

立法會
Legislative Council

LC Paper No. CB(1) 1627/01-02
(These minutes have been seen
by the Administration)

Ref: CB1/PL/HG/1

LegCo Panel on Housing

**Minutes of meeting held on
Wednesday, 3 April 2002, at 8:30 am
in the Chamber of the Legislative Council Building**

Members present : Hon CHAN Kam-lam (Deputy Chairman)
Dr Hon David CHU Yu-lin, JP
Hon LEE Cheuk-yan
Hon Fred LI Wah-ming, JP
Hon NG Leung-sing, JP
Hon James TO Kun-sun
Hon CHAN Yuen-han, JP
Hon LEUNG Yiu-chung
Hon Howard YOUNG, JP
Hon SZETO Wah
Hon Albert CHAN Wai-yip
Dr Hon LO Wing-lok
Hon WONG Sing-chi
Hon Frederick FUNG Kin-kee
Hon IP Kwok-him, JP
Hon LAU Ping-cheung

Members absent : Hon Albert HO Chun-yan (Chairman)
Hon SIN Chung-kai
Hon Andrew WONG Wang-fat, JP
Dr Hon YEUNG Sum
Hon Abraham SHEK Lai-him, JP

Public officers attending : **For item IV**
Housing Bureau

Miss Joey LAM
Principal Assistant Secretary

Housing Department

Mr K H LAU, JP
Business Director/Allocation and Marketing

Mr Y F CHAN
Senior Housing Manager/Agency

Home Affairs Department

Mr MA Kam-ki
Senior Liaison Officer (Building Management)

For item V

Housing Bureau

Mr YAU Kwan-shing
Assistant Secretary (Special Duties) 2

Housing Department

Mr WONG Bay
Assistant Director/Management (2)

Mr LI Sai-ping
Ag. Chief Manager/Management
(Kwai Tsing, Tsuen Wan and Islands)

Miss Theresa YIM Siu-ling
Ag. Chief Architect/Design and Standards

**Attendance by
invitation**

: For item IV

Hoi Ning Court Owners Concern Group

Mr HO Ho-wah
Representative

Hoi Fu Court Concern Committee

Ms FUNG Lai-mei
Vice-Chairman and Secretary

For item V

Joint Concern Group on Clothes-drying Facilities in Public Housing Estates

Ms PAO Yuk-chong
Representative

Ms MAK Lin-kam
Representative

Mr YUM Kwok-tung
Representative

The Concern Group on the Rights of Tin Shui Wai Residents

Mr MAK Ip-shing
Representative

Mr LAI Kwok-kwong
Representative

Miss KWOK Ching-miu
Representative

The Association of Fu Cheong Estate Residents

Ms YU Mui-wah
Representative

Mr TANG Thui-thung
Representative

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

Staff in attendance : Ms Cindy CHENG
Senior Assistant Secretary (1) SC3

As the Chairman was out of town, the Deputy Chairman took over the chair for the meeting.

I Confirmation of minutes of previous meeting

- (LC Paper No. CB(1)1365/01-02 — Minutes of the special meeting held on 25 February 2002
- LC Paper No. CB(1)1366/01-02 — Minutes of the meeting held on 4 March 2002)

2. The minutes of the meetings held on 25 February and 4 March 2002 were confirmed.

II Information paper issued since last meeting

3. Members noted the following information papers which had been issued since last meeting -

LC Paper No. CB(1)1215/01-02 — A press release from Caritas Mok Cheung Sui Kun Community Centre regarding the outcome of an opinion survey on the income limits for application of public housing conducted among residents of the Western District

LC Paper No. CB(1)1397/01-02 — Referral from Duty Roster Members regarding the effect of the moratorium on sales of Home Ownership Scheme flats on sitting tenants affected by redevelopment of public rental housing estates

III Date of next meeting and items for discussion

- (LC Paper No. CB(1)1367/01-02(01) — List of follow-up actions arising from discussion
- LC Paper No. CB(1)1367/01-02(02) — List of outstanding items for discussion)

4. Members agreed to discuss the following items at the next meeting scheduled for Monday, 6 May 2002, at 2:30 pm -

- (a) Review of the finances and regulatory regime of the Estate Agents Authority; and
- (b) Provision of ancillary facilities in newly completed public housing estates.

