

立法會
Legislative Council

LC Paper No. CB(1) 1148/11-12
(These minutes have been seen
by the Administration)

Ref : CB1/PL/HG/1

Panel on Housing

Minutes of meeting
held on Wednesday, 4 January 2012, at 9:45 am
in Conference Room 3 of the Legislative Council Complex

- Members present** : Hon LEE Wing-tat (Chairman)
Hon WONG Kwok-hing, MH (Deputy Chairman)
Hon Fred LI Wah-ming, SBS, JP
Hon James TO Kun-sun
Hon CHAN Kam-lam, SBS, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, SBS, JP
Hon Vincent FANG Kang, SBS, JP
Dr Hon Joseph LEE Kok-long, SBS, JP
Prof Hon Patrick LAU Sau-shing, SBS, JP
Hon WONG Sing-chi
Hon WONG Kwok-kin, BBS
Hon IP Kwok-him, GBS, JP
Hon Alan LEONG Kah-kit, SC
Hon Tanya CHAN
- Members absent** : Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon CHAN Hak-kan
Hon LEUNG Kwok-hung
- Public officers** : **For item IV**
attending
Mr D W PESCOD, JP
Permanent Secretary for Transport and Housing
(Housing)

Ms Annette LEE, JP
Deputy Secretary for Transport and Housing
(Housing)

Ms Noel TSANG
Principal Assistant Secretary for Transport and
Housing (Housing) (Private Housing)

For item V

Mr D W PESCOD, JP
Permanent Secretary for Transport and Housing
(Housing)

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

Mr Martin CHEUNG
Assistant Director (Project)2
Housing Department

Mrs Rosa HO
Chief Architect 3
Housing Department

For item VI

Mr D W PESCOD, JP
Permanent Secretary for Transport and Housing
(Housing)

Mr Albert LEE, JP
Deputy Director (Estate Management)
Housing Department

Mr CHAN Siu-tack
Assistant Director (Estate Management)2
Housing Department

Mr HO Wing-ip
Chief Manager/Management (Support Services 1)
Housing Department

For item VII

Mr D W PESCOD, JP
Permanent Secretary for Transport and Housing
(Housing)

Ms Annette LEE, JP
Deputy Secretary for Transport and Housing
(Housing)

Mr CHIU Kin-chee
Assistant Director (Housing Subsidies)
Housing Department

Mr CHAN Siu-tack
Assistant Director (Estate Management)²
Housing Department

Ms Caran WONG
Assistant Director (Family and Child Welfare)
Social Welfare Department

Mr Alex WONG
Acting District Social Welfare Officer (Kowloon
City/Yau Tsim Mong)
Social Welfare Department

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

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

Miss Mandy POON
Legislative Assistant (1)¹

Action

- I. Confirmation of minutes**
(LC Paper No. CB(1) 698/11-12 — Minutes of the meeting held on
7 November 2011)

The minutes of the meeting held on 7 November 2011 were confirmed.

II. Information paper issued since last meeting

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

LC Paper No. CB(1) 549/11-12(01) — Administration's paper on Land Registry Statistics in November 2011 (press release); and

LC Paper No. CB(1) 631/11-12 — Referral arising from the meeting between Duty Roster Members and "香港社區組織協會基層市民房屋關注組" on 23 August and 22 November 2011 regarding rent control, review of rent assistance scheme and provision of housing assistance to residents affected by the clearance of subdivided flats in industrial buildings (Chinese version only) (Restricted to Members).

III. Items for discussion at the next meeting

(LC Paper No. CB(1) 699/11-12(01) — List of follow-up actions

LC Paper No. CB(1) 699/11-12(02) — List of outstanding items for discussion)

3. Members agreed to discuss the following items at the next regular meeting scheduled for Monday, 6 February 2012, at 2:30 pm -

(a) Public rental housing development at Kai Tak Site 1A and 1B; and

(b) Marking Scheme for Estate Management Enforcement in Public Housing Estates.

4. The Chairman suggested and members agreed to arrange a site visit to the public housing developments at Kai Tak. Noting that the tendering arrangements for housing projects at Kai Tak were different from the existing ones, Professor Patrick LAU considered it useful for the Administration to provide an information paper on the special tendering arrangements before the visit to facilitate members' understanding.

(Post-meeting note: On the instruction of the Chairman, the visit would be held on Monday, 30 January 2012.)

