

**Economic and Employment Council
Retail Task Force**

Trade's views of the food/catering category of the retail industry

Purpose

This paper presents the views of the trade on regulatory activities affecting the food/catering category of the retail industry. Initial feedback from government departments has also been included for reference.

Views on food/catering-related regulatory activities

2. A focus group meeting was held on 6 December 2004 with representatives of Company A and Company B to understand the concerns of the specific trade category. The following summarizes the problems raised.

Long lead time taken by the Fire Services Department (FSD) to conduct on-site inspection

3. FSD conducts on-site inspections to determine fire safety requirements one month after booking. If repeated inspections are needed, the premises will be kept idle for a long time before business operation could commence.

[Remarks: FSD, Buildings Department (BD) and Food and Environmental Hygiene Department (FEHD) hold an Application Vetting Panel (AVP) meeting with the applicant within 20 working days from accepting a licence application.

FSD also conducts on-site inspections within 14 working days from receipt of a report of compliance by an applicant. There are times when an applicant does not fully comply with the work requirements as advised by the licensing authority, leading to repeated inspections.]

Indirect access to information on premises of the Housing Department (HD)

4. While potential food/catering operators and their authorized persons have access to approved building plans and related building information kept

by BD, information on HD premises could only be obtained through the Housing Manager of an estate. This indirect process causes unnecessary delay. The BD practice should be extended to HD premises.

[Remarks: Most plans are kept with the Estate Management Office of HD where the Housing Manager is stationed. Plans of more complicated projects are maintained at the Regional Maintenance Unit which potential operators and their representatives may approach direct for assistance on fitting-out matters.]

Validity period of provisional licence being too short

5. A provisional licence for food/catering business normally lasts for 6 months in anticipation that a full licence could be issued within the period. In some cases, a much longer processing time is needed due to inadequate coordination among government departments. To cater for cases that required more than 6 months to process, the validity period of provisional licences should be extended to one year upon payment of a higher fee.

[Remarks: Majority of the required work should have been completed when an operator applies for the issue of a provisional licence. The six-month duration is intended for FSD and FEHD to complete the inspection process prior to the issue of a full licence. FEHD would extend the validity of a provisional licence in exceptional cases.]

Unreasonable food factory licensing requirements

6. A Food Factory Licence could be issued to premises of 200 to 240 sq. ft. if 50% or more of the area is designated as a food preparation area. A kitchen of 100-120 sq. ft. would hardly apply the proper hygiene standard for food cooking and a retail outlet of the same or smaller area would likely encroach into the common passageway/public place. It is suggested that if only limited food preparation work is conducted on-site, the ratio of the food preparation area to the premises area should be relaxed.

[Remarks: Ratio of food preparation space, scullery and kitchen area to Gross Floor Area applies to restaurants and factory canteens only. For retail outlets with limited on-site food preparation, e.g. bakery, FEHD has already had built-in concession for setting requirements for the cooking area.]

Enforcement of licensing requirements

7. There is a requirement to mount a full-height fixed glazed panel to separate all parts of a food counter (*which is within 1.2m of the street or open space*) from the street or public area. Some licensees would fend off the fixed panel requirement by conducting continuous work to change the layout. The fixed panel requirement should be strictly enforced since this is for hygiene purposes.

[Remarks: While a fixed panel could be temporary removed for layout changes, operators are still required to store food in a proper container instead of leaving it open. FEHD is charging operators under Regulation 11 of Cap. 132X Food Business Regulation for improper storage of open food.]

Utilities connection not always possible

8. The law restrains utilities from digging up roads within one year after excavation. This holds up the commencement of operation of a food/catering establishment if it requires utilities connection during the “ban” period. In view of the potential loss in rental and/or other opportunity costs associated with delaying operation, trade proposes flexibility in enforcement, especially when the ground surface is made up of movable bricks.

[Remarks: The restriction is an administrative requirement to reduce inconvenience to the general public caused by excavation. The Highways Department, however, has the mechanism to relax the restriction, if required.]

Need to comply with regulations of different disciplines

9. There should be flexibility for setting regulatory requirements as long as the principles for regulation are observed. Consideration should be given to centralizing the staff of various disciplines (*Lands Department, Electrical and Mechanical Services Department, FEHD, FSD, BD etc.*) under a single licensing office. They should be given the authority to approve applications, and to give minor concessions to requirements laid down in regulations.

[Remarks: FEHD offers one-stop licensing service to coordinate food hygiene and building/fire safety requirements. There is a case manager assigned to each application. In terms of specific follow-up issues, it is more effective for the subject officer of the respective discipline to take up with the applicant. On land use or licensing for use of LPG, FEHD will not intervene.]

High treatment standard for oil and grease in water

10. It would be more efficient and effective if central treatment facilities be incorporated into new property developments or during major renovation/maintenance of old buildings.

[Remarks: The Environmental Protection Department (EPD) has been developing technical solutions and practical guides to help the restaurant trade reduce oil and grease contents from their discharge. There is a dedicated website to promote and disseminate green measures and practices. Help Desk Hotline has recently been set up to provide information on environmental standards, legislation, and practical guides for the restaurant trade and other trades.]

Private dining clubs

11. Private dining clubs operating in residential premises are unlicensed. They may cause fire hazard as well as hygiene problems to residents.

[Remarks: It is the Administration's intention to put private kitchens within a licensing regime under section 31 of the Food Business Regulation and to restrict the premises used for private kitchens to those housed in commercial buildings or composite commercial/residential buildings.]

Enforcement of regulatory standards

12. Enforcement actions on large operators are more stringent than those actions on smaller ones.

[Remarks: Enforcement actions are taken in accordance with laid down rules and regulations irrespective of the size of operators.]