

立法會
Legislative Council

LC Paper No. CB(1)1605/10-11
(These minutes have been seen
by the Administration)

Ref : CB1/PL/DEV/1

Panel on Development

Minutes of special meeting
held on Tuesday, 7 December 2010, at 10:45 am
in the Chamber of the Legislative Council Building

- Members present** : Prof Hon Patrick LAU Sau-shing, SBS, JP (Chairman)
Hon James TO Kun-sun
Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
Dr Hon Philip WONG Yu-hong, GBS
Hon Abraham SHEK Lai-him, SBS, JP
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon WONG Kwok-hing, MH
Hon CHEUNG Hok-ming, GBS, JP
Hon KAM Nai-wai, MH
Hon Starry LEE Wai-king, JP
Dr Hon Priscilla LEUNG Mei-fun
Hon Paul TSE Wai-chun
Hon Alan LEONG Kah-kit, SC
Hon Tanya CHAN
- Members absent** : Hon LAU Wong-fat, GBM, GBS, JP (Deputy Chairman)
Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Hon CHAN Kam-lam, SBS, JP
Hon WONG Yung-kan, SBS, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon LEE Wing-tat
Hon Cyd HO Sau-lan
Hon IP Kwok-him, GBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP

Hon Albert CHAN Wai-yip

Public officers attending : **Agenda item I**

Mrs Carrie LAM CHENG Yuet-ngor, GBS, JP
Secretary for Development

Mr Thomas CHOW Tat-ming, JP
Permanent Secretary for Development
(Planning and Lands)

Mr Tommy YUEN Man-chung, JP
Deputy Secretary for Development
(Planning and Lands) 2

Attendance by invitation : **Agenda item I**

Mr Raymond LI
Member
South Tokwawan Concern Group

Ms WONG Yat-man
Chairperson
K7 Owner Union

Mr Vick KWOK Man-nga
Representative
舊區租客大聯盟

Mr WONG King-lai
Member
Concerning Urban Housing Rights Social Work Alliance

Mr TSUI Ka-fun
Representative
九龍城區舊區網絡

Mr WONG Ho-yin
Member
People Planning in Action

Mr CHAM Kam-shu
Representative
K28 Sport Shoes Street Concern Group

Mr NG Kam-cheu
Member
H15 Concern Group

Ms SHUM Sui-heung
Representative
士丹頓街及永利街重建租客組

Mr TO Chun-tsui
Representative
Blue House Living Rights Concern Group

Ms SIN Fung-yee

Ms LAU Tao-sheung

Mr POON Chi-kwok

Ms LEE Wai-yi

Mr CHU Yick-yiu

Ms IU Siu-yung

Miss CHEUNG Sin-yi

Mr Nicholas CHAN Hok-fung

Ms YIM Wai-yue
Representative
九龍城關注啟德發展居民組

Mr NG Yin-keung
Representative
HK Development Concern Group

Mr Julian FUNG
Speaker
Build The Community Project

Ms PANG Yim-ling
Mr HO Wan-yeung

Ms LING Fung-har

Mr Brandon YOUNG Kwok-kin

Clerk in attendance : Mr Stephen LAM
Chief Council Secretary (1)4

Staff in attendance: Mr Simon CHEUNG
Senior Council Secretary (1)1

Ms Sharon CHUNG
Senior Council Secretary (1)5

Ms Christina SHIU
Legislative Assistant (1)7

Action

- I Review of the Urban Renewal Strategy**
- | | |
|----------------------------------|--|
| (LC Paper No. CB(1)155/10-11(04) | -- Administration's paper on Urban Renewal Strategy Review |
| File Ref.: DEVB(PL-CR) 1-150/77 | -- Legislative Council Brief on People First: A District-based and Public Participatory Approach to Urban Renewal -- Urban Renewal Strategy Review |
| LC Paper No. CB(1)155/10-11(05) | -- Paper on review of the Urban Renewal Strategy prepared by the Legislative Council Secretariat (Updated background brief)) |