IV. My Home Purchase Plan

(LC Paper No. CB(1) 699/11-12(03) — Administration's paper on My Home Purchase Plan

LC Paper No. CB(1) 699/11-12(04) — Paper on My Home Purchase Plan prepared by the Legislative Council Secretariat (updated background brief))

5. The Permanent Secretary for Transport and Housing (Housing) (PSTH(H)) briefed members on the progress of the My Home Purchase Plan (MHPP). The Deputy Secretary for Transport and Housing (Housing) (DSTH(H)) gave a power-point presentation on MHPP, highlighting the enhancements measures to MHPP set out in the 2011-2012 Policy Address.

(Post-meeting note: A set of the power-point presentation materials on the subject was circulated to members vide LC Paper No. CB(1) 862/11-12(01) on 13 January 2012.)

6. While welcoming the enhancement measures to MHPP, Mr CHAN Kam-lam expressed disappointment at the limited information on the progress of MHPP in the Administration's paper. Apart from the Tsing Yi project which was expected to be completed in 2014 with application for pre-letting in 2012, no further information was provided on the other MHPP projects. DSTH(H) said that the Administration had earmarked sites at Tsing Yi, Diamond Hill, Sha Tin, Tai Po, Tuen Mun and other areas to provide some 5 000 MHPP flats. As the preparatory work, including change of land use and land grant procedure, for the other MHPP projects was still underway, the Administration would announce the details of individual projects when the preparatory work was completed.

7. Mr CHAN Kam-lam opined that there should be better coordination among relevant government departments to expedite the processing of applications for change of land use and land grant for MHPP projects to avoid delay in the delivery of MHPP flats. His concerns were shared by the Chairman, Mr WONG Sing-chi, and Mr IP Kwok-him. Mr WONG also questioned the effectiveness of MHPP in meeting public aspiration for home ownership given the limited supply of 5 000 MHPP flats. PSTH(H) said that the relevant bureaux and departments were already working closely on issues such as rezoning of sites and stabilization of slopes etc. In this connection, he

currently chaired the Committee on Housing Development. This Committee, which comprised representatives from relevant bureaux/departments (including the Development Bureau, the Planning Department and the Lands Department etc), would consider and address major inter-departmental or cross bureaux issues that would affect timely supply of suitable public housing land. Issues which could not be resolved by the aforesaid committee could be discussed at the Steering Committee on Housing Land Supply chaired by the Financial Secretary.

"Buy-or-rent" option

8. Mr Fred LI noted that MHPP was premised on the concept of "rent-and-buy" to enable households which had home purchase plan and the ability to pay mortgages in the long run, but could not immediately afford the down payment to rent a MHPP flat first, and save for the down payment during the five-year tenancy period. However, the inclusion of an additional "buy-or-rent" option to allow eligible participants to buy MHPP flats at a "ceiling price" at the outset without going through a rental period appeared to have deviated from the original objective of MHPP. As there were no resale restrictions on MHPP flats, owners could theoretically sell their MHPP flats immediately after purchase, thereby encouraging speculation. Given that participants who were able to buy MHPP flats under the "buy-or-rent" option at the outset might have the financial ability to purchase flats in the private sector, they should not be eligible for MHPP. Expressing similar concerns, Mr WONG Kwok-kin cautioned that the Administration would be seen to compete with private developers if MHPP flats were sold at the outset and could be re-sold in the open market without any resale restrictions. He questioned the rationale for introducing the "buy-or-rent" option under MHPP. Given that MHPP was targeted at the sandwich class with monthly earning slightly higher than the income limit of Home Ownership Scheme (HOS), consideration should be given to transferring MHPP to HOS.

9. DSTH(H) responded that the flats to be provided under MHPP were "no-frills" small and medium sized flats which were short in supply in the private property market. The enhancement measures aimed to make MHPP more flexible to eligible participants, and were introduced in response to the views of Members and the public. For example, the greater flexibility under the "buy-or-rent" option could cater for different needs and financial situation of different clienteles. Besides, those who bought MHPP flats at the outset without going through a rental period would not be entitled to purchase subsidy. PSTH(H) added that there had been lots of interest for MHPP flats and he appealed for Members' support for the Administration to launch MHPP so as to help eligible households to achieve home ownership.

