

Memorandum for City Owners' Committee

Financial Implication - Property Management Services Licence

Purpose:

2. To advise Members the financial implication caused by the Property Management Services Ordinance (the Ordinance)

Background:

3. The Ordinance was enacted on 1st August, 2020. Both the property management company and its practitioners must obtain relevant licences to be issued by the Property Management Services Authority (the Authority) on or before 1st August, 2023 as only licensed company and practitioners can provide more than one of seven (7) categories of property management services defined by the Authority except those are exempted by the Ordinance after 31st July, 2023.

4. The Authority issues codes of conduct containing practical guidance to govern the service of property management company from time to time. Up to the present moment, 10 codes of conduct are issued:

Code of Conduct	Code No.	Effective date
1. General Code of Conduct	C1/2020	7 Aug 2020
2. Complaint Handling Mechanism of Property Management Companies	C2/2021	8 Jan 2021
3. Effective Control over Property Management Business by Property Management Companies	C3/2021	8 Jan 2021
4. Handling Moneys Received on behalf of Clients by Property Management Companies	C4/2021	7 May 2021
5. Obligations of Property Management Companies regarding the Ending of their Appointment	C5/2021	7 May 2021
6. Prevention of Corruption	C6/2021	23 July 2021
7. Prescribed Conditions on Licences	C7/2021	23 July 2021
8. Protection on Personal Data	C8/2021	22 Oct 2021

9. Handling Payment for or Arranging Payment to be Made by Clients	C9/2021	21 Jan 2022
10. Provision of Prescribed Information and Financial Document to Clients	C10/2022	21 Jan 2022
Other Codes including but not limited to the following will be issued in near future:- <ul style="list-style-type: none"> - Procurement for Clients and Prevention of Bid-rigging; - Prevention of Corruption – Financial Management; - Prevention of Corruption – Monitoring Outsourced Property Management Services; - Prevention of Corruption – Staff Recruitment and Management; - Handling Emergencies; - Scaffolding Works to be Carried Out at Property; - Handling Instrument of Appointing a Proxy; and - Mechanism of Distribution of Promotional Materials at Property 	---	---

Financial Implication:

5. It is proposed to add one Managerial grade headcount in the 2022/23 budget for the following additional duties caused by the Ordinance:

- i. To review and revise operation manual in compliance with the Codes of Conduct as well as the Ordinance
- ii. To brief and train Estate staff with regard to the revised operation manual.
- iii. To organize regular trainings/sharing for Estate staff to refresh the issues related to the Ordinance as well as the Code of Conduct / Best Practice.
- iv. To assist DBSML and Estate staff in obtaining the required licence.
- v. To co-ordinate Estate staff to enroll those on-going Continuous Professional Development (CPD) trainings provided by the recognized organizations which is the requirement of the Authority imposed to all individual licence holders.
- vi.
- vii. To monitor and supervise the property management services in compliance with the Ordinance after the licences of both the company and individual practitioners have been obtained.

- viii. To update the Management with regard to any ad hoc issue or updated news related to the Ordinance.
- ix. To be assigned as the contact person for the enquiry/complaint handling raised by the Authority or residents in Discovery Bay related to the Ordinance.
- x. To perform other duties in relation to the subject matter.

Way Forward:

6. This Paper is prepared for Member's perusal during the forthcoming COC meeting.

For and on behalf of
Discovery Bay Services Management Ltd

F.K. Wong
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31st March, 2022