Submissions from organizations/individuals not attending the meeting

- (LC Paper No. CB(1)440/10-11(04) -- Submission from Mr PUN Chi-man, Kowloon City District Council member, dated 8 November 2010
- LC Paper No. CB(1)440/10-11(08) -- Submission from Tai Kok Tsui Resource Centre Association dated 6 November 2010
- LC Paper No. CB(1)440/10-11(09) -- Submission from Mr LAM Ho-yeung, Yau Tsim Mong District Council member dated 6 November 2010
- LC Paper No. CB(1)440/10-11(10) -- The Hong Kong Institute of Housing dated 11 November 2010
- LC Paper No. CB(1)440/10-11(11) -- Submission from The Kowloon West Branch of Democratic Party dated 10 November 2010
- LC Paper No. CB(1)469/10-11(01) -- Submission from Mr YEUNG Wai-sing, Eastern District Council member, dated 13 November 2010
- LC Paper No. CB(1)500/10-11(01) -- Submission from The Professional Commons dated 17 November 2010
- LC Paper No. CB(1)500/10-11(02) -- Submission from Mr CHEUNG Yiu-tong dated 18 November 2010
- LC Paper No. CB(1)546/10-11(06) -- Submission from the Hong Kong Council of Social Service dated 20 November 2010
- LC Paper No. CB(1)546/10-11(07) -- Submission from the Hong Kong Institute of Architects dated November 2010

LC Paper No. CB(1)619/10-11(01) -- Submission from the Real Estate Developers Association of Hong Kong dated 29 November 2010)

Members noted the following submissions tabled at the meeting --

- (a) Submission from K7 Owner Union dated 7 December 2010;
- (b) Submission from Concerning Urban Housing Rights Social Work Alliance dated 7 December 2010;
- (c) Submission from Mr Brandon YOUNG Kwok-kin;
- (d) Joint submission from various parties; and
- (e) Submission from *觀塘重建區商舖租客關注組*;

(Post-meeting note: The soft copies of the submissions (LC Papers Nos. CB(1)706/10-11(01) to (05)) were issued by email on 7 December 2010.)

Presentation by deputations

2. The Chairman welcomed the deputations and invited them to present their views.

*South Tokwawan Concern Group
(LC Paper No. CB(1)440/10-11(01))*

3. Mr Raymond LI, Member, South Tokwawan Concern Group, delivered his presentation, the details of which were given in his submission. He highlighted that the compensation made by the Urban Renewal Authority (URA) to property owners affected by its redevelopment projects should be based on the gross floor areas of their units and there should be equal compensation for owner-occupiers and owners of tenanted units.

K7 Owner Union

(LC Paper No. CB(1)706/10-11(01), tabled and soft copy issued by email on 7 December 2010)

4. Ms WONG Yat-man, Chairperson, K7 Owner Union, delivered her presentation, the details of which were given in her submission. She emphasised that there should be an effective and independent mechanism to monitor the work of URA, an independent authority to assess the price per square foot of "7-year old residential units in the same district" and that URA should disclose its financial data with full details.

舊區租客大聯盟

(LC Paper No. CB(1)546/10-11(04))

5. Mr Vick KWOK Man-nga, Representative, 舊區租客大聯盟, expressed his views on behalf of a group of shop tenants affected by redevelopment in Kwun Tong. He urged that protection for shop tenants in areas affected by URA's redevelopment projects should be strengthened because they suffered from large rental increases or tenancy termination once their shops were announced to be within the areas to be redeveloped. The measures mentioned in paragraph 28 of the draft text of the revised urban renewal strategy (URS) were not adequate to protect the rights of shop tenants.

Concerning Urban Housing Rights Social Work Alliance

(LC Papers Nos. CB(1)546/10-11(01) and CB(1)706/10-11(02))

6. Mr WONG King-lai, Member, Concerning Urban Housing Rights Social Work Alliance, delivered his presentation, the details of which were given in his submissions. He proposed that the Administration should allocate funds for non-profit making organisations to provide assistance, through community services teams, to needy residents in old districts in respect of matters related to rehabilitation of buildings and redevelopment.

九龍城區舊區網絡

(LC Paper No. CB(1)546/10-11(02))

7. Mr TSUI Ka-fun, Representative, 九龍城區舊區網絡, delivered his presentation, the details of which were given in his submission. He suggested that the District Urban Renewal Forum (DURF) should be open to residents' groups because they were most familiar with local issues.

