

立法會
Legislative Council

LC Paper No. CB(1) 920/00-01
(These minutes have been seen
by the Administration)

Ref: CB1/PL/HG/1

LegCo Panel on Housing

**Minutes of meeting held on
Monday, 8 January 2001, at 2:30 pm
in the Chamber of the Legislative Council Building**

- Members present** : Hon CHAN Kam-lam (Chairman)
Hon Albert HO Chun-yan (Deputy Chairman)
Hon David CHU Yu-lin
Hon LEE Cheuk-yan
Hon Fred LI Wah-ming, JP
Hon NG Leung-sing
Hon James TO Kun-sun
Hon CHAN Yuen-han
Hon LEUNG Yiu-chung
Hon Andrew WONG Wang-fat, JP
Hon Howard YOUNG, JP
Dr Hon YEUNG Sum
Hon SZETO Wah
Hon Abraham SHEK Lai-him, JP
Hon Albert CHAN Wai-yip
Dr Hon LO Wing-lok
Hon Frederick FUNG Kin-kee
Hon IP Kwok-him, JP
Hon LAU Ping-cheung
- Member attending** : Hon LAU Kong-wah
- Member absent** : Hon Andrew CHENG Kar-foo

**Public officers
attending**

: For item IV

Housing Bureau

Mr M L WAN
Principal Assistant Secretary (Project Management)
(Acting)

Mr Enoch T S LAM
Chief Assistant Secretary (Project Management)2

Civil Engineering Department

Mr Y F MOK
Assistant Director (Civil)/Land Development

Housing Department

Mr P S TAM
Project Manager/3

Mr K K CHEUNG
Chief Civil Engineer

Mr C C HO
Chief Housing Manager/Redevelopment (Acting)

For item V

Housing Bureau

Mr M L WAN
Principal Assistant Secretary (Project Management)
(Acting)

Mr Enoch T S LAM
Chief Assistant Secretary (Project Management)2

Civil Engineering Department

Mr Y F MOK
Assistant Director (Civil)/Land Development

Mr M T LAW
Senior Engineer/Housing Site

Housing Department

Mr D ELLIS
Deputy Project Manager/Planning 6

Transport Department

Mr K T YAU
Senior Engineer/Housing & Planning/Kowloon

Mr K P LI
Senior Engineer/Kowloon East

For item VI

Housing Bureau

Miss Elaine CHUNG
Deputy Secretary

Mr M L WAN
Principal Assistant Secretary (Project Management)
(Acting)

Housing Department

Mr Marco WU
Deputy Director of Housing

Clerk in attendance : Miss Odelia LEUNG
Chief Assistant Secretary (1)1

Staff in attendance : Miss Becky YU
Senior Assistant Secretary (1)3

I Confirmation of minutes of previous meeting
(LC Paper No. CB(1) 363/00-01)

The minutes of the meeting held on 6 November 2000 were confirmed.

II Information papers issued since last meeting

2. Members noted that the following information papers had been issued since last meeting:

- LC Paper No. CB(1) 296/00-01 - Circular on greater private sector involvement in estate management and maintenance services issued by the Housing Authority;
- LC Paper No. CB(1) 330/00-01 - Submission from a Mr CHEUNG Kam-shui expressing his views on compensation for residents affected by clearance of Tung Tau Cottage Area;
- LC Paper No. CB(1) 325/00-01 - First report on progress of implementation of the greater private sector involvement scheme provided by the Administration;
- LC Paper No. CB(1) 368/00-01 - Updated report on investigations into the Tung Chung and Shek Yam incidents provided by the Administration; and
- LC Paper No. CB(1) 394/00-01 - Further submissions from Mr CHEUNG Kam-shui expressing his views on compensation for residents affected by clearance of Tung Tau Cottage Area.

III Date of next meeting and items for discussion

3. Members agreed to discuss the following subjects at the next regular meeting on Monday, 5 February 2001, at 2:30 pm -

- Review of overcrowding relief policy; and
- Rent policy and Rent Assistance Scheme.