5. The Chairman reminded members of the joint meeting with the Panel on Planning, Lands and Works to be held on Tuesday, 16 April 2002, at 8:30 am to discuss the restructuring studies on Ngau Tau Kok, Shek Kip Mei, Cheung Sha Wan and Homantin areas.

IV Management problems arising from public housing estates which have a mix of tenants and owners

Meeting with the Hoi Ning Court Owners Concern Group

(LC Paper No. CB(1) 1367/02-02(03) -- Submission from the Concern Group)

6. Mr HO Ho-wah expressed grave concern about the management problems of Hoi Fu Court (HFC), which was the first public housing estate included under the Buy-or-Rent Option (BOR). Hoi Ning Court (HNC) was the only one of the five blocks in HFC which had been sold under BOR. Given the large share of ownership of 82% of the Housing Authority (HA) as opposed to 18% of owner-occupiers of HNC, HA had a predominant role in the Owners' Corporation (OC). This had not only undermined the autonomy of OC but also affected the interest of owner-occupiers. By way of illustration, the vote against the unanimous decision of owner-occupiers to dissolve the management committee (MC) of OC by HA was at variance with its stance to maintain impartiality in the management of BOR estates. He urged that HNC owners be given the autonomy to manage their own estate.

Meeting with the Hoi Fu Court Concern Committee

7. Ms FUNG Lai-mej considered it inappropriate for OC to take over the building management responsibility of HFC as this had deprived tenants of their entitlement to facilities applicable to other public rental housing (PRH) estates. She opined that as the major shareholder of ownership of HFC, HA should take up the management responsibility to protect the interest of tenants.

8. The Chairman thanked the deputations for their valuable views but reminded members that the purpose of this meeting was to discuss the policy aspect of the management of HA's estates with mixed tenure rather than individual cases which had already been dealt with by Duty Roster Members in a number of case conferences.

Meeting with the Administration

(LC Paper No. CB(1)1107/01-02

— Referral from Duty Roster Members regarding problems arising from management of Buy-or-Rent Option housing estates

LC Paper No. CB(1)1202/01-02

— Supplementary information regarding management problems arising from public housing estates with a mix of tenants and owners

LC Paper No. CB(1)1367/01-02(03) — Further information on problems arising from management of Buy-or-Rent Option housing estates

LC Paper No. CB(1)1367/01-02(04) — Information paper provided by the Administration)

9. At the Chairman's invitation, the Business Director/Allocation and Marketing (BD/A&M) highlighted the salient points in the information paper (LC Paper No. 1367/01-02(04)). He said that mixed tenure was common in most housing developments in Hong Kong. With the launch of the Tenants Purchase Scheme (TPS) and the Mortgage Subsidy Scheme in 1998 and the BOR Option in 1999, many public housing estates also featured mixed tenure. Building management of mixed tenure housing estates was governed by Deeds of Mutual Covenant (DMCs) drawn up in accordance with the guidelines promulgated by the Legal Advisory and Conveyancing Office of the Lands Department as well as the Building Management Ordinance (Cap.344) (BMO).

10. On *management arrangements for HA's mixed tenure housing developments*, Mr Fred LI noted that there were three types of mixed tenure estates, namely, BRO estates, TPS estates and Home Ownership Scheme (HOS) estates of over five years which could be put up for lease or sale. However, unlike TPS and HOS estates which were managed by property management agents appointed by HA, BOR estates were managed by OCs. Given the different aspirations between BOR owner-occupiers and tenants, particularly the latter who expected to be treated on a par with their counterparts in other PRH estates, estate management by OCs had often given rise to disputes. For instance, HFC tenants considered it unfair that they had to seek the approval of OC and share the cost for installation of window grills which was part of the improvement works undertaken by HA in PRH estates. Mr Frederick FUNG also pointed out the difference among BOR, TPS and HOS. He said that TPS estates usually had a much higher ownership rate of over 50% than BOR estates, and that TPS owner-occupiers and tenants co-existed within one single block while BOR owner-occupiers and tenants lived in distinct sale and rental blocks. Moreover, unlike HOS tenants, BOR tenants were required to undergo comprehensive means test to establish their eligibility. Besides, both owner-occupiers of HNC and tenants of HFC were not made aware in advance that building management of BOR estates would come under OCs. They considered it a deception on the part of HA to leave out such information in the sales brochures.

