

CONTROLLING OFFICER'S REPLY

FHB(FE)120

(Question Serial No. 0011)

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:

(1) As regards following up of the implementation of measures to enhance the liquor licensing regime in 2018-19, please provide details including specific measures, the timetable of work, and the manpower and expenditure required.

(2) Please also advise on the number of liquor licence applications received and appeals lodged, the average time taken for processing an application and listing an appeal for hearing, the success rate of appeals, as well as the number of liquor licences revoked (with a breakdown by reasons for revocation), in 2015, 2016 and 2017 respectively.

Asked by: Hon CHEUNG Yu-yan, Tommy (Member Question No. (LegCo use): 5)

Reply:

(1) In 2018-19, the Food and Environmental Hygiene Department (the Department) will continue to work closely with relevant departments and the Liquor Licensing Board (LLB) to follow up a number of measures introduced recently to further enhance the liquor licensing regime. In particular, to minimise disruption to the liquor selling business due to sudden departure of the licensee, the LLB has implemented a reserve licensee mechanism in March 2017, as a trade facilitation measure, to allow the trade to identify and nominate at an early stage a suitable person as a reserve licensee to take over the role of the licensee. In addition, as some of the licensees of licensed liquor premises are employees only, when these licensees refused to transfer the liquor licence to another person due to disputes with the business owner or other reasons, the business owner of the premises in question will be required to apply for new issue of liquor licence though there is no change in the ownership of the business. For the purpose of trade facilitation, the LLB has set up a mechanism in July 2017 to allow business owner to apply for transfer of liquor licence without the licensee's consent, instead of applying for a new liquor licence, upon production of relevant supporting documents. Furthermore, the LLB has put in place since the summer of 2017 a mechanism to monitor specifically the progress of new liquor licence applications received

in May and June each year with a view to ensuring the timely issue of liquor licences. The Department will see to it so that the above measures are implemented effectively.

A total of 40 staff in the 3 licensing offices of the Department are responsible to handle liquor and club liquor licence applications as part of their licensing-related duties. There is no separate breakdown on the expenditure involved in handling liquor licence applications and appeals. In addition, 9 staff are deployed for providing secretariat support to the LLB. The estimated expenditure involved in manning the LLB Secretariat in 2018-19 is \$6.4 million.

(2) The information sought is provided below -

	2015	2016		2017	
Total number of liquor licence applications received (with the number of applications for new licence given in brackets)	8 936 (1 236)	6 520 ¹ (1 032)		6 324 (1 181)	
Average time taken for processing an application for liquor licence	37 days	1-year licence	2-year licence ³	1-year licence	2-year licence ³
		43 days ²	37 days	36 days ²	34 days
Number of appeals lodged with Municipal Services Appeals Board (MSAB)	28	22		25	
Average time taken for listing an appeal for hearing ⁴	97 days	74 days		83 days	
Success rate of appeals (i.e. appeals allowed by MSAB) ⁵	63%	76%		86%	

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

² Majority of the 1-year liquor licence were contested cases and hence required a longer processing time.

³ Introduced since August 2015.

⁴ This is counted from the date of MSAB receiving the appeal application to the date of the case being heard.

⁵ Only appeal cases with MSAB's decision issued before the end of a year are taken into account for calculating the success rate of appeals in that year.

The number of liquor licences revoked in 2015, 2016 and 2017 with breakdown by reasons is provided below-

Reasons for revocation of liquor licence	Number of liquor licence revoked		
	2015	2016	2017
Cessation of business	15	7	20
Breach of licensing condition	0	0	0
Contravention of legislation	1	0	1
Total	16	7	21

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