(Post-meeting note: Owing to time constraints, members agreed to defer discussion on “Maintenance and management of Tenants Purchase Scheme estates” to the meeting on 5 February 2001. At the request of the Administration and with the concurrence of the Chairman, the agenda for the meeting was subsequently revised to include the subject of “Proposal for retention of two supernumerary multi-disciplinary Chief Architect posts in the Housing Department”. In view of the long agenda, the Chairman instructed that discussion on “Review of overcrowding relief policy” be deferred to a special meeting to be held on Monday, 19 February 2001, at 8:30 am. The subject of “Rehousing arrangements for two-person elderly households upon redevelopment” would also be discussed at the special meeting.)

4. Members noted that a joint meeting with the Panel on Planning, Lands and Works would be held on Tuesday, 27 February 2001, at 2:30 pm to discuss rehousing arrangements for occupants of illegal rooftop structures upon clearance.

IV Site formation for public housing development at Tung Tau Cottage Area (LC Paper No. CB(1) 407/00-01(03))

5. The Chief Housing Manager/Redevelopment (Acting) (CHM/R (Ag)) briefed members on the present position of the outstanding rehousing cases in TTCA involving 22 households and one factory operator. Of the 22 households, three had opted for cash compensation in lieu of rehousing, 12 were awaiting allocation of public rental housing (PRH) flats while the remaining seven were still negotiating with the Housing Department (HD) on the allocation of a larger PRH flat. He supplemented that the Administration had re-considered the case of the weaving factory in TTCA and agreed that a higher amount of ex gratia allowance could be offered to the operator concerned. As regards Mr Frederick FUNG's concern about the Apostolic Faith Church of Hong Kong (AFCHK) in TTCA, CHM/R replied that HD had offered a tenancy in Tung Tau Estate to AFCHK so that it could continue its service. Its request for welfare premises in the redeveloped Tung Tau Estate site had been referred to the Social Welfare Department which would consider the individual merits of applications from voluntary agencies before making recommendation to HD for the allocation of premises for welfare use.

6. Miss CHAN Yuen-han asked if the Administration would proceed with the demolition of structures in TTCA as scheduled regardless that there were still some outstanding rehousing cases. In view of the large size of TTCA, the Principal Assistant Secretary for Housing (Project Management) (Acting) (PAS for H (PM) (Ag)) advised that the Administration might proceed with the demolition of structures other than those in question pending the outcome of the remaining rehousing cases.

7. Dr YEUNG Sum expressed concern about the environmental impact of the site formation on the Bishop Ford Memorial School which would continue operation during the construction. The Chief Civil Engineer explained that the Administration had included \$1 million in the project estimates for the implementation of the necessary mitigation measures which included the provision of covered pedestrian walkway to facilitate access of school staff and students pending the re-alignment of Pui Man Street, erection of temporary noise barriers and use of construction plant with noise reduction equipment. These mitigation measures would reduce any adverse impact on the environment to a minimum. Besides, as the project would be carried out in two phases over a period of about three years, it would not cause any long-term environment impact.

V Development near Choi Wan Road and Jordan Valley
(LC Paper No. CB(1) 407/00-01(04))

8. Before commencing discussion, the Chairman drew members' attention to the joint submission from the Concern Group on Redevelopment of Lower Ngau Tau Kok (II) Estate and the Committee on Mutual Right of the Elderly tabled at the meeting. He said that as the focus of the joint submission was on rehousing which fell outside the remit of the subject under discussion, representatives from the two organizations had not been invited to attend the meeting. However, they would be invited to express their views when the general issue of rehousing upon redevelopment was discussed at future meetings of the Panel.

(Post-meeting note: The joint submission was circulated to members vide LC Paper No. CB(1) 438/00-01.)

9. Noting that the project near Choi Wan Road and Jordan Valley would only accommodate 11,120 flats (6,560 public housing flats and 4,560 private flats), Mr NG Leung-sing questioned the cost effectiveness of the project having regard to its high development cost of \$1.8 billion. He asked if the Administration had conducted a value-for-money assessment on the project. The Assistant Director (Civil)/Land Development (AD(C)/LD) advised that all public works projects would be assessed at their economic and financial values. However, projects with no financial return might still be implemented if the implementation was considered beneficial to the economy as a whole. As regards the project near Choi Wan Road and Jordan Valley, AD(C)/LD confirmed that the Administration had assessed and concluded that the project was feasible since the sale of part of the land from site formation to the private sector would generate a revenue of about \$4.6 billion in money-of-the-day prices which was sufficient to cover the development cost. Besides, the project would make available land for public housing. PAS for H (PM) (Ag) added that the project was worth pursuing given the scarcity of urban sites nowadays.