Besides, a district's redevelopment should be centrally coordinated with a view to achieving better urban planning and preservation of heritage buildings.

People Planning in Action

8. Mr WONG Ho-yin, Member, People Planning in Action, commented that the draft text of the revised URS did not give any details about the operational mechanism of the new initiatives and had undermined the importance of retaining residents' community networks. It also had removed the statement in the existing URS about conducting regular URS reviews. He opined that the Legislative Council, in monitoring the work of the Administration, should seriously compare the existing and the revised URS to see if the latter was an improvement or not. He held the view that, since URA's establishment in 2001, it had failed to follow the existing URS many times, therefore an effective monitoring system for URA was much needed.

*K28 Sport Shoes Street Concern Group
(LC Paper No. CB(1)440/10-11(02))*

9. Mr CHAM Kam-shu, Representative, K28 Sport Shoes Street Concern Group, delivered his presentation, the details of which were given in his submission. He highlighted that while there would be a "flat for flat" compensation option under the revised URS, the Administration should offer "shop for shop" compensation for shop owners affected by urban redevelopment projects because the cash compensation was not sufficient for the owners to buy new shop premises in the same district.

(Post-meeting note: Further submissions from the above Concern Group were received after the meeting. They have been circulated to members vide LC Papers Nos. CB(1)708/10-11(01) and CB(1)787/10-11(03) on 9 and 14 December 2010 respectively.)

*H15 Concern Group
(LC Paper No. CB(1)706/10-11(04), Joint Submission on URS Review from Various Parties, tabled and soft copy issued by email on 7 December 2010)*

10. Mr NG Kam-cheu, Member, H15 Concern Group, delivered his presentation, the details of which were given in the above joint submission. The submission highlighted concerned parties' opinions that the draft text of the revised URS deviated from the views expressed by concerned groups

during the public consultation on URS review in the past two years and was a regressive strategy; that there should be an independent monitoring mechanism for URA's implementation of URS; that the signatories would set up other platforms for public participation in the planning of urban renewal; and that the Legislative Council should express regret over the revised URS. Besides, the submission conveyed the dissatisfaction of concerned parties about the date of the meeting, which was a Tuesday, making some residents' representatives unable to give views in person.

重建聯區居民業主聯會

11. The Chairman said that Ms YIP Mee-yung, representative of 重建聯區居民業主聯會, was absent and had provided a written authorisation for Mr WONG Ho-yin, Member, People Planning in Action, to give views on her behalf at the meeting. Mr WONG read out the joint submission (LC Paper No. CB(1)706/10-11(04)) on behalf of Ms YIP.

士丹頓街及永利街重建租客組

12. Ms SHUM Sui-heung, Representative, 士丹頓街及永利街重建租客組, opined that the revised URS had failed to address the needs of tenants affected by urban redevelopment projects. Although paragraph 33 of the draft text stated that URA would aim to put in place referral arrangements to help tenants evicted or with their tenancies terminated after a freezing survey, from her personal experience, the referral arrangements were not effective. She was first referred to the Housing Department and then to the Social Welfare Department. Both could not make any rehousing arrangements for her. In September this year, URA announced some special measures to assist tenants at Wing Lee Street. However, according to URA, those measures would not be implemented until the Town Planning Board decided to invoke some town planning procedures. The timetable was unknown yet, putting the tenants at Wing Lee Street under uncertainties.

*Blue House Living Rights Concern Group
(LC Paper No. CB(1)546/10-11(03))*

13. Mr TO Chun-tsai, Representative, Blue House Living Rights Concern Group, delivered his presentation, the details of which were given in the joint submission.

Ms SIN Fung-yee

14. Ms SIN Fung-yee urged that "shop for shop" compensation be offered to shop operators affected by urban redevelopment projects. She was disappointed that this request, repeated many times, had never been facilitated by the Administration. She considered the consultation on URS review a fake one and the work of URA needed a monitoring mechanism.

