

**Replies to written questions raised by Finance Committee Members in
examining the Estimates of Expenditure 2002-03**

**Bureau Secretary : Secretary for Housing
Session No. : 8 File name : HB-e1.doc**

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Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB001

Question Serial No.

0011

Head 150 - GS:HB Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question :

Regarding consultancy studies for policy making and assessment commissioned by your bureau and departments/offices under your bureau,

(1) please provide the following details of the consultancy studies for which financial provision have been allocated in 2001-02:

Name of consultants (if available)	Contents of studies	Consultancy fees	Progress and follow-up action (in plan/in progress/ finished)	Government's follow-up action (if available)
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(2) will there be any financial provision allocated for commissioning consultancy studies in 2002-03? If yes, please provide the following details?

Name of consultants (if available)	Contents of studies	Consultancy fees	Status of consultancy studies (in plan/ in progress/ finished)
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Asked by : Hon. HO Sau-lan, Cyd

Reply :

In 2001-02, the Housing Bureau and the Planning Department commissioned the following consultancy studies -

(a) Housing Bureau

Name of consultants	Contents of studies	Consultancy fees in 2001-02	Progress and follow-up action	Government's follow-up action
Mercado Solutions (Asia) Ltd.	Survey of aspirations for improvement in accommodation	\$600,000	Findings available in May 2002.	Findings will be taken into account in assessment of housing demand in terms of housing type and size.
MDR Technology Limited	Survey of aspirations and experience of taking up residence in the Mainland of China	\$220,000	Finished. Results released in December 2001.	Hong Kong households' aspirations to reside in the Mainland will be taken into account in assessment of local housing demand.

(b) Planning Department

Name of consultants	Contents of studies	Consultancy fees in 2001-02	Progress and follow-up action	Government's follow-up action
MDR Technology Limited	Survey of Housing Aspirations of Households 2001	\$1,060,000	In progress.	Findings will be taken into account in assessment of housing demand.

In 2002-03, a funding proposal of \$700,000 under Head 150 - Housing Bureau Subhead 838 – Minor Consultancy Studies (Block Vote) was entered for a consultancy study on cross-boundary housing for the elderly. Recently, when the Housing Bureau discussed the study with the Planning Department, it was noted that the Planning Department had successfully bid for a funding of \$5.56 million for a large-scale study on “Hong Kong residents living

and working in Pearl River Delta Region”, and the study would commence in mid-2002. For cost saving reasons, the Housing Bureau concluded that its proposed study could be subsumed in the Planning Department's study. The proposed provision will be set aside for conducting ad hoc minor studies and surveys if necessary during the year.

The Planning Department will continue to conduct the following survey in 2002-03 -

Name of consultants	Contents of studies	Consultancy fees in 2002-03	Status of consultancy studies
MDR Technology Limited	Survey of Housing Aspirations of Households 2001 (continuation from 2001-02)	\$2,350,000	In progress. Target completion in 2002-03.

Signature _____

Name in block letters _____

Dominic S. W. WONG

Post Title _____

Secretary for Housing

Date _____

22 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
 WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB002

Question Serial No.

0911

Head 150 - GS:HB Subhead (No. & title) : 149 General departmental expenses

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Regarding general departmental expenses, the estimate for 2002-03 is \$4,361,000, representing an increase of 7.7% over the revised estimate for 2001-02. According to the Housing Bureau, this is related to the additional recurrent expenses for the computer system. The Administration is invited to give a detailed breakdown for these expenses.

Asked by : Hon. CHAN Kam-lam

Reply : Computer system recurrent expenses are for general maintenance of individual computer equipment used in the Housing Bureau, which cover fees for maintenance contractors and costs of replacement parts and consumable items. In 2001-02, the estimated amount was \$350,000. In 2002-03, expenses are estimated to increase by about \$190,000 to \$540,000.

A comparison of estimated costs in 2001-02 and 2002-03 is as follows -

		<u>Maintenance cost (\$)</u>	
		<u>2001-02</u>	<u>2002-03</u>
Housing Information (HMIS) maintenance	Monitoring System	300,000	300,000
Bureau desktop computers, printers and servers maintenance		35,000	75,000
Confidential Mail System server maintenance		15,000	165,000
Total		350,000	540,000

The increase in 2002-03 is due mainly to the full-year recurrent cost for the Confidential Mail System (CMS) which was rolled out in August 2001, maintenance cost for two heavy-duty network printers installed in 2001-02 and payable for the first time, and additional provision for replacement parts for about half of our printers which have been in use for more than three years.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	21 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB003

Question Serial No.