10. Mr CHAN Kam-lam said that MHPP was introduced because developers recently tended to provide luxurious flats regardless of their sizes which were beyond the affordability of the general public. The enhancement measures, which had the support of Members belonging to the Democratic Alliance for the Betterment and Progress of Hong Kong, were introduced to allow greater flexibility for MHPP participants. While tenants could choose to purchase MHPP flats after a tenancy period under the "buy-and-rent" option, and receive a purchase subsidy equivalent to half of the net rental they had paid during the tenancy period, those who chose to buy MHPP flats at the outset under the "buy-or-rent" option would benefit even more as they did not have to pay rent thereafter. He also believed that few owners would sell their MHPP flats for speculation.

Ceiling price

11. Mr IP Kwok-him noted that when the prevailing market price of a MHPP flat was higher than the "ceiling price", a participant choosing the "rent-and-buy" option would be guaranteed to purchase the flat at the "ceiling price". However, when the prevailing market price was lower than the "ceiling price", they could buy the flat at the prevailing market price. As the Hong Kong Housing Society (HS) would need to pay land premium for MHPP sites, he was concerned about the possible deficit incurred by HS if the prevailing market price was lower than the "ceiling price". To recover the deficit, HS might have no choice but to increase rent, which in turn would affect existing tenants of HS. He enquired about the party which should be responsible for the deficit. DSTH(H) said that the financial implications arising from the "ceiling price" of MHPP flats would be reflected in the land premium. PSTH(H) said that the Administration did not want HS to incur losses from undertaking MHPP. The Administration would continue to facilitate HS in its discussion on the issue of land premium. To facilitate better understanding, the Administration was requested to provide information explaining the mechanism to deal with possible deficit arising from the sale of MHPP flats if the prevailing market price was lower than the "ceiling price".

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12. Noting that MHPP flats would be leased to eligible participants at prevailing market rent, Mr LEUNG Yiu-chung was concerned that as the rent was beyond the affordability of those with monthly household income slightly exceeded the income limits for public rental housing, many of these households were living in subdivided flats. He considered that MHPP rents should be set at a level lower than the market value. Professor Patrick LAU also enquired about the amount of rent which MHPP tenants were expected to pay. DSTH(H) said that MHPP aimed to provide an additional choice of home ownership for eligible households. It would facilitate tenants to save for the down payment as the rents set at market level would not be adjusted throughout the maximum

five-year tenancy period. Within a specified time frame, MHPP tenants might purchase the flat they rented, or another flat under MHPP, or a flat in the private market. They would receive a purchase subsidy equivalent to half of the net rental they had paid during the tenancy period for use as part of the down payment. The lowering of rents would affect the value of the purchase subsidy.

Resale of MHPP flats

13. Professor Patrick LAU enquired if flats sold under MHPP would be subject to resale restrictions. DSTH(H) said that the initial thinking was there were no resale restrictions on MHPP flats as these flats were to be sold at prevailing market prices. Following the introduction of the enhancement measures, the Administration would need to further discuss with HS on the implementation details of MHPP. Professor LAU considered it inappropriate for not imposing resale restrictions on MHPP flats which were a kind of subsidized housing. DSTH(H) said that members' views would be taken into consideration during the discussion with HS.

14. With the provision of a "buy-or-rent" option and a "ceiling price" under MHPP and in the absence of resale restrictions, Mr WONG Kwok-hing expressed concern that owners could sell their MHPP flats for a profit in a booming property market. This would run contrary to the original objective of MHPP to assist home ownership. He enquired about the means to prevent speculation of MHPP flats. Mr LEUNG Yiu-chung was also concerned about possible exploitation of public resources for speculation as in the case of Tenants Purchase Scheme (TPS). He pointed out that tenants who bought TPS flats at a very low price were able to profiteer upon resale of their flats in the private market. He considered that owners of subsidized housing flats should be required to re-sell their flats to the relevant housing authorities under a buy-back arrangement. In this way, the flats could be re-allocated to eligible households.

15. DSTH(H) responded that when the concept of MHPP was first introduced, flats were to be sold at prevailing market price. With the inclusion of a "buy-or-rent" option and a "ceiling price" under MHPP, the Administration would discuss with HS implementation details, including whether there should be resale restrictions for MHPP flats. Mr WONG Kwok-hing asked if consideration could be given to requiring owners to re-sell their MHPP flats to HS through a buy-back arrangement to prevent speculation. PSTH(H) said that resale of MHPP flats should have no material impact on the property market given the limited supply of about 5 000 MHPP flats. The Administration would continue to liaise with HS on the details of MHPP flats.