Ms LAU Tao-sheung

15. Ms LAU Tao-sheung said that the compensation made by URA to property owners affected by its redevelopment projects was unfair because it was not sufficient for the purchase of a 7-year old flat in the same district. She was offered a compensation of \$4 000 per square foot for her flat in Sham Shui Po but the evaluation of a professional surveyor for the price of a 7-year old residential unit in the same district was \$8 400 per square foot. She would lose at least \$3.15 million, equivalent to half of the price of a flat, if she accepted URA's compensation. The compensation for her flat had dragged on for four years, causing great stress to her. She considered URA's acquisition seizure of people's assets and action creating conflicts.

Mr WONG Yiu-keung

16. The Chairman said that Mr WONG Yiu-keung was absent and had provided a written authorisation for Mr Raymond LI, Member, South Tokwawan Concern Group, to give views on his behalf at the meeting. Mr LI read out the joint submission on behalf of Mr WONG.

Mr POON Chi-kwok

17. Mr POON Chi-kwok held the view that URA oppressed the under-privileged and the elderly in its acquisition of their properties by offering unfair compensation. He said he leased his flat on \$3 000 per month due to his sickness and rented a room instead on \$3 500 per month for his own accommodation. As his property was tenanted, URA offered one-third, equivalent to \$2.1 million, less compensation. He had talked with the senior management of URA a few times to no avail. He hoped that members would sympathise with elderly property owners like him and render assistance.

Ms LEE Wai-yi

18. Ms LEE Wai-yi delivered her presentation, the details of which were given in the joint submission.

Ms CHIK Yuk-chun.

19. The Chairman said that Ms CHIK Yuk-chun was absent and had provided a written authorisation for Mr NG Yin-keung, Representative, HK Development Concern Group, to give views on her behalf at the meeting. Mr NG read out the joint submission on behalf of Ms CHIK.

20. Referring to some deputations' comments about holding the meeting on a weekday instead of Saturday, the Chairman advised that he had tried to arrange this meeting to receive the views of deputations before the end of the consultation on the revised URS on 13 December 2010. However, no suitable venue was available for the meeting on any Saturday before 13 December 2010.

Mrs KAM FOK Lai-ching

21. The Chairman said that Mrs KAM FOK Lai-ching was absent and had provided a written authorisation for Ms LEE Wai-yi to give views on her behalf at the meeting. He reminded the deputations not to repeat the views that had already been made. Ms LEE read out the joint submission on behalf of Mrs KAM.

Mr CHU Yick-yiu

22. Mr CHU Yick-yiu urged the Secretary for Development (SDEV) to help create a harmonious society, as emphasised by the Chief Executive, by making URA provide small shops, instead of large shopping malls, in their redevelopment projects, so as to give small business operators a chance to make a living. He also suggested that URA projects should only provide residential units with basic facilities, not luxury apartments.

Ms SIN Wai-fong

23. The Chairman said that Miss SIN Wai-fong was absent and had provided a written authorisation for Mr CHU Yick-yiu to give views on her behalf at the meeting. Mr CHU said that the views of Miss SIN were stated in the joint submission.

Ms IU Siu-yung
(LC Paper No. CB(1)440/10-11(03))

24. Ms IU Siu-yung delivered her presentation, the details of which were given in her submission. She added that the profits of URA should be returned to owners of the properties which had been acquired by URA at low prices. With the large amount of profits, URA should make an endeavour to offer in-situ "flat for flat" and "shop for shop" compensation to affected property owners.

(*Post-meeting note: Another submission from Ms IU was received after the meeting. It was circulated to members vide LC Paper No. CB(1)787/10-11(04) on 14 December 2010.*)

Miss WONG Heng-yu

25. The Chairman said that Miss WONG Heng-yu was absent and had provided a written authorisation for Ms LEE Wai-yi to give views on her behalf at the meeting. Ms LEE read out the joint submission on behalf of Miss WONG.