0208

Head 150 - GS:HB Subhead (No. & title) : 838
Cross-boundary housing for the elderly

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : In 2002-03, there is an estimated provision of \$700,000 under Subhead 838 (Minor consultancy studies) for engaging consultants to conduct housing-related minor studies and surveys. Could the scope of the studies and surveys be specified?

Asked by : Hon. HO Chung-tai, Raymond

Reply :

The funding proposal of \$700,000 was intended for a consultancy study on cross-boundary housing for the elderly under the 2002-03 Draft Estimates for Subhead 838 – Minor Consultancy Studies (Block Vote). Recently, when the Housing Bureau discussed the study with the Planning Department (PlanD), it was noted that PlanD had successfully bid for a funding of \$5.56 million for a large-scale study on “Hong Kong residents living and working in Pearl River Delta Region”, and the study would commence in mid-2002. For cost saving reasons, the Housing Bureau concluded that the proposed study could be subsumed in PlanD’s study. The proposed provision will be set aside for conducting ad hoc minor studies and surveys if necessary during the year.

Signature _____

Name in block letters Dominic S. W. WONG

Post Title Secretary for Housing

Date 20 March 2002

Examination of draft Estimates of Expenditure 2002-03

Reply Serial No.

HB004

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Question Serial No.

0225

Head 150 - GS:HB Subhead(No. & title) : 002- Allowances

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Regarding "Allowances", the revised estimate for 2001-02 is higher than the actual expenditure for 2000-01. Why?

Asked by : Hon. HO Chun-yan, Albert

Reply :

The revised estimate for Item 002 - Allowances for 2001-02, at \$1,798,000, is higher than the actual expenditure of \$1,412,000 in 2000-01 mainly because of the need to pay acting allowances to officers on acting appointments and to an officer filling a supernumerary directorate post (D2) for six months. The supernumerary post, which has now lapsed, was created to support the Secretary for Housing on work arising from the Legislative Council Select Committee on Building Problems of Public Housing Units and the Government's review of financial arrangements with the Housing Authority.

Signature

Name in block letters Dominic S. W. WONG

Post Title Secretary for Housing

Date 21 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB005

Question Serial No.

0226

Head 150 - GS:HB Subhead (No. & title) : 007 - Job-related allowances

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Please list the items under "Job-related allowances"
and give a breakdown of the expenditure represented
by the relevant allowances included in the revised
estimate for 2001-02.

Asked by : Hon. HO Chun-yan, Albert

Reply :

Job-related allowances under Head 150 for 2001-02, estimated at \$20,000, are for the payment of Dialect Allowances to a Senior Chinese Language Officer, and Hardship Allowance to a Chauffeur. Estimated expenditure for Dialect Allowance is \$13,500 and that for Hardship Allowance is \$6,300, rounded up to a total of \$20,000.

Signature

Name in block letters Dominic S. W. WONG

Post Title Secretary for Housing

Date 19 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB006

Question Serial No.

0228

Head 150 - GS:HB Subhead (No. & title) : 838 - Minor consultancy studies
(block vote)

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question :

For minor consultancy studies (block vote), what are the topics and results of the studies in 2001-02?

Asked by : Hon. HO Chun-yan, Albert

Reply :

In 2001-02, two consultancy studies were commissioned -

- | | |
|--|-----------|
| (a) Survey of aspirations for improvement in accommodation | \$600,000 |
| (b) Survey of aspirations and experience of taking up residence in the Mainland of China | \$220,000 |

The aim of the first survey is to obtain information on the aspirations and financial ability of flat owners and tenants to improve their accommodation. The findings of this survey will be ready in May 2002.

The second survey seeks information on the aspirations of Hong Kong residents to live in the Mainland of China and the likely impact on demand for housing in Hong Kong. The results of this survey were released in December 2001. The Government will draw on the findings to update its assessment of cross-boundary housing trends.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>21 March 2002</u>

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB007

Question Serial No.

0229

Head 150 - GS:HB Subhead(No. & title) :

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question :

The income of the Housing Authority falls sharply as a result of the moratorium on the sale of HOS flats and a deficit of \$2 billion is projected in the run-up to 2005. The Chief Secretary for Administration, in paragraph 21 of his statement on the moratorium made on 3 September 2001, states: “we (the Government) will, of course, ensure that the Housing Authority will not suffer a cash-flow problem as a result of these measures (the moratorium).” In this connection, does the Government have any plan to inject funds into the Housing Authority in 2002-03 and what will the amount be? If not, why?

Asked by : Hon. HO Chun-yan, Albert

Reply :

In view of the Housing Authority’s current cashflow position and projections for the near future, it will not be necessary for the Government to inject funds into the Housing Authority in 2002-03. The Housing Authority’s long-term financial position will be taken into account in the financial and administrative review now taking place between the Housing Authority and the Government.

