

17 June 2014

By Fax: 2591 6002  
E-mail: [hab@hab.gov.hk](mailto:hab@hab.gov.hk)  
& post

Mr. Tsang Tak Sing, JP  
Secretary for Home Affairs,  
Home Affairs Bureau,  
12/F, West Wing, Central Government Offices,  
2 Tim Mei Avenue,  
Tamar, Hong Kong

Dear Mr. Tsang,

### **PROPERTY MANAGEMENT SERVICES BILL**

Having reviewed the justifications of the Legislative Council Brief prepared by the Home Affairs Department which considered that a mandatory licensing regime setting out a minimum qualification requirement for Property Management Companies (PMCs) and Property Management Practitioners (PMPs) will raise professional standards and promote the concept of maintaining building safety, the Hong Kong Institute of Surveyors (HKIS) in principle supports the proposed enactment of the Property Management Services Bill.

However, the draft Bill was unable to set out in detail the various licensing criteria, the composition of the Property Management Services Authority (PMSA) and the transitional arrangements, the HKIS opines that the followings should be further considered by the Home Affairs Bureau/Department while finalizing the Bill with the Bills Committee of the Legislative Council prior to resumption of second reading.

#### **Licensing Criteria**

1. The future PMSA should adopt a level of assessment criteria compatible with the current property management industry standard for the PMCs. The listing criteria of Property Management Agent/Property Services Agent of the Hong Kong Housing Authority or the Home Affairs Department may be used as a benchmarking standard.
2. The PMC must be required to appoint tier one PMP as its full time director or senior management staff and the number of PMP employed must be proportionate to the number of properties it managed. Each individual property must also be looked after by a designated tier one or tier two PMP.

#### **總辦事處 Head Office**

香港上環干諾道中111號永安中心12樓1205室  
Room 1205, 12/F Wing On Centre,  
111 Connaught Road Central, Sheung Wan, Hong Kong  
Telephone: 2526 3679 Facsimile: 2868 4612  
E-mail: [info@hkis.org.hk](mailto:info@hkis.org.hk) Web Site: [www.hkis.org.hk](http://www.hkis.org.hk)

#### **北京辦事處 Beijing Office**

中國北京市海澱區高樑橋斜街59號院1號樓  
中坤大廈6層616室 (郵編: 100044)  
Room 616, 6/F, Zhongkun Plaza, No.59 Gaoliangqiao Xiejie,  
No.1 yard, Haidian District, Beijing, China, 100044  
E-mail: [info-bjo@hkis.org.hk](mailto:info-bjo@hkis.org.hk) Web Site: [www.hkis.org.hk](http://www.hkis.org.hk)



3. Similarly, the licensing criteria for the PMPs should also be compatible with the general market requirement of a professional property manager. In most of the Government tender for property and facility management services, the minimum requirement of estate/property manager is that he/she must hold professional membership with a certain number of years of post-qualification experience. In line with this benchmark, the HKIS considers that tier one PMP shall be having similar professional status commensurate with the Government tender requirement.
4. Members of HKIS has long been providing professional property and Facility management services to public and private properties and should have direct access to tier one PMP. HKIS also offers professional assessment to its members and direct adoption of its assessment standard would indeed avoid duplication of resources of the future PMSA on similar aspect.

#### **Property Management Services Authority (PMSA)**

1. Schedule 3 of the Bill stipulates that less than one quarter of the members of PMSA will be appointed from individual engaged in property management services. Such apportionment is considered unsatisfactory, considering that the PMSA has to deal with investigate complaints and handle disputes/appeals related to property management services. The HKIS considers that not less than one third of the members of PMSA should be appointed from the property management related professional organizations such as HKIS, so as to uphold fairness and to protect interest of the PMC and PMP. Member of HKIS has customarily been appointed by the Government in various statutory authorities and it would be HKIS pleasure if its member would be represented in the future PMSA.
2. Similarly, any investigators appointed for carrying out investigation of complaints and any appeal panel/tribunal formed for hearing of appeals should be consisted of not less than half of the members being appointed from the property management related professional institutes, so as to enable any judgment on the level of professional standard can be fairly and squarely considered. Member of HKIS has customarily been appointed by the Government as members of various expert panels/tribunals related to real estate issues and it would also be HKIS pleasure if it would be similarly represented.



3. Malicious complaint is a common phenomenon in property management industry being a tactic of the complainant to counteract or restraint the legitimate enforcement action of the estate/property managers. There should be a guideline for accepting and addressing complaints, as well as arrangements for the PMSA to refer any such malicious action to other Government department for follow up action, for example, Independent Commission Against Corruption and Hong Kong Police Force.
4. The licensing fee and application fee were still uncertain at this stage. The HKIS opines that the fee levied from PMC and PMP should be at a level without causing any significant effect on the management fee level.

### **Transitional Arrangement**

1. Once PMC and PMP meet the licensing criteria, they should be issued with permanent license during the three-year transitional period.
2. Whilst the HKIS supports the granting of provisional license to those PMC and PMP that are unable to meet the minimum licensing criteria, they should be required to complete prescribed assessment during the three-year transitional period so as to bring their management standards commensurate with the licensing criteria. Apart from the provisional license, the Government should also consider a one-off “grandfather arrangement” for those senior and experienced practitioners who had only equipped with long years of professional working experience.
3. The PMSA should resort to the assessment arrangements of the various professional institutes a benchmark of the assessment criteria during the transitional period. The HKIS is pleased to offer assistance in this respect.

Please contact HKIS Secretariat on 2526 3679 if you have any queries on the above. Thank you for your attention.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Simon Kwok', written over a light blue circular stamp.

Sr Simon Kwok  
President  
The Hong Kong Institute of Surveyors