Admin At members' request, the Administration would report to the Panel on the

outcome of discussion with HS on the details of MHPP flats, including resale arrangement.

16. While not opposing to the enhancement measures to MHPP to provide for greater flexibility, the Chairman was concerned about the possibility for speculation if owners were allowed to make quick profits from resale of their MHPP flats under a booming property market. Consideration could be given to stipulating a specified period within which owners had to re-sell their MHPP flats to eligible households who had previously applied for but were not able to purchase MHPP flats. He also enquired if the special stamp duty applicable to the resale of properties within 24 months would apply to the resale of MHPP flats.

MHPP versus new HOS

17. Mr WONG Sing-chi pointed out that the success of MHPP would hinge on the selling price and quality of MHPP flats as well as the market trend. With the introduction of the new HOS, which was more welcomed by the community, to compete with MHPP, there might be a need for a contingency plan in the event that MHPP was not well received, such as converting MHPP flats into new HOS flats. Given the similar nature of the "buy-or-rent" option under MHPP and HOS, Mr LEUNG Yiu-chung said that there might not be a need for MHPP. With the resumption of new HOS, the sites for MHPP could be used for new HOS. PSTH(H) said that MHPP and HOS were two separate schemes to cater for the needs of different target clienteles. Separate sites had also been earmarked for both MHPP and HOS. It was worth noting that the option for participants to rent a flat before purchase under MHPP was more flexible than HOS. It was premature to conclude whether MHPP would be well received at this juncture when application for pre-letting of the Tsing Yi project had yet to commence. The Administration would keep in view the response to the pre-letting exercise.

18. Mr WONG Kwok-hing enquired about the selling prices of the new HOS flats and how these compared with that of MHPP flats. DSTH(H) said that the initial market selling price would serve as the "ceiling price" of the MHPP flats, while the mortgage repayment ability of eligible households would be the basis for setting the selling prices of the new HOS flats.

Presale/pre-letting of Tsing Yi project

19. Noting that applications for pre-letting of the Tsing Yi project would commence later this year, Mr Fred LI held the view that the Administration should be able to provide more information on the levels of rent and "ceiling price" of the MHPP flats for reference of prospective participants. He also

enquired if more MHPP flats would be provided if these were well received. DSTH(H) said that HS intended to start the pre-letting application period for the Tsing Yi project in the fourth quarter of 2012. Meanwhile, the Administration was discussing with HS on the implementation details taking into account the enhancement measures. She assured members that the implementation details would be announced before pre-letting.

20. In concluding, the Chairman said that the Panel would further discuss the progress of MHPP some time in June/July 2012 before the pre-letting of the Tsing Yi project. The Administration should make available the information requested by members before the meeting.

V. Development of Choi Hei Road Park – a community park converted from an abandoned quarry

(LC Paper No. CB(1) 699/11-12(05) — Administration's paper on development of Choi Hei Road Park – a community park converted from an abandoned quarry)

21. PSTH(H) briefed members on the development of the Choi Hei Road Park (the Park) adjoining Choi Fook Estate and Choi Tak Estate as a part of the comprehensive development of Choi Wan Road public housing development in the Jordan Valley area. The Deputy Director of Housing (Construction & Development) (DDH(C&D)) gave a power-point presentation on the subject. To facilitate better understanding, the Chairman requested the Administration to show in the location plan (Annexes 1 and 2 to the Administration's paper) the names of different public rental housing estates near the Park.

(Post-meeting note: A set of the power-point presentation materials on the subject was circulated to members vide LC Paper No. CB(1) 862/11-12(02) on 13 January 2012.)

22. Mr CHAN Kam-lam commended the Housing Department (HD) for its efforts in developing the Park, given the positive feedback from the community since the opening of the Park in January 2011. Residents of the estates concerned were able to enjoy the facilities of the Park which made the investments in developing the Park and its themed garden and recreational facilities worthwhile. He hoped that HD would continue its efforts in maintaining the Park. PSTH(H) said that HD would maintain close liaison with the Leisure and Cultural Services Department (LCSD) to meet the long-term management needs.