Signature _____

Name in block letters Dominic S. W. WONG

Post Title Secretary for Housing

Date 19 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB008

Question Serial No.

1105

Head 150 - GS:HB Subhead(No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question :

It is mentioned in the paper that the Housing Bureau will develop a balanced set of criteria for the future allocation of sites for subsidised home ownership flats and reach an agreement with the Housing Authority on the determination of an appropriate long-term ratio between subsidised home ownership flats and loans. In this connection, could the Administration inform this Council as to:

- (a) When would the work of developing the said "criteria for site allocation" and "long-term ratio" be completed? When would public consultation take place? When would the details be announced?
- (b) Whether the announcement of the details of the said work would have to wait until the overall review of the institutional framework for public housing has been completed? When would the review of the institutional framework be completed? When would the details be announced?
- (c) What implications would these several pieces of work have for public expenditure, as expected by the Bureau?

Asked by : Hon. IP Kwok-him

Reply :

The Government (Secretary for Planning and Lands) is developing a new mechanism for the allocation of land for housing development, and more formalised allocation criteria to determine whether a particular site should be developed for public or private housing. The proposed arrangements will be discussed with the Housing Authority before they are finalised and announced.

2. The Government is reviewing the long term ratio between subsidised home ownership flats and loans, and the Housing Authority will be

consulted in the near future. We aim to complete the review and announce the outcome by mid-2002.

3. The two reviews are separate from the review of institutional framework for public housing. We aim to complete work on this subject and announce the outcome within 2002.

4. No additional resources will be provided for these three reviews in 2002-03. Additional workload will be absorbed within existing resources.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>21 March 2002</u>

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB009

Question Serial No.

1133

Head 150 - GS:HB Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : One of the Housing Bureau's work objectives for 2002-03 is to examine the feasibility of a pilot scheme to provide rental allowances to eligible non-elderly households as an alternative means of providing public rental flats. In this connection, could the Administration inform this Council as to: when the Bureau would introduce the rental allowance pilot scheme? When would the details of the pilot scheme be announced? What is the financial provision expected to be required by the pilot scheme for offering rental allowances?

Asked by : Hon. IP Kwok-him, JP

Reply :

A study is continuing on the feasibility of implementing a pilot scheme to provide rental allowances to non-elderly households as an alternative means of providing public rental housing flats. The study is expected to be completed by the middle of 2002. If feasible, a pilot scheme will be introduced in the latter part of 2002. Details of the scheme, including the financial provision required, will be available upon completion of the study.

Signature	
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	20 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB010

Question Serial No.

1258

Head 150 - GS:HB Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question :

Please state the details and expenditure involved regarding “developing a balanced set of criteria for the future allocation of sites for subsidised home ownership flats”.

Asked by : Hon. CHAN Kam-lam

Reply :

The Government (Secretary for Planning and Lands) is developing a new mechanism for the allocation of land for housing development, and more formalised allocation criteria to determine whether a particular site should be used for public or private housing. The proposed arrangements will be discussed with the Housing Authority before they are finalised and announced.

2. No additional funding will be required in 2002-03. Additional workload will be absorbed within existing resources.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	21 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB011

Question Serial No.

1259

Head 150 - GS:HB Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question :

The authorities would, in conjunction with the Housing Authority, review the arrangements for determining and adjusting public housing rent and the review of the institutional framework for public housing has been going on for quite some time. When would the work be completed and what is this year's expenditure expected to be?

Asked by : Hon. CHAN Kam-lam

Reply :

Deliberations of the Housing Authority's Ad Hoc Committee on Review of Domestic Rent Policy are at an advanced stage. Administrative support for the review is provided by the Housing Authority. Additional workload is absorbed within existing resources of the Housing Department and the Housing Bureau. In 2002-03, no extra resources will be provided by the Government.

2. We aim to complete work on the review of institutional framework for public housing and announce the outcome within 2002. Administrative and secretarial support for the Committee on the Review of the Institutional Framework for Public Housing is provided by the Housing Bureau. In 2002-03, no extra resources will be provided. Additional workload is absorbed within existing resources.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>21 March 2002</u>

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB012

Question Serial No.

1367

Head 150 - GS:HB Subhead(No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question :

The Housing Bureau is to reach an agreement with the Housing Authority on the determination of an appropriate long-term ratio between subsidised home ownership flats and loans. In this connection, what are the concrete plan and the expected increase in expenditure?

Asked by : Hon. CHAN Yuen-han

Reply :

The Government is reviewing the long term ratio between subsidised home ownership flats and loans, and the Housing Authority will be consulted in the near future. We aim to complete the review and announce the outcome by mid-2002.

2. No additional resources will be provided in 2002-03 for the review. Additional workload will be absorbed within existing resources.

Signature	
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	21 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB013

Question Serial No.