11. In response, BD/A&M clarified that there was no question of deception as HA had already specified in the sales brochure that HFC was a BOR estate. He added that the rights and obligations of the owners and building management were defined in DMC which was a contractual document binding on all owners/occupants and building management. Its provisions could only be changed with the consent of all owners and the Lands Department. While DMCs gave the initial responsibility for managing mixed tenure estates to HA, this was only a transitional arrangement. In line with the Government's policy to encourage owners to manage their properties, HA assisted

owners to form OCs as soon as practicable. HA would transfer estate management responsibilities to OCs after their formation. BMO provided for the appointment of MCs to undertake and oversee the day-to-day management and maintenance of the estates on behalf of OCs. To protect the rights of tenants in mixed tenure estates, BMO also provided for the formation of a tenants' association and its representation on MC to reflect tenants' views on estate management.

12. Mr IP Kwok-him remained of the view that it was unfair for OCs to manage BOR estates, particularly for those which were mainly composed of rental blocks. He queried how effective management could be ensured if building management was under the hand of a minority group. The Chairman enquired if there were cases of negligence of interest of tenants by OCs. Given the large share of ownership of HA in BOR estates, Mr James TO said that it was inevitable that tenants would expect HA to take a more proactive role to protect their interest. He asked how HA would deal with cases where owner-occupiers and tenants had different views on estate management matters.

13. In reply, BD/A&M assured members that HA treated owner-occupiers and tenants of BOR estates alike as they were both eligible applicants who had undergone the respective means test to establish their eligibility for public housing assistance. He added that at present, 137 housing estates with mixed tenure were managed and maintained satisfactorily under the arrangements referred to at preceding paragraphs at high security, cleansing and maintenance standards. Maintenance fees were kept at reasonable levels and most of the estates had accumulated sufficient reserve funds for future maintenance and improvement works. In case where tenants and owners had different views on estate management matters, the representative of HA, as member of MC, would reconcile the differences between both parties and encourage owner-occupiers and tenants to work together for mutual benefits or in the interest of the estate as a whole. Important decisions on the management of the estates could be made at owners' general meetings to be convened under BMO as necessary. Mr James TO asked if HA would inject capital into the reserve funds of mixed tenure estates if funding was not sufficient for maintenance and improvement works. BD/A&M advised that MCs were allowed under DMC to increase the amount required to be contributed by owners in the event that the reserve funds were insufficient to meet the cost for maintenance and improvement works.

14. On *the role of HA*, Mr Frederick FUNG noted that it had been HA's practice to assume an advisory role in MCs and remain neutral in the decision-making process. The vote against the dissolution of MC of HFC was therefore at variance with the existing practice. He then enquired about the basis upon which HA would exercise its vote in MCs. BD/A&M explained that HA had to comply with the provisions under BMO. In the case of HFC, HA voted against the dissolution lest this would affect the effective management of the estate. Given that the problem encountered in HFC was a matter of difference in opinions among MC members, it was hoped that this could be resolved through the impending re-election of a certain member of the MC rather than dissolving the MC.

15. Mr David CHU however pointed out that the management problem of BOR estates was a structural one arising as a result of different aspirations between owner-occupiers and tenants. He agreed with Mr IP Kwok-him that the problem could not be resolved through the re-election of MC. His views were shared by Miss CHAN Yuen-han. Mr Fred LI suggested that consideration should be given to separating the sale blocks of BOR estates from the boundaries of rental blocks. BD/A&M explained that all HA's estates were comprehensive developments comprising residential blocks, commercial complex and other facilities through integrated planning and design. Residents, owners or tenants alike, shared the use of common areas and facilities in their estates and worked towards cost-effective and efficient management of the entire estate. The proposed separation would run counter to the concept of integrated estate management. Besides, there were practical difficulties for common areas and facilities to be separated.

