

立法會
Legislative Council

LC Paper No. CB(1) 1445/08-09
(These minutes have been seen
by the Administration)

Ref : CB1/PL/HG/1

Panel on Housing

Minutes of meeting
held on Monday, 2 March 2009, at 2:30 pm
in Conference Room A of the Legislative Council Building

- Members present** : Hon WONG Kwok-hing, MH (Chairman)
Hon Frederick FUNG Kin-kee, SBS, JP (Deputy Chairman)
Hon Fred LI Wah-ming, JP
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, SBS, JP
Hon LEE Wing-tat
Dr Hon Joseph LEE Kok-long, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Prof Hon Patrick LAU Sau-shing, SBS, JP
Hon KAM Nai-wai, MH
Hon CHAN Hak-kan
Hon WONG Sing-chi
- Members absent** : Hon CHAN Kam-lam, SBS, JP
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon WONG Kwok-kin, BBS
- Public officers attending** : **For item IV**
- Mr Thomas C Y CHAN, JP
Permanent Secretary for Transport and Housing (Housing)
- Mr YAU Shing-mu, JP
Under Secretary for Transport and Housing
- Ms Annette LEE Lai-yee, JP
Deputy Secretary for Transport and Housing (Housing)

Ms Cora HO Lai-sheung
Assistant Director (Strategic Planning), Housing
Department

For item V

Mr YAU Shing-mu, JP
Under Secretary for Transport and Housing

Ms Ada FUNG Yin-suen, JP
Deputy Director (Development & Construction)
Housing Department

Mr LEE Cert-quinn
Assistant Director (Estate Management)1
Housing Department

Mr CHAN Nap-ming
Assistant Director (Development & Procurement)
Housing Department

For item VI

Mr YAU Shing-mu, JP
Under Secretary for Transport and Housing

Mr Howard LEE Tat-chi, JP
Deputy Director (Corporate Services)
Housing Department

Mr LEE Cert-quinn
Assistant Director (Estate Management)1
Housing Department

Mr Raymond CHU Cheuk-lun
Head (Information Technology)
Housing Department

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

Staff in attendance : Mrs Mary TANG
Senior Council Secretary (1)2

Miss Mandy POON
Legislative Assistant (1)4

Action

I. Confirmation of minutes

(LC Paper No. CB(1) 893/08-09 — Minutes of the meeting held on 5 January 2009)

The minutes of the meeting held on 5 January 2009 were confirmed.

II. Information paper issued since last meeting

2. Members noted that the following information paper had been issued since last meeting -

LC Paper No. CB(1) 728/08-09(01) — Administration's paper on Land Registry Statistics in January 2009

III. Items for discussion at the next meeting

(LC Paper No. CB(1) 894/08-09(01) — List of follow-up actions
LC Paper No. CB(1) 894/08-09(02) — List of outstanding items for discussion)

3. The Chairman suggested and members agreed to postpone the next meeting, originally scheduled for 6 April 2009 to Friday, 17 April 2009, at 10:45 am to discuss the following -

(a) Construction programme of public housing; and

(b) Clearance arrangement for Tung Tau Block 22.

4. The Chairman reminded members of the visit to the Hong Kong Housing Authority (HA)'s public rental housing (PRH) estates scheduled for 5 March 2009 to observe how the need for elevator links and elevator systems could be met.

IV. Review of Waiting List Income and Asset Limits for 2009/10

(LC Paper No. CB(1) 894/08-09(03) — Administration's paper on review of Waiting List Income and Asset Limits for 2009/10

LC Paper No. CB(1) 894/08-09(04) — Paper on the Waiting List Income and Asset Limits prepared by the Legislative Council Secretariat)

5. The Permanent Secretary for Transport and Housing (Housing) (PSTH(H)) briefed members on the outcome of the review of the Waiting List (WL) income and asset limits for 2009/2010 by highlighting the salient points in the information paper. The Assistant Director (Strategic Planning) (ADH(SP)) then gave a power-point presentation on the movements and the latest positions of the key parameters for assessing the WL income and asset limits.