10. Dr YEUNG Sum enquired if the 6,560 public housing flats to be built on the site would include public rental housing (PRH) flats. If so, the Administration should earmark some of the PRH flats for rehousing tenants affected by the impending redevelopment of the Lower Ngau Tau Kok Estate (LNTKE), particularly those elderly tenants. Mr SEZTO Wah added that consideration should be given to building a specially designed PRH block in Jordan Valley for rehousing the affected elderly tenants. AD(C)/LD advised that the feasibility of the development near Choi Wan Road and Jordan Valley was assessed on the basis of a Home Ownership Scheme (HOS) project as the planning requirements of HOS were more stringent than that of PRH. The Deputy Project Manager/Planning 6 (DPM/P6) remarked that although the project was originally conceived as a HOS project, it did not mean that it could not be used for PRH development. The issue of flat mix for public housing projects was currently under review at the policy level and in line with the overall housing programme. A more flexible type of housing such that interchangeability between rental and subsidized home ownership flats could be adjusted more readily was currently under consideration. It was expected that the new policy would also

apply to the site near Choi Wan Road and Jordan Valley. He added that the decision on the types of blocks to be put on the site would be made about 12 to 18 months before the site formation was completed. As such, the Administration would have to draw up the housing layout for Site 1 in mid-2002 before the relevant site formation works were due to complete in mid-2003. Should members so desire, the Administration could provide a supplementary information paper on the site after a final decision on its housing layout was reached.

Admin

11. Mr LEE Cheuk-yan considered that the Administration should take into account the needs of residents in planning public works projects. Miss CHAN Yuen-han echoed that instead of rehousing LNTKE tenants to Yau Tong, consideration should be given to deferring the redevelopment of LNTKE to bring it in line with the development of the site near Choi Wan Road and Jordan Valley so that better rehousing arrangements could be offered to the tenants concerned. In view of the large size of the site, Mr LEUNG Yiu-chung urged the Administration to also include interim housing in the layout plan for rehousing residents affected by clearance operations. Since the layout of the site had yet to be decided, PAS for H (PM) (Ag) said that that he was not in a position to comment on members' proposals. He remarked that under the existing policy, tenants affected by the Comprehensive Redevelopment Programme would be rehoused within the same district as far as practicable. At the request of Mr Fred LI, PAS for H (PM) (Ag) undertook to relay members' views to both the Housing Bureau (HB) and Housing Authority (HA) for consideration.

12. Mr LEE asked if the Administration would consider transferring HOS projects on the site to PRH as in the case of Kai Tei. DPM/P6 advised that certain planning parameters would have to be adjusted in the event of change in the type of tenure from HOS to PRH, such as the flat sizes since HOS flats were usually larger than PRH flats. The traffic impact of HOS estates was also higher than that of PRH estates as a result of the higher car ownership rate in the former. He nevertheless trusted that the engineering design of the Civil and Engineering Department would be able to withstand such minor changes. Mr Abraham SHEK Lai-him did not agree that the Administration should use HOS as the basis for designing the site, particularly after its recent decision to gradually reduce the production of HOS flats. PAS for H (PM) (Ag) explained under the new proposed flexible housing policy, only about 20% of public housing flats would be exclusively earmarked for HOS. The rest would be convertible between HOS and PRH to provide opportunity for prospective tenants to become home owners. He reiterated that as the planning requirements for HOS were more stringent than that for PRH, the conception of the site as a HOS project would allow room for change in the type of tenure from HOS to PRH. Mr SHEK was not convinced that housing projects should be planned for the sake of convenience. He urged the Administration to take into account the needs of residents in planning housing projects.

13. Mr Frederick FUNG remained concerned about those elderly tenants affected by the redevelopment of LNTKE. He urged the Administration to build a reception block at Choi Wan Road for rehousing the elderly tenants. Mr Andrew WONG echoed that consideration should be given to using land earmarked for private

residential development on the site to build reception flats. DPM/P6 reiterated that the type of blocks to be put on the site would have to be decided about 12 to 18 months before the site formation was completed and such a decision should be in line with the new flexible housing policy. PAS for H (PM) (Ag) assured members that efforts would be made to meet the needs of elderly tenants as far as practicable. However, it was the Administration's intention to ensure a balanced supply of public and private housing flats within a site. Mr James TO cautioned that members might not approve the funding proposal if they were not satisfied with the rehousing arrangements for affected LNTKE tenants. Members also urged the Administration to include in the submission to the Public Works Subcommittee (PWSC) the pledge for providing PRH flats on the site.