Miss CHEUNG Sin-yi

26. Miss CHEUNG Sin-yi delivered her presentation, the details of which were given in the joint submission.

Mr Nicholas CHAN Hok-fung

27. Mr Nicholas CHAN Hok-fung delivered his presentation, the details of which were given in the joint submission.

九龍城關注啟德發展居民組

28. Ms YIM Wai-yue, Representative, 九龍城關注啟德發展居民組, said that her group strongly objected to the "flat for flat" compensation option in the revised URS. The arrangements for this option were very much different from those expected by affected property owners. They regretted that URA was still applying the compensation rate based on the value of a notional 7-year old replacement flat, fixed in 2000. Compensation at this rate and based on the saleable area of the acquired unit

was unfair to affected owners and had made it impossible for them to buy replacement flats in the same district.

*HK Development Concern Group
(LC Paper No. CB(1)546/10-11(05))*

29. Mr NG Yin-keung, Representative, HK Development Concern Group, considered that a "people-centred" URS should not focus on the age and number of old buildings. It should aim to solve the problems related to an ageing population, housing for the aged and the under-privileged, and help small business operators continue with their businesses. The targets of a "people-centred" URS should be quantified and the performance be monitored. He was disappointed at the deletion of the words – "without sacrificing the lawful rights of any particular group" from the URS. In his opinion, to set up a consultation platform before conducting a freezing survey would result in tenants being evicted. When performing a facilitator's role, URA would apply the Land (Compulsory Sale for Redevelopment) Ordinance, making tenants unable to be relocated to public housing units.

Incorporated Owners of San Loong House of Kwun Tong

30. The Chairman said that Ms CHENG Wai-li, Representative, the Incorporated Owners of San Loong House of Kwun Tong was absent and had provided a written authorisation for Miss CHEUNG Sin-yi to give views on her behalf at the meeting. Miss CHEUNG read out the joint submission on behalf of Ms CHENG.

Shunning Road Redevelopment Concern Group

31. As Mr IO Ching-po, Member, Shunning Road Redevelopment Concern Group, was absent. Mr Brandon YOUNG Kwok-kin read out the joint submission on behalf of Mr IO.

Shunning Road Support Group

32. The Chairman said that Miss TANG On-yee, Member, Shunning Road Support Group, was absent and had provided a written authorisation for Mr Nicholas CHAN Hok-fung to give views on her behalf at the meeting. Mr CHAN read out the joint submission on behalf of Miss TANG.

Build The Community Project

33. Mr Julian FUNG, Speaker, Build The Community Project, considered that demolition of old buildings was not the only way to achieve urban regeneration. Preservation of homes and communities could not be ignored in the process of urban renewal. By forcing people to leave their homes, URA had been making great profits from redevelopment projects. The Administration had never listened to shop operators' call for "shop for shop" compensation. It was disappointing that under the proposed "flat for flat" compensation arrangement, affected property owners might have to make top-up payments. The public consultation on the revised URS was not a genuine consultation. Without a monitoring mechanism for URA's work, URS would not become effective guidelines. People would set up their own platforms to enable their own participation in the planning of urban renewal. The Legislative Council should express regret over the revised URS.

Ms LAW Yuk-hing

34. The Chairman said that Ms LAW Yuk-hing was absent and had provided a written authorisation for Mr WONG King-lai, Member, Concerning Urban Housing Rights Social Work Alliance, to give views on her behalf at the meeting. Mr WONG read out the joint submission on behalf of Ms LAW.

Ms TSE Wai-lin

35. The Chairman said that Ms TSE Wai-lin was absent and had provided a written authorisation for Ms LING Fung-har to give views on her behalf at the meeting. Ms LING read out the joint statement on behalf of Ms TSE. Ms LING also read out another statement of Ms TSE expressing strong dissatisfaction about the cancellation of the Panel's public hearing at 2 pm, 20 November 2010. As many invitees were unable to attend a meeting on a weekday, Panel members would not hear as many views as they would have heard on 20 November.

Ms PANG Yim-ling

36. Ms PANG Yim-ling said that SDEV and URA had been seizing Hong Kong people's assets. URA regarded her flat as vacant and so had offered \$1 million less compensation. In fact the water and electricity bills, bank statements, etc. were proofs for her occupancy. She had been in great

distress for more than two years due to URA's unfair compensation for her flat.