(Post-meeting note: The power-point presentation materials were circulated to members under LC Paper No. CB(1) 964/08-09(01).)

6. Members noted that the WL income and asset limits for 2009/2010 would increase by an average of 3.3% and 0.6% respectively over those for 2008/2009. If the proposed limits were adopted, some 113 000 non-owner occupied households in the private sector (28.3% of the total number of non-owner occupied households in the private sector) would be eligible for PRH, up 3 600 from the current 109 400 households (27.4%). The Subsidised Housing Committee of HA would discuss the outcome of the review at its meeting on 27 March 2009. The new limits would take effect on 1 April 2009 if approved.

WL income limits

7. While welcoming the proposed increase in WL income and asset limits, Mr CHAN Hak-kan questioned why the proposed income limit for one-person (1-P) households had only increased from \$7,300 to \$7,400, representing an increase of 1.37% which was way below the 3.3% average increase in income limits. He opined that the existing housing policy might not be fair to 1-P households, particularly those non-elderly singletons whose waiting time for PRH was about five and a half years according to the Administration's response to an earlier LegCo question, which was much longer than the average waiting time of about three years. He enquired if measures, including conversion of larger PRH flats to several smaller 1-Person flats and provision of home purchase loan schemes, would be introduced to shorten the waiting time for these applicants. PSTH(H) said that the proposed increase in income limit for 1-Person households was worked out, as with all other households, with reference to the statistics on respective private rentals and the Consumer Price Index (A) (CPI(A)). The 3.3% increase was an average figure and might not be applicable to all household sizes. ADH(SP) added that the differential unit rent of private flats for 1-Person households had increased from \$166 per square metre (m²) in 2007 to \$168 per m² in 2008, representing an increase of only 1.2%. This was much lower as compared to the percentage increase in other household sizes.

8. Mr Frederick FUNG however pointed out that the differential unit rent of \$168 per m² for 1-Person households was only applicable to flats in the New Territories. The average rent for similar flats in urban districts, such as Shamshuipo, was about \$200 per m². Consideration should be given to including an appreciation factor for WL applicants living in urban areas. ADH(SP) explained that according to a recent survey, the average unit rent in Kowloon had decreased 1.7% from 2007 to 2008. At members' request, the Administration undertook to provide a breakdown by percentage of the different household sizes on WL from one person to 10 persons.

9. Noting that the percentage increase in income limit for 9-Person household, pitched at 5%, was much higher than the average increase for smaller households, Dr Joseph LEE asked whether this had taken into account the number of income earners in a larger household. PSTH(H) said that the income profiles were based on statistics provided by the Census and Statistics Department (C&SD). ADH(SP) explained that the WL income limits were derived using a “household expenditure” approach which comprised the housing and non-housing costs. The housing cost referred to the average expenditure a household required to rent private accommodation with an average size comparable to a PRH. The non-housing cost was determined by the statistics from the latest Household Expenditure Survey (HES), which provided the necessary statistics on the average household expenditure of the lower half expenditure group among tenant households in the private sector. The total household expenditure was not directly proportional to the number of persons in a family.

10. Mr James TO was not convinced that the non-housing cost for different household sizes should be generalized without having regard to the different composition of the families. As the expenditure patterns would vary significantly between families with or without children, he considered it necessary that a more concise non-housing cost should be worked out for a typical family i.e. family with two adults and one/two children. ADH(SP) reiterated that the non-housing cost was worked out based on the expenditure patterns and levels of households of different sizes, with adjustment according to the latest movement in CPI(A). She nevertheless agreed to find out more from C&SD the spread of non-housing cost of different household sizes.

11. Mr LEUNG Yiu-chung opined that the present WL income and asset limit was overly stringent. By way of illustration, a 2-Person family with both members working, even with the minimum wage, would not be eligible for PRH as the total household income would easily exceed the new income limit of \$11,600 for 2-Person household. Mr WONG Sing-chi echoed that there was lack of coordination in the formulation of housing and welfare policies as evidenced by the incoherent policy on minimum wage being contemplated by the Labour and Welfare Bureau with the current review of WL income limits. He considered that there should be cross-referencing between the WL income limits and the minimum wage, and that the income limits should be revised upwards to ensure that applicants would not lose their eligibility for PRH as a result of a slight change in household income such as pay rise or receipt of bonuses. PSTH(H) said that the review of WL income and asset limits was based on established mechanisms with reference to the figures obtained from C&SD. It was expected that following the implementation of minimum wage, the income limits would be suitably adjusted in line with possible changes in expenditure levels.

