

**Select Committee to Inquire into Matters relating to
the Post-service Work of Mr Leung Chin-man**

**Further Information provided by the Administration
in response to the Appendix to the Clerk to Select Committee's letter
of 27 February 2009**

*Document No.
(Only English
available unless
otherwise specified)*

1. SC(2) Paper No. T127 (Administration's reference:
THB 136A)

In item (3) of SC(2) Paper No. T127, the Transport and Housing Bureau advises that three mechanisms were involved in the disposal of overhung subsidized Home Ownership Scheme/Private Sector Participation Scheme flats upon the termination of production and sale of such flats under the repositioned housing policy, namely : (a) a task force chaired by the then Deputy Secretary for Housing (2); (b) Senior Directorate Meetings chaired by the then Secretary for Housing, Planning and Lands; and (c) Senior Officials Meeting of the Housing Department chaired by Mr LEUNG Chin-man as Permanent Secretary for Housing, Planning and Lands (Housing)/Director of Housing. Please provide information on the respective roles of the three mechanisms in the matter and the role and level of participation of Mr LEUNG in these three mechanisms.

Transport and Housing Bureau's response : Since we have already provided a detailed account of the process in the disposal of the Private Sector Participation Scheme ("PSPS") flats at the Hunghom Peninsula development in the responses to the Clerk to Select Committee's letters of 18 December 2008, 22 and 23 January 2009, the response to item (3) of ~~THB 136A~~ focuses on the disposal of the rest of the overhung Home Ownership Scheme ("HOS")/PSPS flats. The roles of the three mechanisms, and the role and level of participation of Mr LEUNG Chin-man ("Mr LEUNG") in these mechanisms are summarized as follows –

T127

**(a) The Task Force on Alternative Uses of Surplus
HOS/PSPS Flats**

The Task Force on Alternative Uses of Surplus HOS/PSPS Flats ("the Task Force") was an ad hoc working group set up by the Housing Department ("HD") following the repositioning of Government's subsidized housing policy in 2002. It operated for about six months from November 2002 to end of May 2003. Its terms of reference were to:

- (i) examine all possible options for disposal of surplus HOS/PSPS flats for alternative uses through market-friendly means;*
- (ii) evaluate the feasibility and implications of all possible options;*
- (iii) enter into discussion with relevant interested parties for the disposal of surplus HOS/PSPS flats; and*
- (iv) make recommendations to the Permanent Secretary for Housing, Planning and Lands (Housing).*

Before the Task Force commenced its work, the Housing Authority and the Chief Executive in Council already decided on the way forward of PSPS flats, including the Hunghom Peninsula development. Therefore, the disposal of these flats was not discussed in the Task Force.

The Task Force was chaired by the then Deputy Secretary for Housing (2). Its membership comprised officials from HD whose portfolios were relevant to the

disposal of overhung HOS/PSPS. The Task Force had held eight meetings.

Mr LEUNG did not attend any of the Task Force meetings. The notes of meetings of the Task Force were copied to him for information. Also, options considered at the Task Force were put to the Senior Officials' Meetings ("SOM") and/or the Senior Directorate Meetings ("SDM") for information or further discussion from time to time as and when necessary.

Since the Task Force was not attended by Mr LEUNG and did not discuss the disposal of the Hunghom Peninsula PSPS flats, documents relating to the Task Force are not relevant to the subject of the Inquiry, and hence are not provided.

(b) Senior Directorate Meetings ("SDM")

The SDM was an in-house meeting of the then Housing, Planning and Lands Bureau ("HPLB") to discuss matters relating to the then HPLB. The then Secretary for Housing, Planning and Lands was the Chairman of the SDM. Mr LEUNG, in the capacity of Permanent Secretary for Housing, Planning and Lands (Housing)/Director of Housing ("PSH/DoH"), attended SDM as a member.

As mentioned, options on the disposal of surplus HOS/PSPS flats which were considered at the Task Force were put to the SDM for information or further discussion as and when necessary. Subject officers whose portfolios were relevant to the disposal of HOS/PSPS would report verbally progress on the disposal of the HOS/PSPS at the SDM from time to time. Occasionally, papers were prepared for

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discussion at the SDM.

The disposal of the Hunghom Peninsula PSPS flats was sometimes deliberated in SDM, ~~THB 26~~^{T10(c)} to ~~THB 39~~^{T23(c)} and ~~THB 167~~^{T52(c)} to ~~THB 228~~^{T113(c)} provided in earlier submissions are relevant.

T10(c) T23(c)
THB 26 to **THB 39**
THB 167 to **THB 228**
T52(c) T113(c)

(c) Senior Officials' Meeting ("SOM")

The SOM is a regular in-house meeting of the HD to discuss matters relating to the HD. PSH/DoH is the Chairman of SOM. Membership includes deputy directors and some assistant directors. SOM still exists in HD to-date.

As mentioned, options on the disposal of surplus HOS/PSPS flats considered at the Task Force were put to the meetings of the SOM for information or further discussion as and when necessary. Mr LEUNG, as the Chairman of SOM, provided steer at the SOM meetings in the formulation of the sales strategies, programmes and arrangements for the disposal of overhung HOS/PSPS flats. As mentioned above, since the Task Force did not discuss PSPS flats, there was no discussion on the disposal of the Hunghom Peninsula PSPS flats at SOM. Documents relating to the SOM are not relevant to the subject of the Inquiry, and hence are not provided.

Note:

Document Nos. which are shaded and bold are graded as "Confidential".

Document Nos. which are underlined are those provided in previous submissions.

Transport and Housing Bureau
March 2009