16. Mr LEUNG Yiu-chung was not convinced of the Administration's response. He considered that HA should not be absolved from its responsibility to protect the interest of tenants in mixed tenure estates. It should consult both owner-occupiers and tenants on the proposed separation and take proactive action to implement the proposal if this was supported by them. BD/A&M noted that it was not uncommon that owner-occupiers and tenants had different views on estate management matters. In one particular case, some owner-occupiers and tenants had requested separating the financial accounts for rental and sale blocks to allow more flexible use of the funds to meet the different needs of tenants and owners. While HA considered this arrangement not cost-effective, it had no objection to their pursuing the separation of the financial accounts provided that it was within the legal remits set out in DMC and BMO.

17. On *the way forward*, the Chairman proposed and members agreed that the subject be better followed up by Duty Roster Members and interested members were invited to join discussion at case conferences. Policy issues arising from discussion, if any, could be reverted to the Panel for deliberation.

V Clothes-drying facilities of Harmony-type public housing estates

Meeting with the Joint Concern Group on Clothes-drying Facilities in Public Housing Estates

(LC Paper No. CB(1) 1367/01-02(05) -- Submission from the Joint Concern Group)

18. Ms PAO Yuk-chong expressed grave concern about the poor design and location of drying racks, which were installed outside the kitchen windows, in Harmony-type public housing blocks. He pointed out that smoke and grease from the exhaust fans and trash, particularly cigarette ends, thrown from above would not only cause stain on clothes but also fire safety hazards to residents. Moreover, the use of drying racks through kitchen would pose risk to residents, particularly to the elderly, given the height of kitchen windows. In fact, there were accidents where residents fell from height when using the drying racks. To this end, Ms MAK Lin-kam opined that the Housing Department (HD) should allow residents to install drying racks

outside living room windows subject to the safety standards laid down by HD. Mr YUM Kwok-tung also urged HD to suspend enforcement against erection of drying racks by residents since the problem was arising from the poor design of the racks provided by HD. It should also review the design of drying racks in new public housing estates to avoid recurrence of similar problems.

Meeting with the Concern Group on the Rights of Tin Shui Wai Residents
(LC Paper No. CB(1) 1367/01-02(06) -- Submission from the Concern Group)

19. On behalf of residents of Tin Shui Wai, Tung Chung and Tsuen Wan, Mr MAK Ip-shing remarked that the enforcement against unauthorized erection of drying racks by HD had caused much inconvenience to residents concerned as they were no longer able to dry their clothes. They agreed with other deputations that HD should allow residents to install drying racks outside their living room windows, and that it should improve the design of drying racks in new public housing estates.

Meeting with the Association of Fu Cheong Estate Residents
(LC Paper No. CB(1) 1398/01-02(01) -- Submission from the Association)

20. Ms YU Mui-wah expressed dissatisfaction that HD had ignored the needs of residents to install drying racks outside kitchen windows. The smoke and grease from exhaust fans and trash thrown from above had stained the clothes on racks.

Meeting with the Administration
(LC Paper No. CB(1) 1367/01-02(07) -- Information provided by the Administration)

21. With the Chairman's consent, the Acting Chief Architect/Design and Standards took the opportunity to respond to some of the points raised by deputations. She explained that the location of clothes-drying facilities at Harmony-type public housing estates was a common design in local developments, including private sector residential buildings. This was provided outside kitchen windows because their location at recessed areas of buildings were away from the pedestrian flow that would minimize the risk caused by falling laundry objects from height. Taking into consideration the concern of public safety, under the existing design, no position other than the external walls outside the kitchen windows was suitable for the installation of drying racks. To avoid staining of clothes, consideration could be given to installing grease traps for the exhaust fans. Nonetheless, in view of residents' concerns, HA would relocate the position of the drying facilities to the external walls outside the bathroom windows further away from the kitchen in future new Harmony blocks. The implementation of the new Joint Practice Notes by the Buildings, Lands and Planning Departments for possible exemption from Gross Floor Area and Site Coverage calculations would bring further improvements, including the provision of an utility platform, to building design. She however pointed out that it was not possible to install drying racks outside bathroom windows in the existing Harmony blocks and those under construction since the width of the window openings were too narrow for hanging laundries and their location on structural walls precluded widening.

