

**Business Facilitation Advisory Committee
Food Business and Related Services Task Force**

Improvement measures on processing liquor licence applications

Purpose

This paper briefs members on the administrative measures to improve the processing of liquor licence applications.

Background

2. The Chairman of Business Facilitation Advisory Committee (BFAC) has received comments from the trade on the processing time required for liquor licence applications and the possible delay due to the summer recess of the Liquor Licensing Board (LLB) in August each year. They urged BFAC to review the relevant arrangement with the relevant authority. At the request of the BFAC Chairman, a review team (“the Team”) comprising representatives from Food and Health Bureau (FHB), Food and Environmental Hygiene Department (FEHD), the Police and Home Affairs Department (HAD) was formed in January 2017 to review the existing practice and formulate improvement measures to enable timely processing of liquor licence applications if considered appropriate. In general, it takes about 8 and 10 weeks to process non-contested and contested cases respectively.

Improvement Measures

3. The Team has identified the following improvement at various stages of processing a liquor licence application:

I. Engage the business owners –

Most of business owners may be restaurant licence applicants/licensees or club licensees, who may not be fully aware of the progress of liquor licence applications, as all the correspondences related to the applications are addressed to the applicants. With a view to engaging the business

owners at an earlier stage of application, the following measures have recently been implemented:

- (i) Upon receipt of a duly completed application form for new issue with required supporting documents, an acknowledgement letter will be issued to the applicant and copied to the respective restaurant licensees/club licensee;
- (ii) To provide more information in the acknowledgement letter and enhance the transparency of the application, the applicant will be advised to (a) place advertisement early on the newspapers; (b) attend an interview with the Police; and (c) track the status of the application by making use of the online licence services; and
- (iii) Three weeks after the issue of the acknowledgement letter, the applicant will be reminded in writing to place an advertisement which will also be copied to the respective restaurant licensees/club licensees.

II. Enhance coordination among processing departments –

- (i) To ensure timely processing, the HAD/Police have been reminded of working target to process referrals from FEHD;
- (ii) In case of an outstanding reply, FEHD will provide weekly alert reports to HAD/Police on overdue cases in 3 bandings with different colours; and
- (iii) Overdue cases will be escalated to the management level so that they will identify the problems on specific cases.

III. Improve management information and internal monitoring –

- (i) It is noted that some applicants do not duly complete the application form or submit the required supporting documents. The liquor licence processing system (“the System”) has been enhanced to record (a) the date of acceptable application, meaning the date when a duly completed application form is submitted with required supporting documents and the processing of application starts; and (b) the outstanding documents. Such measure can improve management information in the sense that applicants can be reminded to submit the outstanding items to facilitate timely processing; and

- (ii) The System will be enhanced with colour features for overdue reports to alert the management levels of the processing departments to take early action (referring to item (ii) of paragraph II above).

IV. Specific measures for summer recess arrangement –

The trade has raised concerns on the possible delay in handling new liquor licence applications arising from the existing summer recess arrangement, though all non-contested cases are being handled through a year. With a view to minimizing the impact to applications received in May and June, the following measures have been taken:

- (i) A timeline for processing an application for new issue received in May from date of acceptable application to approval of application has been worked out for licensing staff to follow so as to ensure that consideration of all acceptable applications by LLB shall be held in July;
- (ii) A monitoring mechanism of the progress of each application with a report listing the milestones, such as receipt of acceptable application, referral to and reply from departments and posting advertisement etc., has been set up to ensure all applications are processed within the agreed timeframe. The report will be sent to the management levels of FEHD. Should any applications be processed beyond the timeframe, immediate follow up action will be taken including urging concerned departments to reply or sending reminders to the applicants; and
- (iii) FEHD will closely liaise with the LLB Secretariat to arrange hearings in July for cases received in May and in the first LLB hearing in September for those received in early June.

4. With the above improvement measures, the applicants/business owners and concerned departments can be better informed of the progress of the applications and take early action if necessary. In addition, strengthened monitoring mechanism can help the management level of concerned departments effectively identify the difficulties in the processing.

Way Forward

5. The departments (FEHD, the Police and HAD) will continue to monitor closely the progress of the applications for liquor licence with a view to ensuring their timely processing.

6. Members are invited to note the above business facilitation initiative and offer comments, if any.

**Review Team on Liquor Licence Processing
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