12. Mr LEUNG Yiu-chung further questioned the rationale for conducting the review of WL income and asset limits in the fourth quarter of 2008 when CPI(A) was on the decline following the financial crisis. He was also skeptical that the WL income and asset limits were intentionally set to limit the number of additional

applicants on WL to around 3 000 to 5 000 per year to control PRH production. PSTH(H) clarified that the WL income and asset limits were assessed annually to keep abreast with the prevailing socio-economic circumstances, and by no means related to PRH production. ADH(SP) added that the WL income and asset limits were reviewed annually at the beginning of each year using the latest available statistics as of the last quarter as compared to the corresponding quarter of the previous year. In other words, the review had taken into account changes in the past 12 months.

13. The Chairman opined that the 5% contingency provision should not apply across the board to all household sizes. Some degree of flexibility should be accorded to cater for special situations of some families. Consideration should also be given to increasing the 5% contingency provision for WL applicants who were affected by redevelopment and clearance. PSTH(H) said that the non-housing expenditure covered a range of items, such as medical and travel expenses, and a 5% contingency provision was included in addition. The suggestion for an increase in the contingency provision from 5% to 10% had been discussed by HA in 2007. It was concluded that an increase in the contingency provision would likely increase the number of eligible applicants for PRH, thereby lengthening the average waiting time. Given that the present economic situation and demand for PRH were quite different from that in 2007, the Chairman held the view that HA should reconsider the need to review the adequacy of the contingency provision. PSTH(H) agreed to reflect the Chairman's views to HA for consideration.

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WL asset limits

14. Mr Frederick FUNG noted that the WL asset limits were set at around 20 to 24 times of the WL income limits. In other words, households concerned should be able to sustain themselves for about two years even without income. In view of the fact that the high unemployment rate would continue for quite some time, he urged HA to consider revising the WL asset limits upwards to 36 times of the income limits or at least 30 times. ADH(SP) explained that the WL asset limits were derived using the asset limits for 2005/2006 as the basis for future annual adjustments with reference to movement in CPI(A) over the year. Before 2005/2006, the WL asset limits were equivalent to six years of housing cost. PSTH(H) added that WL applicants who had no income or assets should seek assistance from the Social Welfare Department.

15. Mr James TO enquired if the investments in Lehman products formed part of assets of WL applicants. ADH(SP) explained that the term "assets" under the WL asset limits would be interpreted in accordance with its general definition. Care would be taken in assessing the eligibility of WL applicants to safeguard rational allocation of the scarce housing resources.

PRH production programme

16. Professor Patrick LAU opined that the demand for PRH would surge amid the financial turmoil as more people would become eligible for PRH. Given the long lead time for housing production, advance planning was needed to meet the anticipated demand. PSTH(H) said that it was the Government's target to ensure a sufficient

supply of land for PRH production to uphold the pledge of maintaining the average waiting time for PRH at about three years. At present, the average waiting time was 1.9 years for general WL applicants and 1.2 years for elderly one-person applicants. In the event that the demand for PRH had increased substantially to lengthen the average waiting time to more than three years, the Government would work with HA on the means to increase PRH production.

Housing assistance to middle-class families

17. Mr LEE Wing-tat was concerned that the existing public housing policy, which was inclined to meet the housing needs of low-income families, had failed to address the predicament faced by middle-class families which were hard hit by the financial crisis. Many of them had since lost their jobs and were unable to cope with the high housing expenses. However, they were not eligible for public housing as their income for the last year together with their assets had exceeded the WL income and asset limits. He asked if the Administration would consider providing temporary assistance, such as rent subsidies or accommodation for a limited period, to these families during the interim to help them tide over the difficult period. He said that these new measures were practicable and worth considering in assisting those middle-class families stricken by the financial crisis. Given the scarce housing resources, PSTH(H) said that the Administration had to ensure that these would only be provided to those who were most in need. WL applicants who became ineligible for PRH as a result of household income higher than the prescribed WL income and asset limits could re-register on the WL within two years if there was a change in their financial situation and their waiting time would be suitably adjusted. Nevertheless, he would relay Mr LEE's views to HA's Subsidised Housing Committee for consideration.