14. Mr WONG asked which government department would be responsible for carrying out the site formation works for the project near Choi Wan Road and Jordan Valley. PAS for H (PM) (Ag) advised that under the existing system, site formation works in new town areas would be undertaken by the Territory Development Department while those in urban areas would be carried out by the Civil Engineering Department (CED). As to whether blasting would be used in the formation of the site, AD(C)/LD replied that blasting would be adopted except for sites which were close to residential areas and public roads. Metal walls would be erected to protect against possible damages to nearby structures.

Environmental implications

15. Mr LAU Ping-cheung asked how the Administration could ensure that contractors would dispose the construction and demolition (C&D) materials properly. AD(C)/LD explained that contractors would be required to submit a waste management plan to the Director of Environmental Protection for approval. The plan would include appropriate mitigation measures to avoid, reduce, re-use and recycle C&D materials. The Administration would ensure that the day-to-day operations on site complied with the waste management plan submitted. The disposal of reusable materials and C&D waste to designated construction project sites and landfills respectively would be monitored through a trip-ticket system. Contractors would be required to separate reusable materials from C&D waste for disposal at appropriate facilities. The Administration would record the disposal, re-use and recycling of C&D materials for monitoring purpose. In view of the prevalence of illegal dumping, Mr LAU considered it necessary for the Administration to step up monitoring of contractors. AD(C)/LD noted Mr LAU's view.

Public consultation

16. Mr LEUNG Yiu-chung enquired about the types of the 122 objections received during the two-month exhibition period of the relevant Outline Zoning Plan. DPM/P6 replied that most of the complaints were from residents of the Amoy Garden since the site was situated in the proximity of their existing properties. They had expressed various concerns about the site formation works, including the traffic impact of the works on the road system in Kwun Tong district. To this end, CED

was proposing to implement a number of road improvement works and planned to use a conveyor belt system for transporting excavated material from the site to reduce the traffic generated by the works. Mr Fred LI however noted that the Kwun Tong District Council (KTDC) had raised concern about the traffic situation before the conveyor belt system was in operation. He asked what measures the Administration would take to address KTDC members' concern. AD(C)/LD advised that consideration was being given to imposing restriction on the use of trucks for transporting the excavated materials prior to completion of the conveyor belt, including restricting the use to off-peak hours and the number of trucks. The Traffic and Transport Committee (TTC) of KTDC would be consulted on these measures on 18 January 2001. At members' request, the Administration undertook to include the outcome of the consultation with TTC of KTDC in the submission to PWSC. Miss CHAN Yuen-han also requested that a copy of the minutes of the current meeting be sent to KTDC for reference.

Admin

Clerk

Land acquisition

17. Mr NG Leung-sing questioned the need for the clearance cost of \$0.8 million since the proposed site formation would not involve any land acquisition. The Senior Engineer/Housing Site advised that according to the Lands Department, some illegal structures such as illegal cultivation would need to be cleared in the course of site formation. At members' request, the Administration undertook to give a breakdown of the \$0.8 million clearance cost.

Admin

VI Enhancement of transparency in the formulation of housing policy (LC Paper No. CB(1) 407/00-01(05))

Formulation of policies

18. Mr LEE Cheuk-yan enquired about the respective roles and responsibilities of HB, HA and HD and their relationship in the formulation and implementation of housing policy. The Deputy Secretary for Housing (DS for H) explained that HB was responsible for formulating coordinating and monitoring the implementation of Government policies on the provision of housing in the public and the private sectors. HA devised and implemented public housing policies and programmes under the strategic policy framework set by the Government. HD was the executive arm of HA and was responsible for implementing the day-to-day tasks under the remit of HA. In formulating housing policies and initiatives, the Government would take into consideration views expressed by different sections of the community, including HA.

