

立法會
Legislative Council

LC Paper No. CB(1) 1926/00-01
(These minutes have been seen
by the Administration and cleared
by the Chairman)

Ref: CB1/PL/HG/1

LegCo Panel on Housing

**Minutes of special meeting held on
Monday, 19 February 2001, at 8:30 am
in Conference Room A of the Legislative Council Building**

Members present : Hon CHAN Kam-lam (Chairman)
Hon Albert HO Chun-yan (Deputy Chairman)
Hon LEE Cheuk-yan
Hon Fred LI Wah-ming, JP
Hon NG Leung-sing
Hon CHAN Yuen-han
Dr Hon YEUNG Sum
Hon Andrew CHENG Kar-foo
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 LAU Ping-cheung

Members absent : Hon David CHU Yu-lin
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Andrew WONG Wang-fat, JP
Hon Howard YOUNG, JP
Hon IP Kwok-him, JP

Public officers attending : **For item I**

Housing Bureau

Miss Joey LAM
Principal Assistant Secretary (2)

Housing Department

Mr FUNG Ho-tong
Assistant Director/Management (3)

Mr SUM Chak-loong
Senior Housing Manager/Management Policy

Mr WONG Kuen-hang
Senior Housing Manager/Rent & Property Management

For item II

Housing Bureau

Miss Joey LAM
Principal Assistant Secretary (2)

Housing Department

Mr K N CHEUNG
Assistant Director/Operations & Redevelopment

Ms Rosman WAI
Senior Architect/24

Invitation by attending : Joint Action Group on Relief of Overcrowding

Mr LAU Wai-tak
Representative

Miss MOK Ka-han
Representative

Ms LUK Ngan-sum
Representative

Clerk in attendance : Miss Becky YU
Chief Assistant Secretary (1)1

Staff in attendance : Ms Erin TSANG
Senior Assistant Secretary (1)3

I Review of overcrowding relief policy

Meeting with the Joint Action Group on Relief of Overcrowding (LC Paper No. CB(1) 597/00-01(01))

Ms LUK Ngan-sum shared with members the difficulties which her family had experienced as a result of overcrowded living condition. She said that she and her four family members comprising three generations had been living in a public rental housing (PRH) flat of internal floor area (IFA) of 23 square metres (m²) in Chak On Estate for 18 years. The flat had become overcrowded as the children grew up. The limited space had also caused undue inconvenience to her elderly family members. However, as their living density of 4.6 m² IFA/person had just exceeded the qualifying limit of 4.5 m² IFA/person for overcrowding relief (OR), they were not eligible for transfer to a larger flat. She urged the Administration to adopt a more sympathetic approach in considering applications for OR taking into account the plight of tenants.

2. Mr LAU Wai-tak opined that the existing policy on OR based on living density would give rise to queue jumping, particularly in the event of addition of family member as this would have the effect of intensifying the overcrowding of households and as a result raising their priority for consideration of OR. He said that his family was accorded second priority for OR within the same estate. In view of the dilapidated condition of So Uk Estate, he had requested for external transfer but all the available reception flats were located in remote areas such as Tung Chung and Tin Shui Wai. It was unfair that families which had become overcrowded as a result of addition of family members were offered new PRH flats in the urban area such as Un Chau Estate while his family which had waited for a long time for OR was offered flats in the New Territories.

3. To conclude, Miss MOK Ka-han requested that the Administration should -

- increase the quota for OR from 4 000 to 5 000 having regard to the increase in flat production of 145 000 PRH units over the next five years;
- relax the qualifying density for OR from 4.5 to 5.5 m² IFA/person for households living in urban/extended urban area;
- offer at least one transfer opportunity for households which had applied for OR for three years;
- take into account the waiting time for OR in addition to living density; and
- offer in situ OR as far as possible to avoid undue disruptions to the daily routine of households.

Meeting with the Administration
(LC Paper Nos. CB(1) 597/00-01(02) to (05))

4. At the invitation of the Chairman, the Assistant Director/Management(3) (AD/M(3)) briefed members on the outcome of a recent review of the policy on overcrowding relief for PRH tenants.

Eligibility and application arrangement

5. Miss CHAN Yuen-han expressed grave concern about the poor living condition of overcrowded PRH households, which in her view was comparable to those living in bedspace apartments. She stressed the need for the Administration to resolve the problem of overcrowding and enquired about the improvements which had been made as a result of the review of policy on OR. AD/M(3) explained that previously, overcrowding relief exercises were conducted monthly by individual estates. Eligible overcrowded families were invited to select flats designated for provision of OR within the same estate or the same district according to their priority. The flats available for selection by these families were limited, and there might be mismatch in the supply and demand of flats for provision of OR in each district. The review recommended a new arrangement under which a centralized, territory-wide transfer exercise would be conducted three to four times a year and all overcrowded families would be invited to apply. After vetting their eligibility, the Housing Department (HD) would invite the applicants to select flats in the order of their priority, which was set according to factors such as living density, household size and length of residence in existing tenancy etc.