1368

Head 150 - GS:HB Subhead(No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question : Concerning the provision of rental allowances to eligible non-elderly households, what is the required additional expenditure initially estimated to be?

Asked by : Hon. CHAN Yuen-han, JP

Reply :

A study is continuing on the feasibility of implementing a pilot scheme to provide rental allowances to non-elderly households as an alternative means of providing public rental housing flats. The study is expected to be completed by the middle of 2002. If feasible, a pilot scheme will be introduced in the latter part of 2002. Details of the scheme, including the financial provision required, will be available upon completion of the study.

Signature	_____
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	20 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB014

Question Serial No.

1369

Head 150 - GS:HB Subhead (No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question :

In connection with assisting in the overall review of the institutional framework for public housing being led by the Chief Secretary for Administration, what are the Housing Bureau's scope of work and the resources and manpower involved in 2002-03?

Asked by : Hon. CHAN Yuen-han, JP

Reply :

Administrative and secretarial support for the Committee on the Review of the Institutional Framework for Public Housing is provided by the Housing Bureau. The Secretary for Housing is a member. The Deputy Secretary for Housing(2) is the secretary to the Committee. In 2002-03, no extra resources will be provided for the Review. Additional workload is absorbed within existing resources.

Signature _____

Name in block letters Dominic S. W. WONG

Post Title Secretary for Housing

Date 19 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB015

Question Serial No.

1376

Head 150 - GS:HB Subhead(No. & title) : 838 - Minor consultancy studies
(block vote)

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question :

What are the guidelines adopted by the Housing Bureau in commissioning minor consultancy studies? What are the details of the scope of study and expenditure for this year? Is there an expenditure limit for each study?

Asked by : Hon. CHAN Yuen-han

Reply :

In reviewing housing policy, the Housing Bureau has to update housing-related information and study technical issues. Where necessary, we commission consultancy studies and surveys to provide us with information relevant to existing policy initiatives or the formulation of new initiatives.

Subhead 838 - Minor Consultancy Studies (Block Vote) under Head 150 is designated for engaging consultants to conduct minor housing-related studies and surveys. The maximum expenditure limit for each study or survey is \$800,000.

For 2002-03, a funding proposal of \$700,000 under Subhead 838 was entered for a consultancy study on cross-boundary housing for the elderly. Recently, when the Housing Bureau discussed the study with the Planning Department (PlanD), it was noted that PlanD had successfully bid for a funding of \$5.56 million for a large-scale study on "Hong Kong residents living and working in Pearl River Delta Region", and the study would commence in mid-2002. For cost saving reasons, the Housing Bureau concluded that its proposed study could be subsumed in PlanD's study. The proposed provision will be set aside for conducting ad hoc minor studies and surveys if necessary during the year.

Signature

Name in block letters

Dominic S. W. WONG

Post Title

Secretary for Housing

Date

22 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB016

Question Serial No.

1377

Head 150 - GS:HB Subhead(No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question :

Please state the targets for 2001-02 which the Administration has said to have met or is on schedule to meet. What are the targets not yet met and what are the clauses?

Asked by : Hon. CHAN Yuen-han

Reply :

The following targets were set for 2001-02 -

1. Commission a survey of housing aspirations to be conducted by the Planning Department.
2. Continue to fast-track infrastructural projects to tie in with housing developments to meet long-term housing demand.
3. Introduce the Landlord and Tenant (Consolidation) (Amendment) Bill 2001 into the Legislative Council.
4. Complete an overall review of the merits of different subsidised home ownership schemes and loan schemes.
5. Monitor the Housing Authority's efforts to accelerate the allocation of public rental housing to elderly singletons who wish to live by themselves with a view to reducing their average waiting time for allocation to two years by 2005.
6. Explore, in conjunction with the Housing Authority, the feasibility of providing the option of rental subsidy as an alternative to the actual allocation of public rental housing to eligible elderly applicants.
7. Adjust the loan quota for singleton applicants under the Home Starter Loan Scheme in accordance with demand.
8. Discuss with the Housing Authority a rolled forward programme of reducing the production of subsidised home ownership flats, with a consequential increase in the number of home ownership loans to eligible households up to 2007-08.

9. Introduce the Sales Descriptions of Uncompleted Residential Properties Bill into the Legislative Council.

The Housing Bureau has met the first seven targets and is on schedule to meet the eighth. As regards the last one, the Real Estate Developers Association of Hong Kong introduced a set of voluntary guidelines for property developers on sales descriptions of uncompleted residential properties, which took effect on 1 October 2001. The Housing Bureau has set up a Committee on Sales Descriptions of Uncompleted Residential Properties to monitor the effectiveness of voluntary compliance by property developers. In view of this change of circumstances, the need for legislation will be re-assessed later in 2002. The Legislative Council Panel on Housing has been briefed on these developments.