Admin

V. Green roof in the Fu Shan Estate market

(LC Paper No. CB(1) 894/08-09(05) — Administration's paper on green roof in the Fu Shan Estate market)

18. The Assistant Director (Estate Management)1 (ADH(EM)1) and the Assistant Director (Development & Procurement) (ADH(D&P)) gave a power-point presentation on the progress of roof greening measures in PRH estates, and the recently completed green roof in the Fu Shan Estate market.

(Post-meeting note: The power-point presentation materials were circulated to members under LC Paper No. CB(1) 964/08-09(02).)

19. Noting that about \$1 million was spent on the re-roofing works for the Fu Shan Estate market block, Mr LEE Wing-tat enquired about the number of job opportunities created as a result, and the effectiveness of the green roof in reducing the indoor temperature. ADH(EM)1 said that the re-roofing project was outsourced to a consultant who hired about five to 10 workers to carry out the works. ADH(D&P) supplemented that the outsourced works involved lining of rooftop with inorganic growing substrate and drainage layer, identification of plant species, and arrangement

of plants in an artistic array to achieve the best visual effect. As regards the effect of the green roof on indoor temperature of the market block, ADH(D&P) said that while no formal studies had been conducted, it was found that the indoor temperature of the areas under the green roof was lower than that outside the green roof. While supporting the implementation of green roofs, Mr CHAN Hak-kan was disappointed that only about 10 jobs were created for a \$1 million worth of project.

20. Mr Frederick FUNG opined that apart from non-residential blocks, green roof should be implemented on a larger scale to cover residential blocks as well. However, care should be taken to use more durable materials to line the rooftop to avoid water seepage to the lower floors. Consideration should also be given to providing leisure facilities on the green roofs for the benefit of residents. In addition to green roofs, other green features, such as solar photovoltaic installation, independent grey water harvesting system to recycle and reuse waste water etc, should be adopted in the design of PRH blocks as far as practicable. Mr LEUNG Yiu-chung echoed that the problem of water seepage might be aggravated with the implementation of green roofs, particularly after a period of time when the roof lining showed signs of wear and tear. He also pointed out the need for security measures if residents were allowed access to the green roofs. Expressing similar concerns, Mr CHAN Hak-kan said that when implementing green roofs in residential blocks, opportunity should be taken to fix the water seepage problem commonly found in many PRH units through the provision of waterproof lining at the roofs. The Housing Department (HD) should also consider providing greening at the deck of covered footbridges as a means to reduce the heat island effect.

21. In response, the Deputy Director (Development & Construction) (DDH(D&C)) said that while green roof was initially intended for low-rise non-residential blocks, efforts would be made to extend its application to residential blocks, subject to compliance with fire regulations since some roofs were used as refuge areas in case of fire. She cautioned that the greening efforts would be undermined if residents were allowed to step on the greenery. Notwithstanding, residents at higher floors would be able to appreciate the improved visual effect brought about by the green roof. As regards the problem of water seepage, DDH(D&C) said that green roofs would unlikely worsen the problem because waterproofing and proper drainage would be provided in the course of greening of roofs. She also agreed with members that the conduct of greening and repair works at roofs in tandem would help maximize the benefits of the works. ADH(D&P) added that the provision of green roofs at new PRH blocks would be easier because these roofs would be designed to cater for the required structural loading and necessary drainage. A detailed study on the structure and drainage system would have to be conducted before implementing green roofs at existing PRH blocks. On other greening measures, DDH(D&C) said that vertical greening etc. was being tried out in PRH blocks by HD. Trial application of solar energy and independent grey water harvesting systems were also being conducted in some estates.

