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Original developer must not be allowed to manage property

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The Home Affairs Department is seeking public views on the review of the Building Management Ordinance (Cap. 344).

I hope this will not be another farcical consultation paper falling on deaf ears, as I took the time to write a letter expressing my views. In addition to responding to items outlined by the department, I suggested three further amendments to the ordinance.

Firstly, the management of a property by a subsidiary of the original property developer should be strictly prohibited. Current practices allow a wholly- or partially-owned subsidiary of the original property developer to manage a property for decades with virtually no way for owners to change property management companies due to extreme restrictions stipulated in the original deed of mutual covenant. This inherent conflict of interest can result in property management companies concealing from owners construction defects and the specification, for example, of non-durable common area pipes and equipment attributed to their parent companies (the original developer).

This concealing of issues is to the detriment of owners, and can have dire public health and safety consequences.

Secondly, property management companies should be licensed by the government and undergo annual independent audits relative to, for example, best practices, legal compliance and building safety. There is an appalling lack of government oversight in the management of buildings.

Thirdly, government employees, who are owners of units in a building, should be banned from serving as chairman or other key positions in their own owners' corporation. In many buildings, staff of property-related government departments occupy key posts in their owners' corporation and are allowed to orchestrate the maintenance and operation of their building.

This can lead to actual or perceived corruption. People in these key decision-making positions may quietly instruct colleagues in their government departments to turn a blind eye to issues associated with their building to avoid necessary renovations or compliance issues.

The overhaul of this flawed ordinance will provide a greater level of transparency, minimise the widespread perception of collusion between government and the property sector, and reassure the Hong Kong public at a time when confidence in the SAR government is at an all-time low.

I would encourage everyone to write to the Home Affairs Department and demand major changes to the ordinance to improve our deteriorating quality of life.

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