Signature	_____
Name in block letters	<u>Dominic S. W. WONG</u>
Post Title	<u>Secretary for Housing</u>
Date	<u>21 March 2002</u>

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB017

Question Serial No.

1378

Head 150 - GS:HB Subhead(No. & title) :

Programme : (1) - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question :

The Housing Bureau will, in conjunction with the Housing Authority, review the arrangements for determining and adjusting public housing rent. What are the specifics and the timetable for the review ? What is the amount of resources required for carrying out the review ?

Asked by : Hon. CHAN Yuen-han

Reply :

The Housing Authority has established an Ad Hoc Committee to review domestic rent policy, having regard to tenants' affordability, Housing Authority's long-term finances, rational allocation of public housing resources and community aspirations. Deliberations are at an advanced stage. The Housing Bureau has a member sitting on the Ad Hoc Committee. Administrative support for the review is provided by the Housing Department. Additional workload generated by the review is absorbed within existing resources of both the Housing Department and the Housing Bureau. No extra resources have been provided by the Government.

Signature _____

Name in block letters Dominic S. W. WONG

Post Title Secretary for Housing

Date 21 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB018

Question Serial No.

1382

Head 150 - GS:HB Subhead(No. & title) :

Programme : 15001 - Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question :

The Government has pledged to make public the details of the Tenants Purchase Scheme for the next three years. Concerning the plan for the next three years, what is the percentage accounted for by the plan for 2003 which has just been announced and when would the remainder be made known ?

Asked by : Hon. LEUNG Yiu-chung

Reply :

The Government has pledged to offer no fewer than 250 000 public rental flats for sale to sitting tenants under the Tenants Purchase Scheme by 2007. The sales programme up to Phases 6A and 6B for sale in 2003 has already been announced, covering a total of 183 400 flats or 73% of the Government's target. The remaining 27%, covering no less than 66 600 flats, will be offered for sale from 2004 to 2007. The estates to be sold in 2004 are being considered, taking into account factors such as building age, block type, maintenance conditions and geographical spread, and will be announced when ready. Other estates to be sold will be announced thereafter annually.

Signature _____

Name in block letters Dominic S. W. WONG

Post Title Secretary for Housing

Date 20 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB019

Question Serial No.

1383

Head 150 - GS:HB Subhead(No. & title) :

Programme : 15001 – Housing

Controlling Officer : Secretary for Housing

Bureau Secretary : Secretary for Housing

Question :

Is it the authorities' plan to complete the review of the new rent policy in conjunction with the Housing Authority in 2002-03? If not, what is the timetable? When will it be made known?

Asked by : Hon. LEUNG Yiu-chung

Reply :

The Housing Authority has established an Ad Hoc Committee to review domestic rent policy. The review involves a comprehensive examination of many factors affecting rents, including tenants' affordability, Housing Authority's long-term finances, the rational allocation of public housing resources and community aspirations. Deliberations are at an advanced stage. The Housing Authority will complete the review as soon as practicable.

Signature	
Name in block letters	Dominic S. W. WONG
Post Title	Secretary for Housing
Date	20 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB020

Question Serial No.

0291

Head 711 Housing Subhead (No. & title) : B564CL – Development near Choi Wan Road and Jordan Valley
B568CL – Development at Anderson Road – consultants' fees and site investigation
B569CL – Development near Choi Wan Road and Jordan Valley – consultants' fees and site investigation
B572CL – Site formation for public housing development at Tung Tau Cottage Area
B575CL – Site Formation Works for Lei Yue Mun Phase 2 Housing Site

Programme :

Controlling Officer : Director of Civil Engineering

Bureau Secretary : Secretary for Housing

Question : What is the progress of the following projects? How are the funds for the coming financial year for these projects to be spent?

- B564CL – Development near Choi Wan Road and Jordan Valley
- B568CL – Development at Anderson Road – consultants' fees and site investigation
- B569CL – Development near Choi Wan Road and Jordan Valley – consultants' fees and site investigation
- B572CL – Site formation for public housing development at Tung Tau Cottage Area
- B575CL – Site Formation Works for Lei Yue Mun Phase 2 housing site

Asked by : Hon. LI Wah-ming, Fred

Reply :

B 564CL - Development near Choi Wan Road and Jordan Valley
The construction works commenced in November 2001. Funds for the project of \$200 million in the financial year 2002-03 are to meet the cost of the construction works and related consultant's fees for the contract administration and site supervision.

B568CL - Development at Anderson Road – consultants’ fees and site investigation

The site investigation has been completed and the detailed design is in progress. Funds for the project of \$ 2,650,000 in the financial year 2002-03 are to meet the cost of the consultant’s fees for the detailed design.