22. Mr LEUNG Kwok-hung remarked that he would support the provision of renewable energy devices rather than greening at roofs of PRH blocks. He considered that HD should identify other spaces within PRH estates for greening

purpose. Taking Fu Shan Estate as an example, DDH(D&C) said that there was not much space available for greening and hence decision was taken to provide greening at the roof of the market to help improve air quality and reduce indoor temperature. She added that the pilot schemes on the development of renewable energy in some estates could only be carried out on a small scale due to high capital and operating costs.

23. While supporting the provision of green roofs, Mr KAM Nai-wai was disappointed at the slow pace of progress. He said that more pilot studies on green roofs should be carried out in existing PRH blocks in an attempt to help reduce the temperature and create more job opportunities. DDH(D&C) said that apart from the green roof in the Fu Shan Estate market, a number of pilot projects would be carried out in other PRH blocks, including Ping Shek Estate, Fuk Loi Estate and Wah Fu Estate, in 2009-2010. Mr KAM considered that a full picture of the green roofing programme should be provided to facilitate members' understanding on the programme. Mr CHAN Hak-kan also enquired about the time frame for including green measures in the design of new public housing projects. DDH(D&C) said that the green roof in the Fu Shan Estate market had provided useful reference in the provision of green roofs in PRH blocks, which would be included in the refurbishment of existing blocks. Funding for these projects would be borne by HA. At the Chairman's request, the Administration undertook to provide a list of green roof projects to be implemented in new and refurbished PRH estates, and to arrange a site visit for members to observe the progress of implementation of green measures in PRH estates.

Admin

VI. Employment of information technology to enhance services for tenants of public rental housing

(LC Paper No. CB(1) 894/08-09(06) — Administration's paper on employment of information technology to enhance services for tenants of public rental housing)

24. The Head (Information Technology) gave a power-point presentation on the employment of information technology (IT) to enhance services for PRH tenants.

(Post-meeting note: The power-point presentation materials tabled at the meeting were circulated to members under LC Paper No. CB(1) 964/08-09(03).)

25. Mr LEUNG Yiu-chung asked if it was HD's intention to further reduce the number of rent collection counters at estate offices by encouraging PRH tenants to pay rents by electronic means or via 7-Eleven convenience stores/service counters of MTR stations. He pointed out that elderly tenants were accustomed to paying rents at rent collection counters at estate offices, and would not be at ease to pay rents by other means outside their estates since many elderly tenants seldom ventured outside the estates. ADH(EM)1 said that the application of IT was meant to enhance service quality and efficiency. It was hoped that tenants would get used to paying their rents

through electronic means as well as other available means. HD was well aware of the needs of elderly tenants and there was no plan to cease the operation of rent collection counters at estate offices. Daily half-day rent collection services would be maintained at estates which did not have 7-Eleven convenience stores or MTR stations within walking distances. For estates which were close to MTR stations or had 7-Eleven convenience stores nearby, half-day rent collection service would be provided on Wednesdays. HD would continue collect rents from physically impaired elderly tenants direct.

26. Mr Frederick FUNG supported further application of IT to other services in PRH estates, particularly those new ones. The ultimate goal would be moving towards complete computerization with features such as automatic identification systems to enhance security of estates, e-shopping system to enable tenants to shop at home etc. While acknowledging the benefits of IT upgrading, the Deputy Director (Corporate Services) (DDH(CS)) emphasized the need to balance cost-effectiveness and different demands of tenants as in the case of rent collection services.

27. Mr LEE Wing-tat enquired about the manpower savings achieved as a result of IT upgrading as well as the mechanism to ensure the security of information. DDH(CS) said that purpose of IT upgrading was not to reduce staff but to improve service quality and efficiency. Any manpower saving would be redeployed to enhance other services for tenants. As regards the security of information, DDH(CS) advised that stringent control had been imposed on access to the computer network and use of portable storage devices to minimize the risk of information leak.

28. The Chairman said that a visit to observe the application of IT and the progress of implementation of green measures in PRH estates would be useful to facilitate members' understanding.

VII. Any other business

29. There being no other business, the meeting ended at 4:30 pm.