality of PMSs, an individual who assumed a managerial or supervisory role in a licensed PMC in relation to PMSs provided by the PMC was required to hold a PMP licence. PMPs were required to meet the criteria in relation to academic qualification, professional qualification and work experience in order to obtain a PMP licence.</p>	
003404-004623	Chairman PMSA	<p>The Chairman's view and enquiries regarding:</p> <p>(a) PMSA should explain to PMCs the minimum manning ratios of licensed PMPs in licensed PMCs, and draw up clear administrative guidelines setting out the minimum number and the grades of staff who would be required to obtain PMP licences under the licensing regime;</p> <p>(b) the transitional arrangement for in-service PMPs to meet the licensing requirements; and</p> <p>(c) whether the Government or PMCs would pay for the tuition fees of the course specified by PMSA ("specified course") for in-service PMPs to attend in order to obtain a PMP licence.</p> <p>PMSA's response that:</p> <p>(a) after the implementation of the licensing regime,</p>	

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		<p>PMCs and PMPs would be given a three-year transitional period during which PMCs and PMPs would not be required to be licensed. In-service PMPs at managerial or supervisory level who possessed relevant work experience in the provision of PMSs for properties in Hong Kong but did not meet the academic and/or professional qualifications could, during the transitional period, apply for a provisional licence with a validity period of up to three years. Upon completion of the specified course within the validity period of the provisional licence, PMPs might apply for a formal licence; and</p> <p>(b) some PMCs were willing to provide subsidies for their in-service PMPs to attend the specified course and PMPs might also claim reimbursement of the tuition fees of the specified course under the Continuing Education Fund.</p>	
004624-005829	Chairman Mr KWOK Wai-keung PMSA	<p>Mr KWOK Wai-keung's enquiries and view that:</p> <p>(a) whether the categories of PMSs to be provided by a licensed PMC would be stipulated in the licence concerned;</p> <p>(b) how the public would be able to find out whether a licensed PMC was capable of performing the role of a DMC manager; and</p> <p>(c) information about licensed PMCs and PMPs should be provided for clients of PMCs, e.g. owners' corporations, to facilitate their work to engage suitable PMCs.</p> <p>PMSA's response that:</p> <p>(a) it would maintain registers of licensed PMCs and PMPs at its office and on its website for public inspection. These registers would contain information such as the number of licensed PMPs employed by a licensed PMC, property management portfolio of a licensed PMC and conviction records of licensees in relation to disciplinary offences or criminal offences under PMSO; and</p> <p>(b) managers or supervisors of licensed PMCs were required to attain the prescribed professional qualifications or academic qualifications to ensure the quality of their services.</p>	
005830-010519	Chairman PMSA	<p>The Chairman's view and enquiry that:</p> <p>(a) PMSA should impress upon PMCs to pay the tuition fees incurred by their in-service PMPs in attending</p>	

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		<p>the specified course; and</p> <p>(b) whether licensed PMCs were required to specify which of their managers or supervisors would apply for a PMP licence.</p> <p>PMSA's response that:</p> <p>(a) it had discussed with some PMCs the provision of subsidies to their in-service PMPs to attend the specified course, and these PMCs were in general willing to subsidize the tuition fees of their in-service PMPs; and</p> <p>(b) only those PMPs who took up a supervisory or managerial role in a licensed PMC in relation to PMSs provided by the PMC would be subject to the licensing requirement. Frontline staff would not be required to obtain PMP licences.</p>	
010520-011235	Chairman Mr KWOK Wai-keung PMSA	<p>Mr KWOK Wai-keung's concern and views that:</p> <p>(a) in-service PMPs might not be able to attain the requisite qualifications for obtaining a PMP licence within the validity period of the provisional licence;</p> <p>(b) PMSA should monitor the tuition fees of the specified course to ensure that they would be set at a reasonable level; and</p> <p>(c) as all building management expenses, including wage expenses, incurred by PMCs in discharging building management duties were borne by relevant property owners or owners' corporations, PMSA should request PMCs to return the relevant wage subsidy they had received under the Employment Support Scheme to the property owners or owners' corporations.</p> <p>PMSA's response that:</p> <p>(a) a three-year transitional period would be provided after the implementation of the licensing regime during which PMPs would not be required to be licensed. During this transitional period, in-service PMPs might apply for and be issued a provisional PMP licence with a validity period of up to three years. As such, in-service PMPs would have around six years to attain the requisite qualifications for obtaining a PMP licence;</p> <p>(b) PMSA and relevant institutions had reached an agreement that the tuition fees of the specified course should be maintained at affordable levels; and</p>	