B569CL - Development near Choi Wan Road and Jordan Valley – consultants’ fees and site investigation

The site investigation and the detailed design have been completed. Funds for the project of \$200,000 in the financial year 2002-03 are to meet the cost of outstanding consultants’ fees.

B572CL - Site formation for public housing development at Tung Tau Cottage Area

The construction works commenced in November 2001. Funds for the project of \$30 million in the financial year 2002-03 are to meet the cost of the construction works and related charges for the contract administration and site supervision.

B575CL - Site formation works for Lei Yue Mun Phase 2 housing site

The construction works commenced in December 2001. Funds for the project of \$26 million in the financial year 2002-03 are to meet the cost of the construction works and related consultants’ fees, as well as charges for contract administration and site supervision.

Signature	_____
Name in block letters	Dr. LAU CHING-KWONG
Post Title	Director of Civil Engineering
Date	19 March 2002

Reply Serial No.

HB021

Examination of Estimates of Expenditure 2002-03

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Question Serial No.

0292

Head 711 Housing Subhead (No. & title) : B566CL – Development at Anderson Road

Programme :

Controlling Officer : Director of Civil Engineering

Bureau Secretary : Secretary for Housing

Question : It is anticipated that the works of B566CL – Development at Anderson Road will start in the fourth quarter of the coming financial year. When will the funding proposal be made to PWSC? Please briefly elaborate on the schedule and scope of the construction works, and the forecast completion date.

Asked by : Hon. LI Wah-ming, Fred

Reply : We plan to submit the funding proposal for B566 CL – Development at Anderson Road to PWSC for consideration in October 2002. The works will be carried out under two contracts. The first contract is for site formation and associated infrastructure works within the Anderson Road development. The second contract is for road improvement works outside the development and construction of footbridges connecting the development to existing footpaths. The two contracts are scheduled to commence in early 2003 and late 2004 respectively and to be completed in 2007.

Signature _____

Name in block letters Dr. LAU CHING-KWONG

Post Title Director of Civil Engineering

Date 19 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB022

Question Serial No.

1020

Head : 711 Housing

Programme :

Controlling Officer : Director of Civil Engineering

Bureau Secretary : Secretary for Housing

Question : Referring to Matters Requiring Special Attention in 2002-03 (in respect of programme (3) Site Formation and Reclamation in Head 43 Civil Engineering Department), in which quarter of 2002-03 are the land formation at Anderson Road, and the detailed design of the land formation at Cha Kwo Ling planned to commence? When can they be submitted to PWSC for consideration? Please briefly describe the scope of the works.

Asked by : Hon. LI Wah-ming, Fred

Reply : We plan to submit the funding proposal for Development at Anderson Road to PWSC for consideration in October 2002. The works will be carried out under two contracts. The first contract is for the site formation and associated infrastructure works within the Anderson Road development. The second contract is for the road improvement works outside the development and construction of footbridges connecting the development to existing footpaths. The site formation works at Anderson Road are scheduled to commence in the fourth quarter of the financial year 2002-03.

The detailed design of the land formation at Cha Kwo Ling is to be funded under Block Allocation Sub-head B100HX of Head 711 of the Public Works Programme and no PWSC submission will be made. This item covers the consultants' fees for the detailed design and the cost of site investigation works. The detailed design and site investigation works are scheduled for commencement in the fourth quarter of the financial year 2002-03.

Signature _____

Name in block letters Dr. LAU CHING-KWONG

Post Title Director of Civil Engineering

Date 20 March 2002

Examination of Estimates of Expenditure 2002-03
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

HB023

Question Serial No.

0907

Head: 91 Lands Department

Subhead (No. & title):

Programme: (1) Land Administration

Controlling
Officer: Director of Lands

Bureau
Secretary: Secretary for Housing

Question How much additional manpower and expenditure respectively will be
: required by the Lands Department as a result of its taking over the Housing
Department's squatter control duties?

Asked by: Hon. CHAN Kam-lam

Reply:

198 posts and \$54.3 million are estimated to be required by the Lands Department in 2002-03 for taking over squatter control duties from the Housing Department. The requisite resources will be transferred from the Housing Department with effect from 1 April 2002.

Signature _____

Name in block letters _____ R.D.POPE

Post Title _____ Director of Lands

Date _____ 20.3.2002

Reply Serial No.

HB024

Question Serial No.

0365

Examination of Estimates of Expenditure 2002-03

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

The Housing Department proclaimed that all Temporary Housing Areas (THAs) and Cottage Areas (CAs) have been cleared in 2001. However, there is still a substantial provision of \$387,593,000 under the programme of Squatter and Temporary Housing Clearance and Squatter Control. Please provide a breakdown of the financial provision under Subhead 294, including staff costs and the functions to be carried out with the provision.