23. The Chairman expressed appreciation for the expeditious completion of the Park before intake of the new PRH estates. Noting that the design theme of "Geopark" included the display of indigenous granite species and information boards along the walking trail, he enquired if guided tours were available to facilitate visitors in appreciating the beauty of the granitic rocks, and enriching their understanding about geo-conservation and geology. PSTH(H) thanked members for their comments, adding that the Park would form the blue print for development of other quarry sites, including the Andersen Quarry. The Administration would take into account the views from members and residents, including the provision of guided tours, in enhancing the Park. DDH(C&D) added that assistance from geologist associations had been sought in providing and displaying the indigenous granite specimens and information boards along the walking trail. Consideration would be made to arranging guided tours in collaboration with these associations.

24. While appreciating the design and theme of the Park, Mr WONG Sing-chi enquired if sufficient exercising equipment and shades were provided, particularly for the elderly. There should also be adequate deployment of staff to render assistance to the elderly if needed. DDH(C&D) said that the Park would be managed by LCSD and sufficient management personnel were deployed on site. The meandering leisure walking trail was designed with sitting-out facilities with shades for the comfort of visitors. Meanwhile, mass tree and shrub planting was provided along the periphery of the Park to offer shade and amenity for visitors.

VI. Energy saving measures in existing public rental housing estates

(LC Paper No. CB(1) 699/11-12(06) — Administration's paper on energy saving measures in existing public rental housing estates

LC Paper No. CB(1) 699/11-12(07) — Paper on environment-friendly designs and green measures implemented in public rental housing estates prepared by the Legislative Council Secretariat (updated background brief)

25. PSTH(H) briefed members on the existing energy saving measures and new energy saving measures to be implemented in coming years for the domestic blocks in existing PRH estates. The Assistant Director of Housing (Estate Management)2 (ADH(EM)2) gave a power-point presentation on the

subject.

(Post-meeting note: A set of the power-point presentation materials on the subject was circulated to members vide LC Paper No. CB(1) 862/11-12(03) on 13 January 2012.)

26. Referring to the Green Group's Survey on annual energy consumption of communal areas per flat which revealed that PRH estates had the lowest energy consumption when compared to other private residential developments, Mr CHAN Kam-lam considered a direct comparison between PRH estates and private residential developments not appropriate as PRH estates did not have as much external/decorative lighting as most private residential developments. However, he was impressed with the 14% reduction in annual energy consumption of communal areas per rental flat over the past 10 years. He enquired about the plan for implementation of new energy saving measures, and the capital, operating as well as recurrent costs to be incurred over the next few years. ADH(EM)2 said that energy saving initiatives, including retrofitting of light fitting, compliance with the new Building Energy Efficiency Ordinance (Cap. 610) (BEEO), trial of light emitting diode (LED) light fitting and continuation with the lift modernization programme, would be implemented to further enhance the energy performance of PRH blocks. These measures would be implemented in all PRH estates by stages and in an orderly manner. It was expected the retrofitting of light fitting with electronic ballast would cost about \$270 million, and the electricity savings to be achieved would be around \$30 million to \$40 million per year.

27. Mr WONG Kwok-hing said that there might not be a need for the information panels at the lift lobbies of PRH blocks to run on a 24 hour basis. To save energy, consideration could be given to turning the panels off during the small hours. The Deputy Director of Housing (Estate Management) (DDH(EM)) said that there was also feedback from tenants that the information panels need not to be turned on for 24 hours a day, unless in the case of inclement weather conditions when frequent updating was required. He agreed to consult the Estate Management Advisory Committees on the need to turn off the information panels during the small hours.

Compliance with the new BEEO

28. Apart from strictly following the new BEEO in all new construction and retrofit projects, Miss Tanya CHAN asked if there was a target rating to be achieved by new PRH blocks under the BEAM Plus certification on environmental performance of new and existing buildings in Hong Kong. ADH(EM)2 said that all new PRH blocks were required by the Buildings Department to obtain green certification. However, some new PRH blocks

were targetted to obtain gold rating under BEAM Plus, and the Upper Ngau Tau Kok Estate was even awarded with platinum rating under the BEAM scheme and the highest 3-star rating in the China Green Building Label. While efforts would be made to achieve a higher rating for environmental performance of PRH blocks, there were cost consideration and a balance would need to be struck.