6. The Chairman asked if the Administration would consider relaxing the qualifying density of 4.5 m² IFA/person for OR. AD/M(3) confirmed that following the decision of the Rental Housing Committee (RHC) of the Housing Authority (HA) on 23 January 2001, households with living density less than 5.5 m² IFA/person might apply for OR transfer. Mr LEE Cheuk-yan however expressed concern on the long waiting time for OR and enquired about the rate of increase of OR applications over the past years. He cautioned that as the United Nations Committee on Economic, Social and Cultural Rights would consider the Report of the Hong Kong Special Administrative Region of the People's Republic of China in the light of the International Covenant on Economic, Social and Cultural Rights, the overcrowding situation in PRH might be subject to criticism. AD/M(3) responded that as many households had refused offers of OR due to other plans or specific preferences, this might have lengthened the waiting time. Notwithstanding, the waiting time for OR would be improved after the implementation of the new arrangement since a wider choice of flats would be made available for overcrowded households. He added that HD did not maintain a waiting list of households requiring OR nor information on the waiting time for such relief, but he could provide for members' reference the number of overcrowded families which had refused offer of OR.

(*Post-meeting note:* The required information was circulated to members vide LC Paper No. CB(1) 1680/00-01.)

7. Mr Albert HO remarked that the existing policy on OR based on living density was too rigid and would give rise to queue jumping, particularly in the event of addition of family member. He opined that the Administration should adopt a scoring system which took into account both living density and waiting time in determining the priority for OR. Expressing similar concern, Mr Fred LI suggested that to ensure equity in the provision of OR, the Administration should maintain in parallel two waiting lists for OR, one based on living density and the other on waiting time. Their views were shared by Dr YEUNG Sum. AD/M(3) reiterated that under the new arrangement, households with living density less than 5.5 m² IFA/person would be eligible for OR. Their chance of acquiring flat for relief of overcrowding would hinge on the subscription rate of each OR exercise. He nevertheless undertook to consider the suggestions put forward by members.

(Post-meeting note: The Administration's response was circulated to members vide LC Paper No. CB(1) 1680/00-01.)

8. Mr HO questioned the rationale for not allowing overcrowded households to apply for larger flats through registration on the Waiting List (WL). AD/M(3) explained that while this was prohibited under the existing policy, individual family members could register on WL for the allocation of separate PRH flats. Mr HO pointed out that as some overcrowded households might prefer to live together in a larger flat, the Administration should take into account their specific need. Miss CHAN Yuen-han also enquired about OR for households living in shared accommodation. AD/M(3) advised that splitting of tenancy would be allowed for households under the "sharing arranged by HD" category which had become overcrowded as a result of addition of family member upon marriage or family reunion, irrespective of whether they were tenants or sharers. To facilitate a better understanding, the Administration agreed to provide a paper to explain the prevailing policy on household splitting.

(Post-meeting note: The required information paper was circulated to members vide LC Paper No. CB(1) 1680/00-01.)

Quota

9. Noting that 6 000 and 4 000 flats had been allocated for OR in 1999 and 2000 respectively, Mr Frederick FUNG considered the new arrangement of providing an annual quota of about 4 000 to 5 000 flats for OR a retrogression, particularly in view of the increase in PRH production over the next two years. AD/M(3) clarified that in the past, there was no specific quota for OR. The figures mentioned by Mr FUNG referred to the quota for transfer covering special transfer, pre-development transfer and OR etc. Under the new arrangement, depending on supply, an annual quota of about 4 000 to 5 000 flats would be set aside for the provision of OR. This would extend OR to cover more households.

10. Mr Fred LI enquired about the geographical distribution of the flats reserved for OR. He opined that as households would be reluctant to accept offers of OR if the reception flats were located in remote areas, efforts should be made to set aside flats in

urban/extended urban areas for the purpose of OR. Mr Albert CHAN echoed that consideration should be given to rehousing overcrowded households within the same estate or the same district to avoid undue disruptions to their daily routine. The Administration should also take into account the specific needs of families of different composition in the allocation of flats for OR. Their views were shared by Mr Frederick FUNG.