Mr HO Wan-yeung

37. Mr HO Wan-yeung delivered his presentation, the details of which were given in the joint submission. He added that the Development Bureau should monitor URA's work to ensure that rights to property were protected. Property owners should be allowed to participate in redevelopment projects in accordance with their respective numbers of undivided shares in a lot. Compensation to property owners should not be deducted on various excuses.

Ms LING Fung-har

(LC Papers Nos. CB(1)440/10-11(05) and CB(1)671/10-11(01))

38. Ms LING Fung-har delivered her presentation, the details of which were in the joint submission and her two submissions. She highlighted her opinion that URA had been selling private properties, which it had acquired with public monies, to developers. She also considered that the current standard of compensation to affected property owners outdated.

Mr YEUNG Kin-wai

39. The Chairman said that Mr YEUNG Kin-wai was absent and had provided a written authorisation for Ms IU Siu-yung to give views on his behalf at the meeting. Ms IU read out the joint submission on behalf of Mr YEUNG. She added that property ownership was the most important asset of the general public and the foundation of social harmony. They should not be seized under unreasonable and unjust laws. She held the view that calls for in-situ “flat for flat” and “shop for shop” compensation were the essence of major views expressed during the consultation on the URS review.

Mr HO Kwok-keung

40. The Chairman said that Mr HO Kwok-keung was absent and had provided a written authorisation for Ms SHUM Sui-heung, Representative, 士丹頓街及永利街重建租客組, to give views on his behalf at the meeting. Ms SHUM read out the joint submission on behalf of Mr HO.

*Mr Brandon YOUNG Kwok-kin
(LC Paper No. CB(1)706/10-11(03), tabled and soft copy issued by email on
7 December 2010)*

41. Mr Brandon YOUNG Kwok-kin delivered his presentation, the details of which were given in his submission. He added that the proposed "flat for flat" compensation option would bring URA great profits because those who took this option would have to make top-up payments, which would likely to be more than URA's construction costs. He queried about URA's social responsibilities.

Discussion

42. Mr Frederick FUNG was concerned that URA's redevelopment projects, based on site-by-site planning, had adverse effect on the town planning of the broader district. For instance, the new high-rise buildings did not integrate well with the low-rise buildings and small shops in the surroundings. While private developers would initiate redevelopment projects under the Land (Compulsory Sale for Redevelopment) Ordinance (Cap. 545) and they would redevelop more sites than URA, the lack of coordination between these redevelopments would worsen the situation. He asked whether the Administration had set directions and values for urban redevelopment as a whole. Besides, he suggested that in the old areas where there were insufficient community facilities, URA should make use of redevelopment sites to provide such facilities rather than residential buildings.

43. In reply, SDEV advised that the proposed DURF would strengthen urban renewal at the district level, while district-based urban renewal initiatives had to take into consideration the statutory planning work of the Town Planning Board. URA could make use of its sites to provide government and community facilities, as it had been doing, if there were such planning requirements or requests from the relevant government departments. As URA's projects were carried out for public interest and might incur deficits given the unique circumstances of the site and/or the need to provide more public facilities, it was therefore impossible to determine compensation levels on a site-by-site basis. In other words, the levels of compensation for affected property owners at different sites had to be consistent, and the present standards were approved by the Legislative Council.

44. Referring to some deputations' comments that the revised URS was regressive, Mr Alan LEONG said he also noticed that paragraph 39 of the existing URS was not included in the revised URS. The paragraph referred to the regular review and update of URS. He queried whether the Administration intended to discontinue the review mechanism.

45. SDEV clarified that it was not the Administration's intention to discontinue regular reviews on URS. However, it was not practical to commit to conducting a review every two to three years as stated in the existing URS, taking into account the fact that an urban redevelopment project would take much longer than that from planning to completion and the emphasis on public engagement in recent years. The current consultation, being the first one on the URS since it had been promulgated in 2001, had taken more than two years to conduct. To address the concern of Panel members and the public, when finalising the revised URS, the Administration would include a statement about future review of URS.