Asked by :

Hon. SHEK Lai-him, Abraham

Reply :

The Housing Department is Government's agent in clearance and rehousing, as well as carrying out squatter control functions in the New Territories. The estimated expenditure of \$387,593,000 under Subhead 294 for 2002-03 is to cover the costs of performing squatter control functions in the New Territories (including regular patrolling, demolition of new illegal structures, and maintenance and improvement of basic facilities), as well as carrying out land resumption programmes, development and non-development clearances of squatter areas, and enforcement actions against illegal rooftop structures referred by the Buildings Department. 80% of this financial provision are staff costs and the remainders are operating

expenses. No further provision has been made under Subhead 294 for Temporary Housing Areas and Cottage Areas in 2002-03 since they have all been cleared.

Signature _____

Name in block letters J.A. Miller

Post Title Director of Housing

Date 21.3.2002

Reply Serial No.

HB025

Question Serial No.

0626

Examination of Estimates of Expenditure 2002-03

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

The number of people rehoused as a result of programmed squatter and unauthorized rooftop structure clearances or emergency clearances following natural disasters was 3,500 in 2001. It is estimated that the figure will rise to 8,300 in 2002. Please give reasons for the estimated increase as well as the financial impacts on the resources of the Housing Department.

Asked by :

Hon. NG Leung-sing

Reply :

The increase in the estimated number of people to be rehoused is due to some large-scale clearances and land resumption programmes planned for 2002/03. Sufficient public rental housing and interim housing units will be made available to cope with the demand. Housing Department will absorb the additional workload with existing resources.

Signature _____

Name in block letters _____ J.A. Miller

Post Title _____ Director of Housing

Date _____ 21.3.2002

Reply Serial No.

HB026

Question Serial No.

0795

Examination of Estimates of Expenditure 2002-03

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

According to the document, the squatter control duty will be transferred to the Lands Department by phases from April 2002. Will the Administration please advise this chamber of the followings :

- (a) When will the transfer of squatter control duty be fully completed? How much saving will the Government achieve in daily administrative costs as a result of increased efficiency?
- (b) After the full transfer of the above duty, what are the remaining duties of the Housing Department? Are there any duties that require joint operation by two or more departments? Does the Housing Bureau plan to transfer any more other duties? If so, what are those duties and the estimated savings in administrative costs as a result of that? What are the duties that cannot be transferred?

Asked by :

Hon. IP Kwok-him

Reply :

- (a) The transfer of squatter control duties will be carried out in two phases. Phase I transfer involving three Urban and Islands Squatter Control Offices will take effect on 1 April 2002 while Phase II transfer involving eight Squatter Control Offices in the New Territories

will take place in either 2003 or 2004, pending the result of a review to be conducted by end of 2002. By combining land administration and squatter control, hereby allowing better coordination and effectiveness in land matters, the transfer will enhance efficiency and facilitate timely enforcement against new squatters. However, actual savings in daily administration costs are not quantified.

- (b) After the transfer, the Housing Department will continue to arrange rehousing for clearances displaced by clearances and land resumption. In large-scale or complicated operations, other Government departments such as Home Affairs Department, Lands Department, Social Welfare Department and the Police will also be involved to ensure that clearances' needs are properly addressed and the clearances are carried out smoothly and orderly. There is currently no plan to transfer duties other than routine squatter control from the Housing Department to other departments.

Signature _____

Name in block letters J.A. Miller

Post Title Director of Housing

Date 22.3.2002

Reply Serial No.

HB027

Question Serial No.

0830

Examination of Estimates of Expenditure 2002-03

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

The Housing Department is going to transfer squatter control duties to the Lands Department in phases from April 2002 onwards. Please give details of the plan. How many members of staff on the establishment will be involved? What are their ranks? Will there be any redundancy of staff?

Asked by :

Hon. LAU Ping-cheung

Reply :

The transfer of squatter control duties will be carried out in two phases. Phase I transfer involving three Urban and Islands Squatter Control Offices will take effect on 1 April 2002 while Phase II transfer involving eight Squatter Control Offices in the New Territories will take place in either 2003 or 2004, pending the result of a review to be conducted by end of 2002.

2. The number of staff involved in Phase I and their ranks are at Annex. The existing staff establishment in the Housing Department will be transferred to the Lands Department. No staff member will be redundant. The number of staff to be involved in Phase II transfer will be determined in the light of the review mentioned above.