11. In reply, AD/M(3) said that suitable new or refurbished flats throughout the territory would be identified for the purpose of OR. He added that while it was the Administration's intention to provide OR for eligible households, it had to strike a balance between OR and other committed categories in the allocation of housing resources. Besides, there were other ways through which the problem of overcrowding could be resolved. These included rehousing under the Comprehensive Redevelopment Programme (CRP) and purchase of flats under the Home Ownership Scheme (HOS). Of the 18 000 overcrowded PRH households, 6 000 would be rehoused to larger flats under CRP. Mr LI was not convinced that the Administration should use resource constraint as an excuse. He also pointed out that CRP was not a long-term solution to the problem of overcrowding as it was due for completion in 2004/05. Mr CHAN considered that the Administration should have in place a performance pledge for OR. AD/M(3) replied that this might not be necessary given the good progress in OR over the past years. In 1992, 14.2% of all PRH households were overcrowded households but the figure had reduced to 3.4% in September 2000.

12. Mr LAU Ping-cheung expressed concern about the inequitable allocation of the scarce housing resources. He queried whether it was justified to allow one-line continuation of PRH families. Efforts should also be made to require well-off tenants to vacate their PRH flats for re-allocation to those who were in genuine need of housing assistance. AD/M(3) responded that under the Housing Subsidy Policy (HSP), tenants who had been living in PRH for ten years or more were required to declare household income at a biennial cycle. Those who chose not to declare their household income were required to pay double net rent plus rates while those with a household income exceeding the corresponding Subsidy Income Limit to pay 1.5 times or double net rent plus rates as appropriate. In addition, under the Policy of Safeguarding Rational Allocation of Public Housing Resources, double rent paying households had to declare assets two years from the last declaration under HSP if they wished to continue to live in PRH. Households with total income and net asset value both exceeding the prescribed limits, or those who chose not to declare assets were required to vacate their PRH flats. The Principal Assistant Secretary for Housing(2) (PAS for H(2)) added that as the provision of OR involved additional housing resources, overcrowded households would also be subject to both the Domestic Property Test and the Comprehensive Means Test to ascertain their genuine need for housing assistance. As regards the number of well-off tenants, AD/M(3) advised that as at March 2000, 13 000 and 3 276 tenants were paying 1.5 times and double net rent plus rates respectively.

Provision of overcrowding relief at Yat Tung and Fu Tai Estates

13. While acknowledging that 5 140 flats in Yat Tung and Fu Tai Estates had been transferred from HOS to PRH for the provision of OR, Mr LEE Cheuk-yan remarked that households might be reluctant to accept offers of OR in these estates having regard to the high rental. He asked if the flats vacated as a result would be used for OR of other households. The Senior Housing Manager/Management Policy advised that it was too premature to predict the response as flat selection for Yat Tung and Fu Tai Estates had just commenced. In line with past practice, vacated flats would be returned for central allocation.

14. Mr Abraham SHEK urged the Administration to transfer more HOS flats to PRH for the purposes of OR and rehousing elderly persons. Consideration should also be given to using land resumed from urban renewal for building PRH for elderly persons. AD/M(3) took note of Mr SHEK's views.

II Rehousing arrangements for two-person elderly households upon redevelopment

(LC Paper No. CB(1) 597/00-01(06))

15. Mr LEE Cheuk-yan reiterated that the prevailing policy of allocating small flats of 16 m² to two-person elderly households on the ground that they had little prospect of family growth was discriminatory. Expressing similar concern, Dr YEUNG Sum recalled that the Panel had passed a motion in the last legislative term requesting HD to stop allocating small flats of 16 to 17 m² to two-person elderly households. He urged the Administration to take account of members' unanimous stance. Their views were shared by Mr Frederick FUNG. In reply, the Assistant Director/Operations & Redevelopment (AD/O&R) stressed that there was no question of discrimination. In line with the current allocation standard of 7 m² IFA/person, small flats of 16 to 17 m² in Harmony blocks were designed for small households of one to two persons. The allocation of one-bedroom flats to two-person households with prospect of family growth was to obviate the need for relocation due to overcrowding upon subsequent addition of family members. Notwithstanding, subject to availability of resources, new Harmony flats of 17 m² with improved design would also be allocated to two-person elderly households.

16. Mr Albert CHAN did not accept the Administration's explanation. He opined that small Harmony flats, irrespective of their design, were not suitable for allocation to two-person elderly households given the limited space. This could be reflected from paragraph 8 of the information paper which revealed that only 4% of the 3 298 two-person elderly households rehoused to PRH for the period from April 1999 to November 2000 had chosen small Harmony flats. Besides, members had received complaints from two-person elderly households living in flats of 16 m² against the limited space during the visit on 18 December 2000. Mr Fred LI echoed that the design of small flats had failed to take into account the fact that elderly households usually had a lot of belongings. He agreed with Dr YEUNG that pending the construction of flats of 22 to 23 m², HD should allocate one-bedroom flats to two-

person elderly households during the interim.