Response by the Administration

46. Responding to the views expressed by the deputations, SDEV said that during the two-year consultation period for reviewing URS, a lot of public engagement activities had been conducted. She was thankful to the continuous participation of the deputations and the individuals who were present in the meeting. Most of their views had already been expressed during the engagement process. The review was led not only by herself, but also by a steering committee formed by ten other community leaders. Members of the steering committee had taken part in the public engagement activities and reflected a wide range of views to her. As urban redevelopment was a highly controversial subject, it would be extremely difficult to reach a full consensus on URS despite the efforts made. The review had to come to a conclusion, though, to set future directions for urban renewal.

47. SDEV urged that the public should have confidence in DURF which would be set up under the revised URS. DURF would not be operated by URA. Supported by the Planning Department, DURF would play an important role in gauging community views on urban renewal at the district level by organising community workshops, inviting community groups to conduct surveys and collaborating with social work organisations.

48. On the proposed "flat for flat" compensation option, SDEV advised that planning had already started for providing small and medium-sized flats

at site 1G1 at Kai Tak Development to owner-occupiers who would be affected by URA's redevelopment projects to be initiated in the Kowloon City areas. The Administration aimed to launch this scheme as soon as possible. The "flat for flat" compensation option would not change the compensation level, which was approved by the Legislative Council Finance Committee and set at the level of the notional value of a 7-year old replacement unit in the same locality as the redevelopment project, to affected owner-occupiers. The differentiation in the compensation between that for owner-occupiers and for owners of tenanted units would remain. The views gathered during the consultation showed that in general the existing compensation standard was considered adequate.

49. As regards the monitoring of URA's work, SDEV said that the responsibility fell on the Development Bureau (DEVB). Each year DEVB scrutinised URA's corporate and business plans, which included its redevelopment projects to be carried out, and submitted it to the Financial Secretary for approval. DEVB also reported the work of URA to the Legislative Council on a yearly basis. From last year, URA had started to disclose more financial information about each project it had completed. She assured members that the efforts on enhancing the transparency of URA's operation would continue.

50. SDEV did not agree that the revised URS was a regressive strategy. It had incorporated suggestions made during the consultation process which represented significant changes. Examples were the set-up of DURF, the "flat for flat" compensation option, a compassionate approach in assessing the eligibility of owners, especially the elderly, of tenanted units for compensation, and enhanced measures to recognise the status of affected tenants at the point of freezing survey for the purpose of rehousing or compensation and ex gratia payment. Acknowledging that there was room for improvement in the drafting of the text of the revised URS, the Administration undertook to review the text carefully before finalising it.

51. In respect of other platforms that the deputations said they would set up for participation in the planning of urban renewal, SDEV said that collaborative efforts from the community to handle the numerous issues and individual needs arising from urban redevelopment were most welcome. In fact the Administration would engage the Hong Kong Housing Society, professional organisations, social services organisations, etc. in the implementation of URS. She hoped there would be room for collaboration with other community or social services groups.

52. SDEV added that since the Chief Executive had announced the new initiatives under the revised URS on 13 October 2010 and the draft text had been published, in general feedback had been positive and were in support of its early implementation, which was expected to improve the living conditions in old districts. Some people had urged for the second DURF to be set up in Sham Shui Po or Tsuen Wan as early as possible. These responses indicated that, after two years of work with the public to formulate a revised URS, a better way forward for urban renewal was ready.

53. In response to the Chairman's question about the timetable for the final revised URS and the implementation of the new initiatives, SDEV replied that the Administration aimed to finalise and promulgate the revised URS, having regard to the views collected during the final stage of the consultation, in January or February 2011. The revised URS would guide URA in its preparation of the 2011-12 corporate plan, to be approved by the Financial Secretary. Priority tasks under the revised URS would include setting up the first DURF at Kowloon City and the Urban Renewal Trust Fund with an endowment of \$500 million from URA to fund activities including those to be conducted by social services teams. She hoped that the large amount of work under the revised URS could be implemented as soon as practicable.

II Any other business

54. Mrs Sophie LEUNG said that, while the Legislative Council should facilitate the public's expression of views, the Chairman might wish to consider reviewing with Panel members on the ways to ensure that views were expressed in an orderly and fair manner.

55. There being no other business, the Chairman declared the meeting closed at 12:41 pm.