LED light fitting

29. Miss Tanya CHAN supported rearranging lighting circuits to fully utilize daylight and optimize the operation period of artificial lighting. She enquired about the target saving in energy consumption of PRH blocks to be achieved over the next five or 10 years. ADH(EM)2 said that the implementation of LED light fitting, which could achieve 20% to 30% energy savings, would be the way forward. It was expected that the cost of LED light fitting would reduce when the LED lighting technology matured and the technical performance/reliability had been confirmed. Trials on the use of several types of LED were being conducted in three PRH estates and their performance, particularly with regard to lighting stability, would be closely monitored. Upon completion of the trials, a decision would be made on the type of LED light fitting to be applied to an entire PRH block in Kai Tak with a view to assessing its performance on a wider scale.

30. The Chairman said that the energy saving measures, including LED light fitting, should be applied to all PRH estates in Hong Kong as far as possible to achieve substantial energy savings. Although there would be cost implications in adopting these energy saving measures, he supported that the Hong Kong Housing Authority (HA), being the largest property owner in Hong Kong, should take a leading and exemplary role in reducing energy consumption. PSTH(H) agreed that HA had social responsibilities in saving energy. Therefore, it had to be very cautious in choosing the right energy-efficient products since any wrongful decision would have high cost implications on the community given the wide scale of implementation. A prudent approach would need to be adopted in trying out new technologies. For example, HA had maintained close liaison with the Hong Kong Productivity Council when testing out LED light fitting as the latter had experience in testing LED products.

31. Noting that solar-powered lighting was not a new technology and had been commonly used in many parts of China, Mr WONG Kwok-hing enquired if this could be used on a wider scale in the open areas of PRH estates and if so, the time-table for implementation. DDH(EM) said that photovoltaic panels had been installed in a number of new PRH estates. A review of the solar-powered lighting system would be made to ascertain the feasibility of

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installing the system on a larger scale in the open areas of PRH estates before decisions could be made for wider application. PSTH(H) supplemented that it was the Administration's intention to develop renewable energy but the use of solar energy was still emerging and should be evaluated cautiously. While trials had been carried out to connect photovoltaic systems to the main grid, there might not be sufficient sunlight to generate electricity. Notwithstanding, priority for trial on the use of solar energy would be given to new PRH blocks which had the structural integrity built in from the start. In addition to testing out the use of renewable energy, efforts would be made to introduce green features, such as green roofs and vertical greening. To facilitate better understanding, the Administration was requested to provide information on the trial/use of renewable energy in PRH estates.

Continue the lift modernization programme

32. Mr WONG Kwok-hing enquired about the completion date for the lift modernization programme to replace lifts aged over 25 years. DDH(EM) said that since 1989, a rolling programme had been implemented to replace lifts aged over 25 years to ensure lift safety. Up till now, about 580 lifts had been replaced. Some 380 lifts in 23 PRH estates were currently undergoing modernization and these were expected to be replaced by 2016. As the programme rolled forward, there would be additional lifts due for replacement as they reached the age of 25 years. It was estimated that by 2017, about 670 lifts in 31 PRH estates would be due for replacement.

VII. Rehousing arrangements for residents affected by the fire at Fa Yuen Street

(LC Paper No. CB(1) 752/11-12(01) — Administration's paper on arrangements for victims of fire in Fa Yuen Street)

33. The Chairman said that the item was included at the request of Mr James TO.

34. At the Chairman's invitation, PSTH(H) briefed members on the rehousing arrangements for victims of the fire at Fa Yuen Street. He stressed that HD had exercised flexibility under the existing policy and arranged temporary accommodation in Shek Lei for the affected fire victims to tide them over this difficult period. While it was a normal practice for these victims to stay in the temporary accommodation for not more than three months, HD (in collaboration with the Social Welfare department (SWD)) would provide appropriate assistance as far as possible for individual households which had special difficulties, taking into account their actual circumstances. HD would

endeavour to strike a balance between the interest of the general community and the special needs of affected households in the rehousing arrangements. The Assistant Director of Social Welfare (Family and Child Welfare) (ADSW(FCW)) said that affected families with genuine, urgent and long-term housing needs and could not solve the housing problem by themselves could apply for compassionate rehousing. Of the 70 affected households, SWD had recommended 16 cases for compassionate rehousing and had completed preliminary assessment of the remaining 54 cases.