17. In reply, AD/O&R reiterated the need to maintain the current allocation standard and rehousing arrangements for two-person elderly households to ensure rational allocation of limited housing resources for people in genuine housing need. However, in the event of inadequate supply of small flats of 16 to 17 m², consideration would be given to allocating one-bedroom flats to two-person elderly households. By way of illustration, 48% and 2% of the 3 298 two-person elderly households referred to in the preceding paragraph had been allocated flats of 20 to 22 m² and one-bedroom flats respectively.

18. Referring to Annex A to the information paper, Mr LEE Cheuk-yan noted that the number of flats of 17 m² to be produced by 2005/06 far exceeded that of 22 m². He expressed concern that two-person elderly households would have to move to small flats of 17 m² due to the lack of supply of flats of 22 m². Mr Frederick FUNG agreed to Mr LEE's observation since according to the paper, flats of 22 m² were also intended for allocation to three-person households. He emphasized that tenants were strongly opposed to such an arrangement as this was at variance with the current practice where three-person households were eligible for one-bedroom flats. AD/O&R responded that while flats of 22 m² were designed for two to three-person households, these had been allocated to two-person households in the past. Mr FUNG asked if the Administration would pledge not to allocate flats of 22 m² to three-person households. AD/O&R said that he was not in a position to comment on this as flats were allocated in accordance with the prevailing allocation standard. It was hard to predict if such a standard would be changed in future.

19. Mr LAU Ping-cheung opined that the community had an obligation to provide the elderly with decent accommodation. Although the design of small Harmony flats was not too bad, it failed to take into account the fact that elderly households usually had a lot of belongings. To encourage them to give up unusable belongings, consideration should be given to providing furnished flats to elderly households. Dr LO Wing-lok also expressed concern about the possible disputes arising from shared accommodation between two unrelated elderly persons. He pointed out that the limited space of small Harmony flats would jeopardize the personal safety of elderly households. As such, flats less than 20 m² should not be allocated to two-person elderly households. This would not only improve the living condition of the elderly but also help to save medical costs incurred from injury as a result of the limited living space. The Administration should also carry out a comprehensive review of the existing housing policy to take account of views of tenants and members, including the proposal put forward by Mr LAU. Miss CHAN Yuen-han echoed that a wider choice of flats should be given to elderly households. They should be allowed to choose among one-bedroom flats, small flats of 16 to 17 m² or furnished flats according to their needs and affordability.

20. PAS for H (2) recognized that choices of flats in new PRH estates were limited as these were built according to the standard design. Hence, elderly households were given an option to choose refurbished flats in older estates with IFA up to 31 m² upon redevelopment. On the proposed provision of furnished flats for elderly households,

AD/O&R advised that this was not allowed under the existing policy on PRH. He nevertheless undertook to relay the proposal to HA for consideration. As regards rehousing of elderly households affected by redevelopment of Shatin Pass Estate, AD/O&R replied that they would be rehoused according to the prevailing policy. However, HD would continue to adopt a sympathetic and flexible approach to those rehousing cases that merited compassionate considerations.

Way forward

21. Members expressed grave disappointment that despite repeated request, the Administration continued to allocate small flats of 16 to 17 m² to two-person elderly households. Miss CHAN Yuen-han considered it necessary for the Panel to meet with RHC to follow up the subject. She added that RHC members should try to live in these small flats for a month to experience the difficulties encountered by two-person elderly households. Mr LEE Cheuk-yan agreed that a direct dialogue with the Chairman of HA and the Chairman of RHC would be useful in resolving problems associated with rehousing of elderly households affected by redevelopment and those arising from the lowering of the income and assets limits for applicants of PRH and HOS. The Chairman advised that arrangements were being made to enhance communication between the Panel and HA to ensure that the latter would consult the Panel before making any major decision. Mr SZETO Wah specifically requested that the Chairman of HA and the Chairman of RHC be invited to attend future Panel meeting to discuss the subjects proposed by Mr LEE.

III Any other business

22. The Chairman reminded members of the joint meeting with the Panel on Planning, Lands and Works scheduled for Tuesday, 27 June 2001, at 2:30 pm.

23. There being no other business, the meeting ended at 10:30 am.

Legislative Council Secretariat

28 August 2001