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		(c) PMSA could not request PMCs to return the wage subsidy they had received under the Employment Support Scheme to the property owners or owners' corporations as the wage subsidy was not provided by PMSA.	
011236-011311	Chairman	Invitation of public views on the Commencement Notice and the Regulation.	
011312-011433	Chairman Administration	Examination of the Commencement Notice [Annex A to the LegCo Brief: File Ref.: HAD HQ CR/20/3/7(C) Pt. 40]. Members raised no question on the Commencement Notice.	
011434-012739	Chairman PMSA	Examination of the provisions of the Regulation [Annex B to the LegCo Brief: File Ref.: HAD HQ CR/20/3/7(C) Pt. 40]. <u>Sections 1 and 2</u> Members raised no question. <u>Section 3</u> The Chairman's enquiry and PMSA's response regarding whether the application fees for a PMP licence were payable by the applicants or their employers. <u>Sections 4 and 5</u> The Chairman's enquiry and PMSA's response regarding whether PMP licences would contain the names of the licensees. <u>Sections 6 to 9</u> Members raised no question. <u>Sections 10 and 11</u> The Chairman's enquiry and PMSA's response regarding the definition of "prominent place" in sections 10(c) and 11(d). <u>Sections 12 and 13</u> Members raised no question. <u>Section 14</u> The Chairman's enquiry and PMSA's response regarding	

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		the notification of changes of prescribed matters.	
012740-013017	Chairman PMSA	The Chairman's enquiry and PMSA's response regarding the mechanism for handling complaints about licensed PMCs or licensed PMPs.	
013018-013534	Chairman Assistant Legal Adviser 9 ("ALA9") PMSA	<u>Section 8(1)(b)(i)(D)</u> ALA9's enquiry and PMSA's response regarding the factors that PMSA would take into account when considering whether the qualifications other than those stipulated in section 8(1)(b)(i)(A) to (C) were acceptable by PMSA as criteria for holding a PMP (Tier 2) licence.	
013535-014313	Chairman PMSA	<u>Schedules 1 and 2</u> Members raised no question. <u>Schedule 3</u> The Chairman's enquiry and PMSA's response regarding the provision of prescribed information by licensed PMCs to their clients. At the Chairman's request, PMSA provided examples on the information concerning conflict of interests between a licensed PMC and its clients under section 1(a) of Schedule 3. <u>Schedule 4</u> Members raised no question. Completion of scrutiny	
014314-014350	Chairman ALA9	ALA9's confirmation to the Chairman's enquiry that there was no discrepancy between the Chinese and English versions of the Commencement Notice and the Regulation.	
014351-014707	Chairman PMSA	The Chairman's view and enquiry regarding: (a) PMCs should give more flexibility to their in-service PMPs to facilitate them to attend the specified course; and (b) the ranges of tuition fees and the duration of the specified course. PMSA's response that the tuition fees would be in the range of about \$13,000 to \$19,000 for a licensed PMP (Tier 1) course and about \$9,300 to \$12,500 for a licensed PMP (Tier 2) course. The duration of the course would be about six months on average.	

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<i>Agenda item III - Any other business</i>			
014708-014855	Chairman	Extension of scrutiny period.	

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18 August 2020