Signature _____

Name in block letters J.A. Miller

Post Title Director of Housing

Date 21.3.2002

**Transfer of Squatter Control Duties
from Housing Department to Lands Department**

Rank	Phase I Transfer (1.4.2002)
SHM	1
HM	3
AHM	9
HO	35
ACO	3
CA	7
OA	3
PSII	1
Foreman	3
Motor Driver	24
Artisan (Welding)	3
Artisan (Team Leader)	21
Tracer	3
Workman I	82
Total	198

Reply Serial No.

HB028

Question Serial No.

1370

Examination of Estimates of Expenditure 2002-03

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

Please provide details of the Housing Department's deletion of 17 posts and reduction of its operating expenditure in 2002-2003 under the Enhanced Productivity Programme. How much can be saved under this Programme?

Asked by :

Hon. CHAN Yuen-han

Reply :

Under the Enhanced Productivity Programme, 17 posts including 11 Housing Officers and 6 Clerical Assistants will be deleted in 2002-03. An estimated amount of \$5,530,000 for salaries and staff on-cost will be saved. In addition, we aim to reduce our operating expenditure by \$4,605,000 through stricter control and more effective use of existing resources. These two initiatives will bring the total amount of savings under the Programme to \$10,135,000.

Signature _____

Name in block letters _____ J.A. Miller

Post Title _____ Director of Housing

Date _____ 21.3.2002

Reply Serial No.

HB029

Question Serial No.

1371

Examination of Estimates of Expenditure 2002-03

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

What are the details and scope of the Housing Department's clearance project for the Deep Bay Link? What resources will be required for the works?

Asked by :

Hon. CHAN Yuen-han

Reply :

The Deep Bay Link clearance project will involve roughly 2,800 structures and 570 households with 2,000 persons. In addition, 120 business/poultry/pigsty undertakings in Tuen Mun and Yuen Long will also be affected. The clearance project has been gazetted. The target clearance date is mid-June 2003.

Funding required for clearance operations is provided to the Housing Department under Subhead 294. As for rehousing, sufficient public rental housing and interim housing units in Tuen Mun and Yuen Long will be made available to cope with the demand.

Signature _____

Name in block letters _____ J.A. Miller

Post Title _____ Director of Housing

Date _____ 21.3.2002

Reply Serial No.

HB030

Question Serial No.

1372

Examination of Estimates of Expenditure 2002-03

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

What are the details of and schedule for the Housing Department's phased transfer of its squatter control duties to the Lands Department? Please provide also details of the resources that will be saved.

Asked by :

Hon. CHAN Yuen-han

Reply :

The transfer of squatter control duties will be carried out in two phases. Phase I transfer involving three Urban and Islands Squatter Control Offices will take effect on 1 April 2002 whereas Phase II transfer involving eight Squatter Control Offices in the New Territories will take place in either 2003 or 2004, pending the result of a review to be conducted by end of 2002. By combining land administration and squatter control, hereby allowing better coordination and effectiveness in land matters, the transfer will enhance efficiency and facilitate timely enforcement against new squatters. However, actual savings in daily administration costs are not quantified.

Signature _____

Name in block letters J.A. Miller

Post Title Director of Housing

Date 21.3.2002

Reply Serial No.

HB031

Question Serial No.

1373

Examination of Estimates of Expenditure 2002-03

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

Regarding the clearance programme for squatter areas and rooftop structures, why is the number of people to be rehoused this year estimated to increase substantially to 8,300 from last year's 3,500? What is the estimated increase in manpower and resources in this regard?

Asked by :

Hon. CHAN Yuen-han

Reply :

The increase in the estimated number of people to be rehoused is due to some large-scale clearances and land resumption programmes planned for 2002/03. Sufficient public rental housing and interim housing units will be made available to cope with the demand. Housing Department will absorb the additional workload with existing resources.

Signature _____

Name in block letters J.A. Miller

Post Title Director of Housing

Date 21.3.2002

Reply Serial No.

HB032

Question Serial No.

1374

Examination of Estimates of Expenditure 2002-03

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY QUESTION**

Head 62 Housing Department

Subhead 294 - Clearance and Squatter Control

Programme :

6201 - Squatter and Temporary Housing Clearance
and Squatter Control

Controlling Officer :

Director of Housing

Bureau Secretary :

Secretary for Housing

Question :

Regarding the clearance programme for squatter areas and rooftop structures, how many public housing units, interim housing units and transit centre places will be reserved to accommodate the clearerees?

Asked by :

Hon. CHAN Yuen-han

Reply :

The Rental Housing Committee of the Housing Authority will decide in May 2002 the allocation of public rental flats for various categories of eligible persons for 2002-03 after taking into account the supply and demand of public rental flats. As in the past, sufficient flats in public housing, Interim Housing and Transit Centre will be set aside to accommodate the clearerees.

Signature _____

Name in block letters _____ J.A. Miller

Post Title _____ Director of Housing

Date _____ 21.3.2002