19. Mr Albert HO questioned why recent major policy decisions such as the abolition of the pledge for annual provision of 85,000 housing flats and the reduction in subsidized home ownership (SHO) flat production were announced by the Chief Executive (CE) and the Financial Secretary respectively rather than the Secretary for Housing who was the head of HB. In reply, DS for H considered that as the Head of the Hong Kong Special Administrative Region Government, it was entirely appropriate

for CE to announce policy decisions or changes.

Long Term Housing Strategy (LTHS)

20. Referring to paragraph 7 of the information paper, Mr Albert CHAN expressed doubt that the Administration would uphold the goals set out in LTHS, particularly after CE's announcement to abolish the pledge for annual provision of 85,000 housing flats. DS for H responded that while LTHS provided a solid framework for meeting the housing needs in the public and the private sectors, individual targets and assumptions might change over time in the light of changing circumstances such as the Asian financial turmoil in 1997/98. Notwithstanding, the projection of 85,000 flats per year was the long-term basis for monitoring land supply and infrastructure in the past.

21. Noting that the Government did not have a pool of formed land which would last for eight years, Mr NG Leung-sing expressed concern that the lack of a steady supply of land for flat production would in turn affect the quality of housing as evidenced over the past few years. Mr LAU Ping-cheung also enquired about the operation of the land bank. DS for H explained that in order to ensure a steady and adequate supply of land for housing, HB maintained a computerized inventory of about 1,000 actual or potential housing sites which, if fully realized, could accommodate up to 730,000 public and private housing flats over the period from 2000/01 to 2007/08. She nevertheless stressed that the figures only represented an estimate of the potential land formation programme and was not meant to be a fixed housing production target. The land, if required, would be disposed of by auction or tender in accordance with established practices.

Home Ownership Scheme Sales Programme

22. On partial replacement of SHO flat production with loans, Mr LEE Cheuk-yan expressed concern that prospective SHO buyers, who were not eligible for PRH and who could not afford to buy properties in the private sector, would be deprived of the opportunity to purchase SHO flats. He queried whether such an arrangement was meant to prop up the private property market. DS for H replied that this was not the case. She stressed that it remained the Administration's pledge to provide 50,000 housing assistance opportunities a year in the public sector. The partial replacement of SHO flat production with loans aimed to provide more flexibility to potential SHO buyers in their choice of flats and to achieve better cost-effectiveness, particularly after the Asian financial turmoil in 1997/98 which had resulted in a significant drop in property prices. Under the arrangement, the Administration would gradually reduce the production of 21,000 SHO flats over the period from 2003/04 to 2006/07 (i.e. 4,000 in 2003/04, 5,000 in 2004/05 and 6,000 in both 2005/06 and 2006/07) and increase the provision of housing loans correspondingly.

23. Mr Abraham SHEK Lai-him opined that the Administration should focus on building PRH, and that careful consideration should be given to determining the supply of SHO flats in order not to affect the property market as a whole. In response,

PAS for H (PM) (Ag) reiterated that the Administration was committed to providing 50,000 housing assistance opportunities, including PRH, SHO flats and loans for purchasing flats in the private sector, to needy families each year. However, the number of flats to be built by the private sector each year would be determined by market demand and commercial considerations. The responsibility of the Administration was to make available sufficient supply of land for housing to meet the demand to ensure steady property prices. He also clarified that the clientele for SHO and private flats were different. The former could not afford to buy a decent self-contained home in the private sector without some assistance.

24. Miss CHAN Yuen-han urged the Administration to increase transparency in the formulation of housing policies and to take account of the needs of residents, particularly those affected by Government clearances, in planning large public housing projects. The Deputy Director of Housing advised that while efforts would be made to ensure sufficient supply of reception flats of suitable sizes within the districts to rehouse residents affected by redevelopment or clearance projects, delay in the delivery of reception estates might affect the rehousing process. Nevertheless, measures would be mapped out to minimise any delay.

VII Maintenance and management of Tenants Purchase Scheme estates (LC Paper No.407/00-01(06))

25. Owing to time constraints, members agreed to defer discussion of the subject to the next meeting on 5 February 2001. To facilitate discussion, Mr LAU Kong-wah remarked that the Administration be requested to respond to various concerns on the sale of PRH estates under the Tenants Purchase Schemes estates raised at the joint case conference with the Administration on 20 September 1999.

VIII Any other business

26. There being no other business, the meeting ended at 4:35 pm.

Legislative Council Secretariat
30 March 2001