22. Mr Frederick FUNG opined that the need for relocation of drying racks in Harmony blocks had in fact reflected the deficiencies of the current design. As such, he agreed with Mr Albert CHAN that HD should appreciate the difficulties of residents concerned and allow them to install drying racks outside living room windows. It should also suspend the issuance of warning letters against unauthorized installations as this had caused undue pressure on residents concerned. Expressing similar concern, Mr IP Kwok-him said that consideration should be given to allowing status quo if the drying racks installed by residents did not pose a structural problem to the buildings. Their views were shared by Miss CHAN Yuen-han.

23. In reply, the Acting Chief Manager/Management (Acting) (Ag. CM/M) stressed that unauthorized installation of drying racks and structures on external walls was a breach of the terms of tenancy. He pointed out that as the areas below living room windows were busy pedestrian walkways, hanging objects there posed risks to public safety. Besides, some tenants might place heavy objects such as potted plants on the unauthorized drying racks. These objects if fell from height might cause serious casualties to pedestrians. To protect public safety, estate management had been instructed to watch out for unauthorized installation of racks or other structures on external walls. Offending tenants would be advised to remove the unauthorized structures. Where necessary, verbal and written warnings would be issued. While HA would terminate the tenancy of residents who refused to remove the unauthorized structures and of repeated offenders, no notice-to-quit had so far been served for termination of tenancy arising from unauthorized installations.

24. Mr LEE Cheuk-yan opined that HD should step up enforcement against those who used their drying racks for purposes other than clothes-drying instead of requiring residents to dismantle their racks outside living room windows. Mr Frederick FUNG was also not convinced that the Administration should use public safety as an excuse, particularly when HD had allowed the continued existence of the more dangerous “pole-socket” type clothes-drying facility for almost 30 years. He also pointed out that HD had failed to monitor its authorized contractors since the majority of the drying racks outside living room windows were installed by these contractors. While agreeing that there was always room for improvement in every design, Ag. CM/M clarified that the “pole-socket” type clothes-drying facility was a historical problem as there were no recessed areas in older types of public housing estates suitable for installation of drying racks. Moreover, residents seldom used the “pole-socket” type clothes-drying facility since older public housing flats usually had a balcony where they could hang their clothes. On installation of unauthorized structures by authorized contractors of HD, Ag. CM/M said that although HD would hold seminars with these contractors before intake of public housing estates to remind them not to install any unauthorized structures for the residents concerned, immediate enforcement against erection of unauthorized structures could not always be taken in the course of erection given the short lead time of the erection.

25. Mr Fred LI considered that the Administration should rationalize the installation of drying racks outside living room windows as this was not uncommon in other public rental and Home Ownership Scheme housing estates. Mr LEUNG Yiu-chung agreed with Mr LI that HD should work out other alternatives to address the problem.

Mr LAU Ping-cheung added that consideration should be given to using vacant flats as clothes-drying area for residents if HD insisted to remove the drying racks installed by residents. As a consolidated view, Mr Frederick FUNG proposed and Mr Albert CHAN seconded the following motion:

“That this Panel urges the Housing Department to allow residents of Harmony-type public rental housing and Home Ownership Scheme estates to install drying racks outside living room windows with a view to tackling the current clothes-drying problems.”

26. Mr LAU Ping-cheung proposed to amend the motion by adding “,where practicable,” after “the Housing Department to”. As the proposed amendment was not seconded by any member present at the meeting, the Chairman declared that the amended motion was negated.

27. The original motion was then put to vote. Of the members’ present, all except one member voted for the motion. The Chairman declared that the motion was carried, and that it should be conveyed to the Administration.

(Post-meeting note: A letter on the motion was issued to the Administration on 3 April 2002.)

VI Any other business

28. There being no other business, the meeting ended at 10:40 am.

Legislative Council Secretariat

3 May 2002