

CONTROLLING OFFICER'S REPLY

FHB(FE)314

(Question Serial No. 4258)

Head: (49) Food and Environmental Hygiene Department
Subhead (No. & title): (-) Not specified
Programme: (2) Environmental Hygiene and Related Services
Controlling Officer: Director of Food and Environmental Hygiene (Miss Vivian LAU)
Director of Bureau: Secretary for Food and Health

Question:

With regard to the regime of the Liquor Licensing Board, please provide information on the following:

- (a) the expenditure and manpower for handling the work of the Liquor Licensing Board in 2017-18;
- (b) the number of existing liquor licences in the territory, the locations of liquor-licensed premises and the types of buildings (residential, commercial or composite commercial / residential buildings) in which these premises are located;
- (c) the total number of liquor licence applications received in the past 3 years; among them, the number of applications granted and refused, the number of appeals lodged and the success rate of appeals; and
- (d) the details of and the follow-up actions on the measures to enhance the liquor licensing regime.

Asked by: Hon HO Chun-yin, Steven (Member Question No. 31)

Reply:

- (a) A total of 40 staff in the three licensing offices in the Food and Environmental Hygiene Department (the Department) handle liquor and club liquor licence applications as part of their licensing-related duties. There is no separate breakdown for the expenditure involved in handling liquor licence applications and appeals. In addition, 9 staff are deployed for providing secretariat support to the Liquor Licensing Board (LLB). The estimated expenditure involved in manning the LLB Secretariat in 2017-18 is \$6 million.
- (b) The number of liquor licences in the territory (broken down by district) as at end-2016 is provided in the table below. There is no separate breakdown on the type of buildings in which the licensed premises are located.

District	No. of Liquor Licences (as at end-2016)		Total
	Liquor Licences	Club Liquor Licences	
Central and Western	978	73	1 051
Eastern	329	11	340
Southern	122	27	149
Wanchai	1 121	103	1 224
Islands	251	18	269
Yau Tsim Mong	1 751	93	1 844
Sham Shui Po	291	9	300
Kowloon City	412	18	430
Wong Tai Sin	173	2	175
Kwun Tong	285	10	295
Tsuen Wan	242	9	251
Kwai Tsing	133	4	137
North	94	7	101
Tai Po	163	3	166
Sai Kung	196	9	205
Shatin	248	10	258
Tuen Mun	174	5	179
Yuen Long	308	14	322
Total	7 271	425	7 696

(c) Relevant statistics are provided as follows -

	2014	2015	2016
Total number of liquor licence applications received (with the number of applications for new licence in brackets)	8 630 (1 116)	8 936 (1 236)	6 520 ¹ (1 032)
Total number of liquor licences granted by LLB ²	8 156	8 646	6 987
Total number of applications refused by LLB ²	67	40	34
Total number of appeals lodged with Municipal Services Appeals Board (MSAB)	32	28	22
Success rate of appeals (i.e. appeals allowed by MSAB) ³	58%	63%	76%

¹ The decrease in the number of cases in 2016 was due to the rolling out of the 2-year liquor licences since August 2015.

² Applications for liquor licences received in 1 year may be carried forward with the processing completed in the subsequent year.

³ Only appeal cases with MSAB's decisions issued before the end of a calendar year are taken into account for calculating the success rate of appeals in that year.

(d) The Government conducted a public consultation in 2011 and implemented a number of administrative measures subsequently to improve the liquor licensing regime. In May 2013, the LLB revamped its procedures for dealing with applications for the

renewal or transfer of liquor licence, thereby allowing more sensitive handling of views from the neighbourhood. The LLB published in December 2013 a set of guidelines on the factors that should be taken into account when assessing liquor licence applications, the scrutiny on applications from upstairs bars, as well as the more stringent conditions that the LLB may impose including those relating to capacity limit and measures to abate noise nuisance for premises etc. Separately, the LLB has since June 2014 added express provisions in the licensing conditions stipulating that restaurant licensees must comply with fire safety requirements at all times (such that minor breaches, if repeatedly not attended to promptly, would render them liable to suspension/cancellation of licence). In addition, documentary evidence of continuous compliance with fire safety requirements (namely that the fire safety related certificates issued by registered specialist contractors remain valid at the material time) must be adduced when the Department processes applications for licence renewal. An overwhelming majority of liquor-licensed premises have restaurant licences.

Apart from the administrative measures that have been implemented, the Dutiable Commodities (Liquor) (Amendment) Regulation 2015 came into operation on 3 August 2015. It extends the maximum validity period of a liquor licence from 1 year to 2 years, and facilitates electronic submission of applications for the issue or renewal of liquor licence.

In addition, the LLB has allowed the trade an additional option, other than a digital certificate, to use a password assigned or approved by the Board to submit renewal and amendment applications since July 2016 and new and transfer applications since October 2016.

To minimise disruption to the liquor selling business due to sudden departure of the licensee, the LLB would implement in late March 2017 a reserve licensee mechanism under which identification and nomination of a suitable person as a reserve licensee to take over the role of the licensee at an early stage is allowed.

- End -