35. Mr James TO said that the fire victims had no intention to jump the queue on the Waiting List (WL) for PRH. As they had lost their homes in the fire at Fa Yuen Street, they would have no choice but to seek special consideration for rehousing. Given that some victims were psychologically reluctant to move back to their premises at Fa Yuen Street due to the loss of family members or neighbors in the fire, he hoped that these households could be accorded special consideration for compassionate rehousing by SWD. His views were shared by the Chairman. Expressing sympathy for the victims of the fire at Fa Yuen Street, Mr CHAN Kam-lam agreed that HD and SWD should exercise greater flexibility in addressing their housing needs on compassionate grounds. ADSW(FCW) said that special consideration would be given to the victims having regard to their predicament.

36. Mr Vincent FANG opined that the fire at Fa Yuen Street was a tragedy and there was no question of jumping of WL queue by the victims. Noting that the fire victims could only stay in the temporary accommodation for a period of not more than three months, he hoped that the Administration would exercise greater flexibility in rehousing the affected households on humanitarian grounds, particularly those who were not eligible for PRH. As special circumstances warranted special consideration, he held the view that HD should consider relaxing the eligibility criteria for PRH and using PRH flats which had been left vacant for years to rehouse the affected households. The provision of special rehousing arrangements for the victims should not have a significant impact on WL as there were only 70 households affected by the fire at Fa Yuen Street.

37. In response, PSTH(H) recognized the predicament faced by the affected households and assured members that every Government department would endeavour to assist the fire victims, including HD which was working closely with SWD in rehousing the affected households on compassionate ground. The Assistant Director of Housing (Housing Subsidies) (ADH(HS)) added that of the 70 affected households, 21 had already registered on WL before moving to the temporary accommodation and their PRH applications would be processed in accordance with the established procedures. In addition, HD had received 16 compassionate rehousing cases referred by SWD. Of these

16 affected households, five had been offered PRH units within five to nine working days after verification of records. One of them had accepted the offer while the other four were still considering. Continued efforts would be made to identify suitable units for the remaining affected households which were eligible for compassionate rehousing.

38. The Chairman enquired if there was any overlapping between the 21 affected households which had already registered on WL and the 16 compassionate cases. He also questioned the long lead time taken by HD and SWD to process applications for rehousing/compassionate rehousing which should only involve checking of length of residence, income and asset as well as psychological impact. He recalled that when the Chief Executive visited the victims on the day after the fire, he had pledged that every effort would be made to assist the victims. However, more than a month had passed but most of the affected households were still not properly rehoused. The fire victims were concerned that they would be left unattended after a period of time when the media interest had died down. ADH(HS) said that six of the 16 compassionate rehousing cases had registered on WL. ADSW(FCW) added that apart from the 16 cases with recommendations made to HD, SWD had completed preliminary assessment of the remaining 54 affected households, including some 30 with support documents to be provided by the households. She assured members that efforts would be made to assist the affected households.

39. Mr Abraham SHEK enquired whether it was still the Administration's policy that no one would be rendered homeless. If so, every effort should be made to rehouse the fire victims. Noting that there should be a certain number of vacant PRH units, he enquired about the number of such units in Yuen Long/Tin Shui Wai or other areas. PSTH(H) said that there were vacant flats in various districts at any one time. These units were either newly completed or recovered flats. The Administration would also provide accommodation to deal with emergency situations, such as disasters and clearances. If someone was genuinely in need, compassionate rehousing would be arranged subject to recommendation by SWD taking into account merits of individual cases. He pointed out that not all fire victims were eligible for compassionate rehousing, as some of them had household income which exceeded the income limits for PRH. There was also a need to ensure fairness for the 165 000 WL applicants. To facilitate better understanding, the Administration was requested to provide information on accommodation available to deal with emergency situations.

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40. While acknowledging the need for the Administration to adhere to established policies/procedures without setting too many precedent cases, Mrs Sophie LEUNG stressed that every effort should be made to assist the fire victims. Consideration could be given to allowing the affected households to

stay at vacant PRH flats for a temporary period of say six months to tide over the difficult period. This would be particularly helpful in relieving the psychological impact of fire victims.

Admin 41. In concluding, the Chairman said that members generally considered it necessary for the Administration to expedite the rehousing arrangements for the affected households, and that greater flexibility should be accorded in granting compassionate rehousing. He requested the Administration to provide a progress report on the rehousing arrangements for households affected by the fire at Fa Yuen Street after the Chinese New Year.

VIII. Any other business

42. There being no other business, the meeting ended at 12:25 pm.